The Rise of Tech Nationalism: Geopolitics in the Digital Age

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Tech nationalism refers to the use of national policy instruments, such as government procurement, research and development funding, regulation, and standards-setting, to promote and preserve home technology industry. A race between the US and China to advance ideological ideals through the changing of institutions and norms has been sparked by the growth of techno-nationalist methods. Governments are pursuing strategic partnerships and alliances to accomplish their political, ethical, and strategic goals. This will either result in the development of new institutions and regulatory frameworks or have a severe impact on the institutions that oversee international commerce.

Concerns over national security and economic competitiveness have fostered this trend as nations attempt to defend their IT sectors from threats and international rivals. For instance, citing worries about intellectual property theft and potential hazards to national security, the US government has taken efforts to restrict Chinese investment in US IT businesses. Similarly, China has implemented a range of policies to promote its domestic tech industry and limit foreign competition, including requiring foreign companies to partner with Chinese firms to access the Chinese market.

The recent pushback against globalization has fuelled a larger movement towards economic nationalism, which includes these nationalistic measures. The World Economic Forum said that "governments are increasingly adopting measures aimed at preserving or enhancing their domestic economic sovereignty, including trade protectionism, investment restrictions, and tighter regulation of foreign companies."

Tech nationalism has important effects on the dynamics of world power. Countries are separating into tech blocs with differing standards and laws as they fight for control of their domestic tech industry. Especially between the US and China, who are vying for supremacy in the digital sector, which has already increased the already unstable US-China relationship, sweeping embargoes by the Biden administration might lead to newer tensions and conflicts.

Additionally, especially in the digital arena, tech nationalism is undermining established international relations conventions. Countries are developing new laws and regulations that aren't necessarily consistent with pre-existing international frameworks as they attempt to impose more control over data flows and the operations of internet corporations. In the global system, this can lead to new disputes and frictions and increasing the privacy/data breach risks of individuals and governments alike.

Implications for Global Power Dynamics

The rise of tech nationalism is transforming global power dynamics in several ways. First, it is creating new fault lines in international relations. Countries are increasingly dividing into tech blocs, with the US and China representing two opposing poles. This has the potential to create new tensions and conflicts, as countries compete for dominance in the digital sphere.

Second, digital nationalism is escalating geopolitical tensions already present. For instance, tech nationalism has played a significant role in the US-China trade war, which started in 2018. China has accused the US of seeking to suppress its IT industry, while the US has accused China of stealing intellectual property and participating in unfair trade practices. This resulted in many taxes and trade limitations that significantly impacted international trade. Senator Schumer's bipartisan U.S. Innovation and Competition Act (USICA) does exactly this, acknowledging formalizing the US distrust for Beijing with numbers from 2018 suggesting Chinese theft of American intellectual property costs U.S. firms between $225 billion and $600 billion every year.

Third, the established rules of international affairs are being questioned by tech nationalism. The global tech sector has long been seen of as a generally unrestricted, borderless sector with minimal government intervention. The emergence of digital nationalism, however, is altering this dynamic as governments attempt to assert more control over the movement of data and the operations of internet firms. New tensions and frictions in the global system might result from this. Additionally, this stands to further the North-South divide as we see it.

Potential Consequences for International Relations

The rise of tech nationalism has the potential to have significant consequences for international relations. One possible outcome is the fragmentation of the global tech industry into regional blocs, with different countries developing their tech ecosystems and standards. This could lead to a more fragmented and less efficient global economy, as companies face different regulations and standards in different parts of the world.
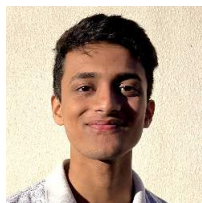
A new competition between the US and China in the vein of the Cold War might also result. The two nations are already involved in a technological arms race, with each side making significant investments in technologies like artificial intelligence and 5G networks. If this pattern persists, a new age of great power struggle might emerge, having a profound impact on the stability and security of the whole world.

Finally, the rise of tech nationalism could lead to a more authoritarian model of governance in the digital sphere. Many countries are already using tech to monitor their citizens and control the flow of information. If tech nationalism continues to grow, this trend could become even more pronounced, with governments using technology as a tool of repression and control. Policies are our only way to counter such concerns and create a more global and inclusive environment so as to not further entrench countries in the digital North South by building holistic future ready resilience.

The global tech sector is changing due to the emergence of tech nationalism, which also has important effects on international relations. It is causing new geopolitical rifts in the world system, escalating old ones, and undermining established rules of government. Although the effects of this trend are not yet evident, they may include the fragmentation of the global IT sector, a new period of great power struggle, and a more authoritarian style of digital government. As a result, decision-makers must take into account the effects of tech nationalism and endeavour to create a more cooperative and collaborative approach to the global tech economy.

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The views and opinions expressed in this article are those of the author.

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