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# T economic contacts

**Economic engagement requires increasing economic contacts – the AFF is explicitly diplomatic engagement which isn’t topical**

**Resnik, 1** – Assistant Professor of Political Science at Yeshiva University (Evan, Journal of International Affairs, “Defining Engagement” v54, n2, political science complete)

A REFINED DEFINITION OF ENGAGEMENT

In order to establish a more effective framework for dealing with unsavory regimes, I propose that we define engagement as the attempt to influence the political behavior of a target state through the comprehensive establishment and enhancement of contacts with that state across multiple issue-areas (i.e. diplomatic, military, economic, cultural). The following is a brief list of the specific forms that such contacts might include:

DIPLOMATIC CONTACTS

Extension of diplomatic recognition; normalization of diplomatic relations

Promotion of target-state membership in international institutions and regimes

Summit meetings and other visits by the head of state and other senior government officials of sender state to target state and vice-versa

MILITARY CONTACTS

Visits of senior military officials of the sender state to the target state and vice-versa

Arms transfers

Military aid and cooperation

Military exchange and training programs

Confidence and security-building measures

Intelligence sharing

ECONOMIC CONTACTS

Trade agreements and promotion

Foreign economic and humanitarian aid in the form of loans and/or grants

CULTURAL CONTACTS

Cultural treaties

Inauguration of travel and tourism links

Sport, artistic and academic exchanges(n25)

Engagement is an iterated process in which the sender and target state develop a relationship of increasing interdependence, culminating in the endpoint of "normalized relations" characterized by a high level of interactions across multiple domains. Engagement is a quintessential exchange relationship: the target state wants the prestige and material resources that would accrue to it from increased contacts with the sender state, while the sender state seeks to modify the domestic and/or foreign policy behavior of the target state. This deductive logic could adopt a number of different forms or strategies when deployed in practice.(n26) For instance, individual contacts can be established by the sender state at either a low or a high level of conditionality.(n27) Additionally, the sender state can achieve its objectives using engagement through any one of the following causal processes: by directly modifying the behavior of the target regime; by manipulating or reinforcing the target states' domestic balance of political power between competing factions that advocate divergent policies; or by shifting preferences at the grassroots level in the hope that this will precipitate political change from below within the target state.

This definition implies that three necessary conditions must hold for engagement to constitute an effective foreign policy instrument. First, the overall magnitude of contacts between the sender and target states must initially be low. If two states are already bound by dense contacts in multiple domains (i.e., are already in a highly interdependent relationship), engagement loses its impact as an effective policy tool. Hence, one could not reasonably invoke the possibility of the US engaging Canada or Japan in order to effect a change in either country's political behavior. Second, the material or prestige needs of the target state must be significant, as engagement derives its power from the promise that it can fulfill those needs. The greater the needs of the target state, the more amenable to engagement it is likely to be. For example, North Korea's receptivity to engagement by the US dramatically increased in the wake of the demise of its chief patron, the Soviet Union, and the near-total collapse of its national economy.(n28)

Third, the target state must perceive the engager and the international order it represents as a potential source of the material or prestige resources it desires. This means that autarkic, revolutionary and unlimited regimes which eschew the norms and institutions of the prevailing order, such as Stalin's Soviet Union or Hitler's Germany, will not be seduced by the potential benefits of engagement.

This reformulated conceptualization avoids the pitfalls of prevailing scholarly conceptions of engagement. It considers the policy as a set of means rather than ends, does not delimit the types of states that can either engage or be engaged, explicitly encompasses contacts in multiple issue-areas, allows for the existence of multiple objectives in any given instance of engagement and, as will be shown below, permits the elucidation of multiple types of positive sanctions.

**Voting issue –**

**1. limits** – they explode the topic – blurring the lines between economic and other forms of engagement makes any positive interaction with another country topical. It’s impossible to predict or prepare

**2. negative ground** – the economic limit is vital to critiques of economics, trade disads, and non-economic counterplans

# Politics

**Immigration will pass – current GOP defections are creating political opportunity to pressure the leadership – picking off more moderate GOP means House leaders will cave and get a conference committee vote**

**Sargent, 10/30/13** (Greg, The Plum Line blog, Washington Post, “Immigration reform is definitely undead” <http://www.washingtonpost.com/blogs/plum-line/wp/2013/10/30/immigration-reform-is-definitely-undead/>)

We now have three House Republicans who have signed on to the House Dem comprehensive immigration reform bill, putting immigration reform officially back in the “undead” category.¶ GOP Rep. David Valadao of California is officially on board with the bipartisan proposal, according to a statement from the Congressman sent my way:¶ “I have been working with my colleagues on both sides of the aisle to find common ground on the issue of immigration reform. Recently, I have focused my efforts on joining with likeminded Republicans in organizing and demonstrating to Republican Leadership broad support within the Party to address immigration reform in the House by the end of the year.¶ “By supporting H.R. 15 I am strengthening my message: Addressing immigration reform in the House cannot wait. I am serious about making real progress and will remain committed to doing whatever it takes to repair our broken immigration system.”¶ Valadao’s move is not wholly unexpected, given that he inhabits a moderate district with a lot of Latinos. But his insistence that addressing immigration reform “cannot wait” is helpful. It seems like an implicit message to the GOP leadership: We must act this year, and on this bill, if necessary.¶ This comes after GOP Reps. leana Ros-Lehtinen and Jeff Denham Jeff Denham did the same. Denham has said he expects “more” Republicans to ultimately sign on, and has also said that the House GOP leadership told him there will be a vote on something immigration-related by the end of the year.¶ It’s unclear whether there will actually be a House vote on anything involving immigration before the year runs out, and it seems very unlikely that there will be a vote on the House Dem measure, which is essentially the Senate comprehensive immigration reform bill, without the Corker-Hoeven border security amendment that House Dems dislike, and instead with another border security amendment House Dems like swapped in.¶ However, the movement among Republicans towards the Dem bill — even if it is only a trickle for now — is interesting, as a reminder that immigration reform can happen if House GOP leaders actually want it to.¶ To be sure, immigration reform faces a huge obstacle: The stark underlying structural realities of the House Republican caucus. Far too few Republican members have large enough Latino populations to impact the outcome in 2014. With primaries coming, there just may be no incentive for Republicans to act until after the 2014 elections.¶ But there are other factors to consider. In some key respects, immigration reform poses its own unique set of political challenges and conditions — it is not quite as polarizing an issue as, say, Obamacare or even the question of whether to agree to new revenues as part of a budget deal. Major GOP aligned constituencies — the U.S. Chamber of Commerce, evangelicals, high tech and agricultural interests in the districts of House Republicans – want immigration reform. What’s more, there is a built-in incentive for Republicans to put this issue behind them, given the slow forward march of demographic realities.¶ Also, as longtime immigration operative Simon Rosenberg explains, Congressional Republicans have a long history of working on this issue. And some polls show that even sizable chunks of Republican voters want comprehensive reform, particularly if it is packaged with border security. Republican pollster Whit Ayres’ research, in particular, has shown that even GOP primary voters want action when informed that the other option is the status quo or “de facto amnesty,” as some pro-reform Republicans put it.¶ Indeed, if there is anything that can make something happen, it’s the possibility that inaction is far more difficult politically for Republicans than many of them (and many commentators) claim. The immigration problem — “de facto amnesty” is not going away. If more Republicans like these three urge action inside the GOP caucus, it’s not impossible that House GOP leaders will allow votes on border security, the Kids Act, or potentially the legalization proposal that Republicans are said to be working on. That could possibly get us to conference.

**It will be a fight and it requires all of Obama’s capital to pass it**

**Orlando Sentinel, 11/1/13** (editorial, “It’ll take both parties to clear immigration logjam” database: LibraryPressDisplay (at the University of Michigan)

For those who thought the end of the government shutdown would provide a break from the partisan bickering in Washington, think again. The battle over comprehensive immigration reform could be every bit as contentious.¶ Polls show the popular momentum is there for comprehensive reform, which would include a path to citizenship for many of the nation's 11 million undocumented immigrants. But it'll take plenty of political capital from President Obama and leaders in both parties on Capitol Hill to make it happen.¶ Immigration-reform activists, who have been pushing for reform for years, are understandably impatient. This week police arrested 15 who blocked traffic at a demonstration in Orlando.¶ There are plenty of selling points for comprehensive immigration reform. An opportunity for millions of immigrants to get on due right side of the law. Stronger border security. The chance for law enforcement to focus limited resources on real threats to public safety instead of nannies and fruit pickers. A more reliable work force to meet the needs of key industries. Reforms to let top talent from around the world stay here after studying in U.S. universities.¶ The Senate passed its version of comprehensive immigration in June. It includes all of the benefits above. Its path to citizenship requires undocumented immigrants to pay lines, learn English, ass a criminal background check and wait more than a decade.¶ So far, House Republicans have balked, taking a piecemeal rather than comprehensive approach. Many members fear being challenged from the light for supporting "amnesty”.¶ Yet polls show the public supports comprehensive reform. In June, a Gallup poll found 87 percent of Americans - including 86 percent of Republicans - support a pathway to citizenship like the one outlined in the Senate bill.¶ Florida Republican Sen. Marco Rubio took flak from tea-party supporters for spear- heading the comprehensive bill. Now, apparently aiming to mend fences, he says immigration should be handled piecemeal He's politically savvy enough to know that's a dead end.¶ But comprehensive reform won't have a chance without President Obama making full use of his bully pulpit to promote it, emphasizing in particular all that undocumented immigrants would need to do to earn citizenship. House Democratic leaders will have to underscore the president’s message.

**New economic engagement drains capital and specifically derails immigration by shifting the focus from security to economics**

Shear, 13 (Michael, NYT White house correspondent, 5/5, <http://www.nytimes.com/2013/05/05/world/americas/in-latin-america-us-shifts-focus-from-drug-war-to-economy.html?pagewanted=all>)

Last week, Mr. Obama returned to capitals in Latin America with a vastly different message. Relationships with countries racked by drug violence and organized crime should focus more on economic development and less on the endless battles against drug traffickers and organized crime capos that have left few clear victors. The countries, Mexico in particular, need to set their own course on security, with the United States playing more of a backing role. That approach runs the risk of being seen as kowtowing to governments more concerned about their public image than the underlying problems tarnishing it. Mexico, which is eager to play up its economic growth, has mounted an aggressive effort to play down its crime problems, going as far as to encourage the news media to avoid certain slang words in reports. “The problem will not just go away,” said Michael Shifter, president of the Inter-American Dialogue. “It needs to be tackled head-on, with a comprehensive strategy that includes but goes beyond stimulating economic growth and alleviating poverty. “Obama becomes vulnerable to the charge of downplaying the region’s overriding issue, and the chief obstacle to economic progress,” he added. “It is fine to change the narrative from security to economics as long as the reality on the ground reflects and fits with the new story line.” Administration officials insist that Mr. Obama remains cleareyed about the security challenges, but the new emphasis corresponds with a change in focus by the Mexican government. The new Mexican president, Enrique Peña Nieto, took office in December vowing to reduce the violence that exploded under the militarized approach to the drug war adopted by his predecessor, Felipe Calderón. That effort left about 60,000 Mexicans dead and appears not to have significantly damaged the drug-trafficking industry. In addition to a focus on reducing violence, which some critics have interpreted as taking a softer line on the drug gangs, Mr. Peña Nieto has also moved to reduce American involvement in law enforcement south of the border. With friction and mistrust between American and Mexican law enforcement agencies growing, Mr. Obama suggested that the United States would no longer seek to dominate the security agenda. “It is obviously up to the Mexican people to determine their security structures and how it engages with other nations, including the United States,” he said, standing next to Mr. Peña Nieto on Thursday in Mexico City. “But the main point I made to the president is that we support the Mexican government’s focus on reducing violence, and we look forward to continuing our good cooperation in any way that the Mexican government deems appropriate.” In some ways, conceding leadership of the drug fight to Mexico hews to a guiding principle of Mr. Obama’s foreign policy, in which American supremacy is played down, at least publicly, in favor of a multilateral approach. But that philosophy could collide with the concerns of lawmakers in Washington, who have expressed frustration with what they see as a lack of clarity in Mexico’s security plans. And security analysts say the entrenched corruption in Mexican law enforcement has long clouded the partnership with their American counterparts. Putting Mexico in the driver’s seat on security marks a shift in a balance of power that has always tipped to the United States and, analysts said, will carry political risk as Congress negotiates an immigration bill that is expected to include provisions for tighter border security. “If there is a perception in the U.S. Congress that security cooperation is weakening, that could play into the hands of those who oppose immigration reform,” said Vanda Felbab-Brown, a counternarcotics expert at the Brookings Institution in Washington. “Realistically, the border is as tight as could be and there have been few spillovers of the violence from Mexico into the U.S.,” she added, but perceptions count in Washington “and can be easily distorted.” “Drugs today are not very important to the U.S. public over all,” she added, “but they are important to committed drug warriors who are politically powerful.” Representative Michael T. McCaul, a Texas Republican who is chairman of the Homeland Security Committee, has warned against the danger of drug cartels forming alliances with terrorist groups. “While these threats exist, you would be surprised to find that the administration thinks its work here is done,” he wrote in an opinion article for Roll Call last month, pressing for more border controls in the bill. The Obama administration has said any evidence of such cooperation is very thin, but even without terrorist connections, drug gangs pose threats to peace and security. Human rights advocates said they feared the United States would ease pressure on Mexico to investigate disappearances and other abuses at the hands of the police and military, who have received substantial American support. The shift in approach “suggests that the Obama administration either doesn’t object to these abusive practices or is only willing to raise such concerns when it’s politically convenient,” said José Miguel Vivanco, director of Human Rights Watch’s Americas division. Still, administration officials have said there may have been an overemphasis on the bellicose language and high-profile hunts for cartel leaders while the real problem of lawlessness worsens. American antidrug aid is shifting more toward training police and shoring up judicial systems that have allowed criminals to kill with impunity in Mexico and Central America. United States officials said Mr. Obama remains well aware of the region’s problems with security, even as he is determined that they not overshadow the economic opportunities. It is clear Mr. Obama, whatever his words four years ago, now believes there has been too much security talk. In a speech to Mexican students on Friday, Mr. Obama urged people in the two countries to look beyond a one-dimensional focus on what he called real security concerns, saying it is “time for us to put the old mind-sets aside.” And he repeated the theme later in the day in Costa Rica, lamenting that when it comes to the United States and Central America, “so much of the focus ends up being on security.” “We also have to recognize that problems like narco-trafficking arise in part when a country is vulnerable because of poverty, because of institutions that are not working for the people, because young people don’t see a brighter future ahead,” Mr. Obama said in a news conference with Laura Chinchilla, the president of Costa Rica.

**Increasing green cards generates an effective base of IT experts- solves cybersecurity**

McLarty 9 (Thomas F. III, President – McLarty Associates and Former White House Chief of Staff and Task Force Co-Chair, “U.S. Immigration Policy: Report of a CFR-Sponsored Independent Task Force”, 7-8, http://www.cfr.org/ publication/19759/us\_immigration\_policy.html)

We have seen, when you look at the table of the top 20 firms that are H1-B visa requestors, at least 15 of those are IT firms. And as we're seeing across industry, much of the hardware and software that's used in this country is not only manufactured now overseas, but it's developed overseas by scientists and engineers who were educated here in the United States.

We're seeing a lot more activity around cyber-security, certainly noteworthy attacks here very recently. It's becoming an increasingly dominant set of requirements across not only to the Department of Defense, but the Department of Homeland Security and the critical infrastructure that's held in private hands. Was there any discussion or any interest from DOD or DHS as you undertook this review on the security things about what can be done to try to generate a more effective group of IT experts here in the United States, many of which are coming to the U.S. institutions, academic institutions from overseas and often returning back? This potentially puts us at a competitive disadvantage going forward.

MCLARTY: Yes. And I think your question largely is the answer as well. I mean, clearly we have less talented students here studying -- or put another way, more talented students studying in other countries that are gifted, talented, really have a tremendous ability to develop these kind of technology and scientific advances, we're going to be put at an increasingly disadvantage. Where if they come here -- and I kind of like Dr. Land's approach of the green card being handed to them or carefully put in their billfold or purse as they graduate -- then, obviously, that's going to strengthen, I think, our system, our security needs.

**Cyberterrorism will cause accidental launch that triggers the Dead Hand and nuclear war**

Fritz 9 (Jason, BS – St. Cloud, “Hacking Nuclear Command and Control”, Study Commissioned on Nuclear Non-Proliferation and Disarmament, July, www.icnnd.org/Documents/Jason\_Fritz\_Hacking\_NC2.doc)  
  
*Direct control of launch*   
The US uses the two-man rule to achieve a higher level of security in nuclear affairs. Under this rule two authorized personnel must be present and in agreement during critical stages of nuclear command and control. The President must jointly issue a launch order with the Secretary of Defense; Minuteman missile operators must agree that the launch order is valid; and on a submarine, both the commanding officer and executive officer must agree that the order to launch is valid. In the US, in order to execute a nuclear launch, an Emergency Action Message (EAM) is needed. This is a preformatted message that directs nuclear forces to execute a specific attack. The contents of an EAM change daily and consist of a complex code read by a human voice. Regular monitoring by shortwave listeners and videos posted to YouTube provide insight into how these work. These are issued from the NMCC, or in the event of destruction, from the designated hierarchy of command and control centres. Once a command centre has confirmed the EAM, using the two-man rule, the Permissive Action Link (PAL) codes are entered to arm the weapons and the message is sent out. These messages are sent in digital format via the secure Automatic Digital Network and then relayed to aircraft via single-sideband radio transmitters of the High Frequency Global Communications System, and, at least in the past, sent to nuclear capable submarines via Very Low Frequency (Greenemeier 2008, Hardisty 1985). The technical details of VLF submarine communication methods can be found online, including PC-based VLF reception. Some reports have noted a Pentagon review, which showed a potential “electronic back door into the US Navy’s system for broadcasting nuclear launch orders to Trident submarines” (Peterson 2004). The investigation showed that cyber terrorists could potentially infiltrate this network and insert false orders for launch. The investigation led to “elaborate new instructions for validating launch orders” (Blair 2003). Adding further to the concern of cyber terrorists seizing control over submarine launched nuclear missiles; The Royal Navy announced in 2008 that it would be installing a Microsoft Windows operating system on its nuclear submarines (Page 2008). The choice of operating system, apparently based on Windows XP, is not as alarming as the advertising of such a system is. This may attract hackers and narrow the necessary reconnaissance to learning its details and potential exploits. It is unlikely that the operating system would play a direct role in the signal to launch, although this is far from certain. Knowledge of the operating system may lead to the insertion of malicious code, which could be used to gain accelerating privileges, tracking, valuable information, and deception that could subsequently be used to initiate a launch. Remember from Chapter 2 that the UK’s nuclear submarines have the authority to launch if they believe the central command has been destroyed. Attempts by cyber terrorists to create the illusion of a decapitating strike could also be used to engage fail-deadly systems. Open source knowledge is scarce as to whether Russia continues to operate such a system. However evidence suggests that they have in the past. Perimetr, also known as Dead Hand, was an automated system set to launch a mass scale nuclear attack in the event of a decapitation strike against Soviet leadership and military. In a crisis, military officials would send a coded message to the bunkers, switching on the dead hand. If nearby ground-level sensors detected a nuclear attack on Moscow, and if a break was detected in communications links with top military commanders, the system would send low-frequency signals over underground antennas to special rockets. Flying high over missile fields and other military sites, these rockets in turn would broadcast attack orders to missiles, bombers and, via radio relays, submarines at sea. Contrary to some Western beliefs, Dr. Blair says, many of Russia's nuclear-armed missiles in underground silos and on mobile launchers can be fired automatically. (Broad 1993) Assuming such a system is still active, cyber terrorists would need to create a crisis situation in order to activate Perimetr, and then fool it into believing a decapitating strike had taken place. While this is not an easy task, the information age makes it easier. Cyber reconnaissance could help locate the machine and learn its inner workings. This could be done by targeting the computers high of level official’s—anyone who has reportedly worked on such a project, or individuals involved in military operations at underground facilities, such as those reported to be located at Yamantau and Kosvinksy mountains in the central southern Urals (Rosenbaum 2007, Blair 2008) Indirect Control of Launch Cyber terrorists could cause incorrect information to be transmitted, received, or displayed at nuclear command and control centres, or shut down these centres’ computer networks completely. In 1995, a Norwegian scientific sounding rocket was mistaken by Russian early warning systems as a nuclear missile launched from a US submarine. A radar operator used Krokus to notify a general on duty who decided to alert the highest levels. Kavkaz was implemented, all three chegets activated, and the countdown for a nuclear decision began. It took eight minutes before the missile was properly identified—a considerable amount of time considering the speed with which a nuclear response must be decided upon (Aftergood 2000). Creating a false signal in these early warning systems would be relatively easy using computer network operations. The real difficulty would be gaining access to these systems as they are most likely on a closed network. However, if they are transmitting wirelessly, that may provide an entry point, and information gained through the internet may reveal the details, such as passwords and software, for gaining entrance to the closed network. If access was obtained, a false alarm could be followed by something like a DDoS attack, so the operators believe an attack may be imminent, yet they can no longer verify it. This could add pressure to the decision making process, and if coordinated precisely, could appear as a first round EMP burst. Terrorist groups could also attempt to launch a non-nuclear missile, such as the one used by Norway, in an attempt to fool the system. The number of states who possess such technology is far greater than the number of states who possess nuclear weapons. Obtaining them would be considerably easier, especially when enhancing operations through computer network operations. Combining traditional terrorist methods with cyber techniques opens opportunities neither could accomplish on their own. For example, radar stations might be more vulnerable to a computer attack, while satellites are more vulnerable to jamming from a laser beam, thus together they deny dual phenomenology. Mapping communications networks through cyber reconnaissance may expose weaknesses, and automated scanning devices created by more experienced hackers can be readily found on the internet. Intercepting or spoofing communications is a highly complex science. These systems are designed to protect against the world’s most powerful and well funded militaries. Yet, there are recurring gaffes, and the very nature of asymmetric warfare is to bypass complexities by finding simple loopholes. For example, commercially available software for voice-morphing could be used to capture voice commands within the command and control structure, cut these sound bytes into phonemes, and splice it back together in order to issue false voice commands (Andersen 2001, Chapter 16). Spoofing could also be used to escalate a volatile situation in the hopes of starting a nuclear war. “ \*\*[they cut off the paragraph]\*\* “In June 1998, a group of international hackers calling themselves Milw0rm hacked the web site of India’s Bhabha Atomic Research Center (BARC) and put up a spoofed web page showing a mushroom cloud and the text “If a nuclear war does start, you will be the first to scream” (Denning 1999). Hacker web-page defacements like these are often derided by critics of cyber terrorism as simply being a nuisance which causes no significant harm. However, web-page defacements are becoming more common, and they point towards alarming possibilities in subversion. During the 2007 cyber attacks against Estonia, a counterfeit letter of apology from Prime Minister Andrus Ansip was planted on his political party website (Grant 2007). This took place amid the confusion of mass DDoS attacks, real world protests, and accusations between governments.

# Neolib K

**The plan’s neoliberal policies are the root cause of economic crisis and guarantees inevitable systems collapse**

**Palley 10 –** PhD in economics from Yale (Thomas, MA in IR from Yale, and a BA from Oxford, “AMERICA’S EXHAUSTED PARADIGM: MACROECONOMIC CAUSES OF THE FINANCIAL CRISIS AND GREAT RECESSION”, New School Economic Review, Volume 4(1), 2010: 15-43, ZBurdette)

This paper traces the **roots** of the current financial crisis to a **faulty U.S. macroeconomic paradigm**. One flaw in this paradigm was the neoliberal growth model adopted after 1980 that relied on debt and asset price inflation to drive demand in place of wage growth. A second flaw was the model of U.S. engagement with the global economy that created a **triple economic hemorrhage of spending on imports, manufacturing job losses, and off-shoring of investment.** Financial deregulation and financial excess are important parts of the story, but they are not the ultimate cause of the crisis. These developments contributed significantly to the housing bubble but they were a **necessary** part of the neoliberal model, their function being to fuel demand growth by making ever larger amounts of credit easily available. As **the neoliberal model slowly cannibalized itself** by undermining income distribution and accumulating debt, the economy needed larger speculative bubbles to grow. **The flawed model of global engagement accelerated the cannibalization process**, thereby creating need for a huge bubble that only housing could provide. However, when that bubble burst it pulled down the entire economy because of the bubble’s massive dependence on debt. The old postWorld War II growth model based on rising middle-class incomes has been dismantled, while the new neoliberal growth model has imploded. The United States needs a new economic paradigm and a new growth model, but as yet this challenge has received little attention from policymakers or economists.

**Neoliberal engagement of Latin America results in inequality, political oppression, military intervention, and environmental destruction – makes extinction inevitable**

**Makwana 6** (Rajesh, As a non-governmental organisation with consultative status at the Economic and Social Council of the United Nations (ECOSOC), STWR works to influence policy through research and publications outlining how to rapidly secure basic human needs through greater international cooperation and economic sharing., 23rd November 06, <http://www.stwr.org/globalization/neoliberalism-and-economic-globalization.html>, ZBurdette)

Neoliberalism and Economic Globalization

The goal of neoliberal economic globalization is the removal of all barriers to commerce, and the privatization of all available resources and services. In this scenario, public life will be at the mercy of market forces, as the extracted profits benefit the few, writes Rajesh Makwana.

The thrust of international policy behind the phenomenon of economic globalization is neoliberal in nature. Being hugely profitable to corporations and the wealthy elite, neoliberal polices are propagated through the IMF, World Bank and WTO. Neoliberalism favours the free-market as the most efficient method of global resource allocation. Consequently it favours large-scale, corporate commerce and the privatization of resources.

There has been much international attention recently on neoliberalism. Its ideologies have been rejected by influential countries in Latin America and its moral basis is now widely questioned. Recent protests against the WTO, IMF and World Bank were essentially protests against the neoliberal policies that these organizations implement, particularly in low-income countries.

The neoliberal experiment has failed to combat extreme poverty, has exacerbated global inequality, and is hampering international aid and development efforts. This article presents an overview of neoliberalism and its effect on low income countries.

Introduction

After the Second World War, corporate enterprises helped to create a wealthy class in society which enjoyed excessive political influence on their government in the US and Europe. Neoliberalism surfaced as a reaction by these wealthy elites to counteract post-war policies that favoured the working class and strengthened the welfare state.

Neoliberal policies advocate market forces and commercial activity as the most efficient methods for producing and supplying goods and services. At the same time they shun the role of the state and discourage government intervention into economic, financial and even social affairs. The process of economic globalization is driven by this ideology; removing borders and barriers between nations so that market forces can drive the global economy. The policies were readily taken up by governments and still continue to pervade classical economic thought, allowing corporations and affluent countries to secure their financial advantage within the world economy.

The policies were most ardently enforced in the US and Europe in the1980s during the Regan–Thatcher–Kohl era. These leaders believed that expanding the free-market and private ownership would create greater economic efficiency and social well-being. The resulting deregulation, privatization and the removal of border restrictions provided fertile ground for corporate activity, and over the next 25 years corporations grew rapidly in size and influence. Corporations are now the most productive economic units in the world, more so than most countries. With their huge financial, economic and political leverage, they continue to further their neoliberal objectives.

There is a consensus between the financial elite, neoclassical economists and the political classes in most countries that neoliberal policies will create global prosperity. So entrenched is their position that this view determines the policies of the international agencies (IMF, World Bank and WTO), and through them dictates the functioning of the global economy. Despite reservations from within many UN agencies, neoliberal policies are accepted by most development agencies as the most likely means of reducing poverty and inequality in the poorest regions.

There is a huge discrepancy between the measurable result of economic globalization and its proposed benefits. Neoliberal policies have unarguably generated massive wealth for some people, but most crucially, they have been unable to benefit those living in extreme poverty who are most in need of financial aid. Excluding China, annual economic growth in developing countries between 1960 and 1980 was 3.2%. This dropped drastically between 1980 and 2000 to a mere 0.7 %. This second period is when neoliberalism was most prevalent in global economic policy. (Interestingly, China was not following the neoliberal model during these periods, and its economic growth per capita grew to over 8% between 1980 and 2000.)

Neoliberalism has also been unable to address growing levels of global inequality. Over the last 25 years, the income inequalities have increased dramatically, both within and between countries. Between 1980 and 1998, the income of richest 10% as share of poorest 10% became 19% more unequal; and the income of richest 1% as share of poorest 1% became 77% more unequal (again, not including China).

The shortcomings of neoliberal policy are also apparent in the well documented economic disasters suffered by countries in Latin America and South Asia in the 1990s. These countries were left with no choice but to follow the neoliberal model of privatization and deregulation, due to their financial problems and pressure from the IMF. Countries such as Venezuela, Cuba, Argentina and Bolivia have since rejected foreign corporate control and the advice of the IMF and World Bank. Instead they have favoured a redistribution of wealth, the re-nationalization of industry and have prioritized the provision of healthcare and education. They are also sharing resources such as oil and medical expertise throughout the region and with other countries around the world.

The dramatic economic and social improvement seen in these countries has not stopped them from being demonized by the US. Cuba is a well known example of this propaganda. Deemed to be a danger to ‘freedom and the American way of life’, Cuba has been subject to intense US political, economic and military pressure in order to tow the neoliberal line. Washington and the mainstream media in the US have recently embarked on a similar propaganda exercise aimed at Venezuela’s president Chavez. This over-reaction by Washington to ‘economic nationalism’ is consistent with their foreign policy objectives which have not changed significantly for the past 150 years. Securing resources and economic dominance has been and continues to be the USA’s main economic objective.

According to Maria Páez Victor:

“Since 1846 the United States has carried out no fewer than 50 military invasions and destabilizing operations involving 12 different Latin American countries. Yet, none of these countries has ever had the capacity to threaten US security in any significant way. The US intervened because of perceived threats to its economic control and expansion. For this reason it has also supported some of the region’s most vicious dictators such as Batista, Somoza, Trujillo, and Pinochet.”

As a result of corporate and US influence, the key international bodies that developing countries are forced to turn to for assistance, such as the World Bank and IMF, are major exponents of the neoliberal agenda. The WTO openly asserts its intention to improve global business opportunities; the IMF is heavily influenced by the Wall Street and private financiers, and the World Bank ensures corporations benefit from development project contracts. They all gain considerably from the neo-liberal model.

So influential are corporations at this time that many of the worst violators of human rights have even entered a Global Compact with the United Nations, the world’s foremost humanitarian body. Due to this international convergence of economic ideology, it is no coincidence that the assumptions that are key to increasing corporate welfare and growth are the same assumptions that form the thrust of mainstream global economic policy.

However, there are huge differences between the neoliberal dogma that the US and EU dictate to the world and the policies that they themselves adopt. Whilst fiercely advocating the removal of barriers to trade, investment and employment, The US economy remains one of the most protected in the world. Industrialized nations only reached their state of economic development by fiercely protecting their industries from foreign markets and investment. For economic growth to benefit developing countries, the international community must be allowed to nurture their infant industries. Instead economically dominant countries are ‘kicking away the ladder’ to achieving development by imposing an ideology that suits their own economic needs.

The US and EU also provide huge subsidies to many sectors of industry. These devastate small industries in developing countries, particularly farmers who cannot compete with the price of subsidized goods in international markets. Despite their neoliberal rhetoric, most ‘capitalist’ countries have increased their levels of state intervention over the past 25 years, and the size of their government has increased. The requirement is to ‘do as I say, not as I do’.

Given the tiny proportion of individuals that benefit from neoliberal policies, the chasm between what is good for the economy and what serves the public good is growing fast. Decisions to follow these policies are out of the hands of the public, and the national sovereignty of many developing countries continues to be violated, preventing them from prioritizing urgent national needs.

Below we examine the false assumptions of neoliberal policies and their effect on the global economy.

Economic Growth

Economic growth, as measured in GDP, is the yardstick of economic globalization which is fiercely pursued by multinationals and countries alike. It is the commercial activity of the tiny portion of multinational corporations that drives economic growth in industrialized nations. Two hundred corporations account for a third of global economic growth. Corporate trade currently accounts for over 50% of global economic growth and as much as 75% of GDP in the EU. The proportion of trade to GDP continues to grow, highlighting the belief that economic growth is the only way to prosper a country and reduce poverty.

Logically, however, a model for continual financial growth is unsustainable. Corporations have to go to extraordinary lengths in order to reflect endless growth in their accounting books. As a result, finite resources are wasted and the environment is dangerously neglected. The equivalent of two football fields of natural forest is cleared each second by profit hungry corporations.

Economic growth is also used by the World Bank and government economists to measure progress in developing countries. But, whilst economic growth clearly does have benefits, the evidence strongly suggests that these benefits do not trickle down to the 986 million people living in extreme poverty, representing 18 percent of the world population (World Bank, 2007). Nor has economic growth addressed inequality and income distribution. In addition, accurate assessments of both poverty levels and the overall benefits of economic growth have proved impossible due to the inadequacy of the statistical measures employed.

The mandate for economic growth is the perfect platform for corporations which, as a result, have grown rapidly in their economic activity, profitability and political influence. Yet this very model is also the cause of the growing inequalities seen across the globe. The privatization of resources and profits by the few at the expense of the many, and the inability of the poorest people to afford market prices, are both likely causes.

Free Trade

Free trade is the foremost demand of neoliberal globalization. In its current form, it simply translates as greater access to emerging markets for corporations and their host nations. These demands are contrary to the original assumptions of free trade as affluent countries adopt and maintain protectionist measures. Protectionism allows a nation to strengthen its industries by levying taxes and quotas on imports, thus increasing their own industrial capacity, output and revenue. Subsidies in the US and EU allow corporations to keep their prices low, effectively pushing smaller producers in developing countries out of the market and impeding development.

With this self interest driving globalization, economically powerful nations have created a global trading regime with which they can determine the terms of trade.

The North American Free Trade Agreement (NAFTA) between the US, Canada, and Mexico is an example of free-market fundamentalism that gives corporations legal rights at the expense of national sovereignty. Since its implementation it has caused job loss, undermined labour rights, privatized essential services, increased inequality and caused environmental destruction.

In Europe only 5% of EU citizens work in agriculture, generating just 1.6% of EU GDP compared to more than 50% of citizens in developing countries. However, the European Common Agricultural Policy (CAP) provides subsidies to EU farmers to the tune of £30 billion, 80% of which goes to only 20% of farmers to guarantee their viability, however inefficient this may be.

The General Agreement on Trade and Services (GATS) was agreed at the World Trade Organization (WTO) in 1994. Its aim is to remove any restrictions and internal government regulations that are considered to be "barriers to trade". The agreement effectively abolishes a government’s sovereign right to regulate subsidies and provide essential national services on behalf of its citizens. The Trade Related agreement on International Property Rights (TRIPS) forces developing countries to extend property rights to seeds and plant varieties. Control over these resources and services are instead granted to corporate interests through the GATS and TRIPS framework.

These examples represent modern free trade which is clearly biased in its approach. It fosters corporate globalization at the expense of local economies, the environment, democracy and human rights. The primary beneficiaries of international trade are large, multinational corporations who fiercely lobby at all levels of national and global governance to further the free trade agenda.

Liberalization

The World Bank, IMF and WTO have been the main portals for implementing the neoliberal agenda on a global scale. Unlike the United Nations, these institutions are over-funded, continuously lobbied by corporations, and are politically and financially dominated by Washington, Wall Street, corporations and their agencies. As a result, the key governance structures of the global economy have been primed to serve the interests of this group, and market liberalization has been another of their key policies.

According to neoliberal ideology, in order for international trade to be ‘free’ all markets should be open to competition, and market forces should determine economic relationships. But the overall result of a completely open and free market is of course market dominance by corporate heavy-weights. The playing field is not even; all developing countries ar e at a great financial and economic disadvantage and simply cannot compete.

Liberalization, through Structural Adjustment Programs, forces poorer countries to open their markets to foreign products which largely destroys local industries. It creates dependency upon commodities which have artificially low prices as they are heavily subsidized by economically dominant nations. Financial liberalization removes barriers to currency speculation from abroad. The resulting rapid inflow and outflow of currencies is often responsible for acute financial and economic crisis in many developing countries. At the same time, foreign speculators and large financial firms make huge gains. Market liberalization poses a clear economic risk; hence the EU and US heavily protect their own markets.

A liberalized global market provides corporations with new resources to capitalize and new markets to exploit. Neoliberal dominance over global governance structures has enforced access to these markets. Under WTO agreements, a sovereign country cannot interfere with a corporation’s intentions to trade even if their operations go against domestic environmental and employment guidelines. Those governments that do stand up for their sovereign rights are frequently sued by corporations for loss of profit, and even loss of potential profit. Without this pressure they would have been able to stimulate domestic industry and self sufficiency, thereby reducing poverty. They would then be in a better position to compete in international markets.

**Reject the aff as a means to create space for alternatives to neoliberal engagement.**

**Munck, professor of Globalization and Social Exclusion, 3** (Ronaldo, Department of Sociology, Social Policy & Social Work Studies and Globalisation and Social Exclusion Unit, University of Liverpool, “Neoliberalism, necessitarianism and alternatives in Latin America: there is no alternative (TINA)?”, Third World Quarterly, Vol 24, No 3, pp 495–511, 2003, <http://www-e.uni-magdeburg.de/evans/Journal%20Library/Trade%20and%20Countries/Neoliberalism,%20necessitarianism%20and%20alternatives%20in%20Latin%20America.pdf>, ZBurdette)

Taking as its point of departure the position that there are or must be alternatives to neoliberalism, this article explores the issue in relation to some examples from Latin America. The 2001–02 virtual collapse of the economy of Argentina and the recent victory of Workers Party candidate, Lula, in Brazil highlight, in very different ways, the need for a viable alternative democratic economic strategy for Latin America. Many progressive analysts seem to be paralysed by a false ‘necessitarianism’ which grants more coherence and solidity to the neoliberal project than it merits. Argentina puts paid to that illusion. Will the exciting experience of Porto Alegre’s ‘participatory budget’ in Brazil now be scaled up to the national level or does ‘globalisation’ block this option? Do the old questions of imperialism and dependency now come to the fore again after being left dormant under the spell of globalisation? We may not have all the answers yet but Latin America is back in the foreground of thinking and practice around alternative economic theories.

There is no alternative (TINA) was an oft-repeated expression of Margaret Thatcher’s, used to dismiss any plausible alternatives to her brand of hard-nosed neoliberalism. One imagines that her friend General Pinochet, with whom she shared tea during his enforced stay in London, would agree with her. What is more surprising is the influence the TINA philosophy has had on social science analysis of neoliberalism in Latin America since Pinochet. What I propose is a radically anti-necessitarian approach to neoliberalism, inspired by the work of Roberto Mangabeira Unger. Things are not always how they are because they have to be so. There is life beyond neoliberalism. There are alternatives taking shape all the time at all levels of society in Latin America. The so-called Washington Consensus is no longer so consensual even in Washington and there is growing recognition that globalisation requires global governance. We therefore need to return to the rise of neoliberalism and globalisation in a nonnecessitarian spirit and examine the whole horizon of possibilities that is now opening up in Latin America as elsewhere. If the virtual collapse of Argentina in 2001–02 shows that ‘actually existing’ neoliberalism simply does not work even on its own terms, the exciting but also challenging prospects now opening up in Brazil under Lula underline the urgency of developing a credible and viable alternative to its policies.

# Adv CP

**Text: The United States federal government should strengthen the African Growth and Opportunity Act by enacting a long-term extension this year increasing access for restricted agricultural products, reorganize existing capacity-building funds that are scattered and make them rewards for countries strengthening the private sector.**

**CP’s bipartisan, solves trade leadership and economic growth.**

Elliot 13Senior fellow at the Center for Global Development (Kimberly, 3/28/13, “Restoring US Leadership on Trade and Development,” Center for Global Development, http://www.cgdev.org/publication/restoring-us-leadership-trade-and-development)//DR. H

The stated priorities for US trade policy this year are completing the Trans-Pacific Partnership (TPP) and launching the Transatlantic Trade and Investment Partnership with the European Union. These regional trade deals will not necessarily be as problematic as their more outspoken critics contend, but they could make trade and growth even more difficult for excluded poor countries. US trade policy already discriminates against exports from poor Asian countries; the TPP could make things worse by, for example, giving preference to Vietnam’s exports over Cambodia’s. The proliferation of regional agreements also undermines the World Trade Organization (WTO) and the global rule-based trade system that particularly protects smaller, weaker developing countries.

Taking the steps outlined in this brief would allow the United States to regain the leadership role it lost when other rich countries opened their markets to least developed countries (LDCs) as part of the global partnership under the Millennium Development Goals. Currently, the United States is behind even China and India in providing duty-free market access for poor countries. 1 Taking these steps could also revitalize the WTO, which would benefit the US business community, as well as developing countries, and the gains would come at little or no cost to import-competing sectors because LDCs account for less than 1 percent of total US imports.

Strengthen the African Growth and Opportunity Act [Contents]

AGOA, which passed Congress with bipartisan support in 2000, provides eligible countries with duty-free access for everything except sugar, dairy, peanuts, and a few other products. The program did less to diversify African exports than hoped, but it was not a total failure. Petroleum still accounts for more than 90 percent of imports under AGOA, but, as shown in figure 1, clothing exports also increased sharply. Those exports declined when the managed trade system for textiles and apparel expired in 2005, and again when the financial crisis added an unexpected shock. Still, clothing exports in 2012 were 50 percent above where they were before Congress approved AGOA and up by multiples of that in Lesotho and Kenya, which are the principal beneficiaries.

AGOA’s limited trade impact highlights the need to address fundamental competitiveness problems in Africa, but the gains in market access are worth preserving and expanding through two key reforms:

* a long-term extension this year to increase investor confidence and reduce uncertainty
* increased access for sugar, dairy, and other agricultural products that remain restricted

Congress should also work with the Obama administration to pursue innovative capacity-building mechanisms to improve competitiveness in Africa. One strategy is to reorganize existing capacity-building funds that are scattered among a variety of programs and use them to reward countries that are taking steps to strengthen the private sector and improve the investment climate. These funds could provide additional resources to expedite and support reforms in countries that demonstrate a commitment to improving competitiveness. 2

A second strategy is for donors to help reforming governments underwrite “service guarantees” for businesses. These guarantees would be similar to existing investment risk insurance products provided by the US Overseas Private Insurance Corporation or the World Bank’s International Finance Corporation, but they would be available to local investors as well as foreign. The insurance could cover risks in areas such as customs clearance, licensing, and power supply that are not typically covered. 3 By providing some assurance that reforms will be sustained, these proposals would help draw private investors to Africa while also reassuring donors that their aid dollars are being used effectively.

Provide Duty-Free, Quote-Free Market Access for All LDCs [Contents]

The United States is rightly praised for AGOA and for giving Haiti preferential access for most of its exports, but there are also extremely poor countries in Asia—including Afghanistan, Bangladesh, Cambodia, Nepal, and Yemen—that are effectively excluded from US preference programs. In 2011, nearly 90 percent of dutiable exports from AGOA countries received preferential treatment while just 1 percent of imports from Asian LDCs did. 4 And the average tariff on the remaining AGOA exports was well under 1 percent, while the average tariff on Asian LDC exports was 15 percent. 5 To put it more starkly, the $450 million in duties collected on imports from Cambodia in 2012 were larger than those collected on imports from either France or the United Kingdom. See figure 2.

Although there is a broad international consensus that all the UN-designated LDCs should receive duty-free, quota-free (DFQF) market access, US policymakers continue to refuse to consider it. A key reason for this is opposition from AGOA beneficiaries concerned about possible erosion of their preferential access to the US market. But, as shown in figure 1, only Lesotho and Kenya provide substantial clothing exports to the United States under AGOA. They could be shielded from the effects of DFQF market access for all LDCs by exempting just two dozen items from the DFQF initiative for more competitive exporters. 6 These exclusions would also help to address concerns of the US textile industry, though detailed research suggests that the costs to import-competing US firms would be vanishingly small in any case. 7

Declare a Doha Victory and Move On [Contents]

A US trade initiative of this sort could help break the logjam and salvage something from the Doha Round of trade negotiations at the WTO. The round is effectively dead, but policymakers do not want to formally admit failure. The ritual promises to keep trying were repeated last summer at the G-20 summit in Los Cabos:

We will continue to work towards concluding the Doha Round negotiations, including outcomes in specific areas where progress is possible, such as trade facilitation, and other issues of concern for least developed countries. 8

Trade facilitation measures that reduce unnecessary red tape and build the capacity of customs and other trade-related agencies are in everyone’s interest—exporters and importers, rich and poor—and this issue is relatively uncontroversial. The major issue of concern in the Doha Round for the least developed countries is the DFQF initiative. The United States is the only major country that has not moved on it and failure to do so could well doom any chance for a positive outcome at the upcoming ministerial meeting in Bali. A package including trade facilitation, DFQF for LDCs, and perhaps a couple of minor agricultural trade issues would be a far cry from what was envisioned for the Doha Round a decade ago, but it could be enough for members to declare victory and begin the task of revitalizing the WTO.

In sum, congressional approval of duty-free, quota-free market access for the least developed countries would open the door for the United States to “save” the Doha Round, and for everyone to move on to a 21st century agenda. Combined with measures that strengthen AGOA and expand its benefits, this package would be a success for the United States, for African and other poor countries, and for the global trading system as a whole.

# Manufacturing

**Plan alone can’t prevent manufacturing decline – litany of alternative causes**

Boushey 12 – (Heather, Chief Economist at American Progress, where her research focuses on U.S. employment, social policy, and family economic well-being. She is also currently a visiting fellow at the Institute for Public Policy Research in London, “Tax Reform and the U.S. Manufacturing Sector Testimony before the U.S. House of Representatives Committee on Ways and Means,” July 19th, 2012, Center for American Progress Action Fund, http://www.americanprogressaction.org/issues/general/report/2012/07/19/11949/tax-reform-and-the-u-s-manufacturing-sector/ //EH)

\*plan alone can’t prevent manufacturing decline, there are several structural barriers which hinder the industry –

a. education – advances in domestic manufacturing are constricted by a lack of a skilled workforce which can’t innovate and apply research towards creating advanced technology

b. lack of investment – problems in the tax credit program dissuade the private sector from investing in manufacturing programs and causes production to shift overseas

Second, there are a variety of ways that policymakers can support manufacturing, of which reforming the corporate tax code is one piece of the puzzle. Manufacturers make their investment decisions based on a variety of factors, not only the level of taxation. The research is clear that any set of policies aimed at supporting U.S. manufacturing should include investments in education and training, infrastructure, basic and applied research and development, and improvements to basic data collection. To support manufacturing, I recommend that this Congress focus on a few key items: Pass comprehensive business tax reform that both eliminates loopholes and inefficient business tax expenditures without disadvantaging domestic manufacturing. Currently, loopholes allow companies to avoid paying U.S. taxes by artificially shifting their profits offshore. Closing these loopholes by adopting strong provisions to prevent base erosion and will promote job growth in the United States and insure businesses are both competitive and fairly taxed. Find a fiscally responsible way to make the research and experimentation, or R&E, tax credit permanent in order to boost and attract domestic investment in research and development, or R&D, from the private sector. Studies have shown that the R&E tax credit stimulates as much research and development investment as a direct subsidy and that the social returns on R&D are greater than returns for private investors who finance R&D. The Obama tax proposal finances the credit exclusively through business tax reform. Introduce a minimum tax on foreign earnings to prevent production from going to tax havens overseas. This would also ease the tax code’s current bias towards foreign, as opposed to domestic, investment and level the playing field among competing businesses. I want to stress, however, that the level of taxation is only one piece of the puzzle and the statutory corporate tax rate is only one aspect of the corporate tax code and how it affects businesses. Supporting manufacturing requires a deeper policy commitment and while I will focus my time in my remarks specifically on tax policy, given the jurisdiction of this committee, there are also a variety of other ways that we can promote manufacturing and innovation in the United States—or least not disadvantage it relative to other industries—including: Improve infrastructure so that U.S. goods can be more easily transported and marketed at home and abroad. This will also make the U.S. more appealing to businesses and globally competitive. Implement the Obama administration’s proposal to start an $8 billion “Community College to Career Fund” to encourage collaboration and partnerships between community colleges and businesses in training our future workforce. Two million workers would learn skills vital to working in burgeoning industries like advanced manufacturing and heath care. A highly skilled workforce would also give the U.S. and its regional economies further advantages over its global competitors. Increase government investment in advanced manufacturing by 19 percent, to $2.2 billion in fiscal year 2013, as outlined by the current administration. Manufacturing workers receive better pay and benefits, while the manufacturing sector is the driving force behind innovation in our economy. Additional investments in this area will benefit workers, improve our standard of living, and strengthen our economy. Follow through on President Obama’s plan to establish a National Network for Manufacturing Innovation. This network, comprised of up to 15 new manufacturing institutes, would facilitate and promote collaboration between companies and research universities, all with the aim of increasing and scaling up manufacturing production. Having a strong manufacturing industry in the United States should be at the top of our national economic agenda. Without a vibrant and innovative manufacturing base, we will not be a global leader for long. Moreover, as more of our energy future will rely on high-tech manufacturing, our economic competitiveness will be even more closely aligned with our ability to be an innovator and producer of manufactured goods. Further, this is an urgent national issue and one of those cases where success begets success. Economists have begun to study and show that the “industrial commons” matters for innovation and the extent to which we allow manufacturing processes to continue to go overseas, we only make it that much harder to regain our place as a global leader. As my colleagues Michael Ettlinger and Kate Gordon have put it, “the cross-fertilization and engagement of a community of experts in industry, academia, and government is vital to our nation’s economic competitiveness.”

**Strong competitiveness in manufacturing inevitable – recovery in the auto industry and energy industry buffer growth**

Forbes 5/15 – news agency, Joel Kotkin is the R.C. Hobbs Professor of Urban Studies at Chapman University in California (Joel Kotkin, “America's New Manufacturing Boomtowns”, 5/15/13, http://www.forbes.com/sites/joelkotkin/2013/05/15/americas-manufacturing-boomtowns/) // CB

\*manufacturing industry is resilient –

a. industrial renaissance – the last few years saw the revitalization of both the energy and auto industry which have driven industrial growth rates spilling over into separate sectors such as metals and synthetic fibers which spurred high-tech production and attracted foreign investment

b. industry diversity – the industrial renaissance spurred growth in a variety of sectors which means even if some sectors face shortfalls, the overall growth remains positive, mitigates the impact to the internal link

Conventional wisdom for a generation has been that manufacturing in America is dying. Yet over the past five years, the country has experienced something of an industrial renaissance. We may be far from replacing the 3 million industrial jobs lost in the recession, but the economy has added over 330,000 industrial jobs since 2010, with output growing at the fastest pace since the 1990s.

Looking across the country, it is clear that industrial expansion has been a key element in boosting some of our most successful local economies. The large metro areas with the most momentum in expanding their manufacturing sectors also rank highly on our list of the cities that are generating the most jobs overall, including Houston-Sugarland-Baytown, Texas, which places first on our list of the big metro areas that are creating the most manufacturing jobs; Seattle-Bellevue-Everett, Wash. (third); Oklahoma City, Okla. (fourth), Nashville-Davidson-Murfreesboro-Franklin, Tenn. (No. 6); Ft. Worth, Texas (No. 9); and Salt Lake City, Utah (No. 10).

Our rankings factor in manufacturing employment growth over the long-term (2001-12), mid-term (2007-12) and the last two years, as well as momentum. They identify those places where the market tells us the best storylines for manufacturing are being written.

The Energy Boom and Industrial Growth

What is striking about this revival is both its sectoral and geographic diversity. For Houston, the booming energy industry is driving job growth in metal fabrication, machinery and chemicals. Since 2009, Houston industrial employment has grown 15%, almost three times as fast as the overall economy. Of course, industrial growth also tends to create jobs in other sectors, notably construction and professional and business services.

Much the same pattern of energy-driven growth can be seen in Oklahoma City, where the number of industrial jobs is also up 15% since 2009. This dynamic is also occurring in smaller metro areas. Energy cities did particularly well on our ranking of mid-sized metro areas (those with between 150,000 and 450,000 jobs overall), including third-place Lafayette, La.; Tulsa, Okla (fifth); Anchorage (sixth); Baton Rouge, La. (eighth); Bakersfield-Delano, Calif. (No. 13); and Beaumont-Port Arthur, Texas (No. 14).

On our small cities list (under 150,000 jobs), two energy cities stand out, No. 4 Odessa and No. 7 Midland.

The Great Lakes Revival

The other big story in manufacturing has been the recovery of the auto industry. Essentially we see two parallel expansions, one based around the revival of U.S. automakers and their suppliers, particularly around the Great Lakes, and another that’s keyed by foreign-based firms, particularly in the Mid-South and Southeast.

Among the larger metro areas, the star of the U.S.-led recovery is No. 5 Warren-Troy-Farmington Hills, Mich., an area that is widely known as “automation alley.” This region epitomizes the transition of manufacturing to more automated, high-tech production methods. After decades of losses, the area’s industrial employment increased 26% from 2009 through 2012.

More hopeful still has been the industrial recovery of the quintessential factory region, Detroit-Livonia-Dearborn, No. 8 on our large metro area list. The Detroit resurgence is for real, with manufacturing employment up 18% since 2009. The industrial expansion has also sparked high-tech employment growth across Michigan that in 2010-2011 stood at almost 7% compared to 2.6% nationwide.

Another big winner from the auto rebound has been Louisville-Jefferson County, Ky., No. 2 on our large cities list. Industrial employment in the area has expanded nearly 15% since 2009. Smaller cities in the region have also staged an impressive recovery. Columbus, Ind., No. 1 on our small city list, is benefiting from the growth of auto suppliers such as PMG Group as well as the expansion of a nearby Honda facility.

Full List: The Big Cities Leading The U.S. Manufacturing Revival

The South Rises Again

Many “progressive” intellectuals love to hate the South. The region, industrializing rapidly for decades, took a big hit when the recession devastated the manufacturing sector everywhere.

But more recently many Southern areas have enjoyed considerable growth in a host of industries, from petrochemicals and autos to aerospace. This can be seen in two of the South’s largest metropolitan regions, Nashville, Tenn. (No. 6 on our list), and Virginia Beach, Va. (No. 7 ). In Nashville, much of the manufacturing job growth is auto-related, sparked in large part by the expansion of smaller plants and the nearby Nissan facilities.

In contrast, Virginia Beach’s manufacturing job growth has been very diverse, reaching into fields as broad as fabricated metals and autos. Expanding investment from abroad, notably in aerospace and autos, has paced growth in other southern cities, notably Mobile, Ala., No. 1 in the mid-sized category, which has become a major production hub for Europe-based Airbus. Similarly, in Florence-Muscle Shoals, Ala., No. 3 on our small city list, industrial employment growth has been paced by the expansion of Navistar, as well as a host of smaller specialized manufacturers.

Western Movement

The West is often identified as a key high-tech and lifestyle mecca, but it also includes some of the nation’s top industrial growth centers. At the top of the pile sits No. 3 Seattle-Bellevue-Everett, home to Microsoft MSFT +7.32%, Amazon and Starbucks SBUX +0.1%, but also the birthplace of Boeing BA +0.32% and its primary manufacturing location. Although the aerospace giant has moved some production elsewhere, Seattle has enjoyed nearly 13% growth in manufacturing employment since 2009.

**Heg doesn’t solve stability but destabilizes the world turning their impact**

**Cambanis 1-22**-12 – [Thanassis, fellow at The Century Foundation, is the author of “A Privilege to Die: Inside Hezbollah’s Legions and Their Endless War Against Israel”, “The lonely superpower,”

<http://bostonglobe.com/ideas/2012/01/22/the-lonely-superpower/FRkSf1s5n9lXku4VqvEtqJ/story.html>]

Now, however, with a few decades of experience to study, a young international relations theorist at Yale University has proposed a provocative new view: American dominance has destabilized the world in new ways, and the United States is no better off in the wake of the Cold War. In fact, he says, a world with a single superpower and a crowded second tier of distant competitors encourages, rather than discourages, violent conflict--not just among the also-rans, but even involving the single great power itself. In a paper that appeared in the most recent issue of the influential journal International Security, political scientist Nuno P. Monteiro lays out his case. America, he points out, has been at war for 13 of the 22 years since the end of the Cold War, about double the proportion of time it spent at war during the previous two centuries. “I’m trying to debunk the idea that a world with one great power is better,” he said in an interview. “If you don’t have one problem, you have another.” Sure, Monteiro says, the risk of apocalyptic war has decreased, since there’s no military equal to America’s that could engage it in mutually assured destruction. But, he argues, the lethal, expensive wars in the Persian Gulf, the Balkans, and Afghanistan have proved a major drain on the country. Even worse, Monteiro claims, America’s position as a dominant power, unbalanced by any other alpha states actually exacerbates dangerous tensions rather than relieving them. Prickly states that Monteiro calls “recalcitrant minor powers” (think Iran, North Korea, and Pakistan), whose interests or regime types clash with the lone superpower, will have an incentive to provoke a conflict. Even if they are likely to lose, the fight may be worth it, since concession will mean defeat as well. This is the logic by which North Korea and Pakistan both acquired nuclear weapons, even during the era of American global dominance, and by which Iraq and Afghanistan preferred to fight rather than surrender to invading Americans. Of course, few Americans long for the old days of an arms race, possible nuclear war, and the threat of Soviet troops and missiles pointed at America and its allies. Fans of unipolarity in the foreign policy world think that the advantages of being the sole superpower far outweigh the drawbacks -- a few regional conflicts and insurgencies are a fair price to pay for eliminating the threat of global war. But Monteiro says that critics exaggerate the distinctions between the wars of today and yesteryear, and many top thinkers in the world of security policy are finding his argument persuasive. If he’s right, it means that the most optimistic version of the post-Cold War era -- a “pax Americana” in which the surviving superpower can genuinely enjoy its ascendancy -- was always illusory. In the short term, a dominant United States should expect an endless slate of violent challenges from weak powers. And in the longer term, it means that Washington shouldn’t worry too much about rising powers like China or Russia or the European Union; America might even be better off with a rival powerful enough to provide a balance. You could call it the curse of plenty: Too much power attracts countless challenges, whereas a world in which power is split among several superstates might just offer a paradoxical stability. From the 1700s until the end of World War II in 1945, an array of superpowers competed for global influence in a multipolar world, including imperial Germany and Japan, Russia, Great Britain, and after a time, the United States. The world was an unstable place, prone to wars minor and major. The Cold War era was far more stable, with only two pretenders to global power. It was, however, an age of anxiety. The threat of nuclear Armageddon hung over the world. Showdowns in Berlin and Cuba brought America and the Soviet Union to the brink, and the threat of nuclear escalation hung over every other superpower crisis. Generations of Americans and Soviets grew up practicing survival drills; for them, the nightmare scenario of thermonuclear winter was frighteningly plausible. It was also an age of violent regional conflicts. Conflagrations in Asia, Africa, and Latin America spiraled into drawn out, lethal wars, with the superpowers investing in local proxies (think of Angola and Nicaragua as well as Korea and Vietnam). On the one hand, superpower involvement often made local conflicts far deadlier and longer than they would have been otherwise. On the other, the balance between the United States and the USSR reduced the likelihood of world war and kept the fighting below the nuclear threshold. By tacit understanding, the two powers had an interest in keeping such conflicts contained. When the Soviet Union began its collapse in 1989, the United States was the last man standing, wielding a level of global dominance that had been unknown before in modern history. Policy makers and thinkers almost universally agreed that dominance would be a good thing, at least for America: It removed the threat of superpower war, and lesser powers would presumably choose to concede to American desires rather than provoke a regional war they were bound to lose. That is what the 1991 Gulf War was about: establishing the new rules of a unipolar world. Saddam Hussein invaded Kuwait, Monteiro believes, because he miscalculated what the United States was willing to accept. After meeting Saddam with overwhelming force, America expected that the rest of the world would capitulate to its demands with much less fuss. Monteiro compared the conflicts of the multipolar 18th century to those of the Cold War and current unipolar moment. What he found is that the unipolar world isn’t necessarily better than what preceded it, either for the United States or for the rest of the world. It might even be worse. “Uncertainty increases in unipolarity,” Monteiro says. “If another great power were around, we wouldn’t be able to get involved in all these wars.” In the unipolar period, a growing class of minor powers has provoked the United States, willing to engage in brinkmanship up to and including violent conflict. Look no further than Iran’s recent threats to close the Strait of Hormuz to oil shipping and to strike the American Navy. Naturally, Iran wouldn’t be able to win such a showdown. But Iran knows well that the United States wants to avoid the significant costs of a war, and might back down in a confrontation, thereby rewarding Iran’s aggressive gambits. And if (or once) Iran crosses the nuclear threshold, it will have an even greater capacity to deter the United States. During the Cold War, on the other hand, regional powers tended to rely on their patron’s nuclear umbrella rather than seeking nukes of their own, and would have had no incentive to defy the United States by developing them. Absent a rival superpower to check its reach, the United States has felt unrestrained, and at times even obligated, to intervene as a global police officer or arbiter of international norms against crimes such as genocide. Time and again in the post-Cold War age, minor countries that were supposed to meekly fall in line with American imperatives instead defied them, drawing America into conflicts in the Balkans, Somalia, Haiti, Iraq, and Afghanistan. This wasn’t what was supposed to happen: The world was supposed to be much safer for a unipolar superpower, not more costly and hazardous.

**Multipolarity inevitable—the aff clings to false hope which turns their impact**

**Walt 11 –** [Stephen, Robert and Renée Belfer professor of international relations at Harvard University, “What I told the Navy this year,” 6-10, <http://walt.foreignpolicy.com/posts/2011/06/10/what_i_told_the_navy_this_year>]

I had the privilege of delivering a keynote speech to the Naval War College's Current Strategy Forum on Wednesday, and you can find a video of the talk here. The title of my talk was "The Twilight of the American Era," and my central point was that we are nearing the end of the unusual position of primacy that the United States has enjoyed since the end of World War II. In 1945, the United States produced about half of gross world product, we were a creditor nation with a trade surplus, and we had the world's largest armed forces and sole possession of atomic weapons. The Soviet Union had a large land army but not much else, and its economy was always decidedly inferior to ours. This position of primacy allowed the United States to create, maintain, and lead a political-economic-security order in virtually every part of the world, except for the Soviet Union and Warsaw Pact itself. Not only did the United States play the leading role in institutions like the UN, IMF, World Bank, and GATT, but we also established a dominant security role in Europe through NATO and in Asia through bilateral treaties with Japan, Australia, South Korea, New Zealand and others. In the Middle East, the United States helped create and support Israel and also forged security partnerships with various Arab monarchies, thereby obtaining a predominant role there as well. U.S. hegemony was already well-established in the Western hemisphere, and though the U.S. didn't pay much attention to Africa, it did enough to preserve its modest interests there too. Over the next forty years, this position of primacy was challenged on several occasions but never seriously threatened. The United States lost the Vietnam War but its Asian alliances held firm, and China eventually moved closer to us in the 1970s. The Shah of Iran fell, but the United States simply created the Rapid Deployment Force and maintained a balance of power in the Gulf. Israel grew ever-stronger and more secure, and Egypt eventually realigned towards us too. And then the Soviet Union collapsed, which allowed the United States to bring the Warsaw Pact into NATO and spread market-based systems throughout the former communist world. This situation was highly unusual, to say the least. It is rare that any single power-let alone one with only 5 percent of the world's population -- is able to create and maintain a particular political and security order in almost every corner of the world. It was never going to last forever, of course, and three key trends are now combining to bring that era of dominance to an end. The first trend is the rise of China, which discarded the communist system that had constrained its considerable potential and has now experienced three decades of explosive growth. China's military power is growing steadily, and as I and other realists have noted, this trend will almost certainly lead to serious security competition in Asia, as China seeks to limit the U.S. role and as Washington strives to maintain it. The second trend is the self-inflicted damage to the U.S. economy, a consequence of the Bush administration's profligacy and the financial crisis of 2007. The United States faces a mountain of debt, the near-certainty of persistent federal deficits, and a dysfunctional political system that cannot seem to make hard choices. This situation does not mean the United States is about to fall from the ranks of the great powers, but the contrast with earlier periods -- and especially the immediate aftermath of World War II -- is stunning. Just look at our tepid response to the Arab spring and compare that with the Marshall Plan, and you get some idea of our diminished clout. The third trend is the emergence of several influential regional powers, who have managed to reform their own economies, gain greater confidence and independence, and (in some cases) throw off their previous deference to Washington. States such as Turkey, India, and Brazil are not about to become true global powers, but each has become more influential in its own neighborhood, is able to chart its own foreign policy course, and won't be inclined to defer to Washington's wishes. This is especially true for those states -- most notably Turkey -- where the U.S. image is now decidely negative. China's rise may eventually give many states diplomatic options, further complicating America's ability to run a Washington-centered world order. Make no mistake: these developments do not mean the United States is facing terminal decline, or about to drop out of the major power category. As I told the 2009 Strategy Forum, unlike Europe or Japan, the U.S. population is still increasing and America's long-term power potential remains high. The U.S. economy is still the world's most diverse and technologically sophisticated, and our military power will remain formidable even if defense budget faces significant cuts (as it should). The United States is not about to decline the same way that Britain did after World War II; in fact, it is almost certain to be the world's single most powerful state for some time to come. What is ending, however, is the "American Era": that unusual period of primacy where the United States could orchestrate lead a political/economic/security order almost everywhere. We didn't control the world, but we cast a long shadow virtually everywhere and we could usually make most things go our way. What does this mean going forward? It means the United States is going to have set priorities, and write off some areas or regions where its vital interests are not engaged or where those interests are not threatened. In particular, the United States should focus on preserving a balance of power in the key industrial areas of Europe and Asia and in the oil-rich Persian Gulf, while maintaining its position as the only great power in the Western hemisphere. We will need to get our allies to do more, however, and as the Libyan intervention shows, the only way to do that is to do rather less ourselves). But we will have to forego the costly moral crusades that neoconservatives and liberal interventionists love to drag us into, and that also means staying out of the costly business of "nation-building" (which we are not very good at anyway). In short, the United States will have to return to the strategy of "offshore balancing" that it followed for most of its history. In practice, this means drawing down our military presence in Europe (which is stable and democratic and faces no threats it can't handle itself), getting out of Iraq and Afghanistan and moving our forces there back offshore and over-the-horizon, and shifting more of our strategic attention to Asia, where China's rise is creating a number of new and potentially valuable partners. This is decidely not an "isolationist" strategy, insofar as the United States would remain diplomatically engaged around the globe and militarily committed in several key regions. But we would be much less inclined to intervention on other states' internal affairs. As you might expect, the audience at the War College seemed to like this analysis, because the Navy is central to making a strategy like this work. Offshore balance requires command of the sea, so that the United States can project power when and where it has to. Naval forces are also a useful way to signal commitment, but without creating the friction and resentment that large, on-shore deployments create. And though naval forces are not cheap, an approach that shifts more of the burden to others and doesn't try to remake societies that we don't understand is going to be more affordable both now and in the future. Bottom line: Offshore balancing is the right strategy for the 21st century, and a combination of external trends and internal constraints will almost certainly lead us to adopt some variable on it. The only question is how quickly we make these adjustments, and how much more blood and treasure we squander before we do.

**Heg causes entanglement wars—alliance commitments will draw the u.s. into nuclear conflicts**

**Layne, 06** (Christopher, professor of government at Texas A & M University, The Peace of Illusions: American Grand Strategy from 1940 to the Present, p. 169)

Rather than being instruments of regional pacification, today America's alliances are **transmission belts for war** that ensure that the U.S. would be embroiled in Eurasian wars. In deciding whether to go war in Eurasia, the United States should not allow its hands to be tied in advance. For example, a non‑great power war on the Korean Peninsula‑even if nuclear weapons were not involved‑would be very costly. The dangers of being entangled in a great power war in Eurasia, of course, are even greater, and could expose the American homeland to **nuclear attack.** An offshore balancing grand strat­egy would extricate the United States from the danger of being entrapped in Eurasian conflicts by its alliance commitments

# TPP

**TPP will fail – FTA in the status quo, there are barriers to free trade, and gains will be limited**

**James 10** ­-Sallie James is a policy analyst with Cato’s Herbert A. Stiefel Center for Trade Policy Studies. James writes and speaks on a variety of trade topics, with a research emphasis on the subject of agricultural trade policy, James received her Bachelor of Economics and Master of Economics degrees from the University of Adelaide, and her Ph.D. in Agricultural Economics from the University of Western Australia, (“Is the Trans-Pacific Partnership Worth the Fuss?”, March 15, 2010, http://www.cato.org/publications/free-trade-bulletin/is-transpacific-partnership-worth-fuss)//sawyer

First, four of the seven TPP negotiators—the most important export markets for the United States in the group— already have bilateral free trade agreements (FTA) with the United States. And as Table 1 shows, the non-FTA partners (Brunei, New Zealand and Vietnam) are not currently big markets for U.S. exporters: Vietnam—the most important of them—ranked 50th. Of course, one could argue that high trade barriers might be behind the poor performance, and that the TPP would thus improve U.S. standings in those countries. But the non-FTA markets are small. Even the generally protrade Peterson Institute for International Economics, in a submission to the USTR in January in support of the TPP, admits that “the U.S. payoff … depends on extending the TPP to other major economies of the Asia-Pacific region.”5 Second, the potential to fully realize gains from free trade with the remaining TPP partners with which the **United States does not already have an FTA is questionable.** For example, they all present political problems. Although not necessarily a serious irritant, especially under the new administration, **New Zealand’s long-standing refusal to admit nuclear-powered ships into its harbors or join the Iraq war effort was seen as** an obstacle to a previously proposed bilateral trade deal.6 Human-rights concerns in Vietnam and Brunei are in the sights of trade skeptics.7 Third, and assuming the political obstacles can be overcome, **the gains to American consumers from lowering tariffs on imports from the non-FTA TPP partners are by no means certain**. Brunei, for example, exports mainly oil and petroleum products, which accounted for more than 96 percent of its total exports in 2008.8 The U.S. tariff on petroleum products is relatively low, and Brunei is not a significant source of oil for the United States. According to the U.S. International Trade Commission, the United States did not import any oil or related products from Brunei in 2009; indeed, total imports of all products from Brunei in 2009 came to just $41.6 million.9 The ability of American consumers to benefit from lower prices and greater product variety is by no means assured, especially compared to the benefits offered by other, bigger deals that the administration could promote. Vietnam provides an instructive example of the significant distance between potential and success. While Vietnam has potential to be an important export market for U.S. businesses because of its rapid growth and anticipated future need for high value-added imports of goods and services, its experience with United States trade politics does not augur well for a truly liberalizing agreement this time around. Two of its main export products, shrimp and catfish, are subject to extra tariffs under U.S. “unfair trade” laws. Separate to the TPP negotiations, news reports indicate that ongoing skirmishes over catfish inspections continue to complicate the trading relationship and threaten to spill over into U.S. beef exports to Vietnam.10 Textile and apparel imports, which would offer significant benefits to American consumers if they were allowed to come in freely, are politically sensitive and would likely be subject to long phase-ins and carve-outs, if they are covered at all. Indeed, the U.S. textile lobby successfully convinced the Bush administration to subject Vietnamese textiles to formal monitoring by the U.S. Department of Commerce when Vietnam joined the WTO in 2007, **and has called for textiles to be excluded from the TPP negotiations**.11 Negotiators can expect strong lobbying efforts from special interests eager to protect their turf. Similarly, the bruising experience with the sugar lobby during the negotiations for the FTA with Australia serves as a warning for those that hope a TPP might, through freer trade with New Zealand, bring U.S. consumers long-overdue access to competitive dairy products. Dairy would likely be subject to significant carve-outs and delayed liberalization, especially if, as Ambassador Kirk threatens, members of Congress are intimately involved with proceedings. Hopes that a TPP would yield an opportunity to reopen the sugar provisions of the FTA with Australia look equally dashed. **The Office of the USTR has already hinted that sugar would not be on the table for further liberalization, even though it would bring significant gains for U.S. consumers**.12 An Unconvincing Sales Pitch The language the administration used to promote the deal should give cause for concern to every proponent of genuinely liberalizing trade agreements. First, but not unusually, this deal was pitched overwhelmingly in terms of its potential to increase exports, thus reinforcing the damaging myth that promoting exports is the true end of trade policy and imports are, at best, a necessary evil. This is a recurrent theme with the Obama administration which, in its recently-released 2010 trade policy agenda, mentioned imports only 5 times.13 During his appearance at the 2010 USDA Outlook Forum—an event that partly aims to talk up agriculture, one of America’s key export sectors—Ambassador Kirk said that members of Congress “are more open and receptive” to the idea of creating a trans-Pacific agreement because they could start the agreement from scratch.14 Congress, in other words, would be free to insert potentially deal-breaking labor and environmental standards and generally assert their will. That is not good news. As a general matter, members of Congress take a more parochial view of trade agreements than do administrations, being naturally concerned about the effect of any trade deal on politically powerful constituents rather than the national interest. Deferring to the current Congress in particular is unlikely to lead to more tradefriendly agreements: most of the Democratic majority has signed on to a bill sponsored by Rep. Michael Michaud (DME) that calls for a new trade policy that includes a long list of environmental, labor, investment and consumer protection standards.15 Although the bill has little chance of becoming law, support for it demonstrates the extent of trade skepticism in the 111th Congress. A newly introduced bill that would withdraw the United States from NAFTA is a similar indication of congressional mood. Far from upgrading trade agreements to “platinum” status, as some commentators have insisted that they would, adding extraneous social and intellectual property standards may tarnish the sheen of otherwise promising opportunities to expand economic liberty. That assumes, of course, that the inclusion of such standards and conditions does not preclude a deal entirely: developing countries strongly resist such standards as a rule, and it’s likely that even the bilateral agreements within the TPP would need to be renegotiated to fit the new administration’s vision. In a truly disappointing display of political timidity, Ambassador Kirk gave depressing reasons for why the administration **sees the TPP as higher priority than other agreements that have already been signed.** Negotiations would, he said, be **less of a political burden for Congress because they would likely take 18 to 24 months to develop and the agreement would not come up in Congress for approval until after the 2010 elections.** Congress, he said, would look on these features favorably.16 That should worry our TPP partners. When the main ambassador for U.S. trade is selling the slow pace and likely complications as a feature of the agreement rather than a bug, you know to put the champagne back on ice. All of this calls into question the administration’s true commitment to freer trade. Why, for example, given their insistence about the importance of the Asia-Pacific region for America’s economic prosperity, is the administration not being more proactive in promoting the completed agreement with South Korea? The TPP is less politically controversial, to be sure, but that is an indication that it is less ambitious.

**U.S. leadership prevents any effective TPP deal**

**Paramonov, 13** – Dr. Igor M. Paramonov, Southern Alberta Institute of Technology, Calgary (“The Rise of Asia and North American Economic Integration: A Canadian Perspective” The Business Review, Cambridge21.1 (Summer 2013): 67-73. Proquest)

Despite obvious benefits and opportunities, the TPP is not a sure thing yet, and unlikely a panacea for all Canadian problems. Despite a commitment to progress across all areas and consistency in the objectives of negotiations, the TPP by its nature is "an unbalanced composition" (Ibbitson, 2012). In addition to the world's largest economy (the U.S.), the TPP includes poor, communist-run Vietnam; small oil-rich Sultanate of Brunei; two smallish Andean nations of Chile and Peru; two developed economies (Australia and New Zealand), emerging Malaysia, and rich but small city-state of Singapore in the South Pacific; and two newcomers from North America - Canada and Mexico. Taking into consideration differences in size, sources of income, living standards, and political orientations of these nations, it can be difficult for them to find common ground. The Americans are setting the terms for the deal, and many countries don't like these terms. Negotiations could be stalled in a limbo-type situation analogous to the promising but overly-complex deal to complete the Free Trade Agreement of the Americas. The absence of India, Japan, South Korea, and especially China, which is now at the very center of the global manufacturing supply chain, makes the TPP incomplete and less attractive for businesses. Iwan Aziz, head of the Asian Development Bank's regional integration office, concludes that any agreement that does not include China will lose relevance (as cited in Pilling, 201 1). Most experts have serious doubts that China will join talks any time soon. Proposed provisions placing limits on state-owned enterprises make China's presence unlikely. The Chinese local media often portrays the TPP as an "aggressive" US-led ploy to marginalize China (Ibid, 201 1). From Canada's perspective, the absence of China is not the only pitfall of the new partnership. There are other big implications, including pressure on protected industries in Canada to accept more foreign competition. Americans are trying to take advantage of the TPP talks to push Canada and Mexico toward giving up their traditional protectionism not just in agriculture, but in government procurement, culture and financial services. Canada is expected to make concessions on copyright reform and intellectual property. Copyright reform has taken over 15 years to fulfill and critics argue that new trade demands sought by powerful U.S. pharmaceutical, technology, and entertainment industries could have potentially disastrous consequences for Canadians (Brown, 2012). All of these potential implications could cost Canadian businesses and consumers heavily, while projected economic benefits look rather modest. Independent authors calculate that membership in the TPP could increase the size of Canada's economy by US$9.9 billion by 2025 with 0.5% annual growth of gross domestic product (Petri, Plummer, 2012).

**Trade does not solve war—there’s no correlation between trade and peace**

**MARTIN, MAYER, AND THOENIG 2008 (**Phillipe, University of Paris 1 Pantheon—Sorbonne, Paris School of Economics, and Centre for Economic Policy Research; Thierry MAYER, University of Paris 1 Pantheon—Sorbonne, Paris School of Economics, CEPII, and Centre for Economic Policy Research, Mathias THOENIG, University of Geneva and Paris School of Economics, The Review of Economic Studies 75)

Does globalization pacify international relations? The “liberal” view in political science argues that increasing trade flows and the spread of free markets and democracy should limit the incentive to use military force in interstate relations. This vision, which can partly be traced back to Kant’s Essay on Perpetual Peace (1795), has been very influential: The main objective of the European trade integration process was to prevent the killing and destruction of the two World Wars from ever happening again.1 Figure 1 suggests2 however, that during the 1870–2001 period, the correlation between trade openness and military conflicts is not a clear cut one. The first era of globalization, at the end of the 19th century, was a period of rising trade openness and multiple military conflicts, culminating with World War I. Then, the interwar period was characterized by a simultaneous collapse of world trade and conflicts. After World War II, world trade increased rapidly, while the number of conflicts decreased (although the risk of a global conflict was obviously high). There is no clear evidence that the 1990s, during which trade flows increased dramatically, was a period of lower prevalence of military conflicts, even taking into account the increase in the number of sovereign states.

**Tons of incompetent policies stifle trade**

**Carafano 2009** – PhD from Georgetown, deputy director of the David Institute for International Studies, director of the Allison Center for Foreign Policy Studies, visiting professor at National Defense University and Georgetown University, former director of military studies at the Army's Center of Military History (11/16, James, Washington Examiner, “Missing in action: U.S. trade policy”, http://www.washingtonexaminer.com/opinion/columns/Missing-in-action\_-U\_S\_-trade-policy-8537763-70147747.html, WEA)

Trade with Asia is vital to America's future. America is a trading nation--a third of our economy comes from trade. Asia accounts for more than a quarter of global trade -- more than the U.S. and Europe combined. According to the Index of Economic Freedom, half of the world's 10 most free economies are Asian nations. Yet even leaders in the president's own party concede that the White House is missing in action. Last week, Senate Finance Committee Chairman Max Baucus declared "that absence is palpable. ... We must trade or fade." The White House is fading. The South Korea Free Trade Agreement, hammered out and signed back on June 30, 2007, is gathering cobwebs as it awaits ratification. The administration refuses to push for it, even though recently 88 members of Congress (half from each party) recently wrote a letter pleading to dust off the proposal. The administration has not even started to develop a free-trade agreement with India (one of the regions fastest-growing economies) even after New Delhi signed a trade pact with China and drafted one with the European Union. Washington, however, has almost forgotten how to spell free trade. The White House is obsessed with global climate change regulations and treaties that are more likely to kill both jobs and trade than clean up the environment. The president is also unwilling to take on labor unions and other entrenched interests that are more interested in having a controlling power in a dwindling America than in growing American prosperity and power.

**Cooperative international trade inevitable**

**Chicago Tribune 2008** (8/9, After Doha, http://articles.chicagotribune.com/2008-08-09/news/0808080457\_1\_doha-round-doha-talks-trade-talks)

Even people involved daily in ongoing international trade aren't reacting much differently. They're buying and selling goods across borders and oceans, dealing with the logistical complications of high oil prices, currency fluctuations, the price of labor, unit cost, quality control and the like. This doesn't mean that a successful completion of the Doha talks wouldn't have mattered. It's a big deal that for the first time in half a century, global trade talks have failed. The Doha talks -- seven years in negotiation -- would have slashed farm subsidies and further opened markets for manufactured goods and services. Advertisement But with or without Doha, countries will continue to trade aggressively. The benefits and opportunities are just too great. International trade expanded from 40 percent of the world economy in 1990 to more than 55 percent by 2004, according to the World Bank. The fastest growing countries -- among them China, Vietnam, Ireland -- were those that expanded their trade. Countries left behind, including much of sub-Saharan Africa, traded the least. Even with the current slowdown in the international economy, the WTO predicts that trade will still grow 4.5 percent this year. (That will be down from 8.5 percent in 2006 and 5.5 percent last

# Debt

US Economy growing now.

Sampson 9/5 (Pamela, 9/5/13, “World stock markets post gains after reports show US economy growing modestly; auto sales jump,” http://www.globalpost.com/dispatch/news/the-canadian-press/130905/asian-stock-markets-post-gains-after-reports-show-us-economy)//DR. H

Good news about the U.S. economy, including strong auto sales, helped boost world stock markets Thursday.

A Federal Reserve survey released Wednesday showed all U.S. regions reported moderate economic growth from July through late August. More good news came from the auto industry: General Motors and other carmakers posted strong sales in August, giving the industry its best month in six years.

That data comes on top of the Institute for Supply Management's report, released Tuesday, that said U.S. factory production rose in August at the fastest pace in two years.

In early European trading, Britain's FTSE 100 rose 0.8 per cent to 6,527.41. Germany's DAX advanced 0.4 per cent to 8,227.41. France's CAC-40 rose 0.4 per cent to 3,997.22.

Wall Street look set for a modestly higher open, with Dow Jones industrial futures up slightly at 14,927. S

Japan's Nikkei 225 index swung between losses and gains before closing 0.1 per cent higher at 14,064.82 after the Bank of Japan said following a policy meeting that the world's No. 3 economy was "recovering moderately." The central bank's policy board also said the bank's monetary easing policies would be maintained for the time being, Kyodo News reported.

India's Sensex benchmark surged 1.7 per cent a day after the country's new central bank head, Raghuram Rajan, announced a series of measures aimed at shoring up the rupee currency and strengthening the banking system.

Among new measures Rajan promised was one to allow existing banks to open new domestic branches without Reserve Bank of India permission. Rajan also said long-awaited new banking licenses would be issued by January. Shares of State Bank of India jumped 8 per cent in Mumbai. Axis Bank Ltd. surged more than 15 per cent.

Hong Kong's Hang Seng gained 1.2 per cent to 22,597.97. South Korea's Kospi advanced 1 per cent to 1,951.65. Benchmarks in Singapore, Taiwan and Thailand. Mainland Chinese shares were mixed. The Philippines and Indonesia fell. Australia's S

Investors were also looking ahead to Friday, when the U.S. jobs report for August will be released. Economists expect that the U.S. created 177,000 jobs last month and that the unemployment rate held steady at 7.4 per cent, according to financial data provider FactSet.

Friday's jobs report is the last major piece of economic data the Federal Reserve will have to work with before the central bank decides whether or not to pull back on its massive bond-buying program. That program has kept interest rates abnormally low. While most investors believe the Fed will begin to pull back, the question has become when and how much.

"The economy seems to be recovering. I think the crucial thing will be the jobs numbers on Friday," said Andrew Sullivan, trader at Kim Eng Securities in Hong Kong.

Benchmark crude for October delivery was up 60 cents at $107.82 a barrel in electronic trading on the New York Mercantile Exchange. The contract fell $1.31 to close at $107.23 a barrel on Wednesday.

**Even massive economic decline has zero chance of war**

**Jervis, 11 -** Professor in the Department of Political Science and School of International and Public Affairs at Columbia University (Robert, "Force in Our Times," December 2011, Survival, Vol. 25, No. 4, p. 403-425, SMS)

Even if war is still seen as evil, the security community could be dissolved if severe conflicts of interest were to arise. Could the more peaceful world generate new interests that would bring the members of the community into sharp disputes?45 A zero-sum sense of status would be one example, perhaps linked to a steep rise in nationalism. More likely would be a worsening of the current economic difficulties, which could itself produce greater nationalism, undermine democracy, and bring back old-fashionedbeggar-thy-neighbor economic policies. While these dangers are real, it is hard to believe that the conflicts could be great enough to lead the members of the community to contemplate fighting each other. It is not so much that economic interdependence has proceeded to the point where it could not be reversed – states that were more internally interdependent than anything seen internationally have fought bloody civil wars. Rather it is that even if the more extreme versions of free trade and economic liberalism become discredited, it is hard to see how without building on a pre-existing high level of political conflict leaders and mass opinion would come to believe that their countries could prosper by impoverishing or even attacking others. Is it possible that problems will not only become severe, but that people will entertain the thought that they have to be solved by war? While a pessimist could note that this argument does not appear as outlandish as it did before the financial crisis, an optimist could reply (correctly, in my view) that the very fact that we have seen such a sharp economic down-turn without anyone suggesting that force of arms is the solution shows that even if bad times bring about greater economic conflict, it will not make war thinkable.

**Global economy resilient**

Zakaria, 9 - PhD in pol sci from Harvard. Editor of Newsweek, BA from Yale, PhD in pol sci, Harvard. He serves on the board of Yale University, The Council on Foreign Relations, The Trilateral Commission, and Shakespeare and Company. Named "one of the 21 most important people of the 21st Century" (Fareed, The Secrets of Stability, 12 December 2009, http://www.fareedzakaria.com/articles/articles.html)

One year ago, the world seemed as if it might be coming apart. The global financial system, which had fueled a great expansion of capitalism and trade across the world, was crumbling. All the certainties of the age of globalization—about the virtues of free markets, trade, and technology—were being called into question. Faith in the American model had collapsed. The financial industry had crumbled. Once-roaring emerging markets like China, India, and Brazil were sinking. Worldwide trade was shrinking to a degree not seen since the 1930s.¶ Pundits whose bearishness had been vindicated predicted we were doomed to a long, painful bust, with cascading failures in sector after sector, country after country. In a widely cited essay that appeared in The Atlantic this May, Simon Johnson, former chief economist of the International Monetary Fund, wrote: "The conventional wisdom among the elite is still that the current slump 'cannot be as bad as the Great Depression.' This view is wrong. What we face now could, in fact, be worse than the Great Depression."¶ Others predicted that these economic shocks would lead to political instability and violence in the worst-hit countries. At his confirmation hearing in February, the new U.S. director of national intelligence, Adm. Dennis Blair, cautioned the Senate that "the financial crisis and global recession are likely to produce a wave of economic crises in emerging-market nations over the next year." Hillary Clinton endorsed this grim view. And she was hardly alone. Foreign Policy ran a cover story predicting serious unrest in several emerging markets.¶ Of one thing everyone was sure: nothing would ever be the same again. Not the financial industry, not capitalism, not globalization.¶ One year later, how much has the world really changed? Well, Wall Street is home to two fewer investment banks (three, if you count Merrill Lynch). Some regional banks have gone bust. There was some turmoil in Moldova and (entirely unrelated to the financial crisis) in Iran. Severe problems remain, like high unemployment in the West, and we face new problems caused by responses to the crisis—soaring debt and fears of inflation. But overall, things look nothing like they did in the 1930s. The predictions of economic and political collapse have not materialized at all.¶ A key measure of fear and fragility is the ability of poor and unstable countries to borrow money on the debt markets. So consider this: the sovereign bonds of tottering Pakistan have returned 168 percent so far this year. All this doesn't add up to a recovery yet, but it does reflect a return to some level of normalcy. And that rebound has been so rapid that even the shrewdest observers remain puzzled. "The question I have at the back of my head is 'Is that it?' " says Charles Kaye, the co-head of Warburg Pincus. "We had this huge crisis, and now we're back to business as usual?"¶ This revival did not happen because markets managed to stabilize themselves on their own. Rather, governments, having learned the lessons of the Great Depression, were determined not to repeat the same mistakes once this crisis hit. By massively expanding state support for the economy—through central banks and national treasuries—they buffered the worst of the damage. (Whether they made new mistakes in the process remains to be seen.) The extensive social safety nets that have been established across the industrialized world also cushioned the pain felt by many. Times are still tough, but things are nowhere near as bad as in the 1930s, when governments played a tiny role in national economies.¶ It's true that the massive state interventions of the past year may be fueling some new bubbles: the cheap cash and government guarantees provided to banks, companies, and consumers have fueled some irrational exuberance in stock and bond markets. Yet these rallies also demonstrate the return of confidence, and confidence is a very powerful economic force. When John Maynard Keynes described his own prescriptions for economic growth, he believed government action could provide only a temporary fix until the real motor of the economy started cranking again—the animal spirits of investors, consumers, and companies seeking risk and profit.¶ Beyond all this, though, I believe there's a fundamental reason why we have not faced global collapse in the last year. It is the same reason that we weathered the stock-market crash of 1987, the recession of 1992, the Asian crisis of 1997, the Russian default of 1998, and the tech-bubble collapse of 2000. The current global economic system is inherently more resilient than we think. The world today is characterized by three major forces for stability, each reinforcing the other and each historical in nature.

**Market is decoupled from the US – BRICS prove**

Smith, 12 – Economic reporter for Alt-Market website (Brandon, "Is The World Abandoning The U.S. Economy?," Alt-Market, 10-25-12, http://www.alt-market.com/articles/1108-is-the-world-abandoning-the-us-economy, SMS)

The possibility of a U.S. without financial hegemony is very real. To understand that this possibility exists is one thing; to understand that the process of destabilization has already begun is another. Many analysts with their heads stuck in the mainstream clouds attempt to argue against the “theory” of foreign markets decoupling from the U.S., not realizing that their entire debate platform is pointless because the decoupling is happening right under their noses… The recent press covering the ongoing plan by BRIC nations (or “BRICS” if you count the latest bilateral agreements with South Africa) to establish their own supranational banking hub merely highlights the fact that developing countries are not simply “talking” about decoupling from the United States, they are taking actions to make it happen: http://www.bloomberg.com/news/2012-10-16/goldman-sachs-s-o-neill-sees-brics-bank-gathering-momentum-1-.html The response from mainstream financial analysts is, of course, that the project for a BRIC bank will fail. Their argument, however, usually revolves around the assumption that this new central bank is designed to “compete” with the IMF, and is a merely an overreaction to the IMF and World Bank’s failure to give developing nations more inclusion in decision making processes. I see no evidence that the BRICS are trying to create a counter-system which would conflict with IMF control. Instead, it would seem that the BRICS are much more interested in forcing the issue of greater inclusion, and garnering greater favor within the already existing IMF structure: http://www.reuters.com/article/2012/04/19/imf-idUSL2E8FJ90K20120419 Last year the G20 discussed heightened participation by China and the BRICS in the IMF’s global basket currency, the SDR. French Finance Minister and later “elected” IMF chief Christine Lagarde agreed with the idea while stating that certain conditions, including appreciation of the Yuan’s value, would have to take place: http://www.bbc.co.uk/news/business-12905205 Contrary to the belief that the BRICS are building opposition to the IMF, China has on several occasions called for the EXPANSION of the IMF’s power, as well as widespread circulation of the SDR: http://www.businessweek.com/news/2011-11-03/chinese-president-hu-calls-for-reform-of-imf-sdr-currency-basket.html How have the MSM talking heads missed this trend? Simply put: Bias, controlled and pre-written talking points from their editors, as well as many half-baked presumptions. The popular belief amongst financial academia is that the IMF is a product of American economic might, and that the organization will do whatever is in the best interests of the U.S. at all times. The reality is that the IMF is fast becoming the central authority of economic operations around the globe, and America just happens to be paying the largest “tithe” to the respective coffers of the banking syndicate. Do you get more control in the operations of the IRS when you pay more taxes? The IMF’s goal is world centralization of economic control. For them, any sovereign nation is expendable in pursuit of the end game, including the United States. The IMF would not be pushing the issuance of a new world reserve currency to unseat the dollar if they did not intend to follow through, and they certainly would not hobble the greenback if they cared in the slightest about American economic concerns. Rather than running counter to the IMF, BRIC partners and the newly realized ASEAN bloc are making themselves indispensible to the globalists, ensuring wider partnership in the near future. A BRIC central bank is, I believe, a bargaining chip to be used to open the door to more leadership in the IMF while reducing American influence. To summarize, the BRICS are not in conflict with the IMF, rather, they are in conflict with the U.S., and this conflict is coming to a climax… Trade amongst BRIC nations continues to climb while exports to the U.S. have diminished. Between 2001 and 2009, exports and imports between BRICS skyrocketed, even amidst the derivatives collapse:

# 2nc

# 2nc heg fails

**US influence is in decline – can’t prevent global crisis.**

**Stowcroft, 4-25-12**

[Brent, the president and founder of the Scowcroft Group, served as national-security adviser to presidents Gerald Ford and George H. W. Bush, member of The National Interest’s Advisory Council, “A World in Transformation,” http://nationalinterest.org/article/world-transformation-6794?page=1]

Since the end of World War II, the United States has been the country that could take the lead in moving the world from drift to transition and perhaps even to a new global order. The shining example is the immediate post–World War II period. But America is not as well positioned to do that now. The 9/11 attacks were a watershed experience for us. They were a wake-up call that jolted us from the relative calm of the 1990s, when the country basked in the notion that it did not have to think much about foreign policy. Afterward, it became clear that we had to think a great deal about foreign policy. That led to an anomalous decade that has changed how we think about the world and altered our image in the world. Once, we were viewed as trying to do what was best for everybody; now, we are seen as being preoccupied with our own narrow interests. We have appeared sometimes to be seeking to dominate rather than to lead. As a result, it is not as easy as it used to be to get nations to mobilize in the same direction. And that retards our ability to navigate through this time of chaos and transition.

**Even if they win their relative power args, multiple factors prevent the US from effectively managing global stability.**

**Walt, 1-26-12**

[Stephen, Robert and Renée Belfer professor of international relations at Harvard University, “Whether or not the U.S. is declining is the wrong question,” <http://walt.foreignpolicy.com/posts/2012/01/26/asking_the_wrong_question_about_the_us_and_china>]

As I've noted elsewhere, the issue isn't whether the United States is about to fall the from the ranks of the great powers, or even be equaled (let alone surpassed) by a rising China. The world may be evolving toward a more multipolar structure, for example, but the United States is going to be one of those poles, and almost certainly the strongest of them, for many years to come. Instead, the real issue is whether developments at home and overseas are making it harder for the United States to exercise the kind of dominant influence that it did for much of the latter half of the 20th century. The United States had a larger share of global GDP in the 1940s and 1950s, and it wasn't running enormous budget deficits. The United States was seen as a reliable defender of human rights, and its support for decolonization after World War II had won it many friends in the developing world. It also had good relations with a variety of monarchies and dictatorships, which it justified as part of the struggle against communism. These features allowed the United States to create and lead combined economic, security and political orders in virtually every corner of the world, except for the portions directly controlled by our communist rivals. And the U.S. and its allies eventually won that struggle too, driving the USSR into exhaustion and watching the triumph of market economies and more participatory forms of government throughout the former communist world. The United States remains very powerful -- especially when compared with some putative opponents like Iran -- but its capacity to lead security and economic orders in every corner of the world has been diminished by failures in Iraq (and eventually, Afghanistan), by the burden of debt accumulated over the past decade, by the economic melt-down in 2007-2008, and by the emergence of somewhat stronger and independent actors in Brazil, Turkey, India, and elsewhere. One might also point to eroding national infrastructure and an educational system that impresses hardly anyone. Moreover, five decades of misguided policies have badly tarnished America's image in many parts of the world, and especially in the Middle East and Central Asia. The erosion of authoritarian rule in the Arab world will force new governments to pay more attention to popular sentiment -- which is generally hostile to the broad thrust of U.S. policy in the region -- and the United States will be less able to rely on close relations with tame monarchs or military dictators henceforth. If it the United States remains far and away the world's strongest state, its ability to get its way in world affairs is declining. All this may seem like a hair-splitting, but there's an important issue at stake. Posing the question in the usual way ("Is the U.S. Still #1?", "Who's bigger?", "Is China Catching Up?" etc.,) focuses attention primarily on bilateral comparisons and distracts us from thinking about the broader environment in which both the United States and China will have to operate. The danger, of course, is that repeated assurances that America is still on top will encourage foreign policy mandarins to believe that they can continue to make the same blunders they have in the recent past, and discourage them from making the strategic choices that will preserve U.S. primacy, enhance U.S. influence, and incidentally, produce a healthier society here at home.

**US influence is in terminal decline – we can’t stabilize or manage the world.**

**Walt, 1-30**-12 – [Stephen M., Robert and Renée Belfer professor of international relations at Harvard University, “Is the U.S. focusing too much on China?” <http://walt.foreignpolicy.com/posts/2012/01/30/is_the_us_focusing_too_much_on_china>]

Dan is correct to say that the United States is still the world's most powerful country, but of course I never said it wasn't. Indeed, America's enduring assets are a point that I emphasized in my own post and in the National Interest article to which I linked. But the real issue is whether our capacity to "run the world" is more constrained than it used to be. After World War II, the U.S. was able to create a working international trade and monetary order, create new alliance partnerships in Europe, Asia, and the Middle East, and pretty much run those partnerships on its own terms for decades. Back in those days, the U.S. could devote fully five percent of its GDP to a single initiative like the Marshall Plan without batting an eye. And then we spent the 1950s subsidizing our allies' recovery. Can anyone imagine our doing something similar today (i.e., spending five percent of GDP (that is, about $700 billion) on economic aid for anyone, in addition to our normal expenditures for defense and foreign affairs? And let's not forget that it has been two decades since the last successful multilateral trade round, which is another indicator of how power has diffused. But one doesn't have to go all the way back to 1947. I'd argue that U.S. influence was significantly higher in 1999, in part because we enjoyed a budget surplus,but also because we had a reputation for military prowess and idealism that made many states want to be on our side. For lack of a better term, let's call it soft power. Today, by contrast, we have budget deficits looming as far as the eye can see. We've lost one war (Iraq) and are going to lose another (Afghanistan). Our global image has been tarnished by events like Abu Ghraib, Guantanamo, the persistent use of drones, and our decidedly one-sided policies elsewhere in the Middle East. Israel ignores our efforts to foster peace, Saudi Arabia ignored us when it intervened in Bahrain, both Pakistan and Afghanistan routinely lie to us, and we have little influence over the political evolution underway in places like Egypt or Libya. Turkey may be cooperating on some issues, but it is hardly as compliant an ally as it was back in the days of the old military government. And so on. Again, this situation doesn't mean the U.S. is devoid of all influence or a "pitiful, helpless giant." But at the same time, to conclude that all is well because China is not about to supplant us as the world's number 1 power strikes me as a dangerous misreading of recent trends.

# 2nc—clinging bad

**Kagan’s wrong – primacy is terminally unsustainable – rising powers and shifting alliance structures make influence untenable even if the US maintains relative power – clinging causes war**

**Kupchan 3/20**/12 – [Charles A., Professor of International Affairs at Georgetown University and Whitney Shepardson Senior Fellow at the Council on Foreign Relations, “The Decline of the West: Why America Must Prepare for the End of Dominance,” <http://www.theatlantic.com/international/archive/2012/03/the-decline-of-the-west-why-america-must-prepare-for-the-end-of-dominance/254779/>]

Although it sounds reassuring, Kagan's argument is, broadly, wrong. It's true that economic strength and military superiority will preserve U.S. influence over global affairs for decades to come, but power is undeniably flowing away from the West to developing nations. If history is any guide, the arrival of a world in which power is more widely distributed will mean a new round of jockeying for position and primacy. While it still enjoys the top rank, the United States should do its best to ensure that this transition occurs peacefully and productively. The worst thing to do is to pretend it's not happening. By overselling the durability of U.S. primacy, Kagan's analysis breeds an illusory strategic complacency: There is no need to debate the management of change when one denies it is taking place. Even worse, the neoconservative brain trust to which Kagan belongs chronically overestimates U.S. power and its ability to shape the world. The last time that like-minded thinkers ran the show--George W. Bush's first term as president--they did much more to undermine American strength than to bolster it. Neoconservative thinking produced an assertive unilateralism that set the rest of the world on edge; led to an unnecessary and debilitating war in Iraq, the main results of which have been sectarian violence and regional instability; and encouraged fiscal profligacy that continues to threaten American solvency. Kagan would have us fritter away the nation's resources in pursuit of a hollow hegemony. Instead, it is time for thrift: Washington should husband its many strengths, be more sparing with military force, and rely on judicious diplomacy to tame the onset of a multipolar world. The Clock is Running American primacy is not as resilient as Kagan thinks. His most serious error is his argument that Americans need not worry about the ascent of new powers because only Europe and Japan are losing ground to them; the United States is keeping pace. It's true that the U.S. share of global output has held at roughly 25 percent for several decades. It's also the case that "the rise of China, India, and other Asian nations ... has so far come almost entirely at the expense of Europe and Japan, which have had a declining share of the global economy." But this is not, as Kagan implies, good news for the United States. The long run of Western hegemony has been the product of teamwork, not of America acting alone. Through the 19th century and up until World War II, Europe led the effort to spread liberal democracy and capitalism--and to guide Western nations to a position of global dominance. Not until the postwar era did the United States take over stewardship of the West. Pax Britannica set the stage for Pax Americana, and Washington inherited from its European allies a liberal international order that rested on solid commercial and strategic foundations. Moreover, America's many successes during the past 70 years would not have been possible without the power and purpose of Europe and Japan by its side. Whether defeating communism, liberalizing the global economy, combating nuclear proliferation, or delivering humanitarian assistance, Western allies formed a winning coalition that made effective action possible. The collective strength of the West is, however, on the way down. During the Cold War, the Western allies often accounted for more than two-thirds of global output. Now they represent about half of output--and soon much less. As of 2010, four of the top five economies in the world were still from the developed world (the United States, Japan, Germany, and France). From the developing world, only China made the grade, coming in at No. 2. By 2050, according to Goldman Sachs, four of the top five economies will come from the developing world (China, India, Brazil, and Russia). Only the United States will make the cut; it will rank second, and its economy will be about half the size of China's. Moreover, the turnabout will be rapid: Goldman Sachs predicts that the collective economic output of the top four developing countries--Brazil, China, India, and Russia--will match that of the G-7 countries by 2032. Kagan is right that the United States will hold its own amid this coming revolution. But he is certainly misguided to think that the relative decline of Europe and Japan won't matter. Their falling fortunes will compromise America's ability to maintain global sway. Indeed, Kagan seems to admit as much when he acknowledges, "Germany and Japan were and are close democratic allies, key pillars of the American world order." Kagan is ready to gloss over the consequences of the West's diminishing clout because he thinks that most emerging nations will cast their lot with the United States rather than challenge American hegemony. "Only the growth of China's economy," he writes, "can be said to have implications for American power in the future." Kagan is confident that the rise of others--including Brazil, India, and Turkey--"is either irrelevant to America's strategic position or of benefit to it." But Washington simply can't expect emerging powers other than China to line up on its side. History suggests that a more equal distribution of power will produce fluid alignments, not fixed alliances. During the late 19th century, for example, the onset of a multi­polar Europe produced a continually shifting network of pacts. Large and small powers alike jockeyed for advantage in an uncertain environment. Only after imperial Germany's military buildup threatened to overturn the equilibrium did Europe's nations group into the competing alliances that ultimately faced off in World War I. As the 21st century unfolds, China is more likely than other emerging nations to threaten U.S. interests. But unless or until the rest of the world is forced to choose sides, most developing countries will keep their options open, not obediently follow America's lead. Already, rising powers are showing that they'll chart their own courses. Turkey for decades oriented its statecraft westward, focusing almost exclusively on its ties to the United States and Europe. Now, Ankara looks primarily east and south, seeking to extend its sway throughout the Middle East. Its secular bent has given way to Islamist leanings; its traditionally close connection with Israel is on the rocks; and its relations with Washington, although steadier of late, have never recovered from the rift over the U.S. invasion of Iraq in 2003. India is supposedly America's newest strategic partner. Relations have certainly improved since the 2005 agreement on civilian nuclear cooperation, and the two nations see eye to eye on checking China's regional intentions. But on many other fronts, Washington and New Delhi are miles apart. India frets, for instance, that the U.S. will give Pakistan too much sway in Afghanistan. On the most pressing national security issue of the day--Iran's nuclear program--India is more of a hindrance than a help, defying Washington's effort to isolate Iran through tighter economic sanctions. And the two democracies have long been at loggerheads over trade and market access. Nations such as Turkey and India, which Kagan argues will be either geopolitically irrelevant or solid American supporters, are already pushing back against Washington. And they are doing so while the United States still wields a pronounced preponderance of power. Imagine how things will look when the playing field has truly leveled out. Despite his faith that rising powers (save China) will be America's friends, Kagan at least recognizes that their ascent could come at America's expense. Will not the "increasing economic clout" of emerging powers, he asks, "cut into American power and influence?" He offers a few reasons not to worry, none of which satisfies. For starters, he claims that the growing wealth of developing nations need not diminish U.S. sway because "there is no simple correlation between economic growth and international influence." He continues, "Just because a nation is an attractive investment opportunity does not mean it is a rising great power." True enough. But one of the past's most indelible patterns is that rising nations eventually expect their influence to be commensurate with their power. The proposition that countries such as India and Brazil will sit quietly in the global shadows as they become economic titans flies in the face of history. Other than modern-day Germany and Japan--both of which have punched well below their weight due to constraints imposed on them after World War II--a country's geopolitical aspirations generally rise in step with its economic strength. During the 1890s, for instance, the United States tapped its industrial might to launch a blue-water navy, rapidly turning itself from an international lightweight into a world-class power. China is now in the midst of fashioning geopolitical aspirations that match its economic strength--as are other emerging powers. India is pouring resources into its navy; its fleet expansion includes 20 new warships and two aircraft carriers. To support his thesis that emerging powers are not rising at the expense of U.S. influence, Kagan also argues that pushback against Washington is nothing new. He then cites numerous occasions, most of them during the Cold War, when adversaries and allies alike resisted U.S. pressure. The upshot is that other nations are no less compliant today than they used to be, and that the sporadic intransigence of emerging powers is par for the course. But today's global landscape is new. By presuming that current circumstances are comparable with the Cold War, Kagan underestimates the centrifugal forces thwarting American influence. Bipolarity no longer constrains how far nations--even those aligned with Washington--will stray from the fold. And the United States no longer wields the economic influence that it once did. Its transition from creditor to debtor nation and from budget surpluses to massive deficits explains why it has been watching from the sidelines as its partners in Europe flirt with financial meltdown. The G-7, a grouping of like-minded democracies, used to oversee the global economy. Now that role is played by the G-20, a much more unwieldy group in which Washington has considerably less influence. And it is hardly business as usual when foreign countries lay claim to nearly 50 percent of publicly held U.S. government debt, with an emerging rival--China--holding about one-quarter of the American treasuries owned by foreigners. Yes, U.S. leadership has always faced resistance, but the pushback grows in proportion to the diffusion of global power. China may prove to be America's most formidable competitor, but other emerging nations will also be finding their own orbits, not automatically aligning themselves with Washington. America's most reliable partners in the years ahead will remain its traditional allies, Europe and Japan. That's why it spells trouble for the United States that these allies are on the losing end of the ongoing redistribution of global power. The Wrong Lesson Finally, Kagan's timing is off. He is right that power shifts over decades, not years. But he underestimates the speed at which substantial changes can occur. He notes, for example, "The United States today is not remotely like Britain circa 1900, when that empire's relative decline began to become apparent. It is more like Britain circa 1870, when the empire was at the height of its power." After two draining wars, an economic crisis, and deepening defense cuts, this assertion seems doubtful. But let's assume that the United States is indeed "at the height of its power," comparable with Britain circa 1870. In 1870, British hegemony rested on a combination of economic and naval supremacy that looked indefinitely durable. Two short decades later, however, that picture had completely changed. The simultaneous rise of the United States, Germany, and Japan altered the distribution of power, forcing Britain to revamp its grand strategy. Pax Britannica may have technically lasted until World War I, but London saw the writing on the wall much earlier--which is precisely why it was able to adjust its strategy by downsizing imperial commitments and countering Germany's rise. In 1896, Britain began courting the United States and soon backed down on a number of disputes in order to advance Anglo-American amity. The British adopted a similar approach in the Pacific, fashioning a naval alliance with Japan in 1902. In both cases, London used diplomacy to clear the way for retrenchment--and it worked. Rapprochement with Washington and Tokyo freed up the fleet, enabling the Royal Navy to concentrate its battleships closer to home as the Anglo-German rivalry heated up. It was precisely because Britain, while still enjoying preponderant strength, looked over the horizon that it was able to successfully adapt its grand strategy to a changing distribution of power. Just like Britain in 1870, the United States probably has another two decades before it finds itself in a truly multipolar world. But due to globalization and the spread of new manufacturing and information technologies, global power is shifting far more rapidly today than it did in the 19th century.

**Transition can only be successful if the US gives up primacy peacefully – ensures cooperation instead of conflict.**

**Kupchan 2/6/**12 – [Charles, professor of international affairs -- Georgetown University, Whitney Shepardson senior fellow -- Council on Foreign Relations, author of “No One's World: The West, the Rising Rest, and the Coming Global Turn,” “Sorry, Mitt: It Won't Be an American Century,” <http://www.foreignpolicy.com/articles/2012/02/06/it_won_t_be_an_american_century?page=full>]

To acknowledge the need for the United States to adjust to prospective shifts in the global distribution of power is not, as Duke University professor Bruce Jentleson recently pointed out in Democracy, to be a declinist or a pessimist. It is to be a realist. And safely guiding the United States through this coming transition requires seeing the world as it is rather than retreating toward the illusory comfort of denial. Adjusting to the rise of the rest requires, for starters, making more room at the table for newcomers. That process is already well under way. The G-20 has supplanted the G-8, widening the circle for global consultations. In the aftermath of reforms adopted in 2010, developing countries now have enhanced weight at the World Bank and IMF. The enlargement of the U.N. Security Council, though currently bogged down in wrangling, is also in the offing. But making international institutions more representative is the easy part. More challenging will be managing the ideological diversity that will accompany the coming realignment in global power. Precisely because the United States is an exceptional nation, its version of liberal democracy may well prove to be the exception, not the rule. In China, Russia, and the sheikhdoms of the Persian Gulf, state-led brands of capitalism are holding their own -- and may well do so for the foreseeable future. The Arab Spring could finally bring democratic rule to at least some countries in the Middle East, but it is also breeding political Islam; democratization should not be mistaken for Westernization. Even emerging powers that are already democracies, such as India, Brazil, and Turkey, are charting their own paths. They regularly break with the United States and Europe on trade, Middle East diplomacy, military intervention, the environment, and other issues, preferring to side with other ascending states, whether democratic or not. Romney's paeans to American power are no excuse for his silence on how he plans to manage these complexities. Promoting international stability will grow more demanding as rising powers bring to the table their differing conceptions of order and governance. The United States has a key role to play in managing such diversity and channeling it toward cooperative ends. Overheated proclamations of American preeminence, however, will do more harm than good. If a new, consensual international order is to emerge, rising powers must be treated as stakeholders in that order, not merely as objects of American power. Shepherding the transition to this more pluralistic world is arguably the defining challenge facing U.S. statecraft in the years ahead. Romney appears ready to pave over this challenge by denying that such change is afoot and attempting to portray Obama's policies as "an eloquently justified surrender of world leadership." Obama should welcome this debate and refuse to let his opponents hide behind the veil of American exceptionalism. Democrats no longer need to feel vulnerable on national security; Obama has demonstrated smarts and strength on many issues, including the degradation of al Qaeda, the pivot to Asia, and the isolation of Iran. He understands that agile, firm diplomacy backed by American power will do much more for the United States than congratulatory talk of American primacy. A smarter, more selective, and less costly U.S. role in the world would not only help the United States get its own house in order, but also give rising powers the wider berth they seek. And good policy would also be good politics; Americans are keen to share with others the burdens and responsibilities of international engagement. The world desperately needs a brand of U.S. leadership that focuses not on ruling the roost, but on guiding a more diverse and unwieldy globe to consensus and cooperation.

# 1nc—peaceful transition

**No impact to retrenchment**

**MacDonald and Parent 11** - \*Assistant Professor of Political Science at Williams College, \*\*Assistant Professor of Political Science at the University of Miami (Paul and Joseph, International Security, 35.4, "Graceful decline? The surprising success of great power retrenchment", http://belfercenter.ksg.harvard.edu/files/ISEC\_a\_00034-MacDonald\_proof2.pdf, WEA)

In this article, we question the logic and evidence of the retrenchment pessimists. To date there has been neither a comprehensive study of great power retrenchment nor a study that lays out the case for retrenchment as a practical or probable policy. This article fills these gaps by systematically examining the relationship between acute relative decline and the responses of great powers. We examine eighteen cases of acute relative decline since 1870 and advance three main arguments. First, we challenge the retrenchment pessimists’ claim that domestic or international constraints inhibit the ability of declining great powers to retrench. In fact, when states fall in the hierarchy of great powers, peaceful retrenchment is the most common response, even over short time spans. Based on the empirical record, we find that great powers retrenched in no less than eleven and no more than fifteen of the eighteen cases, a range of 61–83 percent. When inter- national conditions demand it, states renounce risky ties, increase reliance on allies or adversaries, draw down their military obligations, and impose adjust- ments on domestic populations. Second, we find that the magnitude of relative decline helps explain the ex- tent of great power retrenchment. Following the dictates of neorealist theory, great powers retrench for the same reason they expand: the rigors of great power politics compel them to do so.12 Retrenchment is by no means easy, but necessity is the mother of invention, and declining great powers face powerful incentives to contract their interests in a prompt and proportionate manner. Knowing only a state’s rate of relative economic decline explains its corre- sponding degree of retrenchment in as much as 61 percent of the cases we examined. Third, we argue that the rate of decline helps explain what forms great power retrenchment will take. How fast great powers fall contributes to whether these retrenching states will internally reform, seek new allies or rely more heavily on old ones, and make diplomatic overtures to enemies. Further, our analysis suggests that great powers facing acute decline are less likely to initiate or escalate militarized interstate disputes. Faced with diminishing resources, great powers moderate their foreign policy ambitions and offer con- cessions in areas of lesser strategic value. Contrary to the pessimistic conclu- sions of critics, retrenchment neither requires aggression nor invites predation. Great powers are able to rebalance their commitments through compromise, rather than conflict. In these ways, states respond to penury the same way they do to plenty: they seek to adopt policies that maximize security given available means. Far from being a hazardous policy, retrenchment can be successful. States that retrench often regain their position in the hierarchy of great powers. Of the fifteen great powers that adopted retrenchment in response to acute rel- ative decline, 40 percent managed to recover their ordinal rank. In contrast, none of the declining powers that failed to retrench recovered their relative position.

# at: brooks and wohlforth

**Brooks and Wolforth concede that coalitional balancing will work against the US**

Jack S. **Levy** (Board of Governors’ Professor at Rutgers University and former president of both the International Studies Association and the Peace Science Society) **and** William R. **Thompson** (Donald A. Rogers Professor of Political Science at Indiana University, former president of the International Studies Association, and Managing Editor of International Studies Quarterly) Summer **2010** “ Balancing on Land and at Sea Do States Ally against the Leading Global Power?” http://belfercenter.ksg.harvard.edu/files/Balancing\_on\_Land\_and\_at\_Sea.pdf

In addition, Brooks and Wohlforth’s argument that the balancing hypothesis applies only to states that are growing and threatening to achieve a position of hegemony but not to established hegemons such as the United States raises the question of why other leading states did not balance against the United States when it was a rising great power but before it established a position of primacy—perhaps in the late 1940s. If the hypothesis that great powers balance against aspiring hegemons is unconditionally valid, and if the only issue is the distribution of material capabilities, then there were plenty of opportunities for a counterbalancing coalition to form against the United States throughout the Cold War period. Instead, most of the great powers perceived that the greatest threat to their interests came from the Soviet Union, not from the United States, and they joined the United States in a defensive balancing coalition against the Soviet Union. Brooks and Wohlforth concede that even today the member states of the European Union collectively exceed the United States in gross domestic product, and the combination of the European Union, Japan, China, and Russia, reinforced by nuclear deterrence, could form an effective balancing coalition against the United States if it was seen as so threatening. Brooks and Wohlforth’s inability to provide a convincing explanation for the absence of coalition formation against the United States in the early Cold War period, when such behavior would not have been so risky, weakens their explanation for nonbalancing after the end of the Cold War.77

# 1nc—disease

**Hegemony causes infectious disease spread**

**Fidler 04** Professor of Law and Ira C. Batman Faculty Fellow, Indiana University School of Law Bloomington

(David, “Fighting the Axis of Illness: HIV/AIDS, Human Rights, and U.S. Foreign Policy” Harvard Human Rights Journal, Vol 17, Spring 04)

The hegemony and human rights dilemmas suggest that obstacles to strengthening the role of international human rights law in U.S. foreign policy on HIV/AIDS remain beyond the Bush Administration’s neoconservatism. The HIV/AIDS problem illustrates the difficulty of fighting the axis of illness in a unipolar world. The Bush Administration argued in the National Security Strategy that it wanted to preserve and enhance U.S. hegemony, especially in the military realm, in order to deal effectively with threats to U.S. national security, such as the threat posed by the axis of evil.[198] Maintaining or enhancing U.S. political, military, and economic hegemony will, in all likelihood, make the axis of illness more rather than less dangerous. The United States has strong political, security, and economic interests in deepening and expanding international trade, commerce, and investment.[199] Pursuit of these interests will stimulate the microbial resilience, human mobility, and globalization risk factors behind the HIV/AIDS pandemic and other infectious disease threats. U.S. hegemony ensures that stimulation of these risk factors will occur without significant opposition and barriers.[200] The dominance of the Westphalian framework in U.S. foreign policy on global health means that the United States has less interest in, and less well-developed policies respecting, the risk factors of social determinants of health and collective action problems. U.S. hegemony means that, without U.S. leadership in addressing these risk factors more forthrightly, public health capabilities within and among countries may not keep pace with the demands and dangers generated by accelerated microbial resilience, human mobility, and globalization

**Extinction still a possibility.**

**Discover 2000** (“Twenty Ways the World Could End” by Corey Powell in Discover Magazine, October 2000, http://discovermagazine.com/2000/oct/featworld)

If Earth doesn't do us in, our fellow organisms might be up to the task. Germs and people have always coexisted, but occasionally the balance gets out of whack. The Black Plague killed one European in four during the 14th century; influenza took at least 20 million lives between 1918 and 1919; the AIDS epidemic has produced a similar death toll and is still going strong. From 1980 to 1992, reports the Centers for Disease Control and Prevention, mortality from infectious disease in the United States rose 58 percent. Old diseases such as cholera and measles have developed new resistance to antibiotics. Intensive agriculture and land development is bringing humans closer to animal pathogens. International travel means diseases can spread faster than ever. Michael Osterholm, an infectious disease expert who recently left the Minnesota Department of Health, described the situation as "like trying to swim against the current of a raging river." The grimmest possibility would be the emergence of a strain that spreads so fast we are caught off guard or that resists all chemical means of control, perhaps as a result of our stirring of the ecological pot. About 12,000 years ago, a sudden wave of mammal extinctions swept through the Americas. Ross MacPhee of the American Museum of Natural History argues the culprit was extremely virulent disease, which humans helped transport as they migrated into the New World.

# TPP

### XT #1: Alt Causes

#### TPP has stalled now –

Lack of cohesion and tension over things like currency, tariffs and Chinese media sensationalism. That's Paramonov.

#### Existing US protectionism will collapse TPP negotiations

Barfield 3/14 – former consultant to the office of the US Trade Representative and a resident scholar at the American Enterprise Institute (Claude, “Mexican tomatoes and the US TPP negotiations,” 3/14/13, http://www.eastasiaforum.org/2013/03/14/mexican-tomatoes-and-the-us-tpp-negotiations/)//SJF

This is a huge, complex negotiating agenda — and to achieve its goals, the United States will have to make concessions to accommodate the equally urgent priorities of its 10 TPP negotiating partners. Thus, in some cases for the first time ever, the United States will have to tackle its own long-standing protectionist practices and rules. This means liberalising high tariffs (and low quotas) on textiles, apparel and footwear. It will also mean loosening market-distorting rules of origin that drastically curtail supply chains by excluding parts and components from non-TPP members. Then there are the highly restrictive quotas and tariffs in key agricultural sectors, such as sugar, dairy products and cotton. On sugar, the United States has adamantly opposed curbing a protectionist regime that uses price supports, combined with quotas and sky-high tariffs, to keep out competitors and force US consumers to pay on average twice the world price for the commodity. Similarly, for dairy products, a combination of subsidies, quotas and tariffs ‘milk’ US consumers and keep out foreign competitors. But cotton is the real mindblower: currently US taxpayers are shelling out US$147 million per year to buy off Brazilian cotton magnates who quite rightly won a case against US subsidy programs in the WTO. With the presidential election out of the way, there was hope that the president’s trade team would reveal a braver face on trade policy. Alas, in January the administration delivered a backhanded, protectionist slap to its NAFTA and TPP partner, Mexico. As anyone who has suffered through rock-hard, unripe Florida winter tomatoes knows full well, the arrival over the past decade of riper, juicier Mexican winter tomatoes has been a godsend. When the Obama administration signalled last year that it would go along with Florida tomato growers’ demands for more protection, the thought was that it was bowing to election pressure. Well, Barack Obama won decisively. But a few weeks ago the government mandated a steep price rise for Mexican tomatoes and cut the amount of the fruit that could be imported — one can only assume out of conviction that US producers must be protected no matter the cost or quality considerations for the consumer. If this craven attitude and stance prevails in the TPP negotiations, they will surely fail. This would be a double blow to the US and the world trading systems. First, on most of the 21st-century TPP issues, the president and his team are spot on — these are the central issues to ensure more open future markets. Beyond economics, however, TPP failure would be disastrous for US strategic leadership in East Asia where the regional pact has become the central symbol of the US ‘pivot’ and rebalancing. In coming months, it will be imperative for President Obama to use his hard-won political capital to challenge entrenched protectionist interest groups and policies. After all, on his own word a central element of his legacy is wrapped up in getting the TPP over the finish line. More parochially, during these grey days of February it would be a boon to enjoy an edible Mexican tomato again.

#### TPP negotiations are stalling – five issues

**Japan Times 7/17/13** (Japanese News, “TPP talks stall over tariff axing,” 7/17/13, http://www.japantimes.co.jp/news/2013/07/17/business/tpp-talks-stall-over-tariff-axing/#.UfAiEY21Fsk)//AC

The Trans-Pacific Partnership trade negotiations remain stalled over five topics — including the key issue of market access and tariff elimination, sources said. One market-access proposal under discussion calls for all parties to agree on the removal of tariffs on all products before moratoriums are set up on the removal of tariffs for certain products of special concern to TPP participants, they said Tuesday. One of the sources said it was likely that some of the decisions would be subjected to political decisions in the final phase. The other four problematic issues are intellectual property rights, environmental problems, labor and electronic commerce, the sources said. The 11 TPP negotiation participants, including the United States, Australia and Malaysia, hope to reach broad agreement on the free-trade deal by October and sign the pact by year’s end. But the stalemate over the five topics and Japan’s imminent participation in the talks are expected to make it difficult for the negotiating parties to meet the schedule, the sources said. Negotiations have ended on five of the 29 planned chapters — trade facilitation, standard unification, telecommunications, development, small and medium-size enterprises — and have effectively been completed on nine others, one of the sources said.

### XT #2: TPP Fails

#### **The TPP can never happen –**

Things like New Zealand protectionism, human rights abuses in Vietnam, and US sugar barriers are all major alt causes to successful TPP. That's James.

# debt

#### No impact to economic decline

**Barnett 09** – senior managing director of Enterra Solutions LLC and a contributing editor/online columnist for Esquire magazine, columnist for World Politics Review (8/25, Thomas P.M. “The New Rules: Security Remains Stable Amid Financial Crisis,” World Politics Review, http://www.aprodex.com/the-new-rules--security-remains-stable-amid-financial-crisis-398-bl.aspx)

When the global financial crisis struck roughly a year ago, the blogosphere was ablaze with all sorts of scary predictions of, and commentary regarding, ensuing conflict and wars -- a rerun of the Great Depression leading to world war, as it were. Now, as global economic news brightens and recovery -- surprisingly led by China and emerging markets -- is the talk of the day, it's interesting to look back over the past year and realize how globalization's first truly worldwide recession has had virtually no impact whatsoever on the international security landscape. None of the more than three-dozen ongoing conflicts listed by GlobalSecurity.org can be clearly attributed to the global recession. Indeed, the last new entry (civil conflict between Hamas and Fatah in the Palestine) predates the economic crisis by a year, and three quarters of the chronic struggles began in the last century. Ditto for the 15 low-intensity conflicts listed by Wikipedia (where the latest entry is the Mexican "drug war" begun in 2006). Certainly, the Russia-Georgia conflict last August was specifically timed, but by most accounts the opening ceremony of the Beijing Olympics was the most important external trigger (followed by the U.S. presidential campaign) for that sudden spike in an almost two-decade long struggle between Georgia and its two breakaway regions. Looking over the various databases, then, we see a most familiar picture: the usual mix of civil conflicts, insurgencies, and liberation-themed terrorist movements. Besides the recent Russia-Georgia dust-up, the only two potential state-on-state wars (North v. South Korea, Israel v. Iran) are both tied to one side acquiring a nuclear weapon capacity -- a process wholly unrelated to global economic trends. And with the United States effectively tied down by its two ongoing major interventions (Iraq and Afghanistan-bleeding-into-Pakistan), our involvement elsewhere around the planet has been quite modest, both leading up to and following the onset of the economic crisis: e.g., the usual counter-drug efforts in Latin America, the usual military exercises with allies across Asia, mixing it up with pirates off Somalia's coast). Everywhere else we find serious instability we pretty much let it burn, occasionally pressing the Chinese -- unsuccessfully -- to do something. Our new Africa Command, for example, hasn't led us to anything beyond advising and training local forces. So, to sum up: No significant uptick in mass violence or unrest (remember the smattering of urban riots last year in places like Greece, Moldova and Latvia?); The usual frequency maintained in civil conflicts (in all the usual places); Not a single state-on-state war directly caused (and no great-power-on-great-power crises even triggered); No great improvement or disruption in great-power cooperation

regarding the emergence of new nuclear powers (despite all that diplomacy); A modest scaling back of international policing efforts by the system's acknowledged Leviathan power (inevitable given the strain); and No serious efforts by any rising great power to challenge that Leviathan or supplant its role. (The worst things we can cite are Moscow's occasional deployments of strategic assets to the Western hemisphere and its weak efforts to outbid the United States on basing rights in Kyrgyzstan; but the best include China and India stepping up their aid and investments in Afghanistan and Iraq.) Sure, we've finally seen global defense spending surpass the previous world record set in the late 1980s, but even that's likely to wane given the stress on public budgets created by all this unprecedented "stimulus" spending. If anything, the friendly cooperation on such stimulus packaging was the most notable great-power dynamic caused by the crisis. Can we say that the world has suffered a distinct shift to political radicalism as a result of the economic crisis? Indeed, no. The world's major economies remain governed by center-left or center-right political factions that remain decidedly friendly to both markets and trade. In the short run, there were attempts across the board to insulate economies from immediate damage (in effect, as much protectionism as allowed under current trade rules), but there was no great slide into "trade wars." Instead, the World Trade Organization is functioning as it was designed to function, and regional efforts toward free-trade agreements have not slowed. Can we say Islamic radicalism was inflamed by the economic crisis? If it was, that shift was clearly overwhelmed by the Islamic world's growing disenchantment with the brutality displayed by violent extremist groups such as al-Qaida. And looking forward, austere economic times are just as likely to breed connecting evangelicalism as disconnecting fundamentalism. At the end of the day, the economic crisis did not prove to be sufficiently frightening to provoke major economies into establishing global regulatory schemes, even as it has sparked a spirited -- and much needed, as I argued last week -- discussion of the continuing viability of the U.S. dollar as the world's primary reserve currency. Naturally, plenty of experts and pundits have attached great significance to this debate, seeing in it the beginning of "economic warfare" and the like between "fading" America and "rising" China. And yet, in a world of globally integrated production chains and interconnected financial markets, such "diverging interests" hardly constitute signposts for wars up ahead. Frankly, I don't welcome a world in which America's fiscal profligacy goes undisciplined, so bring it on -- please! Add it all up and it's fair to say that this global financial crisis has proven the great resilience of America's post-World War II international liberal trade order.

#### Economic leadership’s resilient and inevitable

Eric S. Edelman 10, former Under Secretary of Defense for Policy, was Principal Deputy Assistant to the Vice President for National Security Affairs, 2010, “Understanding America’s Contested Primacy,” Center for Strategic and Budgetary Assessments

Morgenthau talks about national morale and character as key elements of national power; characteristics that don’t normally weigh heavily in declinist literature which favors the easily quantifiable measures such as national shares of global economic product. As Robert Lieber has recently argued, US resilience, which results from the openness of American society and its resulting flexibility and adaptability, will benefit the United States as it responds to the Great Recession and the prospect of national decline. In that regard the often-criticized American “capitalisme sauvage,” which many foreign critics blame for producing the economic crisis, may assist the United States in recovering more quickly than others. As a recent Economist survey of business in America noted, the Schumpeterian process of “creative destruction” means that “America’s non-financial businesses are suffering. But they will emerge from the recession leaner and stronger than ever.” Niall Ferguson predicts that “when the crisis ends, America will still be the best place in the world to do business.” That is fully consistent with the findings of the recently released third annual Legatum Institute Prosperity Index which rated the United States number one in the world for innovation and entrepreneurship and found that “the ability of a nation’s people to innovate is more strongly related to the soundness of its economy than any other factor.”129

Openness to innovation may also play an important role in extending the United States’ leading role in the international economy. Some scholars believe that innovation is the key to countries emerging as system leaders in sectors that power long waves of economic activity and growth. Failure to maintain system leadership in these sectors is a key cause of decline. Twenty years ago William R. Thompson observed “a key, if not the key to the relative economic decline of the United States will be what happens in the next upturn of the leading sector long wave. This assumes that there will be an upturn and that the long wave dynamic will continue into the twenty-first century when biotechnology, computers, robotics, lasers, and new sources of energy may well lay the leading sector foundation for the upswing.” US leadership and facility with information technology has been one of the drivers of US increased productivity in the past twenty years. A study by the London School of Economics has demonstrated that, as its title declares, “Americans do I.T. better.” US-owned UK subsidiaries, for example, use information technology better than non-US owned UK firms because they are organized to use IT more efficiently. This offers yet another strategic advantage vis-à-vis China, which seems to have great difficulty with both innovation and managing the social and collaborative uses of information technology.130