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#### The United States Federal Government should allocate substantial resources to the DOJ for the purpose of prosecuting white collar crime.

#### Biden is ramping up prosecutions on white collar crime but has limited resources – prioritizing antitrust trades off

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[Emma, “The Biden administration is well positioned to fight white-collar crime as trillions of dollars in dirty money courses through the US financial system,” Business Insider, January 4th, 2021, https://www.businessinsider.com/biden-yellen-white-collar-crime-money-laundering-treasury-fincen-doj-2020-12]

The incoming Biden administration is poised to crack down on wealthy and well-connected lawbreakers, **reversing years of decline in** the federal government's **enforcement of white-collar crime.** That would mark a sweeping shift for the Department of Justice compared to both recent Democratic and Republican presidents who have [allowed](https://trac.syr.edu/tracreports/crim/514/) prosecutions of white-collar crime to drop to an all-time low. But as President-elect Joe Biden takes the reins in January, former federal prosecutors, academics, and lawmakers told Insider that there are two key reasons the new administration is well positioned to start reversing that trend. They cite foremost Biden's **Cabinet picks as a strong sign** that the Democratic-led executive branch will more aggressively fight white-collar crime — in particular, financial crimes like **money laundering and fraud** that can rob everyday people of their savings and handicap entire cities by draining public funds. One expert dubbed Janet Yellen, Biden's choice for the crucial post of Treasury secretary, "an incorruptible schoolmarm" who will take a tougher stance on overseeing the financial industry. Two of Biden's top contenders to lead the Department of Justice — outgoing Alabama Sen. Doug Jones and former Deputy Attorney General Sally Yates — are also experienced former federal prosecutors with long records of going after white-collar criminals. Biden's administration also will have a **powerful new law** at its disposal to go after people like Paul Manafort, the former Donald Trump campaign chair who admitted to using shell companies to hide the proceeds of his crimes in a 2018 [plea deal](https://assets.documentcloud.org/documents/4883343/D-D-C-1-17-Cr-00201-ABJ-422-0.pdf) with the special counsel Robert Mueller. **In December, Congress** passed t**he biggest reforms to the US anti-money-laundering regime since the post-9/11 Patriot Act**, including a rule forcing new shell companies to reveal their true owners to regulators. Lawmakers tucked the legislation inside a massive defense policy [bill](https://docs.house.gov/billsthisweek/20201207/CRPT-116hrpt617.pdf) that Trump vetoed, though the House and Senate later voted for the first time during the president's four-year term to override him. With the financial-crime language becoming law, **the Biden administration "will have a once-in-a-generation chance to put an end to U.S. corporations with hidden owners** — the U.S. shell companies being misused by criminals around the world," said Elise Bean, a former senior Senate staffer who investigated financial crime. "The whole world will be watching what the Biden administration does to implement the long-awaited beneficial ownership law, so it's going to be a high-profile issue from day one," she said. Journalists reveal a 'breathtaking amount of money laundering' Biden has yet to name an attorney general pick or say how his administration will approach white-collar crime, and money laundering in particular. But the new Democratic president will take office at a pivotal moment. In September, hundreds of media organizations published **the** [**FinCEN Files**](https://www.buzzfeednews.com/fincen-files), a global investigative project that laid bare how **the US fails to stop the flow of dirty money** through its financial system, **allowing drug cartels, terrorists, and kleptocrats** to use American banks to clean their ill-gotten gains. "The breathtaking amount of money laundering facilitated by major financial institutions across the globe that was exposed by the FinCEN Files, to me, evidenced the lack of political will and commitment of regulators and law enforcers to tackle the enormous problem," said Paul Pelletier, a former federal prosecutor who now teaches courses in international money laundering at George Washington University. The FinCEN Files, led by BuzzFeed News and the International Consortium of Investigative Journalists, was based on thousands of pages of secret government documents known as suspicious-activity reports, or SARs. Financial institutions must file SARs to an agency within the Treasury called the Financial Crimes Enforcement Network, or FinCEN, when they spot possible evidence of wrongdoing in their accounts. Those SARs can then serve as critical clues in investigations by law-enforcement agencies across the country, including federal ones. Whatever the new Biden administration's exact approach, **it will be crucial to determining whether the US can finally turn the tide on the** [**trillions of dollars**](https://www.icij.org/investigations/fincen-files/dirty-money-has-metastasized-within-global-banking-system-top-regulator-says/) **in dirty money coursing** through its financial institutions and corrupting the global economy — all while enriching the banks. Despite its slick name, white-collar crime can also be just as dangerous — if not more dangerous — than violent crime. As the FinCEN Files [showed](https://www.icij.org/investigations/fincen-files/with-deutsche-banks-help-an-oligarchs-buying-spree-trails-ruin-across-the-us-heartland/), factory workers were severely injured and others lost their jobs after a Ukrainian oligarch bought up expensive Cleveland real estate that prosecutors say was used to launder funds. That oligarch — Ihor Kolomoisky — is [under investigation](https://apple.news/Ay845U9vUQRuCPQiKKmbPUA) by a federal grand jury and, depending on the outcome, could face prosecution from the Department of Justice under Biden. Deutsche Bank, the [troubled](https://apple.news/AsorLSFPiTSKI-hoc2l-MPg) German lender with deep ties to Trump, has also [reportedly](https://www.nytimes.com/2019/06/19/business/deutsche-bank-money-laundering-trump.html) been under federal investigation for possible failures in its money-laundering defenses. Biden's long history with the financial industry Biden has faced [criticism](https://www.motherjones.com/politics/2019/11/biden-bankruptcy-president/) for helping the financial sector during his 36 years in the Senate representing Delaware, a state notorious for its anonymous shell companies and corporate secrecy. Wall Street also was [generous](https://apple.news/ASFFm_EhHTauw_EsKU6MOLw) to his Senate and most recent presidential campaigns, and his transition team [includes](https://www.politico.com/newsletters/transition-playbook/2020/12/14/goldman-sachs-vets-quietly-added-to-biden-transition-491143) two former Goldman Sachs employees, Eric Goldstein and Monica Maher, among other banking-industry veterans. But that team also [includes figures](https://www.nytimes.com/2020/11/13/us/politics/bidens-financial-transition-teams.html?action=click&module=RelatedLinks&pgtype=Article) like Gary Gensler, the former Commodity Futures Trading Commission chief who has called for stricter industry oversight. Biden himself has also appeared to shift his attitude since his days on Capitol Hill. He [told](https://www.newyorker.com/news/daily-comment/will-joe-bidens-history-lift-him-up-or-weigh-him-down) The New Yorker in 2014 that he regretted supporting the repeal of a banking law during the final year of the Clinton administration that would go on to help pave the way to the 2008 financial crisis. And in a 2020 Democratic presidential primary influenced by populists like Sens. Elizabeth Warren and Bernie Sanders — who've long advocated for tougher oversight of corporate crime — Biden [called](https://apple.news/ALLkPouGXTfGxgrnz98gzrQ) Wall Street "greedy as hell." Meanwhile, Vice President-elect Kamala Harris touted her record of taking on financial institutions back when she was California attorney general in the fallout of the 2008 housing crisis, despite critics who [have said](https://apple.news/AnAALs1n6RXewy5GSJwxu6g) she didn't go far enough. "I am the only one on this stage who has prosecuted the big banks for taking advantage of America's homeowners," Harris [told](https://twitter.com/CBSEveningNews/status/1314034506463096832) Vice President Mike Pence during a debate in October. 'The cases aren't strong enough' Lawmakers like Warren and Sanders have [called for](https://www.icij.org/investigations/fincen-files/fincen-files-bernie-sanders-and-elizabeth-warren-join-watchdog-groups-in-calling-for-banking-reforms/) [more](https://www.icij.org/investigations/fincen-files/jail-bankers-who-allow-money-laundering-top-democrat-in-u-s-senate-banking-committee-says-in-wake-of-fincen-files/) prosecutions of bank executives in response to the FinCEN Files, while others have urged the Department of Justice to reduce the increasing number of deals it strikes with financial institutions caught breaking the law. Those deals, known as deferred prosecution agreements, allow banks to dodge criminal charges by paying a fine and promising to clean up their act — which they often [fail to do](https://apple.news/ApHWk3uvOTEWPTAeqjRBD9g). The growing use of those agreements in major financial crime cases has, unsurprisingly, coincided with a drop in prosecutions. Though the Department of Justice has [defended](https://apple.news/PA-PxG1D0ixtyCSNlKJtC1l) its record, white-collar-crime prosecutions have been declining since President Barack Obama's second term, according to the [Transactional Records Access Clearinghouse](https://trac.syr.edu/tracreports/crim/514/) at Syracuse University, which analyzes Justice Department data. Despite a spike in the years following the financial crisis**, prosecutions have dropped more than 31% since 2008,** the analysis shows. "**The reason that they're doing the deferred prosecution agreements instead of something that has more teeth is because the cases aren't strong enough,"** said Pamela Pierson, a former federal prosecutor who worked on dozens of white-collar crime cases in the 1980s. Pierson, now a law professor at the University of Alabama, said **the cases require a lot of resources**, and that other priorities like terrorism take up a lot of those resources. **On top of that**, she said, **white-collar cases are incredibly difficult to win with juries because of their complex nature. "**That burden of proof, beyond a reasonable doubt, is quite challenging to meet when you are talking about spreadsheets and numbers," she said. Congress passes reforms years in the making Over the past decade, as newsrooms published a series of [investigations](https://www.icij.org/investigations/panama-papers/panama-papers-faq-all-you-need-to-know-about-the-2016-investigation/) about dirty money, members of Congress and their staff were slowly pushing anti-money-laundering legislation closer to the finish line. Their challenge required working to build the needed coalition of support from key stakeholders like banks and law enforcement. The first [version](https://www.congress.gov/bill/110th-congress/senate-bill/2956/cosponsors?searchResultViewType=expanded) of the bill was introduced in 2008, so long ago that it was cosponsored by then-Sen. Obama of Illinois. "Congress has been working on updating [money-laundering] regulations on a bipartisan basis for years," said Missouri Rep. Blaine Luetkemeyer, a Republican member of the House Financial Services Committee. "Personally, I have been working on this for nearly five years." Then, in December, the legislative push finally reached the home stretch when a bipartisan group of lawmakers secured its inclusion in the must-pass yearly defense bill. Seeing another public reporting project "revealing the extent of the abuse of anonymous shell companies over the years" helped, according to a congressional staffer familiar with the process. "The FinCEN Files came at a time when we were still involved in ongoing negotiations," said the staffer, who requested anonymity to discuss internal deliberations. "I think it did provide some additional impetus to getting it done." The bill forces the Department of Justice to submit yearly accountings of their deferred prosecution agreements to Congress, and orders the Treasury to write new regulations to further crack down on illicit finance. 'They recognize that they have to move in a timely way' The **Biden** transition team is **already preparing** for Treasury's new obligations, the congressional source said. "We have been talking with them about the need to do the rulemakings that will be required, and implementation, enforcement that would be required by the new law, and to have strong and clear rules," the person said. "And they're quite amenable to that. They recognize that they have to move in a timely way and are seized of it." The person also said they're confident that the Biden administration "will be more assertive" in tackling financial crime, citing the president-elect's Cabinet picks so far. "Many of them have long served in government," the source said, "and have a record of more assertive enforcement and implementation of laws in this space." Bean, the aforementioned former Senate aide, also said she has faith that the new administration possesses the "skills and savvy" to use the new law "to combat a long list of wrongdoing, from corruption to terrorism to tax evasion." Virginia Sen. Mark Warner, one of the authors of the Illicit Cash Act — a more recent version of the anti-money-laundering bill — is "very pleased so far" with the nominations of Yellen to lead Treasury and Wally Adeyemo to be deputy secretary, a spokesperson said. Adeyemo, who has occupied senior positions at Treasury, also served as a deputy national security advisor to Obama. "He will be a great person to oversee implementation of the Illicit Cash Act reforms," the spokesperson said. Jones and Yates are seasoned in white-collar cases Warner's bill also counts Jones as a cosponsor. The Alabama Democratic senator, who lost in November to Republican Tom Tuberville, now is seen as a top candidate to serve under Biden as attorney general. Jones is a former longtime federal prosecutor with extensive experience pursuing white-collar-crime cases. Pelletier, whose work as a federal prosecutor focused on fraud, said Jones "has the experience and, as US attorney in Alabama, courageously tackled the tough cases" — essential qualities, he said, for anyone charged with reinvigorating white-collar prosecutions at the Justice Department. Pierson, who says she has known Jones for more than 30 years, also cited his willingness to take on difficult cases as evidence of his abilities as an attorney general. She referenced Jones' work [prosecuting](https://apple.news/PgGf4-ZXxpxF2LRLEvlMDWY) two of the Ku Klux Klan members involved in the 16th Street Baptist Church bombing in Birmingham in 1963. Though it wasn't a white-collar case, it took a "true act of courage" for Jones to take it on more than three decades later, in 2001, Pierson said. "It was not at all clear that he was going to be able to prevail," she said. And he was "unbelievable," she added. Even her young son and his friends, whom she took out of school to watch the trial at the courthouse, thought so. "I don't know if you've been around 11- or 12-year-old boys, but they are incapable of sitting still," Pierson said. "And they were as still as stone. They were captivated by that trial." She said **Jones "is a white-collar specialist" and "knows from the ground up how to pursue these cases,**" making him well qualified to beef up the Department of Justice's prosecutions in that area. Jones knows that using insiders and whistleblowers is key to strengthening cases, and he would also know how to propose more legislative fixes to make that work easier, Pierson said. Another front-runner to lead the Justice Department is Yates, who served as deputy attorney general for two years until the early days of the Trump administration, when she was fired after refusing to enforce the president's travel ban against majority-Muslim countries. She's known for having written a [memo](https://www.justice.gov/archives/dag/file/769036/download) in 2015 encouraging prosecutors to pursue charges against individuals when tackling corporate crime. But Yates is [unpopular](https://apple.news/AKeJyHj4wTsiojVEcrYna_w) with Senate Republicans for her role in the FBI's investigation into Russian interference in the 2016 presidential election, and she likely would need their support to be confirmed if the GOP retains control of the chamber after the Georgia runoff elections. Either way, Moyara Ruehsen, an expert in investigating money laundering, says she hopes the new administration will re-embrace "the attitude that was developed in the 2015 Yates memo, holding actual individuals accountable."

Rogue actors hide behind shell companies to acquire materials for WMDs – cracking down on them is key

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[Togzhan Kassenova, “The Exploitation of the Global Financial Systems for Weapons of Mass Destruction (WMD) Proliferation”. Carnegie Endowment. March 4th, 2020. <https://carnegieendowment.org/2020/03/04/exploitation-of-global-financial-systems-for-weapons-of-mass-destruction-wmd-proliferation-pub-81221>]

1. WMD PROLIFERATION AS A SECURITY RISK1 **Weapons of mass destruction – nuclear, biological, and chemical weapons - present a persistent risk to the U.S. and international security**. If a 10-kiloton nuclear bomb, like the one tested by North Korea in 2013, is dropped in Washington, DC, a fireball of almost 500 feet in radius will cover the city.2 The radiation will reach such high levels within a half a mile radius that 50-90% percent of people could die without medical help – some of them within hours. When it comes to preventing WMD proliferation, we need to be conscious of both state and non-state actors. North Korea continues to procure sensitive goods for its nuclear and missile program in defiance of sanctions. Iran is procuring missile-related goods. Agents working on behalf of Syria have sought chemical goods on the commercial market. Several groups, such as Al Qaeda and ISIS, demonstrated interest in acquiring a WMD capability. We do not have a full picture of who might be interested in obtaining a WMD capability in the future. [Togzhan Kassenova](https://carnegieendowment.org/experts/606) Kassenova is a nonresident fellow in the Nuclear Policy Program at the Carnegie Endowment. 2. How Proliferation Networks Operate Stealing or buying a ready-made weapon is a next to impossible feat. The main path to a WMD is to procure components, material, and technology and then build a weapon. Because most goods usable in a WMD program are dual-use in nature, with indispensable civilian purposes, they are available on the international commercial market. The international community attempts to minimize the risk that trade in dual-use and military goods entails. The international export control regimes and national export control systems are designed to regulate trade in sensitive items by requiring traders to obtain licenses. Additionally, the international and unilateral sanctions regimes target known proliferators. The goal of proliferators and their agents is to acquire goods that can contribute to WMD programs without being caught. Proliferators and their networks continue to defy both export controls and sanctions. **Proliferation networks come in all sizes and shapes**. They can be small or large, loose, or more organized. Those buying WMD-related goods can be directly connected to proliferator states, or they can do it purely for profit by inserting themselves into the illicit market to make money. **Proliferators have perfected methods that help them stay under the radar.3** One of the standard techniques they use is to buy goods that are slightly below the controlled threshold. This means that unless exporting companies are incredibly vigilant,4 they would not apply for an export license and subject transaction to government scrutiny. However, these slightly inferior goods can still be used for nefarious purposes. There is another method proliferators use to avoid government oversight and licensing—they pretend they are ordering goods for a domestic company. In such cases, supplier companies do not have to apply for licenses. To avoid export controls and sanctions, proliferators lie about the end-use and end-user and hide behind front and shell companies all the time. They never declare that they are buying components for North Korea’s nuclear program, Iran’s missile program, or Syria’s chemical arsenal. For example, they can tell a supplying company they need goods for scientific research or other peaceful purposes. In 2006, an Iranian company ordered sensitive bioresearch equipment from Norway purportedly for a scientific laboratory. On closer look, an attentive Norwegian supplier determined that the equipment Iranians sought was technically superior to what would be necessary for a civilian lab and that it did not fit the physical layout of the laboratory.5 Increasingly, shipping companies and vessels are used prominently in sanction evasion. For example, Iran and North Korea falsify documents, reflag vessels, and switch off automatic identification systems to avoid being discovered in the process of illicit transfers of goods.6 Supplier companies that provide goods to proliferators can be complicit or not complicit. Larger companies have resources to implement strong internal compliance programs that help them detect any suspicious orders. But some companies, especially smaller ones, do not have resources to invest in compliance and remain negligent. In some cases, supplier companies or individuals within know precisely what they are doing. They do it either because of ideology (to support a sanctioned state) or for profit. In one notorious case, a U.S.-based company MKS Instruments sent pressure transducers to its subsidiary in China after duly applying for a U.S. export license, thinking that the goods would be used in China. The co-opted employee of the MKS Instruments’ subsidiary ordered transducers from an unsuspecting parent company and pretended they would be used by Chinese companies but planned all along to ship those goods to Iran.7 Pressure transducers can be used in uranium enrichment centrifuges, making possible the production of fissile material that can also be used in a nuclear weapon. Proliferators prefer to buy good quality goods – mostly from the U.S., European, and Asian suppliers. This means that in most cases, they have to pay for those goods through the formal financial system, making financial institutions part of their proliferation schemes. 3. CHALLENGES AND OPPORTUNITIES FOR FINANCIAL INSTITUTIONS **Proliferators use formal financial institutions** for two main purposes: (1) **to pay for procurement of WMD-related goods; (2) to fundraise, launder and move money associated with proliferation activity** (for example, this can apply to money that ends up paying for the WMD activity or to profit generated as a result of supplying proliferator states). Challenges **Financial institutions struggle with identifying and stopping transactions related to procurement, fundraising, and movement of money for illicit WMD programs.** Below is the list of key challenges: Lack of information and capacity to identify financial transactions related to procurement Financial institutions see limited or no information on goods for which payments are made. The information can be incomplete or even misleading. For example, in one case involving the purchase of chemical equipment from the United States that ended up in Syria, the wire description simply said: “laboratory spare parts.”8 As discussed above, proliferators often order goods just below controlled threshold, which means that there is a movement of goods that do not appear on export control lists but can still contribute to WMD programs. There is a big question mark as to whether information that financial institutions receive (through SWIFT or trade finance documentation) is sufficient to check against lists of controlled goods. Transactions happening under open accounts are especially vulnerable since it is not clear what each individual transaction involves. In general, **due to limits in technical expertise, it is unlikely that financial institutions on their own will ever be in a confident and comfortable position to analyze if goods are sensitive.** Lack of information on end-use and end-user In addition to limited information on the goods involved, financial institutions are constrained by a lack of information on end-use and end-users. Even in trade finance transactions, in which financial institutions receive more information on the parties involved, limitations apply. For example, not all parties can be captured from accompanying documentation, either because their signatures are illegible or because they are not key parties to the transactions. Limitations of the list-scanning approach to risk management One of the main tools employed by the financial institutions is scanning against lists of sanctioned and/or suspicious entities and individuals. While indispensable, this method has its limitations. First, such scanning returns a high number of false positives (up to 85%), which means that considerable time and effort is spent on clearing those false alarms. Second, concealment and deceit techniques of sanctioned/designated entities and individuals mean that list-scanning does not catch them. They use front and shell companies and the names of associates or family members. Third, the lists contain names of known proliferators and are not useful for preventing new (or newly disguised) proliferators from accessing the financial system. Beneficial ownership of entities Another vulnerability lies in the uneven implementation of beneficiary ownership controls internationally. European Union countries require collection of data and transparency when it comes to who owns companies and trusts. Some other major countries, including the United States, are lagging behind.9 In 2018, FinCEN issued a Customer Due Diligence (CDD) Rule, which applies to covered financial institutions and requires them to identify and verify the identity of beneficial owners of legal entities at the time of account opening and defined points after that.10 While useful, this rule has limited application. The United States is among the countries that do not require the disclosure of beneficial ownership information at the time of company formation. **Proliferators make extensive use of shell companies and get away with hiding behind non-transparent corporate structures.** Correspondent banking One of the main vulnerabilities to U.S. institutions comes from correspondent accounts as a result of weak controls in foreign jurisdictions and insufficient information on customers behind transactions originating in respondent banks. WMD proliferation financing networks exploit correspondent banking to move funds through U.S. correspondent accounts.11 Absence of proliferation financing risk assessment and dedicated proliferation financing component in “Know-Your-Customer” (KYC) and transaction monitoring procedures beyond sanctions compliance Preventing proliferation financing requires more than compliance with sanctions since sanctions do not address potential proliferators. For that purpose, national and institutional proliferation financing risk assessments, as well as the integration of proliferation financing components into KYC and transaction procedures, are critical. The United States was among the first to conduct a national proliferation financing risk assessment.12 However, proliferation financing risk assessments at the level of financial institutions are neither a norm nor a requirement. Similarly, KYC and transaction monitoring procedures at financial institutions normally do not include a proliferation financing component that could help identify specific risks that a particular institution faces. Vulnerabilities in the cyber and crypto domain North Korea is a poster child for how vulnerabilities in the cyber and crypto domain can be exploited to generate funds for illicit purposes, including for a WMD program. North Korea’s intelligence agency —Reconnaissance General Bureau—leads and coordinates cyberattacks to force the transfer of funds from financial institutions and cryptocurrency exchanges. For example, in 2018, the Reconnaissance General Lab group forced the transfer of $10 million from Banco de Chile mainly to accounts in Hong Kong.13 North Korea targets not only brick-and-mortar financial institutions but cryptocurrency exchanges as well. In 2018, in one attack on a cryptocurrency exchange, North Korean hackers stole close to $250 million in cryptocurrency.14 North Korean agents launder cryptocurrency (mined, stolen, and received through ransomware) via a complex web of online transactions.15 Opportunities Financial institutions can be critical in the fight against illicit activity related to weapons of mass destruction. Noting limitations in the capacity required to identify proliferation-relevant goods, the financial institutions should focus on a better understanding of customers and patterns in transactions, rather than on trying to understand the technical characteristics of goods. Such an approach will also be helpful in uncovering transactions that are not directly relevant to procurement (i.e., payment for goods) but that can still contribute to proliferation (i.e., fundraising, moving, and laundering funds associated with proliferation activity). Incorporating a proliferation financing component into KYC and transaction monitoring procedures can significantly increase the chances of uncovering “red flags.” Below are some recommendations for KYC procedures: Including information on the line of business in customer profiles and denoting whether business and/or activities involve dual-use and/or military goods. More detailed information on the type of business and/or activities can be requested from customers as part of service suitability for higher-risk/vulnerable products like trade finance or wires. Using data from a broader array of lists in addition to U.S. legally binding lists for scanning. For example, foreign countries, international and nonprofit organizations, and commercial vendors develop lists of parties suspected in proliferation for export control compliance purposes. Better scrutiny of phone numbers and addresses. It is not uncommon for front and shell companies to share managers, addresses, and phone numbers. Similarly, there are specific steps that can be integrated into transaction monitoring, including but not limited to: Greater automatic scrutiny of transactions involving accounts of the individuals and entities identified as sensitive (these can include individuals that could be associated with sanctioned activities; businesses that trade in dual-use and/or military goods; businesses commonly implicated in proliferation financing-related activities - shipping companies, trading houses, exchange houses, etc.) Scanning transactions against a broader array of lists. Incorporating scanning against foreign governments’ proliferation-relevant lists can prove especially useful when providing trade finance services. Adopting technical solutions to monitoring trade finance transactions that are more sophisticated and efficient than a manual review of trade documents. This can involve, for example, adopting blockchain-based trade finance platforms or harvesting unstructured data (wire data, transaction memos, suspicious activity reports (SARs), negatives news, etc.). Incorporation of tailored geographical factors into transaction monitoring such as specific cities and regions that are known to host agents working on behalf of proliferating states. For example, the U.S. “National Proliferation Financing Risk Assessment (NPFRA)” notes that many front companies working on behalf of North Korea are based in the Dalian, Dangdong, Jinzhou, and Shenyang municipalities in the Liaoning province as well as Hong Kong.16 Filing SARs on any transactions that do not make sense, as these might help uncover proliferation networks. Inserting a provision in trade finance service contracts to allow an institution to exist a transaction or a relationship without a penalty if the customer does not identify transactions involving sensitive goods or if there are other concerns about a transaction. 4. SIMILARITIES AND DIFFERENCES WITH MONEY LAUNDERING AND TERRORIST FINANCING Patterns of proliferation financing have both similarities and differences with other types of financial crime, such as **money laundering and terrorist financing**. Similar to money launderers, **proliferators favor formal financial systems because the goods they procure mostly come from legitimate manufacturers.** As **with money launderers, proliferators rely on shell and front companies to avoid detection.** Similar to terrorist financing and unlike money laundering, proliferation financing does not usually involve strikingly large amounts. In another similarity with terrorist financing and unlike money laundering, the money trail is linear – the money is generated to purchase goods.17 There are two main differences between proliferation financing, on the one hand, and money laundering and terrorist financing. First, **transactions related to WMD procurement look like legitimate commercial activity.** Second, **in addition to individuals, entities, and transactions, there is an emphasis on goods (on which financial institutions do not have expertise**). It is necessary to employ proliferation-specific tools to minimize proliferation financing due to the above-mentioned differences in typologies**, but it is also** worth approaching various kinds of illicit financing **holistically**. We know, for example, that proliferators and agents working on behalf of proliferating states engage in other types of financial crime. The most notorious case is North Korea, which exploits the global financial system to fundraise money from various licit and illicit activities, move and launder funds, and pay for its WMD program.18 In another example involving an individual, a Chinese middleman Karl Lee for years supplied (and likely continues to supply) Iran with missile-related components. He has used the global financial system not only in support of his procurement and trade efforts but also to launder proceeds from such sales.19 Even if a financial institution cannot be sure that they are dealing with a proliferation-related case, it is important that they flag/stop a transaction that appears suspicious to them. In some cases, proliferation financing was uncovered by a financial institution because of suspicious indicators related to money laundering.20 Increasing the capacity to deal with one type of financial crime automatically increases the overall capacity to detect other types of illicit financing.

#### Attacks collapse global trust – nuclear war.

Arguello 18 [Irma Arguello and Emiliano J. Buis, \* founder and chair of the NPSGlobal Foundation, and head of the secretariat of the Latin American and Caribbean Leadership Network. She holds a degree in physics, a Master’s in business administration, and completed graduate studies in defense and security, \*\* lawyer specializing in international law. He holds a PhD from the University of Buenos Aires (UBA), a Master’s in Human and Social Sciences from the University of Paris/Panthéon-Sorbonne, and a postgraduate diploma in national defense from the National Defense School, “The global impacts of a terrorist nuclear attack: What would happen? What should we do?,” 2018, *Bulletin of the Atomic Scientists*, Vol. 74, Issue 2, pp. 114-119, https://doi.org/10.1080/00963402.2018.1436812, Recut EA]

Though hard to accept, the detonation of a nuclear device – by states or non-state actors – is today a plausible scenario. And while much of the world’s focus has been on the current nuclear weapons arsenals possessed by states – about 14,550 warheads, all of which carry the risk of intentional or unintentional use – the threat of nuclear terrorism is here and increasing. For more than a decade, Al Qaeda, Aum Shinrikyo, and other terrorist groups have expressed their desire to acquire fissile material to build and detonate an improvised nuclear bomb. None of them could fulfill that goal – so far. But that does not mean that they will not succeed in the future.

Making matters worse, there is evidence of an illicit market for nuclear weapons-usable materials. There are sellers in search of potential buyers, as shown by the dismantlement of a nuclear smuggling network in Moldova in 2015. There certainly are plenty of sites from which to obtain nuclear material. According to the 2016 Nuclear Security Index by the Nuclear Threat Initiative, 24 countries still host inventories of nuclear weapons-usable materials, stored in facilities with different degrees of security.

And in terms of risk, it is not necessary for a given country to possess nuclear weapons, weapons-usable materials, or nuclear facilities for it to be useful to nuclear terrorists: Structural and institutional weaknesses in a country may make it favorable for the illicit trade of materials. Permeable boundaries, high levels of corruption, weaknesses in judicial systems, and consequent impunity may give rise to a series of transactions and other events, which could end in a nuclear attack. The truth is that, at this stage, no country in possession of nuclear weapons or weapons-usable materials can guarantee their full protection against nuclear terrorism or nuclear smuggling.

Because we live in a world of growing insecurity, where explicit and tacit agreements between the relevant powers – which upheld global stability during the post- Cold War – are giving way to increasing mistrust and hostility, a question arises: How would our lives be affected if a current terrorist group such as the Islamic State (ISIS), or new terrorist groups in the future, succeed in evolving from today’s Manchester style “low-tech” attacks to a “high-tech” one, involving a nuclear bomb, detonated in a capital city, anywhere in the world?

We attempted to answer this question in a report developed by a high-level multidisciplinary expert group convened by the NPSGlobal Foundation for the Latin American and Caribbean Leadership Network. We found that there would be multiple harmful effects that would spread promptly around the globe (Arguello and Buis 2016); a more detailed analysis is below, which highlights the need for the creation of a comprehensive nuclear security system.

The consequences of a terrorist nuclear attack

A small and primitive 1-kiloton fission bomb (with a yield of about one-fifteenth of the one dropped on Hiroshima, and certainly much less sophisticated; cf. Figure 1), detonated in any large capital city of the developed world, would cause an unprecedented catastrophic scenario.

[FIGURE 1 OMITTED]

An estimate of direct effects in the attack’s location includes a death toll of 7,300-to-23,000 people and 12,600-to-57,000 people injured, depending on the target’s geography and population density. Total physical destruction of the city’s infrastructure, due to the blast (shock wave) and thermal radiation, would cover a radius of about 500 meters from the point of detonation (also known as ground zero), while ionizing radiation greater than 5 Sieverts – compatible with the deadly acute radiation syndrome – would expand within an 850-meter radius. From the environmental point of view, such an area would be unusable for years. In addition, radioactive fallout would expand in an area of about 300 square kilometers, depending on meteorological conditions (cf. Figure 2).

[FIGURE 2 OMITTED]

But the consequences would go far beyond the effects in the target country, however, and promptly propagate worldwide. Global and national security, economy and finance, international governance and its framework, national political systems, and the behavior of governments and individuals would all be put under severe trial. The severity of the effects at a national level, however, would depend on the countries’ level of development, geopolitical location, and resilience.

Global security and regional/national defense schemes would be strongly affected. An increase in global distrust would spark rising tensions among countries and blocs, that could even lead to the brink of nuclear weapons use by states (if, for instance, a sponsor country is identified). The consequences of such a shocking scenario would include a decrease in states’ self-control, an escalation of present conflicts and the emergence of new ones, accompanied by an increase in military unilateralism and military expenditures.

Regarding the economic and financial impacts, a severe global economic depression would rise from the attack, likely lasting for years. Its duration would be strongly dependent on the course of the crisis. The main results of such a crisis would include a 2 percent fall of growth in global Gross Domestic Product, and a 4 percent decline of international trade in the two years following the attack (cf. Figure 3). In the case of developing and less-developed countries, the economic impacts would also include a shortage of high-technology products such as medicines, as well as a fall in foreign direct investment and a severe decline of international humanitarian aid toward low-income countries. We expect an increase of unemployment and poverty in all countries. Global poverty would raise about 4 percent after the attack, which implies that at least 30 million more people would be living in extreme poverty, in addition to the current estimated 767 million.

[FIGURE 3 OMITTED]

In the area of international relations, we would expect a breakdown of key doctrines involving politics, security, and relations among states. These international tensions could lead to a collapse of the nuclear order as we know it today, with a consequent setback of nuclear disarmament and nonproliferation commitments. In other words, the whole system based on the Nuclear Non- Proliferation Treaty would be put under severe trial. After the attack, there would be a reassessment of existing security doctrines, and a deep review of concepts such as nuclear deterrence, no-first-use, proportionality, and negative security assurances.

Finally, the behavior of governments and individuals would also change radically. Internal chaos fueled by the media and social networks would threaten governance at all levels, with greater impact on those countries with weak institutional frameworks. Social turbulence would emerge in most countries, with consequent attempts by governments to impose restrictions on personal freedoms to preserve order – possibly by declaring a state of siege or state of emergency – and legislation would surely become tougher on human rights. There would also be a significant increase in social fragmentation – with a deepening of antagonistic views, mistrust, and intolerance, both within countries and towards others – and a resurgence of large-scale social movements fostered by ideological interests and easily mobilized through social media.

Prevention, preparedness, response

Given the severity of the impacts, no country in possession of nuclear weapons or weapons-usable materials can guarantee its full protection against nuclear terrorism or nuclear smuggling for proliferation purposes. Nor is it realistic to conceive of full compensation to others in the international community, if a catastrophic event happens because of any country’s acts or omissions. Therefore, we consider that prevention is the only acceptable way forward to preserve global stability.

Consequently, it is essential for countries to make every effort to prevent nuclear terrorists from fulfilling their goals. It is true that the “primitivism” of currently active terrorist organizations gives a certain space to do what is necessary to enhance the current nuclear security effort concerning prevention and response. However, the perception of the “low likeliness” of a nuclear terrorist attack neutralizes the required sense of urgency in decision-making. Being in fact a “high-risk” scenario, it is imperative that governments consider this reality when setting priorities and making decisions about nuclear security.

### OFF

T-Per Se

#### ‘Prohibiting’ a practice requires per se illegality – they defend the rule of reason

Lee Mendelsohn 6, Director at Edward Nathan, “KIPA Conduct Amounts to Price Fixing”, Business Day (South Africa), 6/12/2006, Lexis

The first step in any competition law analysis is to define the relevant market. There are two components to an analysis of the relevant market, namely the relevant product market and the geographic market.

The relevant product market consists of those products and services that operate as a competitive constraint on the behaviour of the suppliers of those products and/or services.

The relevant product market is determined by ascertaining whether a small but significant non-transient increase in pricing of the product in question would cause buyers to substitute the product with another product or would cause suppliers of other products to begin producing the product in question.

The relevant geographic market is determined by ascertaining whether a small but significant non-transient increase in pricing of the product in question would cause buyers to purchase the product from other geographic areas, alternatively suppliers of the product in other geographic areas to supply those products into the area in question.

For the purposes of this case study, we are instructed to accept that each medical speciality constitutes a relevant product market and that the relevant geographic market for each of them is Kleindorpie.

The Competition Act provides that "an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if … it involves … directly or indirectly fixing a purchase or selling price or any other trading condition".

An "agreement" is defined as including a contract, arrangement or understanding, whether or not legally enforceable. The term agreement is very widely defined. A "horizontal relationship" is defined as a "relationship between competitors".

The prohibition on the fixing of a purchase or selling price or any other trading condition is one of the so-called "per se" prohibitions which are included in our Competition Act. The prohibition is automatic and absolute and the fixing of prices or other trading condition cannot be justified on the basis of any technological, efficiency or other procompetitive gains that could outweigh the potential anticompetitive effect of the fixing of the price or trading condition. If the capitation plan of KIPA falls within the restrictive horizontal practice prohibiting price fixing and the fixing of other trading conditions, such practice will be a contravention of the act.

#### Vote neg for limits and ground – infinite standards make the topic unmanageable and fringe standards dodge links and allow bidirectional permissiveness.

### OFF

PIC

#### The United States federal government ought to substantially increase prohibitions on anticompetitive private cartel practices in all cases, regardless of whether foreign plaintiffs can secure adequate relief in alternative fora.

#### Prevents circumvention – otherwise the DOJ will avoid using enforcement resources by claiming plaintiffs can secure relief in every case.

### OFF

International CP

#### Latin American and Middle East countries should harmonize their antitrust laws with the US, including at least adopting the consumer welfare standard, building enforcement agencies, and dedicating substantial resources to prosecuting anticompetitive behavior.

### OFF

Unconscionability CP

#### The US federal judiciary should define prohibitions on anticompetitive private cartel practices in cases where foreign plaintiffs cannot secure adequate relief in alternative fora as unconscionable market behavior.

#### Treating market exploitation as unconscionable alone and instead of an antitrust violation solves the aff, avoids circumvention, and spills over to create norms to counter inequality.

HiLA KEREN, Professor of Law, Southwestern Law School, ’15, “LAW AND ECONOMIC EXPLOITATION IN AN ANTI-CLASSIFICATION AGE” [Vol. 42:313, 2015]

In the same vein, treating the exploitation of vulnerability as unconscionable market behavior can fit the profile of a dignity claim. Like the right to control our intimate life, we all should have a right to not be exploited by others when we are vulnerable. Exploitation of vulnerability in the market not only causes devastating economic damage, it also harms dignity. It shames the vulnerable party, leaving him helpless and looking pathetic and unable to take care of his own matters. Therefore, the accumulative consequences of exploitation pose a direct threat to human dignity and courts should be allowed and even encouraged to intervene. 222 Of course, dignity and equality are intertwined, and group-based protection is not really extinct.223 As Yoshino reminds us, "[i]n finding all thirteen sodomy statutes unconstitutional, Lawrence clearly helped gay people more than it helped straight people. '224 This point is pertinent in our context as well, because establishing a norm against exploitation of vulnerability in the market would clearly assist weaker market players of disenfranchised groups more than their stronger counterparts. In that sense, predatory loan agreements cannot-and should not-be divorced from their socio-economic context. Indeed, as Siegel points out, working in the space between colorblindness and classification "entails practical, contextual judgments attentive to the concerns of differently situated members of the polity.' 22

The vulnerability theory calls upon the state to be more responsive, and therefore serves as additional theoretical support for utilizing unconscionability where reverse redlining has failed. Accordingly, as a measure of help to vulnerable subjects, this theory underscores the state's deep commitment to a proactive countering of inequalities instead of a minimalistic engagement in keeping formal equality intact. Such an expectation reflects a giant step beyond what is allowed under the private/public dichotomy, where private loans are marginally scrutinized by the public legal system. Further, it echoes a belief, shared by many (albeit not all), that contract law-despite its "private" image has a meaningful public role to play in the social arena and "is a mode of social regulation whose rules ought to serve social goals. 226

Furthermore, the use of an extensive contractual doctrine, like unconscionability, is strategically advantageous in the context of economic exploitation. Using specific legislation to forbid particular kinds of abuse, such as the ban on notorious pay-day loans, does not defend against greedy market players who will simply identify loopholes and find ways to continue to profit from exploiting others' vulnerability, such as lending via the internet to avoid state regulations. 227 At least one state has explained the special value of the unconscionability doctrine as a "blanket rule," stating, "[t]he legislative process is too slow to keep up with market practices, so the courts must have power to monitor the market for the protection of all participants. '228 Although the law cannot totally stop people from trying to make more profits by taking advantage of others, it can make it harder for them to succeed and discourage them from further attempts. This goal can be achieved by utilizing the concept of unconscionability to send a clear and general message, that any form of exploitation is forbidden regardless of the concrete method used. At least one court that had dismissed a reverse redlining argument but allowed an unconscionability argument to proceed referred to this "residual" or "catch-all" attribute of the doctrine, explaining that "[i]t also seems to the court that the purpose of the unconscionability doctrine, in providing protection to vulnerable, unsophisticated parties, is to plug the gaps left open by applicable statutory provisions when they do not afford consumers adequate protections. '229 This is the known advantage of broad standards like good faith and unconscionability over specific rules: it is much harder to escape their coverage.230 A clear and general message against exploitation will support and strengthen social and moral norms that disapprove of such behavior, which can encourage stronger market players to exercise more self-restraint.

#### Inequality is ethically intolerable and poses a linear existential risk that turns every impact.

Benetar, 13 – Solomon BENETAR MBChB, DSc (Med) is Emeritus Professor of Medicine at the University of Cape Town and Professor at the Dalla Lana School of Pubic Health and Joint Centre for Bioethics, University of Toronto; st President of the International Association of Bioethics, elected foreign member of the US National Academy of Sciences' Institute of Medicine and the American Academy of Arts and Sciences ’13 ( “Global Health and Justice: Re-examining our Values” Bioethics 27 (7) p. Wiley)

Widening disparities in health within and between nations reflect a trajectory of ‘progress’ that has ‘run its course’ and needs to be significantly modified if progress is to be sustainable. Values and a value system that have enabled progress are now being distorted to the point where they undermine the future of global health by generating multiple crises that perpetuate injustice. Reliance on philanthropy for rectification, while necessary in the short and medium terms, is insufficient to address the challenge of economic and other systems spinning out of control. Innovative approaches are required and it is suggested that these could best emerge from in-depth multidisciplinary research supported by endeavours to promote a ‘global mind-set.’

The human development approach begins from a premise that has deep roots in liberal political theory – namely, the idea that justice is properly about the basic social structure[s] … (political, legal, social and economic institutions of a community that have a profound impact on the health status of community members) and whether these structures guarantee community members the ‘fair value’ of their most basic human capacities.1

Descriptions abound of the extent to which we live in an unjust world and of how disparities in wealth and health within and between nations have been widening inexorably over many years.2 The state of the world in the early years of the twenty first century is characterized by multiple, deep and interlinking crises in health, education, energy, water, food security, the economy and the environment that constitute an ‘organic global crisis,’ with already evident and further predictable adverse implications for the lives and well being of all globally.3 It is arguable that these crises and escalating injustice are to a considerable extent the outcome of the way in which the global political economy has been re-structured over the past 40 years,4 and that this is causally related to a value system that has failed to lead to the benefits of economic growth and scientific and medical advances (including those in public health) being applied to processes that could reduce inequities in health and human well being.5

A recent review of four prominent theories of justice (consequentialist, relational, human rights and social contract approaches) reveals general agreement on the ethical requirement for international assistance to relieve poverty and improve the health of the most deprived. An example is the widespread agreement to pursue the Millennium Development Goals (MDGs).6

However, many such approaches are arguably minimalist in the sense that they have a dominant emphasis on philanthropy, although some attention is directed to the need to rectify previous economic and other harms. It should be noted that for every $1 of Official Development Assistance (much of which is used to pay donor country staff who assist in delivering aid),7 developing countries pay about $6 in debt repayment – mostly interest on debt.8 The beneficial effects of well directed philanthropy are acknowledged, but the limited success of philanthropy in narrowing disparities, illustrated by inability to raise the resources for the MDGs, provides insights into the need for a bolder vision for poverty reduction. Briefly, achievement of the MDGs (and these are modest in terms of needs beyond the severely poor) requires about $3/4 trillion over 15 years. The sad fact is that this sum has not been raised (and that donor fatigue is increasing) while about $17 trillion (22 x as much) was mobilized in three months for the bailouts of financial institutions during the early stages of the 2008 global economic crisis. This asymmetry between the privatization of profits and the socialization of losses reflects the extent to which the lives of a minority are valued and protected while the lives of the majority are devalued and undermined. 9

Furthermore, while discussions on health and justice are conducted under the rubric ‘global health,’ they are located within what would more accurately be called an ‘international health’ approach. International health, with its focus on the provision of biomedical health care assistance, in one form or another across regional or national boundaries, has long been an item on the agendas of many wealthy countries and academic institutions. Global Health is a newer term and properly used, goes beyond international health to include acknowledgment of health in more than merely a biomedical sense, and the critical interdependence of the health of all in a world characterized, inter-alia by excessive (often wasteful) consumption of limited resources, population growth, demographic changes, porous borders and environmental and biological dangers that threaten all lives globally.10 Seeing the health of all as interconnected and intimately linked to social and economic forces, and to the values that underlie these requires a new perspective on ways of viewing ourselves and the world.

In this commentary I provide a personal view of some distortions of our values that may in part explain our predicament of persistent global injustice 11 and suggest that ignoring these prevents us from acting with the vision and wisdom to use available intellectual and financial resources to reduce injustice, improve health and ensure better lives for billions of people**.**12 I conclude by considering some attitudes and approaches that could facilitate reduction in injustice. Throughout this commentary I ask readers to keep in mind the implications of ongoing widespread poverty, depletion of limited and unrenewable natural resources, population growth, global warming and the threat of new infectious diseases as major threats to global health in the 21st century.

Distortions of Our Values

Widely and strongly held values over many centuries include respecting the lives, rights and freedoms of all within democratic systems characterized by a significant degree of social solidarity and driven by both ongoing scientific advances and well structured economies. The extent to which many of these values have become distorted, with potentially adverse effects on modern life, has long been perceived by prescient scholars,13 and it has been argued that these inter-linked distortions are underpinned by a desire and strategy for power and control through hegemonic ideas.14

Hyper-individualism

The analysis, offered here, of a variably distorted value system, centres on an ongoing process of shifting from hard-won and highly prized individualism that has enabled magnificent economic, scientific and technological advances for the benefit of individuals and many societies, to a form of hyper-individualism characterized by demands for immediate gratification and endless economic expectations by the most privileged, whose short-term horizons and lavish consumptive patterns endanger the future for us all**.** Charles Taylor has described this ‘dark side of individualism,’ as excessively focused on individuals in a way that:

… flattens and narrows our lives, makes them poorer in meaning and less concerned with others and society. [He contends moreover, that] social relationships are depersonalised by the rise of ‘instrumental reasoning’ that values specialised knowledge, the extension of technical rationality to favour calculation, systematization, formal procedures, cost-benefit evaluations, maximizing efficiency and control over nature.15

Extreme individualism and three other characteristics underpinning the economic system, (viz. unlimited desires, short-term self-interest and a form of ‘rationality’ that emphasizes calculable and measurable issues), were identified many decades previously by John Kenneth Galbraith, who predicted that these would pose long-term threats to all.16

Within healthcare systems, hyper-individualism is revealed by expectations that everything that can possibly be done for any individual comes to be incorporated into a sense of entitlement regarding what should be provided – often at little or no cost to the recipient. As a result, health care is driven by the desire to postpone death at all costs, with little appreciation of the limits of life and of medicine.17 This applies particularly when futile health care is continued with public resources in healthcare systems that aspire to be egalitarian. Patients kept alive for extended periods in ICUs, when they have multiple organ failure and large, untreatable, suppurating pressure sores exemplify this.18 As a consequence, a high proportion of health budgets in many ‘developed countries’ is spent on prolonged end-of-life treatments that have only marginal benefits. Largely ignored in the pursuit of such ‘rescue medicine’ are the lost opportunities to prioritize many effective treatments that, if promptly applied, would result in greatly improved lives for many who are relegated to long waiting lists by current health funding priorities. Under such ideological pressures, all healthcare systems are to some extent, and in varying combinations, distorted (not structured to meet local health needs), dysfunctional (driven by vested interests with money/profits as the bottom line, within increasingly corporatized frameworks) and unsustainable (costs rising more rapidly than can be afforded even in wealthy nations).

Narrow conceptions and distorted application of human rights

Human Rights, now a widespread moral language used to promote respect for life and individuals, has been remarkably successful in many complex situations. However, instead of a comprehensive approach as outlined in the Universal Declaration of Human Rights (UDHR), the focus has largely been on civil and political rights. Protection of the privacy and confidentiality of those with HIV/AIDS is a good example of successful use of this approach. However, it is notable that there has also been considerable inconsistency and selectivity in the application and pursuit of human rights. For example security threats in the USA have led to abuses of civil and political rights that Americans have long-championed and chastened others for abusing,19 with ‘significant implications for the moral authority of civil societies in more authoritarian regimes’.20

In the context of identifying and punishing individual perpetrators of human rights abuses, a narrow conception of rights and perpetrators of abuses has also neglected powerful ‘systems-based’ forces that could promote either achievement of rights or abuses of these. The role of many structural forces (including the granting of rights to corporations as ‘persons’) imposed on the global economy by wealthy nations (and their collusion with despots) that undermine the basic rights to life for billions of people is one example.21 Other distressing examples of systemic misuse of the idea of Human Rights include the many failings of the United Nations Council on Human Rights (UNCHR), as recorded by UN Watch,22 and through the Canadian experience within the UNCHR.23

Regrettably a narrow focus on human rights tends to neglect social, cultural and economic rights as integral components of the UDHR that has been widely praised and advocated as a set of ‘indivisible’ and ‘inalienable’ rights. It is gratifying that the rationale for promoting and ensuring a more comprehensive application of rights is being advanced.24

Erosion of social solidarity and of stewardship for the future

Further distortions of our value system arise from erosion of the sense of community and social cohesion required to meet aspirations for fairness and solidarity in society, thus reducing the ability to adequately protect valued public goods (highways, urban infrastructure, legal systems etc) and to reproduce caring social institutions (such as basic educational facilities, colleges, universities, and health care), universal access to which are essential for community well being.25 Indeed private (consumer) goods are increasingly viewed as having priority over essential public goods**.** A restricted concept of ‘freedom’ as ‘freedom to act’ (liberty) that focuses on narrow and short-term self-interest does injustice to the concept of freedom that should also include ‘freedom from want’, that requires a sense of obligation, duty and commitment to others.26

Dedication to economic dogma

Another major distortion stems from dedication to a poorly regulated market system that is now increasingly widely acknowledged as based on flawed economic theory and the notion of endless economic growth within practices that are riddled with corruption and fraud, propagated by obtuse bureaucratic processes, all of which increasingly pervade all facets of life.27 Galbraith has eloquently described how the modern economic system is characterized by fraud, perpetrated not necessarily by bad people, but rather under the influence of corporations28 that seem to have all the defining characteristics of psychopaths,29 and which others more recently have recognized as unsustainable.30

The still unfolding recent global economic crisis (with associated major increases in food prices) is seriously harming the lives and health of about 50% of the world's population who live on less than $3–4 per day. The middle classes in the USA, UK, Europe and elsewhere are also affected, and even in the USA millions of families are losing their homes.31 Between 1980 and 2006, the wealthiest 1% of Americans tripled their after-tax percentage of national income, while the share of the bottom 90% dropped by 20%. Between 2002 and 2006, 75% of national economic growth went to the top 1% who own 70% of national wealth. The fact that four hundred US billionaires own more than 155 million Americans combined 32 and that disparities in wealth are wider in the USA than in all other wealthy countries (with associated higher indices of morbidity, mortality, imprisonment and other social pathologies),33 speaks volumes about the distortion of values in that society – the worst of which many seek to emulate. Once a much admired nation with the intellectual and economic potential to lead the world into a more equitable and sustainable 21st century, it is arguable that the USA's opportunity to improve global health is being squandered by short-sighted policies that undermine its own citizens, and many others globally.34 Among other highly adverse effects of a pervasive market ideology is the transformation of medical care into a product for consumption in a ‘free market’.35 With increasing commodification, much else that is valued in life is demeaned, by turning ‘goods’ that should not be sold into marketable commodities.36 Moreover, the world is rendered increasingly unstable and insecure when lives are reciprocally devalued by poverty of moral imagination that ignores the concept of social justice and the role of fairer distribution of resources.37

These criticisms also apply to the new South Africa, where adoption of the above-mentioned economic dogma generally and in relation to provision of health care services specifically, combined with pervasive corruption, has led to widening disparities in wealth (Gini co-efficient increased from 0.6 in 1995 to 0.66 in 2007 and to 0.679 in 2009),38 and health.39 This has contributed to escalating social unrest, and undermining of the hope for greater equity in this new constitutional democracy.40

Most nations now have larger debts than they can easily sustain.41 Corporate goals have come to dominate in life generally and in health care specifically.42 The now threatened middle classes are coming to appreciate the fact that their plight results from the same processes that, in the past, allowed them to flourish at the expense of those lower in the chain of exploitation. It is also arguable that within the professions, greed and personal aspirations increasingly eclipse professionalism.43

The idea of living a life in which there is place for at least some degree of modesty in expectations has seemingly been suppressed. Living beyond our means and accumulating debt seems to have become a norm. Few individuals or nations seem to realize that the solution to global health problems, the economic crisis and all the other social crises we face, lies in doing better with less rather than demanding more. Of course this is also the challenge for dealing with climate change and environmental degradation.44 Whether or not this crucial message can be absorbed and internalised by those who feel the world owes them long, luxurious and safe lives, while billions of others face daily risks and premature death, is an issue that has not been adequately addressed.45

Over-reliance on science for solutions

While it is undisputed that scientific advances have provided, and will continue to provide many solutions to the manifold problems we face,46 undue faith in ‘science’ as the solution to all problems, results in selective and idiosyncratic value being placed on knowledge, with distinct preference for old knowledge over new knowledge, and preference for both new and old knowledge over wisdom in the application of knowledge.47 For example, it should be asked why there is so much emphasis on ensuring that all who could benefit from anti-retroviral drugs (ARVs) have access to these, but insufficient attention is paid to providing food to starving people (much easier to do than supplying drugs).

Another example is how, in child health research, 97% of grants are designed to develop new technologies that could reduce child mortality by 22%. If more were spent on research on effective delivery of existing treatments, child mortality could be reduced by 66%.48 In health care, new research agendas and arrangements that include explicit priority setting and allocation of resources could address the distortions, dysfunctionality and unsustainability that characterize health services everywhere.\

The Report, ‘Beyond Technology: Strengthening Energy Policy through Social Science’, notes that despite having spent over $70 billion since 1977 on research programs in the USA to develop advanced, more efficient, cleaner and more cost-effective energy technologies, these have not been widely implemented.49 Reasons given for this lack of implementation include the complexity of a diverse political milieu with multiple layers of governance and weak public understanding of energy-related challenges and opportunities.

Seeking Solutions

A decade ago we described several values that need to be widely promoted to address the moral challenges posed by global health disparities: respect for all life and universal ethical principles; human rights, responsibilities and needs; equity; freedom; democracy; environmental ethics; and solidarity.50 It seems that distortions of these values may in part account for inadequate progress. In addition to the transformative approaches we suggested at that time, some additional suggestions are provided here.

Individual level

Faced with such daunting crises, I suggest that in order to overcome feelings of helplessness, the first task for each of us, as privileged people, is to become more introspective about our privilege and to re-examine our lives. Questions we need to ask ourselves include: Who am I? What does it mean to be a privileged person? What are my goals in life? What are my academic responsibilities in relation to global health? Should the pursuit of social justice be a priority for health care professionals? Am I a citizen of the world, and should global health be a significant focus for those with an interest in bioethics?

Social level

In responding to what needs to be done at the levels of institutions, states and internationally to seek and achieve significant constructive changes, an important task is to recognize that faith in a market ‘guided by an invisible hand’ as the means of improving the lives of all, has been severely undermined by decades of widening disparities between the wealthy and the poor, and by the implications of the most recent and ongoing severe global economic and other social crises world wide.51

On one account, systematic abuses of basic human rights, including those rights that are critical for achieving a basic, decent minimum good life, are contingent on the absence (or perversion) of an ethics of virtue both in individuals and in institutions.52 Allen Buchanan provides a conceptual framework for what he calls ‘social moral epistemology’ that considers individual virtues to be either strengthened or subverted by the extent to which institutional frameworks are based on factually correct and morally virtuous concepts.53 The pervasiveness of the moral corrosion of institutions and individuals, that allows the perpetuation of harmful or evil practices, poses daunting and complex global problems.54 Addressing these may require a ‘Grand Challenges’ approach, and new depths of understanding to assist in re-framing the ways in which we see ourselves, and the world that could foster thoughtful and constructive approaches towards more sustainable life trajectories.55

A new Grand Challenges agenda

By ‘Grand Challenges’ I mean a large scale, multi-disciplinary series of research projects to explicate in some detail the workings of a complex global system that is undergoing entropy.56 Identification of ‘nodal points’ and ‘receptors’ to target for generating and amplifying change could serve as a prelude to modelling possible ways of effecting constructive changes with the potential to improve global health through structural changes to our economic and values systems. The magnitude of this task is arguably no less than the task of producing an HIV vaccine, which also requires profound understanding of the ways in which the HIV damages the immune system, and how systems' defences can be mounted to oppose such damage. There are no simple answers to either of these challenges, hence the need for a visionary research programme. Similarly suggested solutions for energy sustainability include creating a national vision for future energy use through systematic interdisciplinary social science-based research and policy formulation.57

Among the many issues that need to be pursued through such an agenda would be promotion of understanding and acknowledgment of the values and processes that have shaped the world over the past century, and of the modes of reasoning that have played a central role in framing and driving these values and processes.58 A critical, open and well-publicized re-appraisal of the currently dominant value system and of the adverse effects of the global political economy on health will require interrogation and modification of overt and covert power structures.59 Exposure and critiques of how the wealthy are deeply causally implicated in causing and perpetuating poverty and inequality, and what this implies in terms of distributive and retributive justice,60 could lead to new ways of thinking about progress through nurturing progressive values.61

These would include enhancing literacy and empowerment among women, socialization of many of the ‘risks experiences’ suffered by the global majority,62 and modification of taxation with reduction of tax avoidance and evasion mechanisms.63 Reviewing and restructuring many current institutional arrangements64 could lead to rebuilding the social commons. Within health care, re-examination of the quest for health and how health care services are structured and could be improved, would be a major task.65

### OFF

Cap K

#### The aff promotes a neoliberal project of enforced competition that normalizes inequality in the social and markets in the political.

Davies 18 [William Davies, Professor in Political Economy, Goldsmiths, University of London, “The SAGE Handbook of Neoliberalism | The Neoliberal State: Power Against ‘Politics,’” 2018, SAGE, pp. 273-277]

The state is a central instrument for the advancement of a neoliberal agenda. Commitment to a strong state, capable of rebuffing political and ideological challenges to capitalist competition, is a defining feature of neoliberalism, both as a system of thought and of applied political strategy. There is scant evidence of neoliberal reforms ever leading to a ‘smaller’ or ‘weaker’ state in any meaningful sense, even if certain functions have been removed from the state via policies of privatization and outsourcing. However, the state is also an object of considerable critical scrutiny and resentment under neoliberalism. As Jamie Peck argues, ‘neoliberalism’s curse has been that it can live neither with, nor without, the state’ (Peck, 2008: 39). The suspicion that the state and its agents are wasteful, self-serving, irrational, ~~blind~~ to the merits of competition, excessively ‘intellectual’ and resistant to change is an abiding feature of neoliberal critique. The paradoxical status of the state under neoliberalism, being simultaneously the key instigator of reform and main obstacle to it, means that this anxiety can never be entirely allayed.

In the face of this ambivalence, neoliberal critique focuses on seeking to rationalize the state using techniques drawn from the world of business or to actively involve business in the running of public sectors. Reforms known as ‘new public management’ took off from the 1980s onwards, seeking to re-model state bureaucracies on private sector enterprise, using target-setting and audit to disrupt allegedly slow and wasteful public sector administrations (Hood, 1995). Outsourcing and public-private partnerships have produced a new institutional sphere between market and state conventionally understood, that can be analyzed in terms of networks of ‘governance’ or ‘governmentality’ that redistribute state functions into various new administrative units (Rhodes, 1996; Rose and Miller, 2013). Neoliberalism often involves the determined pursuit of state agendas, but in ways that bypass inconvenient, ‘political’ or supposedly inefficient instruments of government.

This chapter explores the neoliberal state in three different ways. First, it discusses the idea of the neoliberal state, as it exists in neoliberal thought between the 1920s and the 1970s. I will show how neoliberals such as Friedrich Hayek consciously distanced themselves from the Victorian vision of laissez-faire, and committed to an active state agenda. This is something that Michel Foucault highlighted in his renowned lectures on neoliberalism (Foucault, 2008). Second, I will specify key features of the ‘actually existing’ neoliberal state, including its status over the course of the global financial crisis of 2007–09. Neoliberalism does not shrink state power, but it does involve it shifting from spheres designated (pejoratively) as ‘political’ to those viewed as unpolluted by the dangers of politics. Finally, I will identify some of the core contradictions at the heart of the neoliberal state, and draw out what these mean for the critique of neoliberalism.

The idea of the neoliberal state

A defining feature of neoliberal thinking is the presumption that there is no a priori distinction between the realm of the ‘political’ and that of the ‘economic’. The way in which individuals act in the marketplace is not substantially any different from how they act in public sector bureaucracies or as participants in democracy. From a neoliberal perspective ‘there is no separate economic motive’ (Hayek, 2007 [1944]: 93), a principle reiterated by various members of the Chicago School of Economics (e.g., Friedman, 1962; Becker, 1976). A commensurate assumption is that there is no ‘separate’ institutional sphere of economy. A recurring motif of neoliberal political critique is to extend metaphors, norms and measures from the economic realm of markets and business to the political realm of government. For example, the discourse of ‘national competitiveness’ borrows the language and methodologies of business strategy, and applies them to questions of national executive decision-making, representing political leaders as national ‘CEOs’.

In The Birth of Biopolitics (2008), Foucault argues that this application of economic critique to the state was the main hallmark of neoliberalism. In contrast to liberalism, which required government to develop techniques and knowledge through which to retreat into a limited ‘political’ space and leave economic activity alone, neoliberalism involves relentless efforts to remake social and political life around an ideal plucked from the market. As Foucault argued, it:

…is not a question of freeing an empty space [as laissez-faire was], but of taking the formal principles of a market economy and referring and relating them to, of projecting them on to a general art of government. (Foucault, 2008: 131)

It is not simply that neoliberalism privileges markets, but that it seeks to buttress markets (and market-like behaviours and culture) using the force of the state and to transform the state around principles extracted from the market (Davies, 2014). Foucault examined this via the writings of the Freiburg School of ordoliberalism and the Chicago School of neoclassical economics. While these two intellectual traditions are strongly divergent in their theoretical approach and political implications, what they share is the assumption that the state (in addition to other non-market realms of existence) can and should be reformed through a deliberate re-organization around principles associated with the marketplace.

In the case of ordoliberalism, the authority of the state is derived from its capacity to enforce the rules of the market ‘game’, preventing firms from dominating markets, combating inflation, entrenching property rights, and defending the rights of entrepreneurs and small businesses through competition law (Bonefeld, 2012). The state should act aggressively to produce an overarching framework, robust enough to withstand whatever economic upheavals occur within the competitive market (Gerber, 1994). Ordoliberalism allows for copious state intervention, but only to act upon the conditions and formal properties of economic action, and never to direct or control it. The ordoliberal state would be focused purely on a priori conditions of competition, and ~~blind~~ to utilitarian questions of outcomes. This philosophy is resonant with the fear of ‘moral hazard’ that is often used to obstruct government interventions in the market, on the basis that flexibility in the application of rules will make them ineffective in disciplining behaviour in future.

It needs noting that the ordoliberal paradigm is compatible with many policies associated with social democracy or even socialism. Welfare policies and social spending could be perfectly legitimate, so long as they were structured in such a way as to preserve the formal structure of the competitive market as the a priori logic of society. Many German and French neoliberal thinkers of the 1930s saw neoliberalism as a path between socialism and laissez-faire, that would harness the capabilities of the growing welfare state towards the promotion of enterprise (Burgin, 2012). What was often known as the ‘social market’ model (including by many neoliberal think-tanks in the UK during the 1960s and 1970s) was as much about harnessing the instruments of social democracy as it was about promoting the free market (Gamble, 1988). In this respect, neoliberalism was and remains an agenda for the transformation of society, and not simply for the expansion of the market (Dardot and Laval, 2013). In addition to the influence that ordoliberals exerted over German reconstruction and European integration during the 1950s, legacies of this tradition might also include the ‘Third Way’ policies of centre-left governments of the 1990s, which focused on ‘active’ labour market interventions rather than labour market protections.

From the perspective of the Chicago School (and equally the Virginia School of public choice) by contrast, the authority of the state needs to be relentlessly questioned and tested through the application of neoclassical economics to the study of law-makers, bureaucrats and democratic processes. ‘The economic critique the [American] neo-liberals try to apply to governmental policy’, Foucault argued, ‘is also a filtering of every action by the public authorities in terms of contradiction, lack of consistency and nonsense’ (2008: 246). The ‘imperialism’ of neoclassical economics is therefore an integral part of the American neoliberal project of state rationalization, which gradually crowds out alternative logics from the social and political realms (Fine and Milonakis, 2009). This is manifestly a more state-phobic, pro-business orientation than that of ordoliberalism and the traditions that spun off it. It is also in strong contrast to liberal political philosophies, which preserved space for a separate realm of political interaction not reducible to economics (Brown, 2015). It rests on a latent libertarian suspicion that politicians, bureaucrats and law-makers are likely to be just as self-interested as business-people and consumers, only less honest about this fact.

Implicit and sometimes explicit in this analysis is the idea that the ideals associated with the state are more dangerous than those associated with the market. Perversely, the ideals of the market might be a more effective (and certainly a safer) basis on which to safeguard key political principles, such as democracy, liberty and justice. If all action is fundamentally economic action, it makes perfect sense to treat the state as a particular type of economic entity, and to view economic institutions as safeguards of political values. Gary Becker claimed that ‘there is relatively little to choose between an ideal free enterprise system and an ideal political democracy; both are efficient and responsive to preferences of the “electorate”’ (Becker, 1958: 108). However, the neoliberal stance is that the market will act as a better guarantor of democracy than vice versa. It therefore makes sense to entrench the market in a quasi-constitutional fashion, and assume that democracy (or at least, individual liberty) will follow. The alternative, to trust democracy to safeguard markets, is treated as self-evidently misguided, given the rise of socialism and fascism over the course of the twentieth century.

So what are the perceived virtues of markets that need to be used as a basis on which to re-imagine and reconstruct the state? There is potentially a wide range of answers to this question, from more conservative ones which point to the ethic of self-reliance associated with entrepreneurship, to more modernizing ones, which view the market as a source of constant innovation. Here I want to focus on two perceived ideals of the market that provide inspiration, purpose and templates for the reform of the state: competition and explicitness.

Competitiveness

As various scholars have argued, competition and competitiveness are primary and fundamental virtues within neoliberal thinking (Dardot and Laval, 2013; Davies, 2014; Brown, 2015). It is precisely the capacity of markets to produce new and unequal outcomes that makes them valuable, because this inequality is deemed a valid empirical reflection on the ideas, efforts, productivity and knowledge of those who are party to the market contest. Competition, according to Hayek, is a ‘discovery procedure’ (Hayek, 2002).

This implies various roles for the state. First and foremost, the state must act as the regulator and guarantor of economic competition via the provision and enforcement of antitrust law. Ever since the earliest congregations of neoliberal thinkers in the 1930s, antitrust had been viewed as one of the most important functions of the state (Gerber, 1998). What this indicates is that, while competition might be viewed as an ideal that emanates from the market, it is not something that real-world markets will safeguard left to their own devices. It will not exist or survive naturally and inevitably, in the way that classical liberals like Adam Smith assumed. Businesses, individuals and entrepreneurs are just as likely to form cartels, avoid competition or seek to suppress it, and this provides the state with an important regulatory and legal function (Bonefeld, 2012). In this sense, the ‘free’ market needs the state to act as its law-giver and policeman (as Polanyi argued), just as much as the ‘liberal’ state needs the market to provide it with discipline.

Given the unique qualities of competition as a basis for social interaction, it makes sense that other institutions and spheres of existence should be governed in ways to render them competitive. This provides the state with additional areas of focus. First, the neoliberal state must strive to push competition and competitive dynamics into areas of social life that are otherwise resistant to entrepreneurial values and ethos, such as universities, and to inculcate people with a respect for competition generally (Dardot and Laval, 2013). Each individual is exhorted to become ‘an entrepreneur of himself’, and learn and train accordingly, for optimal positioning in the market (Foucault, 2008: 226; Binkley, 2014). Second, government institutions should themselves be re-imagined along competitive principles where possible, reducing the state’s monopoly power through outsourcing and seeking to make ‘national competitiveness’ a loosely-defined teleology of all policy (Cerny, 1990). Neoliberals (and other conservative economists such as Joseph Schumpeter) of the mid-twentieth century shared a deep-set fear that the benefits of competition were invisible to the public, who were too easily seduced by the short-term promises of socialists and planners (Schumpeter, 1976). Ideally, therefore, the rules of competition would be placed beyond the scope of democratic politics, where they could not be touched. Unelected commissions, regulators and auditors would serve a valuable function in safeguarding competition from short-sighted political counter-movements.

Explicitness

A second principle that the market upholds, and that carries potential political value for the state, is what might be termed explicitness. Chicago School economist George Stigler argued that ‘the price system lays the cards face up on the table’, in contrast to other institutions which are mired in opacity and ambiguity (Stigler, 1975: 36). Right from the beginning of the ‘socialist calculation debate’, which catalyzed the earliest forms of neoliberal critique in the 1920s (Gane, 2013), the merits of the price system have been treated by neoliberals as partly phenomenological in nature. While markets have an in-built system of explicit, quantitative and public valuation in the form of prices, socialism was deemed to suffer from a necessary inability to grasp value in any rational or objective way. As Ludwig von Mises put it in 1920, under socialism ‘there is only groping in the dark’ (1990 [1920]: 17). This stems from a pessimistic view of moral discourse, shared by both European and American neoliberals, which assumed that it would be impossible to reach agreement on common values or goals in the absence of a neutral calculative technology such as markets, economics or some combination of the two.

This celebration of the market’s public, phenomenological properties has certain implications for the critique and reform of the state. These can be seen in the overall push for better ‘governance’ in the public sector in general, and for more ‘transparency’, ‘accountability’ and ‘value for money’, in particular. Capturing the ‘outputs’ of public sector workers and agencies in quantitative, standardized forms represents a way of reconfiguring the state in market-like ways, without simply privatizing it. Performing cost-benefit analysis becomes a crucial way of capturing the value of public goods or social costs (Fourcade, 2011). The political pessimism of the neoliberal mindset, which doubts the capacity for collective action or agreement on normative or teleological grounds alone, becomes manifest in a constant evaluative scrutiny of public sector employees and professions – a feature of what Michael Power has termed the ‘audit society’ (Power, 1997). The various new forms of audit, derived from the private sector or invented anew for the public sector, have often been bracketed together as ‘new public management’ (Hood, 1995). But the same quest for explicitness can also be seen in subsequent efforts to quantify the work of the state, such as new metrics for the capture of ‘social value’ or the push for more ‘open data’ through which the public can critically scrutinize the work of government in the digital age.

The neoliberal state in practice

Being both the agent of reform and the object of critique, the state provides neoliberalism with a profound dilemma. Which part of the state will drive reform and which part of the state will be the object of reform? Unless state agencies and civil servants are expected to undergo some mystical conversion to the neoliberal vision, the practical realities of the neoliberal state involve a permanent confrontation with this problem. The prosaic day-to-day activities of the neoliberal state are too copious and various to be easily synthesized into a brief description. It goes without saying that such a state never entirely conforms to the ideals of competitiveness and explicitness described in the previous section, but operates via channels that remain noticeably ‘political’. Neoliberal politics is riven as much as any other politics by what Weber famously termed the ‘strong and slow boring of hard boards’, confronting obstacles that need to be overcome via compromise, coalition-building and patience. The strategic battles that are prioritized will vary from case to case, depending on national political traditions and the contingent strength of opposition in parliaments, within the state and in civil society. There is no pure or perfect example of the neoliberal state. This also accounts for the fact that neoliberal reform is perpetually incomplete, chasing ideals that remain elusive, and hence endlessly compelling.

The neoliberal project of state reform typically operates in a parasitical fashion, drawing on the political and social energies of one set of existing institutions and traditions, so as to subvert or undermine others (Mitchell, 2002). Paradoxically, the reduction of politics to economics requires copious political will and authority to be achieved (Davies, 2014). With the exception of the think-tanks which were set up in the decades preceding the Reagan and Thatcher victories, neoliberalism has no indigenous bases from which to launch its critique and transformation of the state, so depends on building alliances within sympathetic corners of state and civil society. This is manifestly a political challenge, but one of the most effective rhetorical and cultural strategies is to re-purpose the category of ‘political’ as a pejorative one, designating certain state institutions as corrupted by ‘politics’ and in need of reform. The legislature, permanent civil service, professions and trade unions are frequent objects of this kind of rhetorical strategy. A key justification for this fear of ‘politics’ is that democracy and political movements lead to unaffordable promises being made to citizens, leading inexorably towards inflation (Blyth, 2013). Meanwhile, another set of interests and power centres can be designated as ‘non-political’, allowing them to act in ways that seem to circumvent the intrinsic defects of the state. The more that economic policy-making can be insulated from the vanity and ideologies of politicians, the better it will be for the public in the long term. This argument in favour of quasipermanent policies, and against the vagaries of political whims, was summed up in an influential paper, ‘Rules Rather Than Discretion’ (Kydland and Prescott, 1977).

#### Capitalism is terminally unsustainable and at a turning point – reinforcing structures causes extinction and turns their impacts.

* TCC = Transnational Capitalist Class, TNS = Transnational State

Robinson 20 [William I. Robinson, American professor of sociology at the University of California, Santa Barbara, “The Global Police State,” 2020, Pluto Press, EA]

But the globalization boom of the late twentieth and early twenty-first centuries was short-lived. The global financial meltdown of 2008 marked the onset of a new structural crisis of global capitalism, one that opens the possibility for systemic change. Karl Marx was the first to identify crisis as immanent to capitalism and there is a vast literature on capitalist crisis.11 Here I identify three types of crisis. Cyclical crises, or recessions, occur about every ten years in the capitalist system and typically last some 18 months. These comprise the so-called “business cycle.” There were recessions in the early 1980s, the early 1990s, and the early 2000s. “Structural crises,” so called because the only way out of crisis is to restructure the system, occur approximately every 40–50 years. A new wave of colonialism and imperialism resolved (that is, displaced) the first recorded structural crisis of the 1870s and 1880s. The next structural crisis, the Great Depression of the 1930s, was resolved through a new type of redistributive capitalism, referred to as the “class compromise” of Fordism-Keynesianism, social democracy, New Deal capitalism, and so on (more on this below). As we have seen, capital responded to the next structural crisis, that of the 1970s, by going global. Each of these major episodes of structural crisis have presented this potential for systemic change. Historically, each has involved the breakdown of state legitimacy, escalating class and social struggles, and military conflicts. In the past, structural crises have led to a restructuring that includes new institutional arrangements, class relations, and accumulation activities that eventually resulted in a restabilization of the system and renewed capitalist expansion. Yet a new period of far-reaching restructuring through digitalization appears to be under way at this time. Before we return to this new wave of restructuring, let us focus on the nature of the current crisis, which shares aspects of earlier system-wide structural crises of the 1880s, the 1930s, and the 1970s. Yet there are several interrelated dimensions to the current crisis that I believe sets it apart from these earlier ones and suggest that a simple restructuring of the system will not lead to its restabilization—that is, our very survival requires now a revolution against global capitalism. Above all is the existential crisis posed by the ecological limits to the reproduction of the system. We have already passed tipping points in climate change, the nitrogen cycle, and diversity loss. For the first time ever, human conduct is intersecting with and fundamentally altering the earth system in such a way that threatens to bring about a sixth mass extinction.12 While capitalism cannot be held solely responsible for the ecological crisis, it is difficult to image that the environmental catastrophe can be resolved within the capitalist system given capital’s implacable impulse to accumulate and its accelerated commodification of nature. The ecological dimensions of global crisis have been brought to the forefront of the global agenda by the worldwide environmental justice movement. Communities around the world have come under the escalating repression of a global police state as they face off against transnational corporate plunder of their environment and demand environmental justice and action by governments to avert the climate catastrophe. And climate change refugees, who are likely to run into the hundreds of millions in the years ahead, are vilified by racist and neo-fascist forces and repressed by a global police state. This accelerated commodification of nature points to another underlying dimension of the current crisis. We are reaching limits to the extensive expansion of capitalism, in the sense that there are no longer any new territories of significance to integrate into world capitalism and new spaces to commodify are drying up. The capitalist system is by its nature expansionary. In each earlier structural crisis, the system went through a new round of extensive expansion—that is, incorporating new territories and populations into it—from waves of colonial conquest in earlier centuries, to the integration in the late twentieth and early twenty-first centuries of the former socialist bloc countries, China, India and other areas that had been marginally outside the system. There are no longer any new territories to integrate into world capitalism. At the same time, the privatization of education, health, utilities, basic services, and public lands are turning those spaces in global society that were outside of capital’s direct control into “spaces of capital,” so that intensive expansion—that is, the commodification of what were non-commodified resources and activities—is reaching depths never before seen. Commodification refers to the process of turning people, the things that people produce, and nature into things that are privately owned, have a monetary value, and that can be bought and sold. Capitalism by its nature must constantly expand intensively by commodifying more and more of the world. What is there left to commodify? Where can the system now expand? New spaces have to be violently cracked open and the peoples in these spaces must be repressed by a global police state. But what does exhaustion of spaces for extensive and intensive expansion imply for the reproduction of the system? The sheer magnitude of the means of violence and social control is unprecedented, as well as the magnitude and concentrated—and increasingly privatized—control over these means of violence along with the means of global communication and the production and circulation of symbols, images, and knowledge. As I will discuss in more detail in Chapters 2 and 3, computerized wars, drone warfare, robot soldiers, bunkerbuster bombs, satellite surveillance, cyberwar, spatial control technology, and so forth, have changed the face of warfare, and more generally, of systems of social control and repression. We have arrived at the panoptical surveillance society, a point brought home by revelations of the defector from the U.S. National Security Agency (NSA), Edward Snowden, that the NSA monitored virtually every communication on the planet. It is no exaggeration to say that we are now in the age of thought control by those who control global flows of communication, information, and symbolic production. But most frightening is the production and deployment of a new generation of nuclear weapons and the threat of “limited” nuclear war.13 If global crisis leads to a new world war, the destruction would simply be unprecedented. Combined with ecological meltdown, it is difficult to see how humanity could survive such a conflagration. Global capitalism lends itself to escalating inter-national tensions with the potential to spill over into major interstate conflict. But we should not explain these tensions through the outdated nation-state/interstate mode of analysis that attributes such tensions to national rivalry and competition among national capitalist classes for international economic control. Rather, these tensions derive, above all, from an acute political contradiction in global capitalism that I already alluded to above: economic globalization takes places within a nation-state-based system of political authority. Nation-states face a contradiction between the need to promote transnational capital accumulation in their territories and their need to achieve political legitimacy. In the age of capitalist globalization, governments must attract to the national territory transnational corporate and financial investment, which requires providing capital with all the incentives associated with neo-liberalism—downward pressure on wages, deregulation, low or no taxes, privatization, fiscal austerity, and on so— that aggravate inequality, impoverishment, and insecurity for working and popular classes. As a result, states around the world have been experiencing spiraling crises of legitimacy. To put it in more technical terms, there is a contradiction between the accumulation function and the legitimacy function of nation-states. This situation generates bewildering, unstable, and seemingly contradictory politics. It helps explain the rise of far-right and neo-fascist forces that espouse rhetoric of nationalism and protectionism even as they promote neo-liberalism, such as the Trump government in the United States, and has confused some into believing that “deglobalization” is under way as we move backward to an earlier era of national protectionism. In fact, the “old protectionism” of the twentieth century aimed to protect national products and the national capitalist groups that produced them with tariffs and subsidies. The new protectionism—if we could call it that, as the term is extremely misleading and leads to much confusion—aims to create the conditions to attract transnational capital to national territories. Despite its protectionist rhetoric, for instance, the Trump White House called not for locking out foreign investors but for transnational investors from around the world to invest in the United States, enticed by a regressive tax reform, unprecedented deregulation, and some limited tariff walls that would benefit groups from anywhere in the world that establish operations behind them. “America is open for business,” Trump declared at the 2018 meeting of the global elite gathered for the annual conclave of the World Economic Forum (WEF) in Davos, Switzerland: “Now is the perfect time to bring your business, your jobs and your investments to the United States.”14 And the biggest single beneficiary of steel tariffs that Trump imposed in 2018 on imported steel was ArcelorMittal, the Indian-based company that owns majority shares in U.S. Steel.15 Moreover, as we will see later, TCC contingents from countries around the world that appear to be in geopolitical competition are not just heavily invested in global police state but they are cross- and mutually invested in it. More to the point here, economic globalization as it has unfolded within the interstate system generates mounting international and geo-political tensions to the extent that the crisis exacerbates the problem of legitimacy and destabilizes national political systems and elite control. Inter-national tensions must be seen as derivative of the contradiction between the expansion of transnational capital within the framework of the nationstate/inter-state system, in which global capitalism pits nationally constrained workers against one another and sets up the conditions for the TCC to manipulate the crises of state legitimacy and the international tensions generated by this contradiction. The political tensions generated by this contradiction can and do take on the appearance of geo-political competition.16 Will the centrifugal pressures produced by this contradiction undercut the centripetal pressures brought about by economic globalization? Will these centrifugal pressures break out into open, largescale inter-state warfare?17 Will geo-political tensions “overdetermine” the corporate interests of the TCC? We need here to extend the analysis of transnational politics and the TNS in order to understand this dimension of global crisis, especially so considering that it is central to the story of global police state. Transnational elites have been clamoring for more effective TNS institutions, in part, in order to resolve this disjuncture between economic globalization and the nation-state system of political authority. However, the fragmentary and highly emergent nature of TNS apparatuses makes the effort problematic given both the dispersal of formal political authority across many nation-states and the loose nature of TNS apparatuses with no center or formal constitution. The more “enlightened” elite representatives of the TCC are now searching for ways to develop a more powerful TNS, one that could impose regulation on the global market and certain controls on unbridled global accumulation. They are seeking transnational mechanisms of “governance” that would allow the global ruling class to rein in the anarchy of the system in the interests of saving global capitalism from itself and from radical challenges from below—from both an insurgent Left and extreme Right. More than in any other forum, the politicized strata of the transnational elite comes together in the activities of the WEF, a “network of networks” for the TCC and the transnational elite that holds its famed annual meeting in Davos. Indeed, it is not for nothing that “Davos Man” has been used to describe the new global ruling class. WEF founder and Executive Chairman Klaus Schwab called in 2008 for renovated forms of “global leadership” by the TCC: Whether it is poverty in Africa or the Haze over Southeast Asia, an increasing number of problems require bilateral, regional or global solutions and, in many cases, the mobilization of more resources than any single government can marshal … The limits of political power are increasingly evident. The lack of global leadership is glaring, not least because the existing global governance institutions are hampered by archaic conventions and procedures devised, in some instances, at the end of World War II. Sovereign power still rests with national governments, but authentic and effective global leadership has yet to emerge. Meanwhile, public governance at the local, national, regional, and international levels has weakened. Even the best leaders cannot operate successfully in a failed system.18 But if the transnational elite wants a stronger TNS in order to cement the TCC’s rule and stabilize the system, it has not been able to resolve the contradictory mandate it has accorded to the TNS. On the one hand, the TNS sets out to promote the conditions for capitalist globalization; on the other, it tries to resolve the myriad problems globalization creates: economic crisis, poverty, environmental degradation, chronic political instability, and military conflict. The TNS has had great difficulty addressing these issues because of the dispersal of formal political authority across many nation-states. To reiterate, TNS apparatuses are fragmentary; there is no center or formal constitution, and there is certainly no transnational enforcement capacity. These TNS apparatuses have not been able to substitute for a leading nation-state—what the international relations literature refers to as a “hegemon”—with enough power and authority to organize and stabilize the system, much less to impose regulations on transnational capital. The politicized strata of the TCC and transnationally oriented elites and organic intellectuals, including those who staff TNS institutions, attempt to define the long-term interests of the system and to develop policies, projects, and ideologies to secure these interests. Since the specific interests of the various components of the global power bloc are divergent, it is the TNSs’ role to unify and organize the various classes and fractions to uphold their long-term political interests against the threat of the exploited and oppressed classes around the world. But the inability of the TNS to impose coherence and regulation on transnational accumulation and to stabilize the system is also due to the vulnerability of the TCC as a class group in terms of its own internal disunity and fractionation, and its ~~blind~~ pursuit of immediate accumulation—that is, of its immediate and particular profit-seeking interests over the long-term or general interests of the class. There is of course a profound social dimension of global crisis. In these times of unprecedented worldwide inequalities, capitalist crisis breaks apart the social fabric and devastates communities everywhere. Billions of people around the world face struggles to survive from one day to the next, with no guarantee that they will succeed in this struggle (indeed, many are not and many more won’t). In academic terms we could call this a crisis of social reproduction, but this phrase does nothing to capture the depths of misery that poverty, disease, un- and underemployment, food insecurity, social exclusion, racist, xenophobic, and other forms of social violence into which billions are thrust on a daily basis, or to the persecution that they face as migrants, refugees, surplus labor, and so on. The next two chapters will take up these matters. However, let us point out that the social crisis is decidedly not a crisis for capital, and may even help it to reproduce its rule, until or unless it leads to mass rebellion that threatens the ruling groups’ control.

#### The alternative is a class-based movement towards socialism – only rejecting capitalist ideology allows for sustainable development.

Foster 19 [John Bellamy Foster, professor of sociology at the University of Oregon, “Capitalism Has Failed—What Next?,” 02/01/19, *Monthly Review*, https://monthlyreview.org/2019/02/01/capitalism-has-failed-what-next/, EA]

It may be objected that socialism has been tried and has failed and hence no longer exists as an alternative. However, like the earliest attempts at capitalism in the Italian city-states of the late Middle Ages, which were not strong enough to survive amongst the feudal societies that surrounded them, the failure of the first experiments at socialism presage nothing but its eventual rebirth in a new, more revolutionary, more universal form, which examines and learns from the failures.95 Even in failure, socialism has this advantage over capitalism: it is motivated by the demand for “freedom in general,” rooted in substantive equality and sustainable human development—reflecting precisely those collective social relations, borne of historical necessity and the unending struggle for human freedom, crucial to human survival in our time.96

The great conservative economist Joseph Schumpeter, who, as Austrian finance minister in Red Vienna, had allied himself for a time with the socialist government and found himself attacked on all sides, once wrote that capitalism would perish not because of “the weight of economic failure,” but rather because its “very success” in pursuing its narrow economic ends, had undermined the sociological foundations of its existence. Capitalism, Schumpeter exclaimed, “‘inevitably’ creates conditions in which it will not be able to live and which strongly point to socialism as its heir apparent.”97 He was, it turns out, in many ways correct, though not entirely in the way he expected. The global development of monopoly capitalism and financialization spearheaded by the very same counterrevolutionary neoliberalism that first arose in response to Red Vienna in the interwar years—at a time when Schumpeter himself was a major actor—has now undermined the material bases, not so much of capitalism itself, but of global society and planetary ecology. The result has been the emergence of an “atmosphere of almost universal hostility” to the prevailing social order, though, playing out in the confused context of the present, less as opposition to capitalism itself than to neoliberalism.98

It is capitalism’s undermining of the very basis of human existence that will eventually compel the world’s workers and peoples to seek new roads forward. An inclusive, class-based movement toward socialism in this century will open up the possibility of qualitative new developments that the anarchy of the capitalist-market society with its monopolistic competition, extreme inequality, and institutionalized greed cannot possibly offer.99 This includes the development of a socialist technology, in which both the forms of technology utilized and the purposes to which they are put are channeled in social directions, as opposed to individual and class gain.100 It introduces the prospect of long-term democratic planning at all levels of society, allowing decisions to be made and distributions to occur outside the logic of the cash nexus.101 Socialism, in its most radical form, is about substantive equality, community solidarity, and ecological sustainability; it is aimed at the unification—not simply division—of labor.

Once sustainable human development, rooted not in exchange values, but in use values and genuine human needs, comes to define historical advance, the future, which now seems closed, will open up in a myriad ways, allowing for entirely new, more qualitative, and collective forms of development.102 This can be seen in the kinds of needed practical measures that could be taken up, but which are completely excluded under the present mode of production. It is not physical impossibility, or lack of economic surplus, most of which is currently squandered, that stands in the way of the democratic control of investment, or the satisfaction of basic needs—clean air and water, food, clothing, housing, education, health care, transportation, and useful work—for all. It is not the shortage of technological know-how or of material means that prevents the necessary ecological conversion to more sustainable forms of energy.103 It is not some inherent division of humanity that obstructs the construction of a New International of workers and peoples directed against capitalism, imperialism, and war.104 All of this is within our reach, but requires pursuing a logic that runs counter to that of capitalism.

Humanity, Karl Marx wrote, “inevitably sets itself only such tasks as it is able to solve, since closer examination will always show that the problem itself arises only when the material conditions for its solution are already present or at least in the course of formation.”105 The very waste and excess of today’s monopoly-finance capitalism, together with the development of new means of communication that allow for greater human coordination, planning, and democratic action than ever before, suggest that there are countless paths forward to a world of substantive equality and ecological sustainability once the world is freed from the fetters of capital.106

### OFF

Brazil Politics DA

#### Bolsonaro loses now – but economic wins flip the outcome

**Nugent, 11-30** – staff writer for TIME

[Ciara Nugent, "The Stakes Are High in 2022 for Brazil's Democracy," Time, 11-30-2021, https://time.com/6130308/bolsonaro-brazil-2022-election/, accessed 2-18-2022]

After three tumultuous years, Brazilians will soon get the chance to boot out or re-elect their far-right President Jair Bolsonaro. With elections due to be held in October 2022, candidates are launching their campaigns and the race to lead the world’s fourth-largest democracy is heating up. The former army captain may already be in trouble: his approval ratings slipped to a record low of 19% in late November, with 60% of the population saying he is doing a bad job.

In the past two years, Bolsonaro has made headlines around the world, criticized for destructive environmental policies in the Amazon rainforest and a denialist stance on the COVID-19 pandemic. By discouraging social distancing and rejecting offers from vaccine manufacturers to buy badly-needed doses, the president has helped Brazil’s official COVID-19 death toll reach more than 600,000—second only to that of the U.S.

But Bolsonaro’s struggles at home stem largely from the current squeeze on Brazilian wallets, analysts say. A surging inflation rate and an unprecedented drought have stifled recovery from the pandemic, and Brazil’s economy entered a technical recession this month. The currency, the reais, is trading at all-time lows against the dollar, with many blaming the president’s market-rattling decision to flout Brazil’s fiscal rules in order to introduce a new cash-transfer program for poorer families in time for the election.

Bolsonaro’s poor economic performance has boosted an unexpected comeback by former leftist president Luis Inácio Lula da Silva. Recent polls suggest that if elections were held today, Lula would win 46% of the votes to Bolsonaro’s 23%.

“Bolsonaro has very little chance at re-election unless economic conditions improve a lot,” says Gustavo Ribeiro, a São Paulo-based political analyst and founder of English-language news site The Brazilian Report. “But we’re still 10 months away, and he has proved that he has more political lives than a cat.”

Whatever Bolsonaro’s prospects, Brazil’s election year is shaping up to be a tense one. In recent months, the president has repeatedly indicated that he will not accept the results of the vote if he loses. “I’m not worried about staying president,” he told local media in August. “My message is: only God takes me out of that post.”

The stakes are high for the country’s relatively-new democracy. (Brazil was under a military dictatorship from 1964 until 1985.) An avowed supporter of that military dictatorship, Bolsonaro has stretched the limits of presidential powers throughout his tenure. He has replaced federal police chiefs tasked with leading probes into his family, used national security laws to persecute critics and issued a range of controversial presidential decrees on everything from indigenous land rights to social media moderation. The supreme court has blocked many of those moves as unlawful. In September, Bolsonaro called tens of thousands of his supporters to stage nationwide protests against the court, in a troubling challenge to judicial independence. Brazilian media drew parallels to the Jan. 6 insurrection at the U.S. capitol.

Ribeiro fears such attacks on Brazil’s institutions would only intensify during a second Bolsonaro term. ”We find ourselves at a very dangerous crossroads,” he says. “This is someone who at every turn tries to chip away the credibility of institutions and accountability instruments. Both from a democratic standpoint and from an economic standpoint, I don’t know how we survive four more years.”

Whether Brazil finds out what four more years of Bolsonaro would look like will depend not only on the state of the economy and the strength of the candidates vying to replace him, but also, potentially, on how the president primes his supporters to respond to the result.

Brazil’s economic crisis

To economists’ surprise Brazil’s rightwing government rolled out South America’s most generous cash-transfer program during the pandemic, giving vulnerable families around 375 reais ($67) a month. Those payments helped boost Bolsonaro’s popularity and when they expired in October, the president announced a plan for a new welfare scheme, which will permanently increase state support for around 17 million poor households in time for the election.

But the new payments may not be enough to heal the economic pain being felt by many Brazilians. Unemployment remains stubbornly high at 12.6%. Inflation has shaved off a quarter of the reais’ value against the dollar since the start of 2020. A survey published Dec. 8 by pollsters Quaest found 70% of Brazilians think the economy has worsened in the last year and 41% say economic performance is their biggest factor weighing on their vote in 2022.

And to deliver his new aid, Bolsonaro is tearing up fiscal rules designed to keep Brazilian budget deficits under control and maintain the confidence of investors. That streak of economic populism—combined with international reputational damage Brazil’s agricultural sector is suffering over deforestation in the Amazon—has soured relationships with the business elites and the conservative media that helped Bolsonaro get elected in 2018.

#### Bolsonaro reelection collapses the Amazon rainforest BUT Lula solves

**Watts, 21** -- the Guardian's global environment editor

[Jonathan, "Amazon rainforest ‘will collapse if Bolsonaro remains president’," 7-14-2021, https://www.theguardian.com/environment/2021/jul/14/amazon-rainforest-will-collapse-if-bolsonaro-remains-president, accessed 2-18-2022]

The collapse of the Amazon rainforest is inevitable if Jair Bolsonaro remains president of Brazil, academics and environmental activists have warned amid a fresh government assault on protections for the forest.

Despite evidence that fire, drought and land clearance are pushing the Amazon towards a point of no return, they say the far-right leader is more interested in placating the powerful agribusiness lobby and tapping global markets that reward destructive behaviour.

The onslaught on forest safeguards has picked up pace. On Wednesday the lower house was due to vote on legislation that would reward land grabbers by legalising ownership of property that had been illegally invaded and cleared before 2014.

The previous day, the government shifted responsibility for forest fire satellite monitoring away from the National Institute for Space Research, a scientifically-robust organisation that had carried out the task for decades. Control has been given to the National Institute of Meteorology, which is under the influence of the agriculture ministry and the farming sector.

In the past few months, Congress has also diluted standards for environmental impact assessments and a committee has approved a bill – PL 490 – that has been described as the greatest assault on indigenous rights since the launch of the Brazilian constitution in 1988.

All of these measures punch holes in the Amazon’s protective framework and run contrary to scientific advice and the problems on the ground. Brazil is in the midst of a widening drought that has seen water inflows at some hydroelectric plants fall to 91-year lows. This is a cause and an effect of forest clearance.

Since Bolsonaro took power in 2019, deforestation and fire in the Amazon have risen to their highest levels in more than a decade. The past three months have continued that trend, though slightly behind last year’s peaks. Given the tinder-dry conditions in many parts of the Amazon, there are fears that the usual peak of the fire season in July and August could be worse than usual.

Scientists suspect the rainforest may be slipping into a series of vicious cycles. At a local level, land clearance and burning led to extended droughts and higher temperatures, which in turn weakens the resilience of the ecosystem and leads to more fire.

At a regional level, this can intensify drought because the respiration of the rainforest normally acts as a pump to drive humid weather systems across a wide area of Brazil, South America and the Atlantic. When the forest weakens, that pump is less effective.

There are also global repercussions because land clearance is turning the Amazon region from climate friend to climate foe. A study published in Nature reveals forest burning now produces about three times more CO2 than the remaining vegetation is able to absorb. This accelerates global heating.

Global market forces are partly responsible. Deforestation tends to rise when the prices of soy, beef and gold are high. No government of any stripe has completely managed to stop forest clearance in the past four decades. But government policies make a difference.

Amazon deforestation reduced 80% between 2004 and 2012 under the Workers party administration of Luiz Inácio Lula da Silva. Bolsonaro has steadily dismantled or discredited the mechanisms that achieved that – satellite monitoring, personnel on the ground and legislation to punish offenders and demarcate indigenous land and conservation areas.

“The main thing this government has done is to undermine the capacity of the state to tackle illegal deforestation,” said Marcio Astrini, executive secretary of the Brazilian Climate Observatory, a network of 50 civil society organisations.

In Congress, meanwhile Bolsonaro and the “ruralista” agribusiness lobby have put more supporters in key positions: Arthur Lira as leader of Congress, Carla Zambelli as chair of the lower house Environmental Commission and Bia Kicis as chair of the Justice Commission. These politicians have enabled the ruralistas’ agenda to go forward more aggressively.

“The Brazilian government is doing exactly the opposite of what needs to be done. It is actively stimulating deforestation through its policies,” said Erika Berenguer, an expert on Amazon land use change at the Universities of Lancaster and Oxford. “Until recently this was through decrees and ministerial policy changes that cut budgets for combating deforestation. Now, they have taken more important roles in Congress so we are seeing even more dangerous bills being passed.”

This is a global concern. The US president, Joe Biden, and the French president, Emmanuel Macron, have warned of the dangers posed by the decline of the rainforest. Supermarkets and financial organisations in the UK, Norway, Germany, France and Australia have threatened to boycott Brazilian products unless supply chains can be guaranteed deforestation free.

On Wednesday, 40 companies, include Iceland, Waitrose, Lidl, Tesco and Sainsbury’s issued an open letter warning that further erosions of environmental legislation and indigenous rights would force them to reconsider using Brazilian agricultural commodities. “We would like to reiterate that we consider the Amazon as a vital part of the Earth system that’s essential to the security of our planet as well as being a critical part of a prosperous future for Brazilians and all of society,” they said. Green groups said they now expected these companies to put their threats into effect.

Among many consumers Brazil is seen as a toxic brand, and Bolsonaro looks increasingly isolated on the world stage. But this international pressure has had little impact. Last month, Bolsonaro sacked his environmental minister, Ricardo Salles, after a tipoff by the US embassy about his alleged involvement in illegal timber smuggling. But Salles had already gutted the forest surveillance and enforcement bodies, and the real power behind him – the agriculture minister, Tereza Cristina Dias – remains in place.

This is partly because commodity prices remain high and demand is strong, particularly in China where the government puts resource procurement above environmental ethics and media pressure is limited by strict censorship. China is Brazil’s biggest market by a large margin.

But the major reason is the nationalist ideology of the president. According to Astrini, Bolsonaro is so exclusively focused on domestic politics that he is indifferent to international reputation or global markets. “He is the first Brazilian president who has an overt agenda of destroying environmental protections for political gain. He is not concerned about the country, only his re-election. It’s all about the electoral base,” Astrini says.

On a more positive note, he sees Bolsonaro as a catalyst for change. Since he took power, the Amazon rainforest has moved to the centre of political debate. Several candidates in next year’s presidential election now have zero-deforestation commitments in their manifestos.

“Even Lula is saying deforestation in the Amazon can no longer be supported by any Brazilian government. He never said this before,” said Astrini. “It is now clear that a solution for the Amazon can only be possible if we change government. There is no hope if Bolsonaro is re-elected president. It is either the Amazon or Bolsonaro. There is no space for both.”

#### Amazon deforestation causes extinction – it’s a key tipping point

**Chun Tang, 21** -- freelance writer for Landscape News

[Ming Chun Tang, "How Amazon deforestation could trigger a climate tipping point," Landscape News, 9-16-2021, https://news.globallandscapesforum.org/54916/the-amazon-rainforest-is-nearing-its-tipping-point-but-what-does-that-mean/, accessed 2-18-2022]

If the Amazon rainforest were a country, it would be the seventh largest in the world by area.

At around 5.5 million square kilometers, almost twice the size of India, it covers around 40 percent of South America and is home to at least 10 percent of the planet’s known species, along with around 30 million people from more than 350 different ethnic groups.

The Amazon is also one of our most important defenses against climate change. It stores around 150 to 200 billion tons of carbon, roughly equivalent to four to five years’ worth of global carbon emissions from the burning of fossil fuels.

But humans are slowly tearing it down to make room for agriculture, ranching and mining. The Amazon has already lost 18 percent of its tree cover, and it’s losing an extra 1 percent roughly every three years. Many scientists now believe it could soon reach a tipping point where it starts to dry up and can no longer function as a rainforest – a process known as dieback.

What is a rainforest?

As the word suggests, a rainforest is a mostly evergreen forest that receives large amounts of rainfall. Rainforests are found on every continent except Antarctica and are home to more than half of the world’s known species – despite covering just 6 percent of the Earth’s surface.

There are two types of rainforest: temperate and tropical. The Amazon is by far the world’s largest tropical rainforest, with more than three times as much primary forest as the next largest, the Congo Basin.

Rainforests often sustain themselves through self-watering. The heat and humidity of tropical rainforests leads to frequent and intense rainfall. Plants soak up the rainwater and then release it back into the atmosphere through evaporation and transpiration, which in turn helps keep the climate rainy and humid. Through this cycle of precipitation and evapotranspiration, rainforests can generate up to 75 percent of their own rain.

But deforestation poses a major threat to rainforests across the globe. As tree cover decreases, transpiration also falls, and eventually, the rainforest can no longer produce enough rainfall to sustain itself. The regional climate becomes drier, causing more trees to die out and leaving behind a dry, degraded landscape.

Climate tipping points

Rainforest dieback is a prime example of a climate tipping point: a small shift in the climate system that could have drastic long-term consequences for the entire planet.

Think of it like a game of Jenga: by cutting down trees and emitting greenhouse gases into the atmosphere, we’re removing blocks from the tower and placing them on top. As the Earth heats up, the tower becomes increasingly unstable – until it can no longer support itself and collapses.

In 2019, a team of climate scientists identified nine key tipping points in the climate system, including Amazon dieback, the melting of the Greenland and Antarctic ice sheets, and the collapse of the Gulf Stream. Crossing any one of these thresholds would likely cause the climate crisis to accelerate rapidly and irreversibly and could even trigger other tipping points, causing a domino effect.

Amazon dieback

Unfortunately, scientists believe the Amazon is only 15 to 20 years away from reaching a tipping point where it starts to permanently dry out. In some parts of the rainforest, deforestation is already nearing 40 percent, while the climate crisis is also making the region hotter and drier, causing many trees to die off.

“In the southeastern Amazon, temperatures during August and September have increased by 3.21 degrees Celsius in the last 40 years,” said leading Amazon expert Luciana Gatti in a recent GLF Live. “This is a nightmare. Tree mortality is two to three times higher than in other parts of the Amazon.”

Trees absorb carbon through photosynthesis and emit carbon through respiration, as well as through decomposition when they lose foliage or die entirely.

“Each dry season, the trees undergo more stress,” Gatti explained. “Many leaves fall; they stop carrying out photosynthesis and start to decompose.

This dieback, Gatti says, is causing around a third of the carbon emissions in the southeastern Amazon.

“This means that the forest is dying more than growing. This says we are in an emergency in this part of the Amazon.”

Crossing the Amazon tipping point

If the Amazon were to undergo dieback on a large scale, it would release much of the carbon that it currently stores into the atmosphere, exacerbating the climate crisis.

“The eastern Amazon, which is 27 percent deforested on average, emits 10 times more carbon than the western part, which is 11 percent deforested,” said Gatti. “By deforesting the Amazon, we are accelerating climate change because we are sending more carbon dioxide into the atmosphere, reducing precipitation and increasing temperatures.”

A hotter and drier climate would lead to more frequent wildfires, causing yet more carbon emissions. “Hot and dry conditions make the forest more flammable, explained Gatti. “These fires represent instantaneous carbon dioxide emissions, but later it causes further emissions through decomposition.”

It would also mean more frequent drought, threatening the food security of Amazon communities, as well as the loss of biodiversity and ecosystem services like pollination, clean water and recreation.

The effects of Amazon dieback are likely to be felt even thousands of kilometers away: the trees in the Amazon provide moisture that is transported by the wind across the Americas and possibly even as far as the midwestern U.S. By disrupting global water cycles, the collapse of the Amazon is likely to cause more frequent droughts and lower crop yields across the Western Hemisphere and other parts of the world.

These changes could cause some USD 3.6 trillion in damage to the global economy within 30 years – and they could take centuries to reverse, if they can be reversed at all.

Worryingly, the Amazon’s climate is already showing early signs of drying up. Since the 1980s, scientists have observed a significant increase in the vapor pressure deficit over the tropical parts of South America. There are three possible explanations: first, the climate crisis is leading to reduced rainfall; second, transpiration is decreasing due to higher concentrations of carbon dioxide in the atmosphere; and lastly, deforestation is also resulting in lower evapotranspiration ,and hence less moisture is entering the atmosphere.

A ticking time bomb

Worryingly, the Amazon is already emitting more carbon dioxide than it absorbs. Most of these emissions are a result of fires, many of which have been set deliberately by humans to clear land for farming and cattle ranching.

In Brazil, which accounts for 60 percent of the Amazon, deforestation has soared under President Jair Bolsonaro, who has weakened environmental protections and encouraged development in the Amazon since taking office in 2019. Brazil’s deforestation rates are now at their highest in 12 years.

“In the 50 years leading up to 2018, the Brazilian Amazon was 17 percent deforested, but the mean deforestation for 2019 to 2020 was 1.5 percent per year,” said Gatti. “Very soon, we will have deforested 5 percent in just five years. This is an amazing increase in deforestation.”

According to the UN, the world is on track for over 3 degrees Celsius of warming by 2100 – and world leaders are doing nowhere near enough to prevent that from happening. New climate targets from rich countries like the U.S., Canada, Japan and the U.K. are still only enough to limit global warming to 2.4 degrees – and there has been little policy support to achieving those targets.

The only solution, Gatti believes, is a complete and immediate moratorium on deforestation in the Amazon. “Don’t talk about legal or illegal – it doesn’t matter. Zero deforestation. And no fires during the dry season, when the forests are very dry and can burn much more vegetation.”

### OFF

Adv CP

#### The United States Federal Government should allocate substantial development and food aid to countries in the Middle East and Latin America in November 2022.

### OFF

States CP

#### The 50 states and all relevant territories should substantially increase prohibitions on anticompetitive private cartel practices in cases where foreign plaintiffs cannot secure adequate relief in alternative fora.

### OFF

T-No Courts

#### Courts cannot create “antitrust law” or “increase prohibitions”.

Kalbfleisch 61 – Kalbfleisch, District Court judge. [Paul M. Harrod Co. v. A. B. Dick Co., 194 F. Supp. 502 (N.D. Ohio 1961)]//babcii

Defendant asserts that the term ‘antitrust laws,’ as used in the above section and as defined in 15 U.S.C.A. § 12, does not include a judgment or decree entered in connection with an antitrust case filed by the Government. Plaintiff, on the other hand, asserts that ‘the violation of the earlier decree of this court in itself gives rise to an independent cause of action under Section 4 of the Clayton Act.’ 15 U.S.C.A. § 15. Plaintiff's Brief, p. 7. Plaintiff concedes that ‘as far as he has been able to ascertain, this contention raises issues which have never before been decided by any appellate court.’ Plaintiff's Brief, p. 5. In Nashville Milk Co. v. Carnation Co., 1958, 355 U.S. 373, 78 S.Ct. 352, 2 L.Ed.2d 340, the Supreme Court held that the Robinson-Patman Act, 15 U.S.C.A. §§ 13-13b, 21a, was not included among the ‘antitrust laws' defined in Section 1 of the Clayton Act (15 U.S.C.A. § 12) and that ‘the definition contained in § 1 of the Clayton Act is exclusive.’ Id., 355 U.S. at page 376, 78 S.Ct. at page 354. The definition of ‘antitrust laws' in 15 U.S.C.A. § 12, clearly embraces only the statutes described therein. Even without such a definition the term ‘antitrust laws' could not be construed as pertaining to a judgment or decree entered by a court in connection with an antitrust case filed by the Government. Such decrees do not necessarily reflect the prohibitions of the antitrust laws but may, by their terms, seek to dissipate the effects of the past conduct of the parties and, to this end, frequently enjoin performance of acts lawful in themselves. To permit a private party to recover damages for violation of any provision of such a decree is so obviously beyond the scope of the term ‘antitrust laws,’ as used in the statute, as to require no further discussion. Defendant's motion to dismiss that part of the complaint based on alleged violations of the 1948 consent decree in United States v. A.B. Dick Company will be sustained.

#### Vote neg for limits and ground – multiplies the # of affs by 2, removes any generic check on small affs, and circumvents any backlash.

## Economic Development

#### Too many barriers to sustainable development – only aid solves

**Benedek et al, 21** – deputy division chief of the Tax Policy Division of the IMF’s Fiscal Affairs Department

[Dora Benedek, Edward Gemayel, Abdelhak Senhadji, and Alexander Tieman, "Achieving the Sustainable Development Goals Will Require Extraordinary Effort by All," IMF Blog, 4-29-2021, https://blogs.imf.org/2021/04/29/achieving-the-sustainable-development-goals-will-require-extraordinary-effort-by-all/, accessed 1-11-2022]

Meeting the challenge

How can countries hope to make meaningful progress toward the Sustainable Development Goals under these new, more difficult circumstances triggered by the pandemic?

It will not be easy. Countries will have to find the right balance between financing development and safeguarding debt sustainability, between long-term development objectives and pressing immediate needs, and between investing in people and upgrading infrastructure. They will have to continue attending to the matter at hand—managing the pandemic. At the same time, however, they will also need to pursue a highly ambitious reform agenda that prioritizes the following:

Fostering growth, which will start a virtuous circle. It enlarges the pie, resulting in additional resources for development, which in turn further spurs growth. Structural reforms that promote growth—including efforts to enhance macroeconomic stability, institutional quality, transparency, governance, and financial inclusion—are thus essential. Our study highlights how Nigeria and Pakistan’s strong growth enabled them to make significant strides in reducing extreme poverty prior to 2015. Jumpstarting growth, which has since stalled in these populous countries, will be crucial.

Strengthening the capacity to collect taxes is vital to pay for the basic public services that are necessary to achieve key development objectives. Experience shows that increasing the tax-to-GDP ratio by an average of 5 percentage points over the medium term through comprehensive tax policy and administration reforms is an ambitious but achievable objective for many developing countries. Cambodia has done it: in the 20 years leading up to the pandemic, it increased its tax revenue from less than 10 percent of GDP to around 25 percent of GDP.

Enhancing the efficiency of spending. About half of the spending on public investment in developing countries is wasted. Improving efficiency through better economic management together with enhanced transparency and governance will allow governments to achieve more with less.

Catalyzing private investment. Strengthening the institutional framework through better governance and a more robust regulatory environment will help catalyze additional private investment. Rwanda, for example, was able to increase private investment in the water and energy sectors from virtually nothing in 2005–09 to over 1½ percent of GDP per year in 2015–17.

Pursued in tandem, these reforms could generate up to half the resources needed to make substantial progress toward the Sustainable Development Goals. But even with such ambitious reform programs, we estimate that development objectives would be delayed by a decade or more in three of our four case study countries if they were to go it alone.

This is why it is critical for the international community to step up as well. If development partners gradually increase official development aid from the current 0.3 percent to the UN target of 0.7 percent of Gross National Income, many low-income developing countries may well be in a position to meet their development objectives by 2030 or shortly thereafter. Providing such assistance may be a tall order for policymakers in advanced economies, who are likely more focused right now on domestic challenges. But helping development is a worthy investment with potentially high returns for all. In the words of Joseph Stiglitz, the only true and sustainable prosperity is shared prosperity.

#### No econ impact – COVID proves.

Walt 20 [Stephen M. Walt, Robert and Renée Belfer professor of international relations at Harvard University, “Will a Global Depression Caused by the Coronavirus Pandemic Trigger Another World War?,” 05/13/20, *Foreign Policy*, https://foreignpolicy.com/2020/05/13/coronavirus-pandemic-depression-economy-world-war/, EA]

One familiar argument is the so-called diversionary (or “scapegoat”) theory of war. It suggests that leaders who are worried about their popularity at home will try to divert attention from their failures by provoking a crisis with a foreign power and maybe even using force against it. Drawing on this logic, some Americans now worry that President Donald Trump will decide to attack a country like Iran or Venezuela in the run-up to the presidential election and especially if he thinks he’s likely to lose.

This outcome strikes me as unlikely, even if one ignores the logical and empirical flaws in the theory itself. War is always a gamble, and should things go badly—even a little bit—it would hammer the last nail in the coffin of Trump’s declining fortunes. Moreover, none of the countries Trump might consider going after pose an imminent threat to U.S. security, and even his staunchest supporters may wonder why he is wasting time and money going after Iran or Venezuela at a moment when thousands of Americans are dying preventable deaths at home. Even a successful military action won’t put Americans back to work, create the sort of testing-and-tracing regime that competent governments around the world have been able to implement already, or hasten the development of a vaccine. The same logic is likely to guide the decisions of other world leaders too.

Another familiar folk theory is “military Keynesianism.” War generates a lot of economic demand, and it can sometimes lift depressed economies out of the doldrums and back toward prosperity and full employment. The obvious case in point here is World War II, which did help the U.S economy finally escape the quicksand of the Great Depression. Those who are convinced that great powers go to war primarily to keep Big Business (or the arms industry) happy are naturally drawn to this sort of argument, and they might worry that governments looking at bleak economic forecasts will try to restart their economies through some sort of military adventure.

I doubt it. It takes a really big war to generate a significant stimulus, and it is hard to imagine any country launching a large-scale war—with all its attendant risks—at a moment when debt levels are already soaring. More importantly, there are lots of easier and more direct ways to stimulate the economy—infrastructure spending, unemployment insurance, even “helicopter payments”—and launching a war has to be one of the least efficient methods available. The threat of war usually spooks investors too, which any politician with their eye on the stock market would be loath to do.

Economic downturns can encourage war in some special circumstances, especially when a war would enable a country facing severe hardships to capture something of immediate and significant value. Saddam Hussein’s decision to seize Kuwait in 1990 fits this model perfectly: The Iraqi economy was in terrible shape after its long war with Iran; unemployment was threatening Saddam’s domestic position; Kuwait’s vast oil riches were a considerable prize; and seizing the lightly armed emirate was exceedingly easy to do. Iraq also owed Kuwait a lot of money, and a hostile takeover by Baghdad would wipe those debts off the books overnight. In this case, Iraq’s parlous economic condition clearly made war more likely.

Yet I cannot think of any country in similar circumstances today. Now is hardly the time for Russia to try to grab more of Ukraine—if it even wanted to—or for China to make a play for Taiwan, because the costs of doing so would clearly outweigh the economic benefits. Even conquering an oil-rich country—the sort of greedy acquisitiveness that Trump occasionally hints at—doesn’t look attractive when there’s a vast glut on the market. I might be worried if some weak and defenseless country somehow came to possess the entire global stock of a successful coronavirus vaccine, but that scenario is not even remotely possible.

If one takes a longer-term perspective, however, a sustained economic depression could make war more likely by strengthening fascist or xenophobic political movements, fueling protectionism and hypernationalism, and making it more difficult for countries to reach mutually acceptable bargains with each other. The history of the 1930s shows where such trends can lead, although the economic effects of the Depression are hardly the only reason world politics took such a deadly turn in the 1930s. Nationalism, xenophobia, and authoritarian rule were making a comeback well before COVID-19 struck, but the economic misery now occurring in every corner of the world could intensify these trends and leave us in a more war-prone condition when fear of the virus has diminished.

On balance, however, I do not think that even the extraordinary economic conditions we are witnessing today are going to have much impact on the likelihood of war. Why? First of all, if depressions were a powerful cause of war, there would be a lot more of the latter. To take one example, the United States has suffered 40 or more recessions since the country was founded, yet it has fought perhaps 20 interstate wars, most of them unrelated to the state of the economy. To paraphrase the economist Paul Samuelson’s famous quip about the stock market, if recessions were a powerful cause of war, they would have predicted “nine out of the last five (or fewer).”

Second, states do not start wars unless they believe they will win a quick and relatively cheap victory. As John Mearsheimer showed in his classic book Conventional Deterrence, national leaders avoid war when they are convinced it will be long, bloody, costly, and uncertain. To choose war, political leaders have to convince themselves they can either win a quick, cheap, and decisive victory or achieve some limited objective at low cost. Europe went to war in 1914 with each side believing it would win a rapid and easy victory, and Nazi Germany developed the strategy of blitzkrieg in order to subdue its foes as quickly and cheaply as possible. Iraq attacked Iran in 1980 because Saddam believed the Islamic Republic was in disarray and would be easy to defeat, and George W. Bush invaded Iraq in 2003 convinced the war would be short, successful, and pay for itself.

The fact that each of these leaders miscalculated badly does not alter the main point: No matter what a country’s economic condition might be, its leaders will not go to war unless they think they can do so quickly, cheaply, and with a reasonable probability of success.

Third, and most important, the primary motivation for most wars is the desire for security, not economic gain. For this reason, the odds of war increase when states believe the long-term balance of power may be shifting against them, when they are convinced that adversaries are unalterably hostile and cannot be accommodated, and when they are confident they can reverse the unfavorable trends and establish a secure position if they act now. The historian A.J.P. Taylor once observed that “every war between Great Powers [between 1848 and 1918] … started as a preventive war, not as a war of conquest,” and that remains true of most wars fought since then.

The bottom line: Economic conditions (i.e., a depression) may affect the broader political environment in which decisions for war or peace are made, but they are only one factor among many and rarely the most significant. Even if the COVID-19 pandemic has large, lasting, and negative effects on the world economy—as seems quite likely—it is not likely to affect the probability of war very much, especially in the short term.

#### Growth causes war – imperialism and defense spending.

Hahn 16 [Lucas Hahn, citing Charles R. Boehmer, professor in the Political Science department at The University of Texas at El Paso, “Global Economic Expansion and the Prevalence of Militarized Interstate Disputes,” 2016, Thesis, https://digitalcommons.bryant.edu/cgi/viewcontent.cgi?article=1023&context=honors\_economics]

Economic Factors Leading to Increased Militarized Interstate Disputes

Running counter to the arguments that global economic expansion has led to a decline in MIDs throughout the world, there is a large body of literature that claims the exact opposite. In particular, some authors argue that the recent declines that have been observed are a direct result of a decline in conflict after major spikes during the World Wars and the Cold War. The following section will highlight four different economic factors that are potentially leading to an increase in MIDs. These four factors include: (1) imperialism and resources, (2) the “War-Chest Proposition”, (3) Neo-Marxist views on asymmetrical trade, and (4) interdependence versus interconnectedness.

1. Imperialism and Resources

The presence of imperialism between the 17th and early 20th centuries was, in a way, a precursor to globalization today. During this period of time the most developed nations worked to expand their empires and in doing so, began to connect the people of the world for the first time. However, while there were many positive benefits of this expansion, there were also many negative happenings that led to violent conflict. As Arquilla (2009, 73) frames it imperialism involved commercial practices (often supported by military force) that took advantage of the colonized people and ultimately destroyed their way of life. Thus, the increased economic expansion that was brought about in order to build the empire, often led to violent encounters.

More specifically, imperialism and the conquest of particular regions was often done in an effort to gain access to that region’s natural resources. Authors such as Schneider (2014) state that undeveloped nations or regions are often subject to what he refers to as the “domestic resource curse”. Basically, during the times of imperialism, the more powerful nations would go to undeveloped areas and take whatever they wanted or needed from areas that were rich with resources5 . This often involved a great deal of conflict and the native people were often exploited. In modern times, the presence of significant caches of national resources, particularly in Africa, has been shown to lead to violence as corrupt governments and warlords take advantage of those native to the area. Additionally, as Barbieri (1996) points out, conflict over resources may not be limited to an imperialist nation’s encounter with the undeveloped region. Violent conflict can also exist between the multiple nations that are competing to gain access or control over natural resources in a given area.

2. The “War Chest Proposition”

Building on the previous discussion, Boehmer (2010) proposes something that he calls the “WarChest Proposition”. He states that economic growth can lead to increased military/defense spending and that this buildup of a nation’s “war chest” may be used to pay for new or continuing military engagements (251). In other words, increased economic power often leads to greater capabilities of the nation-state as a whole. This is particularly true in terms of military capabilities and in this way, nations may thus be able to engage in more conflict. Furthermore, he argues that positive economic expansion builds up the confidence of the nation to a point where they may feel invincible and thus, engage in violent conflict that will help them to continue to expand.

#### Middle East war won’t escalate – empirics prove

Sullivan 18 --- Senior Fellow at the Carnegie Endowment for Int Peace (Jake, served in the Obama administration as Director of Policy Planning at the U.S. Department of State and as National Security Adviser to the Vice President, “The World after Trump: How the System Can Endure,” Foreign Affairs, Vol. 97, Issue 2)

Finally, the paroxysms of violence across the arc of instability from North Africa to South Asia have led some observers to conclude that disorder in the Middle East could threaten the entire global order. But Middle Eastern instability has been a feature, not a bug, of the system since the fall of the Ottoman Empire after World War I. In just one 30-year stretch—the period from the early 1970s to the first decade of this century—the region saw the Yom Kippur War, the Lebanese civil war, the Iranian Revolution, the dawn of the modern age of terrorism with the siege of Mecca, the Soviet invasion of Afghanistan, the Iran-Iraq War, the first Lebanon war, two Palestinian intifadas, the Persian Gulf War, the war in Iraq, and a Yemeni civil war. Today, it is true that the combination of weak state structures, violent ideologies, and Iranian-Saudi competition has transformed a number of local conflicts into a regional CRISIS. In addition to the horrific human toll, this has had the spillover effects of sending refugees flowing to Europe and inspiring jihadist attacks across the West. At the same time, the United States is no longer as willing or able to play the external role it played before, for reasons relating to both the supply side (reduced U.S. willingness to invest resources, especially troops) and the demand side (reduced regional enthusiasm for U.S. involvement). Yet the roiling waters of the Middle East have not swamped the whole system. U.S.-led efforts against ISIS have rolled back the biggest threat to the international community, the existence of a terrorist state in the heart of the Middle East. Europe is learning to manage the refugee CRISIS. And despite Tehran's advances on several fronts, the basic power politics of the region tilt toward the eventual emergence of an uneasy, sometimes messy balance between Iran and its proxies on one side and a Saudi-led Sunni bloc on the other. Effective statecraft can help manage, contain, and reduce regional instability over time.

#### Instability inevitable – erosion of borders, Sunni-Shia split, and Arab-Israeli conflict.

#### Polarization is empirically disproven – that’s the internal link to backsliding.

Bosancianu 17 [Constantin Manuel Bosancianu, Ph.D. in Political Science; postdoctoral researcher in the “Institutions and Political Inequality” unit at the Berlin Social Science Center (WZB), “A Growing Rift in Values? Income and Educational Inequality and Their Impact on Mass Attitude Polarization,” 2017, *Social Science Quarterly*, Vol. 98, Issue 5, https://onlinelibrary.wiley.com/doi/full/10.1111/ssqu.12371]

The analyses presented so far have tended to refute the hypotheses I have outlined in the beginning: economic inequality is not associated with increased attitude polarization, regardless of whether I examine the dispersion, bimodality, or consolidation of Left-Right self-placement with respect to income groups in the population. Although for dispersion and bimodality the estimates for income inequality tend to be in the direction expected, they are not statistically significant once educational inequality is controlled for. A conservative interpretation, pending a larger sample, is that there is no significant association between inequality and attitude polarization. The evidence is in line with analyses from the context of the United States, finding little connection between inequality and income-based partisan sorting (Dettrey and Campbell, 2013) or polarization in preferences for redistribution between income groups (Luttig, 2013).

The models presented in the previous section also offer a refutation of the RD framework, inasmuch as it applies to mass attitude polarization, as well as of the political economic models presented in the beginning. Rising income inequality neither increases nor decreases the level of attitude polarization in a country; rather, the two appear to be unconnected. The reasons for this have already been presented: it is unlikely for small-to-medium shifts in inequality over a period of 20–30 years to be properly assessed by individuals who most often than not have difficulties naming members of the government, or the parties that form the governing coalition. A recent set of studies confirms that individuals in the United States and Australia woefully underestimate the degree of economic inequality in their society (Norton and Ariely, 2011; Norton et al., 2014). If this insight holds for other nations as well, it is to be expected that variations in attitude polarization are not connected in any way to the level of income inequality in the country.

#### Their ev says Russia and China are already supporting autocratic regimes – can’t solve unless there’s leadership turnover, which they haven’t read an internal link to.

#### Reject Brands – in the pocket of the DoD.

#### No internal link to AI arms race – democratic countries like the US also engage in it.

#### No emerging tech risk.

Sechser 19 [Todd S. Sechser, Neil Narang, and Caitlin Talmadge, \* Professor of Politics and Public Policy at the University of Virginia, \*\* Associate Professor of Political Science at the University of California, Santa Barbara, \*\*\* Associate Professor of Security Studies in the School of Foreign at Georgetown University, “Emerging technologies and strategic stability in peacetime, crisis, and war,” 2019, *Journal of Strategic Studies*, Vol. 42, Issue 6, pp. 727-735, https://doi.org/10.1080/01402390.2019.1626725]

Yet the history of technological revolutions counsels against alarmism. Extrapolating from current technological trends is problematic, both because technologies often do not live up to their promise, and because technologies often have countervailing or conditional effects that can temper their negative consequences. Thus, the fear that emerging technologies will necessarily cause sudden and spectacular changes to international politics should be treated with caution. There are at least two reasons to be circumspect.

First, very few technologies fundamentally reshape the dynamics of international conflict. Historically, most technological innovations have amounted to incremental advancements, and some have disappeared into irrelevance despite widespread hype about their promise. For example, the introduction of chemical weapons was widely expected to immediately change the nature of warfare and deterrence after the British army first used poison gas on the battlefield during World War I. Yet chemical weapons quickly turned out to be less practical, easier to counter, and less effective than conventional high-explosives in inflicting damage and disrupting enemy operations.6 Other technologies have become important only after advancements in other areas allowed them to reach their full potential: until armies developed tactics for effectively employing firearms, for instance, these weapons had little effect on the balance of power. And even when technologies do have significant strategic consequences, they often take decades to emerge, as the invention of airplanes and tanks illustrates. In short, it is easy to exaggerate the strategic effects of nascent technologies.7

Second, even if today’s emerging technologies are poised to drive important changes in the international system, they are likely to have variegated and even contradictory effects. Technologies may be destabilising under some conditions, but stabilising in others. Furthermore, other factors are likely to mediate the effects of new technologies on the international system, including geography, the distribution of material power, military strategy, domestic and organisational politics, and social and cultural variables, to name only a few.8 Consequently, the strategic effects of new technologies often defy simple classification. Indeed, more than 70 years after nuclear weapons emerged as a new technology, their consequences for stability continue to be debated.9

## Resource Cartels

#### They don’t solve “unbridled consumption” that their ev criticizes – they increase it by unlocking access to more resources.

#### No REM shortages – stockpiles, new deposits, and recycling.

Lovins 17, Cofounder and Chairman Emeritus of Rocky Mountain Institute, energy advisor to major firms and governments in 70+ countries for 45+ years, has written 31 books and more than 600 papers, advised major firms and governments worldwide, and received 12 honorary doctorates and many international awards [Amory, 5-23-2017, "Clean energy and rare earths: Why not to worry", *Bulletin of the Atomic Scientists*, https://thebulletin.org/2017/05/clean-energy-and-rare-earths-why-not-to-worry/]

Rare earths’ uses are highly specialized but diverse. These elements are used in mobile phones, superstrong magnets and hence advanced motors and generators, some oil-refinery catalysts, certain lasers and fluorescent-lamp or flat-screen phosphors, some batteries and superconductors, and other technologies important to modern life. Some rare earths are particularly useful in energy applications. Around 2010, some articles and commentators warned that shortages of rare earths, or China’s near-monopoly on them, could choke off the West’s shift to renewable energy and other clean technologies. This was never true—but the myth persists.

Bubble and burst. Rare earths concerned only specialists until about 2009–10. In the mid-1990s, China had consolidated its control over most of the global rare-earth market, and the last US mine and mill, once the world’s dominant producer, closed in 2002 because it was unprofitable. China began imposing export quotas in 2006, and limited exports to Japan (a major user of rare earths for high-tech miniature motors) during a diplomatic spat in 2009–10, so global prices and anxieties soared. US government agencies published urgent reports about the rare-earth crisis and its threat to national security. Could China’s control of these crucial elements—roughly 97 percent at the time—block Washington’s ability to produce Tomahawk missiles, F-35 jets, and night-vision goggles, as some military writers warned, never mind electric vehicles and wind-power turbines?

As a technologist who had advised major mining companies, written two books on metal mining and a 445-page text on efficient motor systems, done rare-earth physics experiments at MIT Lincoln Laboratory, and consulted for MIT’s Francis Bitter Magnet Laboratory, I knew enough to be unconvinced by rare-earth alarm bells. It all felt like a commodity bubble, based more on a shortage of understanding—of rare earths, economic geology, and resource efficiency and substitution—than on a shortage of rare earths.

Sure enough, the debate was heavy on the supply of rare earths but light and often misinformed on the demand side. The few observers who focused more on demand suspected that rare earths’ price spike wouldn’t last long, whether or not it reflected mining-stock hype. I called the coming crash, to general ridicule, in 2010. Rare-earth prices soared through spring 2011—when a rare-earth bonanza was fondly predicted for Helmand Province in Afghanistan—but then plummeted.

US supplier Molycorp reopened its California rare-earth mine in 2012, but went broke in 2015 when low world prices wouldn’t support its high costs. By 2015, MIT Technology Review asked, “What Happened to the Rare-Earths Crisis?” It misleadingly called rare earths “crucial to the permanent magnets used in wind turbines and motors in hybrid or electric cars,” and concluded that worries about them had “seemingly dissipated without much fanfare” as “demand fell more than expected,” but never connected the dots by asking why demand did that. By 2016–17, the market was in the doldrums, with China planning to limit annual production to 140,000 metric tons beginning in 2020 to try to raise prices again. An investor in the rare-earth industry in 2007 would have lost 81 percent of her portfolio value after a classic decade-long boom-and-bust wild ride (see the chart at the top of this article from buyupside.com).

This is not how a durably scarce and valuable commodity behaves. What happened? Just what you’d expect of a thin market influenced by ignorance but ultimately tamed by reality. When prices soared, stockpiles rose, idle mines reopened, explorers sought and found new deposits, and recycling increased (for example, cerium in glass polishing). Most important, as customers from General Electric to Toyota to Ford sought to cut costs and boost performance, the costlier materials were used more frugally and often replaced with cheaper, better solutions—all as I’d predicted in 2010. Prices fell accordingly.

#### Covid thumps supply chain issues AND food insecurity

#### Food insecurity doesn’t cause war

Vestby 18 [Jonas Vestby, Doctoral Researcher at the Peace Research Institute Oslo, Ida Rudolfsen, doctoral researcher at the Department of Peace and Conflict Research at Uppsala University and PRIO, and Halvard Buhaug, Research Professor at the Peace Research Institute Oslo (PRIO); Professor of Political Science at the Norwegian University of Science and Technology (NTNU); and Associate Editor of the Journal of Peace Research and Political Geography, “Does hunger cause conflict?”, 5/18/18, https://blogs.prio.org/ClimateAndConflict/2018/05/does-hunger-cause-conflict/]

It is perhaps surprising, then, that there is little scholarly merit in the notion that a short-term reduction in access to food increases the probability that conflict will break out. This is because to start or participate in violent conflict requires people to have both the means and the will. Most people on the brink of starvation are not in the position to resort to violence, whether against the government or other social groups. In fact, the urban middle classes tend to be the most likely to protest against rises in food prices, since they often have the best opportunities, the most energy, and the best skills to coordinate and participate in protests.

Accordingly, there is a widespread misapprehension that social unrest in periods of high food prices relates primarily to food shortages. In reality, the sources of discontent are considerably more complex – linked to political structures, land ownership, corruption, the desire for democratic reforms and general economic problems – where the price of food is seen in the context of general increases in the cost of living. Research has shown that while the international media have a tendency to seek simple resource-related explanations – such as drought or famine – for conflicts in the Global South, debates in the local media are permeated by more complex political relationships.

#### Renewables fail – inefficient, offsetting, resource wars

Hoffmann 16 [Ulrich Hoffmann, chief economist, sustainability issues at the Research Institute on Organic Agriculture (FIBL), and former editor-in-chief of the UNCTAD Trade and Environment Review, UNCTAD Secretariat, “Green Growth: Ideology, political economy and the alternatives | Can green growth really work? A reality check that elaborates on the true (socio-)economics of climate change,” 2016, Zed Books, pp. 28-33, EA]

Increasing the use of renewable energy – easier said than done

Much hope was put on the contribution of changes in the energy mix to reducing GHG emissions. However, evidence suggests that a complete or significant replacement of fossil fuel by renewable energy (RE) is very challenging on a number of fronts:

• There is the need for compacting RE.

• One needs a significantly modified, renewed or new transmission infrastructure.

• There is a reduced energy return on energy input (EROI).

• Certain REs have to face up to material scarcities.

• There is not yet a really sustainable alternative for conventional transport fuel.

Wind and solar, the two most promising RE sources, are variable and intermittent, and therefore cannot serve as ‘base-load’ electricity, requiring substantial conventional electricity capacity as backup. They also require significant material input into the production of solar panels and wind turbines and a major upgrading of storage capacity, transmission lines and the creation of intelligent grids, all set to drive up material consumption (and related costs), in some cases completely exhausting the supply of strategic materials.24 Furthermore, two-thirds of fossil fuel is used as transport fuel, for which there is no real substitute within sight (biofuels cannot meet more than a small fraction of the world’s transport fuel demand).25

Hänggi cautions that a change in the energy mix does often not lead to a straightforward replacement of fossil by renewable fuel.26 Rather, the new energy is likely to be used in parallel with the old one for quite some time (a phenomenon that applies to many social innovations), both for technical reasons, but also linked to the rebound effect (see below). For instance, the present global consumption of coal is higher than that before the oil age; so is the current consumption of fuel wood compared to what was used before the coal age. Also, to assure reliable electricity supply, gas-reliant power stations are likely to play an important role in backing up wind and solar power facilities.27

It should also not be overlooked that, unlike conventional fuel, renewable energy is usually only available in non-concentrated form; it has to be ‘compacted’ to generate sufficient power. This ‘compaction’ or, in technical terms, the reduction of entropy of a system, can only be achieved by increasing the entropy in other parts. In practical terms of renewable energy, this means that one can only compact wind, solar, bio or hydro energy by increasing the use of conventional fuel or raw materials.28

As a result, EROI is low and sometimes even negative (in fact, even for conventional fuels the EROI has dramatically declined in recent decades).29 According to Hall et al., it is not important to have renewable energy alternatives per se, but that they have:

• a sufficient energy density;

• an appropriate transportability;

• a relatively low environmental impact per net unit delivered to society;

• a relatively high EROI; and

• that REs are obtainable on a scale that society demands.

Hall et al. stress that ‘we must remember that usually what we want is energy services, not energy itself, which usually has little intrinsic economic utility’.30 MacKay adds that ‘for a sustainable energy plan to add up, we need both the forms and amounts of energy consumption and production to match up. Converting energy from one form to another … usually involves substantial losses of useful energy … Conversion losses (in the United Kingdom, for example – added by the author) account for about 22 per cent of total national energy consumption.’31

In sum it should be noted that low EROI, losses in storage, transmission and conversion, and less efficiency at the point of use for renewable energy can mean that the need for energy supply can increase considerably compared to the current fossil-fuel-dominated energy mix – just to keep energy utility at the point of use the same.

The efficiency illusion: the rebound effect

Enhanced energy (and related material and resource) efficiency and ample availability of cheap renewable energy will encourage a ‘rebound effect’, i.e. physical consumption is likely to increase as a result of productivity increases, which leads to lower costs and prices and the shifting of thus saved consumer money or investment funds.32

The rebound effect was first described by the English economist William Stanley Jevons in his book The Coal Question, published in 1865. Jevons observed that England’s consumption of coal soared after James Watt introduced his coal-fired steam engine, which greatly improved the efficiency of Thomas Newcomen’s earlier design. Watt’s innovations made coal a more cost-effective power source, leading to the increased use of the steam engine in a wide range of industries. This in turn increased total coal consumption, even as the amount of coal required for any particular application fell. Jevons argued that improvements in fuel efficiency tend to increase, rather than decrease, fuel use: ‘It is a confusion of ideas to suppose that the economical use of fuel is equivalent to diminished consumption. The very contrary is the truth … no one must suppose that coal thus saved is spared – it is only saved from one use to be employed in others.’33

The rebound effect reflects the causality between efficiency increases and additional demand. The definition not only includes the energy/material/resource (EMR) efficiency, but also the additional demand impact of increased labour and capital productivity.

Besides the financial rebound effect (denoting that part or all of the EMR-efficiency-induced cost savings are used for reinvestment or additional consumption) there is also a material rebound effect. In addition, there are psychological and cross-factor rebound effects. Material rebound effects are caused by higher EMR consumption resulting from the need to change fixed capital and infrastructure for increasing EMR efficiency. The psychological rebound effect provokes higher EMR consumption, because the user of more efficient technologies is under the impression that he/she has economized on EMR use and that there is thus no harm in using the concerned device a bit more (e.g. the user of a more fuel efficient or electrical vehicle increases the mileage). The cross-factor rebound effect, in turn, is triggered by enhanced labour productivity, which replaces labour by mechanization and motorization, driving material and resource consumption, but in particular energy use. In other words, labour productivity increases are bought by reduced energy efficiency. Technological developments that besides EMR efficiency also increase the capital efficiency and labour productivity are likely to cause ‘backfire effects’, i.e. ultimately increasing EMR demand.34

There is yet another, more complicated aspect of Jevons’ paradox.35 Even if higher labour productivity can make workers redundant, it also increases the remaining workers’ salaries. This creates new demands and new employment opportunities. Those that are made redundant, in turn, are mostly productive in some other trade. Even if we see a lot of unemployment globally, one must admit that the enormous gains in productivity have not resulted in widespread or mass unemployment. To some extent, workers have reduced their work hours, but certainly not at all in parity with the increase in labour productivity. Therefore, despite all efficiency improvements, our society has significantly reduced neither the number of hours worked nor the resources used, not in total and not per capita. Rather, efficiency gains have fuelled increased consumption. Against this background, Foster, Clark and York point out that ‘An economic system devoted to profits, accumulation, and economic expansion without end will tend to use any efficiency gains or cost reductions to expand the overall scale of production … Conservation in the aggregate is impossible for capitalism, however much the output/input ratio may be increased in the engineering of a given product. This is because all savings tend to spur further capital formation …’36

Rebound effects have been poorly analysed so far, with some estimates limited to the financial rebound effects. The latter alone are estimated to neutralize up to half of the total EMR efficiency gains.37 Empirical information on material and cross-factor rebound effects is not yet available. Against this background, it will be simplistic to assume that EMR efficiency gains can play the main role in reducing GHG intensity. The key dilemma is that efficiency and productivity gains tend to boost economic growth, thus ushering in more physical consumption. This is one of the key reasons that call into question the effectiveness of the ‘efficiency revolution’ as a key element in the decoupling strategy at macroeconomic and global level.

Theoretically, some rebound effects could be neutralized by eco-taxes. However, such taxes (being increased in line with higher EMR efficiency) would have to be designed in a way that does not remove the incentive for efficiency innovation and would also have to be coordinated internationally. Setting absolute EMR consumption limits would be more promising, for instance in the context of caps for emission/ pollution trading schemes. However, almost all of such trading schemes on carbon-emission reductions have not been very successful so far – the virtual collapse of the EU Emissions Trading Scheme in recent years is a case in point.38 One should also not overlook the equality challenges of emission trading schemes and the fact that there is no link between the value of the service in a free market and the total cost for society. What is more, even the smartest-designed carbon offset trading scheme cannot overcome the constraints set by the above-mentioned limits of the maths of decarbonization – as stressed by Pielke, carbon ‘markets cannot make the impossible possible’.39

Linear thinking and horizontal shifting

There is also a tendency for too much linear thinking and approaches to enhancing EMR efficiency, often resulting in an outcome that only shifts the problem. Some of the technical advances in EMR efficiency gains, for instance, rely on material that is either scarce or very energy intensive to produce or difficult to re-use, recycle or safely dispose of. According to Bleischwitz et al., ‘the upswing for eco-industries in the North may have a dark side in the South: resource-rich countries being moved into rapid extraction paths exceeding the eco-systems and socio-economic institutions of those regions and fuelling civil wars with resource rents’.40 To use a concrete example, according to Schmidt-Bleek, ‘the damages in nature caused by electrical vehicles are far bigger than the ecological savings obtained by lower emissions’.41

A considerable proportion of GHG intensity drops in developed countries has been achieved not by ‘real physical savings’, but by ‘outsourcing’ very EMR-intensive production to developing countries (almost a quarter of GHG emissions related to goods consumed in developed countries has been outsourced). A team of scientists at Oxford University, for instance, estimated that under a correct account, allowing for imports and exports, Britain’s carbon footprint is nearly twice as high as the official figure (i.e. 21 t CO2eq/person/ year instead of 11). The share of CO2 net imports to total carbon emissions of individual developed countries has recently ranged from about 15 per cent for Greece to almost 60 per cent for Switzerland.42 Against this background, EMR and carbon-efficiency gains in developed countries need to be scrutinized with care and are often far less impressive than they appear at first sight.

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## Adv CP

### 2NC – Solvency OV

#### Foreign aid solves every impact – meta-analysis proves

**Radelet, 17** -- Distinguished Professor in the Practice of Development at the School of Foreign Service at Georgetown University

[Steve Radelet, "Once more into the breach: Does foreign aid work?," Brookings, 5-8-2017, https://www.brookings.edu/blog/future-development/2017/05/08/once-more-into-the-breach-does-foreign-aid-work/, accessed 2-19-2022]

The Trump administration’s proposals to drastically cut foreign aid have once again sparked debates about aid effectiveness. Right on cue, some commentators have fallen back on the old and tired claim that there is no evidence that aid works. Perhaps the most forceful (and egregious) of these statements came from Stephen Moore of the Heritage Foundation, who declared on National Public Radio, “There’s zero evidence that any of these foreign aid programs have had any effect on development, whether it’s in the Middle East or Africa or South America. And there’s just zero evidence that any of that development aid has had any effect on raising the living standards…”

Moore’s claim is utterly false. There is lots of evidence from independent research showing the positive impacts of aid on development and raising living standards. As this evidence has grown in recent years, a strong bipartisan consensus has emerged that aid is an effective and important tool of U.S. foreign policy and national security. In turn, the major debates about aid have shifted from the outdated “does aid work” to much more helpful questions about how aid mechanisms could be strengthened further and how they should evolve in a rapidly changing world. Those latter questions are still the right ones. But since the old questions have come back, it is important to once again look at the evidence on aid effectiveness.

To begin with, let’s point out the obvious: not all aid-financed projects work, some completely fail, and not all of the evidence points to positive outcomes. This is to be expected, just as some diplomatic efforts fail, not all military interventions work, and not all private sector investments succeed. So don’t be fooled by people who point to examples of individual aid projects that have not worked as evidence of systemic failure any more than someone who would point to Enron, Lehman Brothers, or any of the 20,000 U.S. companies that file for bankruptcy every year to argue that private investment doesn’t work. Yes, there is failure, especially in the most challenging countries. But there is a great deal of success as well.

For starters, there is widespread agreement that aid programs focused on health have saved millions of lives. The President’s Emergency Plan for AIDS Relief (PEPFAR), which among other things provides antiretroviral treatment for 11.5 million people, has been a key reason why global deaths from the disease have fallen by almost half since 2005. There is rigorous research to back this up: an exhaustive four-year study by the Institute of Medicine concluded that “PEPFAR has saved and improved the lives of millions; supported HIV prevention, care, and treatment; strengthened systems; and engaged with partner countries to facilitate HIV policy and planning.” At the same time, malaria mortality has declined by nearly 50 percent since 2000—saving almost 7 million lives—in part through the efforts of U.S. Agency for International Development’s President’s Malaria Initiative. Tuberculosis infections have fallen by 25 percent, the world is on the brink of eradicating polio, and 4 million fewer children die from diarrheal diseases each year than three decades ago. Leadership and hard work in developing countries deserve much of the credit, but there is no doubt that aid was a major force in saving these lives.

The biggest debates have centered on aid and economic growth. The evidence was hotly contested a decade ago, but in recent years the preponderance of research has shown a positive impact of aid on growth. My colleagues Michael Clemens, Rikhil Bhavnani, Sami Bazzi, and I looked back at three of the leading papers that concluded that aid had no impact on growth and found that with a few modest (and sensible) adjustments to the underlying models in those papers, a consistent positive relationship between aid and growth emerged. Our findings are consistent with recent research by Henrik Hansen, Finn Tarp, Sam Jones, Robert Lensik, Howard White, Sebastian Galiani, Sandrina Moreira, Channing Arndt, Markus Brückner, and many others, all published in respected academic journals, which you can find here, here, here, here, here, here, here, and here (there are others). The skeptics rarely mention this research and sometimes pretend that it doesn’t exist.

Of course, there are research papers that conclude that there is little connection between aid and growth, such as those by Peter Boone, Raghuram Rajan and Arvind Subramanian, and Axel Dreher and Sarah Langlotz. If you want to understand the debate, you should read them. But most of the recent research concludes that aid supports growth, as shown in the excellent summary by Ardnt, Jones, and Tarp. They find that the research shows that a “sustained inflow of foreign aid equivalent to 10 percent of GDP is roughly expected to raise growth rates per capita by one percentage point on average.” For developing countries with per capita growth rates of 3-4 percent per year, an extra percentage point of growth is an important addition. Other reviews of the recent literature have reached similar conclusions. Even The Economist magazine, long skeptical of aid, changed its tune a couple of years ago, concluding that most evidence shows that aid boosts growth.

There is more. In 2015, USAID’s Feed the Future program helped more than 9 million famers increase their incomes by more than $800 million and improved the nutrition of more than 18 million children. Aid has also supported progress in education, especially girls’ education. For example, in Afghanistan, less than 1 million children attended schools in 2002, and almost none were girls. But since then, the Afghan government, USAID, and other donors have built more than 16,000 schools, recruited and trained more than 154,000 teachers, and increased net enrollment rates to nearly 60 percent. Today there are 9 million children in school, including more than 3.5 million girls. And beyond the money itself, my colleague John McArthur, senior fellow at Brookings, has shown a clear acceleration of development progress during the period of the U.N.’s Millennium Development Goals, which was a coordinated effort by donors and host governments to achieve specific development targets.

A final argument is political—that aid keeps bad governments in power. But again, recent research suggests the opposite: since the end of the Cold War, aid has helped support democratic transitions both by reinforcing broad development progress and by supporting civil society organizations, stronger judicial systems, and multiparty elections. Thad Dunning at the University of California, Berkeley, found that aid had a positive effect on democracy in Africa after the Cold War. Sarah Bermeo at Duke University found that after 1992 foreign aid from democratic donors increased the likelihood of a democratic transition. Research by Erasmus Kersting and Christopher Kilby at Villanova University and by Simone Dietrich at the University of Missouri and Joseph Wright at Pennsylvania State University of also found that aid had a positive impact on democratic transitions and consolidation.

## Economic Development

### 2NC – Econ Offense

#### 4 – More aggressive negotiation strategies exploit leverage based on growing economic costs of war – that makes conflicts more likely.

* Turns interdependence

Spaniel 19 [William Spaniel and Iris Malone, \* Department of Political Science, University of Pittsburgh, \*\* Department of Political Science, Stanford, “The Uncertainty Tradeoff: Re-Examining Opportunity Costs and War,” 03/05/19, https://wjspaniel.files.wordpress.com/2019/03/uncertainty-tradeoff-final.pdf]

The intuition falls back on screening models where a proposer is uncertain about its opponent’s willingness to fight. Broadly, the uninformed state can pursue two strategies under these conditions. First, it can offer a generous amount that resolved types would accept. This has the benefit of avoiding the costs of war. Alternatively, it can propose a stingy settlement and screen the opponent’s willingness to fight, causing unresolved types to accept while inducing resolved types to reject. The latter benefits the proposer by giving it a large share of the settlement when the opponent accepts, but also forces it to pay the costs of war if its screening offer backfires.

When the difference between the costs of war for types is small, the proposing state has less incentive to screen. Why? Screening still forces the proposer to risk war, but the prospective gains from such a settlement are minimal. However, as the costs of conflict grow, a state is more likely to issue more aggressive demands because of a divergence in relative valuations among types. As the difference in relative costs between types increases, stingy offer strategies become more attractive. For the proposer, the increased screening incentives can outweigh the increased opportunity cost of conflict. This causes the proposer to risk war and trade breakdown by making more aggressive demands. Thus, increasing opportunity costs can have a countervailing effect of raising the risk of war even though these costs are common knowledge.

Our model verifies this counterintuitive relationship. It also generates comparative statics on when the uncertainty effect dominates over the opportunity cost effect. We focus on the role of opportunity costs in economic interdependence theory given its popularity. To preview, the effect arises as trade flows increase because a state cannot observe how its opponent weighs the benefits of trade relative to the costs of fighting. The probability of war increases when the state facing this uncertainty internalizes a larger portion of the military costs than the benefits of trade relative to their opponent’s internalization. The conditional effect introduced here suggests caution in making broad claims about the relationship between trade and war, though the scope conditions the model generates provide a straightforward substantive interpretation that scholars can exploit.

### 2NC – Middle East War D

#### Mutual checkmating prevents the impact.

Hinnebusch 15—Professor of IR and Director of Centre for Syrian Studies at the University of St. Andrews [Raymond, “Chapter 8: Structure over Agency: The Arab Uprising and the Regional Struggle for Power,” in S. N. Litsas & A. Tziampiris eds. *The Eastern Mediterranean in Transition: Multipolarity, Politics and Power*, p. 129-131]

Global Competitive Interference: Mutual Checkmating The Uprising provoked a “New Cold War” among global great powers. After its failed attempt under George W. Bush to impose a Pax Americana on the region, US power appeared by mid-2000s, to be receding as the invasion of Iraq inadvertently empowered Iran and fatigue at highly costly interventions led the Obama’s administration to retreat to off-shore balancing. In parallel, Russia and China developed regional stakes in arms sales, energy and trade. The loss of Mubarak, a key Western client and later the empowerment of Al Qaeda in failed states were further challenges to the West. Yet no further rollback of the West in the region was in the cards. Even where pro-Western presidents were toppled (Egypt, Tunisia, Yemen), the countries were too economically dependent to go over to the resistance axis and the West benefited from the relative empowerment of the GCC within inter-Arab politics as a result of the Uprising. The Uprising, insofar as it was a revolt against global neo-liberalism, was a threat to the West but because the economic collapses accompanying it made regional states more economically vulnerable, Western dominated IFIs and cash rich Gulf states combined to further pry open regional economies to global finance capital, which severely limited the policy options of dependent states (Hanieh 12). The Uprising in Libya presented an opportunity to demonstrate the utility of US military force after the costly failure in Iraq and that in Syria to debilitate the Resistance axis. However, the result of the Libya intervention, a failed state, empowered Al Qaeda in North Africa. For the US (and Israel), a failed state in Syria where Hezbollah and Al Qaeda wore each other down, was more cost effective than another Iraq type effort at “nation-building,” but the spread of jihadism and the spillover of Syria’s conflict to its neighbors (Iraq and Lebanon) showed the costs of such neglect. The West saw the Uprising as an opportunity to roll back the regional influence of Russia and China as their clients in Libya and Syria came under pressure. Russia and China saw the norm of sovereignty and the authority of the UN Security Council as key to constraining such Western expansion into MENA (Blank 11); thus, after the West used a UN humanitarian intervention to effect regime change in Libya, Russia blocked a similar intervention in Syria. Their opposition to international intervention in Syria cost Russia and China standing in the region, but the West was unable to capitalize on this as long as its economic troubles constrained its interventionist impulse. Conclusion: The Resilience of Structure Three years into the Arab Uprising the regional order, although under unprecedented strain, remained resilient and the power bids of movements and regimes had largely checkmated each other. The Uprisings had unleashed street politics and sectarian conflicts that weakened states, which in several cases lost control of their territory and borders (Syria, Libya) to armed trans-state movements, which attained unprecedented agency (Hezbollah, ISIS). Yet, deep states and external dependencies were left standing as the high tide of mass peaceful protest receded, notably in Egypt, Bahrain and Yemen. The power balance between the two opposing pre-uprising alliances was not decisively upset: the Iran-led Resistance axis had lost key allies (Qatar, Turkey, Hamas) and soft power but still survived. The weak spots of the opposing axes, Bahrain and Syria, had not changed sides; Egypt and Iraq, although loosened from their American moorings, avoided full alignment with either side. The traditional Arab powers, Egypt and Syria (and earlier Iraq) were debilitated, yet aspirant non-Arab regional hegemon, Sunni Turkey, initially expected to fill the gap, was checked by Iranian/ Hezbollah balancing in Syria and also, despite a potent synthesis of Islam and democracy congruent with rising Islamist movements, foundered on the rocks of deep state establishments, exemplified in Egypt. The GCC was empowered by the debilitation of the republics and its money and media power penetrated every Uprising state; but this provoked reactions and possible blowback and its cohesion unraveled. Thus, power balancing, entrenched state apparatuses and increasing fragmentation made it very hard for any regional power to sweep the board. Rival outside powers also found management of the region’s conflicts intractable, and settled for preventing victory by the other side. Deep structure appeared to have defeated agency.

### 2NC – Polarization D

#### 2 – Democracy consolidation, economic stability, and international law.

Feinberg et al. 15—Richard Feinberg is a professor of international political economy at the Graduate School of IR and Pacific Studies, UC San Diego [Richard, “Better Than You Think: Reframing Inter-American Relations; Harold Trinkunas is a senior fellow and director of Brooking’s Latin America Initiative am; Emily Miller is a Research Assistant at Brooking’s Latin America Initiative [“Better Than You Think: Reframing Inter-American Relations,” *Latin America Initiative in Foreign Policy at Brookings*, March, <https://www.brookings.edu/wp-content/uploads/2016/06/Better-Than-You-Think-Reframing-InterAmerican-Relations.pdf>]

Much of the contemporary U.S. policy toward the hemisphere has its roots in the 1990s. In the wake of the end of the Cold War, the regional agenda became crowded with new initiatives and institutions: the Summit of the Americas, the Free Trade Area of the Americas (FTAA), the Conference of Defense Ministers of the Americas, a reoriented Organization of American States (OAS) focused on democracy promotion and a reinvigorated Inter-American Court of Human Rights. At its core, this agenda was intended to consolidate and give regional institutional weight to core U.S. interests in the region, namely free elections, free markets, free trade and cooperative security. In the wake of the 9/11 attacks, the United States redoubled efforts to secure regional cooperation on combating terrorism and controlling the proliferation of weapons of mass destruction.

Even if some specific initiatives have run aground, such as the FTAA, or have been troubled, such as recent Summits, the hemispheric agenda of the United States has by and large been achieved. In country after country, international and domestic actors have aligned to produce the triumph of democracy and sustainable market-based economies, leading a wave of democratization and liberalization that has swept the globe since the 1970s. The region experienced its last (brief) interstate conflict between Ecuador and Peru in 1995, and the probability of war in Latin America is vanishingly small, an astounding achievement when compared to present troubles in Europe, Asia and the Middle East. In addition, although international terrorism and proliferation have not vanished from the region, Latin America is far better off than any other part of the world on this security dimension.22

In contrast to 1980, democracy is now by and large consolidated, with only a few exceptions of backsliding (shown in Figure 5),23 and military coups have become increasingly rare. Latin American democracies have pioneered new forms of political and social inclusion, such as participatory budgeting and conditional cash transfer programs. Civil society has flourished across much of the region, and there is a vibrant media in many countries.

Across Latin America, we have generally witnessed stronger economic growth and better macroeconomic management during the past decade than in the previous two. In the wake of the 1980s debt crisis, bouts of hyperinflation and financial crises in the 1990s, regional political and economic leaders have been much more cautious, accumulating substantial international reserves and keeping close watch on inflation. By 2011, the nine largest economies in Latin America had, on average, accumulated reserves equivalent to 16 percent of GDP.24 At the end of 2013, Brazil was sitting on $376 billion and Mexico on $177 billion (Figure 6). Inflation has fallen dramatically from over 200 percent between 1990 and 1995 to an average of six percent since 2010.25

This improved macroeconomic management has produced significant reductions in poverty and improvements in social inclusion. The size of the middle class in Latin America has also nearly doubled since 2002,26 contributing to economic growth and new demands for improved governance. Figure 727 illustrates the sustained GDP per capita growth and poverty reduction beginning in 2003, which contrast with the income stagnation of the 1980s and modest improvements of the 1990s. Similarly, Figure 8 demonstrates consistent downward trends in inequality in some of the region’s largest economies.28 While Latin America remains the most unequal region of the world,29 it is clear that sound macroeconomic policies have contributed to improved social equity, either directly through broad-based growth, or indirectly through enabling states to finance targeted redistributive policies. The region’s rapid recovery from the 2008 global financial crisis is evidence of the strength of the macroeconomic policies and institutions that have prevailed thus far. This has meant that much of the region has needed fewer loans and external assistance, and also that Latin American leaders have less need to adhere to external conditions for financial support. For example, in 2014 the Brazilian economy slowed down but its external reserves are so large that it does not need to revert to the multilateral institutions for funds or advice. Rather, international markets and competitive pressures are tilting the internal debate in Brazil toward more market-friendly policies, as signaled by the recent appointments of a more orthodox finance minister, Joaquim Levy, and market-oriented politicians to the agriculture and industry portfolios.

Latin America has also expanded its participation in global trade and its range of trading partners. In conjunction with a fall in average tariffs from 39 percent in 1985 to 10 percent in 2005, Latin America’s export volume quadrupled.30 There is now a broad array of free trade agreements in place across the region, not only among Latin American states but also with China, Europe and the United States. This tangible multi-polarity offers nations more options for economic development and export-led growth. For example, growing commodity exports toward China during the 2000s (Figure 9) reflects rising demand relative to traditional Latin American export markets such as Europe and the United States. Latin America’s diversified trade is not the “fault” of U.S. policy inattention but rather a reflection of structural shifts in the global economy. For Latin America, this is a healthy development because it reduces the risks of being tied to the economic prospects of any one region of the world; vulnerabilities of course remain, as South America depends heavily on commodity exports and Central America and Mexico are subject to the ups and downs of the U.S. economy.

Inter-state peace in Latin America has become the status quo. States in the region rarely militarize disputes, and civil conflicts have declined as well; Figure 10 plots civil and international conflicts as measured by magnitude scores that reflect “societal-systemic impact.”31 According to Figure 10, the only nations currently plagued by major episodes of civil violence are Colombia and Mexico, both drug-fueled conflicts.32 Even though most states in the region continue to share some disputed borders, such sources of friction are by and large the province of diplomats and lawyers arguing cases at the International Court of Justice in The Hague rather than of armies.33 Latin America has in place a nuclear-weapon-free zone, and the two leading nuclear technology powers, Argentina and Brazil, have a longstanding non-proliferation institution, the Brazilian-Argentine Agency for Accounting and Control of Nuclear Materials (ABACC), that monitors their mutual rejection of the pursuit of nuclear weapons.34 While fears about international terrorism in the region have occasionally made headlines in the United States post 9/11, the last major incidents occurred in 1992 and 1994 when Hezbollah agents attacked the Israeli Embassy and Jewish Cultural Center in Buenos Aires. In its most recent report on terrorism in the region, the U.S. State Department maintained that the majority of terrorist attacks in Latin America were committed by the Revolutionary Armed Forces of Colombia (FARC). However such tactics by transnational criminal organizations and insurgents in the hemisphere are largely aimed at domestic audiences rather than linked to international terrorist networks.35

The bottom line is that since the end of the Cold War, Latin America has advanced far and fast along a number of political, security, economic and social dimensions. It is impossible to untangle the relative weight of the external and internal factors contributing to this felicitous outcome, but it is safe to say that Latin American countries have made themselves much more democratic, peaceful and prosperous, and that past instruments of U.S. influence, when smartly deployed, have largely worked themselves out of a job. These achievements are deeply compatible with longrange core U.S. interests in regional peace, democracy and human rights, market-based economies and free trade. As such, a return to a mid-20th century interventionist foreign policy is neither feasible nor desirable.

### 2NC – Authoritarianism D

#### China’s not responsible for AI authoritarianism – the West is also spreading it

**Bagwandeen, 21** -- Non-Resident Senior Fellow in FPRI's Africa Program

[Mandira Bagwandeen, "Don’t blame China for the rise of digital authoritarianism in Africa," Africa at LSE, 9-9-2021, https://blogs.lse.ac.uk/africaatlse/2021/09/09/dont-blame-china-for-rise-of-digital-authoritarianism-africa-surveillance-capitalism/, accessed 11-27-2021]

What about the West?

Solely blaming China for the rise of digital authoritarianism in Africa is, however, somewhat foolhardy. Western nations, and particularly the US, have not hesitated to accuse China of exporting digital authoritarianism to the continent, overlooking the active role of African agency in acquiring Chinese surveillance technologies, while simultaneously failing to hold African regimes and leaders accountable.

By pointing fingers at China alone, western partisans run the ‘risk of oversimplifying a complex environment’ (Africa, after all, is not a country) and overlooking the roles of other distributors. These accusations are parochial and seem to imply that other serial offenders do not exist – offenders such as Russia and Saudi Arabia. Both these states make use of technology for repressive purposes and have influenced the use of authoritarian digital tactics and tools in Africa.

Moreover, the narrative that China is championing digital authoritarianism on the continent cannot be analysed without the miasma of hegemons waging tech wars and overarching struggles for dominance. By portraying China (and, by extension, its tech companies) as deviant actors that want to diminish digital democracy, the US places itself on higher moral ground. However, this moral edifice is one thinly lacquered – after all, they too spy on their citizens (thanks to Edward Snowden for enlightening us on extensive surveillance by US intelligence). Furthermore, countries such as France, the US, the UK, Israel and Germany also supply high-end surveillance technology, spyware, hacking software and censorship applications to fragile democracies and illiberal governments.

Let’s face it, if the US was really serious about restricting the spread of so-called ‘authoritarian technology’, then it should also impose comprehensive measures and restrictions on both democratic and autocratic producers.

Ultimately, the argument that China is bent on exporting its tech-governance model around the globe is as flawed and hypocritical as it is accusatory. Instead, like its Western counterparts, it is more likely that China, through its tech giants, is exporting aspects of its brand of surveillance capitalism. We must avoid becoming trapped by conveniently amnesiac arguments and generalisations that paint China as this digital baddy. It would be more prudent to assess African countries that import Chinese technology on a case-by-case basis to determine whether there really is a causal link (supported by evidence and data) that Chinese tech tools are being used for malignant purposes with the intent to replicate aspects of Beijing’s brand of tech-governance.

Looking at the bigger picture, the developing world, especially Africa, risks becoming passive consumers of technology developed by rival Western and Eastern companies. Because Africa’s infant tech industry lacks investment sufficiently significant to develop and serve domestic markets, African states will continue (throughout the long-term) to import high-end technology. Given the tussle for dominance between digital democracies and digital autocracies, Africa must, once more, avoid becoming a proxy for those with big sticks and deep pockets – albeit on a different kind of battlefield. Now more than ever, it is necessary that African policymakers and legislators advocate for ICT legislation and regulations to be transparent, accountable and open to reform. With the continent hoping to reap the benefits of the Fourth Industrial Revolution, Africans at a local, national and regional level must play an active role in ensuring that technology is designed, developed and implemented to meet African needs and advance African economies.

### 2NC – Emerging Tech D

#### Other factors outweigh.

Talmadge 19 [Caitlin Talmadge, Associate Professor of Security Studies in the School of Foreign at Georgetown University, “Emerging technology and intra-war escalation risks: Evidence from the Cold War, implications for today,” 2019, *Journal of Strategic Studies*, Vol. 42, Issue 6, pp. 864-887, https://doi.org/10.1080/01402390.2019.1631811, EA]

Yet the future relationship between emerging technologies and escalation may not be as straightforward as these statements imply. The debate about emerging technologies tends to portray them as a powerful independent variable – an exogenous factor that is both necessary and sufficient to cause conflict escalation. This paper argues instead that emerging technologies are more likely to function as intervening variables; they may be necessary for escalation to happen in some cases, but they alone are not sufficient, and sometimes they will not even be necessary. The strongest drivers of escalation will actually lie elsewhere, in the realms of politics and strategy. As a result, concern about new technologies is warranted, but determinism is not. An overemphasis on the dangers of technology alone ignores the critical role of political and strategic choices in shaping the impact of technology, and also could lead to a misplaced faith in arms control or other means of trying to stuff the technological genie back in the bottle.5

## Resource Cartels

### 2NC – No REM Shortages

#### Cartels don’t wreck mineral markets

Irena, 19. The International Renewable Energy Agency (IRENA) is an intergovernmental organization. The Commission who created this report is chaired by former President Ólafur Ragnar Grímsson of Iceland, the Commission comprises a diverse group of distinguished leaders from the worlds of politics, energy, economics, trade, environment and development. The Commission is an independent body with members serving in their individual capacity. "A new world: the geopolitics of the energy transformation." (2019). https://www.irena.org/-/media/Files/IRENA/Agency/Publication/2019/Jan/Global\_commission\_geopolitics\_new\_world\_2019.pdf

This view was given credence in 2008 when China restricted the supply of rare earths to foreign buyers. Markets panicked and international prices soared, because China controlled a substantial part of the global supply of rare earth minerals. In fact, most of the 17 rare earth minerals are not geologically rare. They are abundant and widely distributed, though they are expensive and polluting to mine and produce. This is partly why the US has refrained from contesting Chinese predominance over rare earth production since the 1990s. Rare earths were perceived to be scarce partly because, like all commodity markets, rare earth markets are cyclical. When demand rises, supply takes time to respond because new mining projects have long lead times; the time lag causes prices to spike; high prices can lead companies to overinvest, so a boom is followed by a price collapse and a new cycle starts. This is exactly what happened in the wake of China’s export restriction: as prices rose, investment flowed into mining projects, leading prices to collapse in 2012.120 Furthermore, there are alternatives to the use of rare earths and other critical metals in renewable technologies. Efforts are being made to create cobalt-free batteries, and only a small minority of wind turbines (less than 2% in the US) are built with rare earth elements. Some minerals can also be recycled, re-used and stockpiled, thereby further reducing their perceived scarcity.121 These factors combine to make it **unlikely that cartels will emerge to control these critical materials**. Cartels are hard to form and sustain. In the 20th century, oil was the only major commodity whose price did not fall in real terms, even though cartels were active in tin, coffee, sugar, and rubber. **International trade rules also impede cartelization**. In 2014, the US, Japan and the European Union appealed to the WTO and successfully challenged China’s decision to restrict the export of rare earths. In sum, the energy transformation driven by renewables will provide fewer instances of ‘energy statecraft’, the use of energy resources as an instrument of foreign policy. Electricity, biofuels and other materials critical to the new energy system are unlikely to acquire the geopolitical role and weight of oil and gas.

### 2NC – Covid Thumpers

#### 1 – Supply chain fragmentation

**Helper and Soltas, 21** -- Frank Tracy Carlton Professor of Economics at the Weatherhead School of Management at Case Western Reserve University in Cleveland, Ohio

[Susan Helper and Evan Soltas, "Why the Pandemic Has Disrupted Supply Chains," White House, 6-17-2021, https://www.whitehouse.gov/cea/blog/2021/06/17/why-the-pandemic-has-disrupted-supply-chains/, accessed 11-27-2021]

While a fast pivot to growth is good news for businesses and workers, it also creates challenges. Entire industries that shrank dramatically during the pandemic, such as the hotel and restaurant sectors, are now trying to reopen. Some businesses report that they have been unable to hire quickly enough to keep pace with their rising need for workers, leading to an all-time record 8.3 million job openings in April. Others do not have enough of their products in inventory to avoid running out of stock. The situation has been especially difficult for businesses with complex supply chains, as their production is vulnerable to disruption due to shortages of inputs from other businesses.

These shortages and supply-chain disruptions are significant and widespread—but are likely to be transitory. Below, we describe the disruptions, the ways that supply chains have adjusted to disruptions in the past, and how the Administration is working to address both short- and long-term supply chain issues.

Figure 1 shows that both the economy-wide and retail-sector inventory-to-sales ratios hit record lows in March. These ratios measure how many days of current sales that businesses and retailers could support out of existing inventories. When the pandemic hit, businesses were stuck with billions of dollars in unsold goods, causing inventory-to-sales ratios to surge briefly before businesses liquidated these inventories. But, as the economy recovered and demand increased, businesses have not yet been able to bring inventories fully back to pre-pandemic levels, causing inventory-to-sales ratios to fall.

The figure shows that while retailers had 43 days of inventory in February 2020, today they have just 33 days. Inventories of cars and homes are also at or near record lows, sufficient for just one month of car sales and 4.4 months of home sales, as compared to pre-pandemic levels of about two months for cars and 5.5 months for homes. These low inventories have caused cascading issues in industrial supply chains. In the latest U.S. Census Small Business Pulse survey, held from May 31 to June 6, 36 percent of small businesses reported delays with domestic suppliers, with delays concentrated in manufacturing, construction, and trade sectors, as shown in Figure 2. While no comparable survey data exist from before the pandemic, industry-specific surveys on input shortages suggest these levels are much higher than usual.

Data also suggest these shortages are holding back business activity in some sectors. A record share of homebuilders, surveyed by the National Association of Homebuilders in May, reported shortages of key materials such as framing lumber, wallboard, and roofing. Homebuilders appear to be responding to these shortages in part by delaying new construction, as housing starts have been volatile for several months.

Another impact of the shortages has been abrupt price increases. Between May 2020 and May 2021, prices of commodities tracked within the Producer Price Index rose by 19 percent, the largest year-over-year increase since 1974, in part reflecting base effects. Some increases have been especially dramatic. Facing a shortage of lumber, homebuilders briefly sent prices to $1,711 per thousand board-feet last month, an amount that implies a typical 2,000-square-foot house would require more than $27,000 in framing lumber alone, relative to a lumber bill of about $7,000 before the pandemic.[1] Lumber prices have now rapidly come back down, falling 38 percent from their record high, in an early sign that some shortages may be short-lived.

Supply-chain disruptions are also having a material impact on consumer prices, especially in the motor vehicle sector. Over half of the May increase in core inflation as measured by the Consumer Price Index comes from this sector, if we include prices of new, used, leased, and rental automobiles. This sector also accounted for one-third of the economy-wide increase in prices compared to a year ago.[2]

A key reason for the acute problems in motor vehicles is that automakers appear to have underestimated demand for their products after the start of the pandemic. Expecting weak demand, they cancelled orders of semiconductors, an item with a long lead time and with a secular increase in demand from other industries. This problem is compounded by the fragmentation in recent decades of the auto supply chain across many countries and many firms. This phenomenon has made it difficult for automakers to trace the root causes of bottlenecks, since for example a semiconductor may be designed by one firm, manufactured by a second firm, embedded into a component (such as an air bag) by a third supplier, and only then delivered to an automaker’s assembly plant. In most cases, neither the automaker nor the semiconductor manufacturer can trace what goes on in these intermediate layers (or “tiers”) of the supply chain, due in part to lack of trust among parties in supply chains, who fear that the information might be used to replace them or to bargain for a price reduction. While these problems are most acute in semiconductors, they are found in other parts of the auto supply chain as well. The auto sector is “the industry of industries,” so the price of cars is affected by the prices of the 30,000 parts in the car, from semiconductors to steel to plastic to rubber, and the logistics of transporting these parts across multiple national borders.

#### 2 – Food security

Rudolfsen 20, doctoral researcher at the Department of Peace and Conflict Research at Uppsala University and PRIO. (Ida, 7/27/20, "COVID-19, Food Access, and Social Upheaval", *Climate & Conflict*, https://blogs.prio.org/ClimateAndConflict/2020/07/covid-19-food-access-and-social-upheaval/)

According to the World Food Program’s (WFP) latest report, the COVID-19 pandemic will lead to an 82 percent increase in global food insecurity, affecting around 270 million people by the end of the year. On June 29, the organization announced it is undertaking its largest humanitarian effort to assist an increasing number of food-insecure low- and middle-income countries. In a statement about the plan, WFP Executive Director David Beasley said that “until the day we have a medical vaccine, food is the best vaccine against chaos. Without it, we could see increased social unrest and protests, a rise in migration, deepening conflict, and widespread under-nutrition among populations that were previously immune from hunger.”

Why is the pandemic leading to more food insecurity? And why is David Beasley talking about social unrest and protest in connection with food?

As COVID-19 spreads around the world, fears are mounting of how the pandemic might impact and disrupt food distribution channels (e.g., transport disruptions) and disruption in the production of staple foods (e.g., labor shortages due to quarantine measures).

So far, food supply chains have been defined as essential by governments, exempting them from most lockdown measures. Thus, the impact on supply chains has been indirect, mainly caused by reduced income and remittances. A loss of income makes it harder for poor people to access affordable food but also impacts food systems by making it more difficult for producers to sell foodstuffs, since consumer’s ability to buy food declines. Governments, especially in low- and middle-income countries, will therefore have to implement policies that avoid supply chain disruptions and higher food prices.

But what do food insecurity and food prices have to do with protest and violence? The answer: it’s complicated.

The pandemic is spreading at a time when the number of severely food insecure people in the world had already increased—by more than 820 million people before the pandemic started—adding stress to areas already hardly hit by extreme weather events, armed conflict, and low economic development. However, most of these areas have not seen widespread unrest.

### 2NC – Food Security D

#### Institutions check escalation

Sarah Cliffe 16, Director of the Center on International Cooperation at New York University, 3/29/16, “Food Security, Nutrition, and Peace,” http://cic.nyu.edu/news\_commentary/food-security-nutrition-and-peace

However, current research **does not** yet indicate a clear link between climate change, food insecurity and conflict, except perhaps where rapidly deteriorating water availability cuts across existing tensions and weak institutions. But a series of interlinked problems – changing global patterns of consumption of energy and scarce resources, increasing demands for food imports (which draw on land, water, and energy inputs) can create pressure on fragile situations. Food security – and food prices – are a highly political issue, being a very immediate and visible source of popular welfare or popular uncertainty. But their **link to conflict** (and the wider links between climate change and conflict) is indirect rather than direct. What makes some countries more resilient than others? **Many** countries face food price or natural resource shocks **without falling into conflict**. Essentially, the two important factors in determining their resilience are: First, whether food insecurity is combined with **other stresses** – issues such as unemployment, but most fundamentally issues such as political exclusion or human rights abuses. We sometimes read nowadays that the 2006-2009 drought was a factor in the Syrian conflict, by driving rural-urban migration that caused societal stresses. It may of course have been one factor amongst many but it would be **too simplistic** to suggest that it was the primary driver of the Syrian conflict. Second, whether countries have strong enough institutions to fulfill a social compact with their citizens, providing help quickly to citizens affected by food insecurity, with or without international assistance. During the 2007-2008 food crisis, developing countries with low institutional strength experienced more food price protests than those with higher institutional strengths, and more than half these protests turned violent. This for example, is the difference in the events in Haiti versus those in Mexico **or the Philippines** where far greater institutional strength existed to deal with the food price shocks and **protests did not spur deteriorat**ing **national security** or widespread violence.

# 1NR

## DOJ DA

### 2NC – ! OV

The link alone turns case – agency budgets limit antitrust enforcement which leads to weaker settlements

**Baker and Salop, 15** -- a former Director of the Bureau of Economics at the Federal Trade Commission, is a Research Professor of Law at American University; an American economist and academic who is a Professor of Economics and Law at the Georgetown University Law Center

[Jonathan B. Baker and Steven C. Salop, “Antitrust, Competition Policy, and Inequality,” The Georgetown Law Journal Online, Vol. 104:1, Georgetown University Law Center, accessed 8-31-2021]

Greater antitrust enforcement generally would improve the distribution of income and wealth by reducing the impact of market power, particularly if the agencies fully embrace the consumer welfare standard. But federal and state antitrust enforcement today is limited by agency budgets. Because every enforcement action has an opportunity cost, the agencies limit the intensity of their enforcement efforts and have to pick and choose which matters to pursue. They similarly are constrained in their ability to litigate multiple cases against deep-pocketed defendants, which may lead them to accept weaker settlements. Private plaintiffs add additional enforcement capacity, but they cannot employ the investigative tools available to the government, so they have less ability to uncover and challenge many types of anticompetitive conduct. If federal and state agency antitrust budgets were increased, the agencies could do more to protect consumers and reduce inequality, even without any changes in antitrust law. Although this proposal would need to compete for scarce tax dollars with other policies for combating income and wealth inequality, it may be more feasible politically to increase antitrust budgets than to adopt policy alternatives incorporating more direct redistribution. In addition, even a modest increase in those budgets may have beneficial effects on deterrence.

**Turns China – we’d blame them – AND nuclear alerting leads to preemptive strikes even if we didn’t**

**Ayson 10** - Professor of Strategic Studies and Director of the Centre for Strategic Studies: New Zealand at the Victoria University of Wellington (Robert, July. “After a Terrorist Nuclear Attack: Envisaging Catalytic Effects.” Studies in Conflict & Terrorism, Vol. 33, Issue 7. InformaWorld.)

But these two nuclear worlds—a non-state actor nuclear attack and a catastrophic interstate nuclear exchange—are not necessarily separable. It is just possible that some sort of terrorist attack, and especially an act of nuclear terrorism, could precipitate a chain of events leading to a massive exchange of nuclear weapons between two or more of the states that possess them. In this context, today’s and tomorrow’s terrorist groups might assume the place allotted during the early Cold War years to new state possessors of small nuclear arsenals who were seen as raising the risks of a catalytic nuclear war between the superpowers started by third parties. These risks were considered in the late 1950s and early 1960s as concerns grew about nuclear proliferation, the so-called n+1 problem. It may require a considerable amount of imagination to depict an especially plausible situation where an act of nuclear terrorism could lead to such a massive inter-state nuclear war. For example, in the event of a terrorist nuclear attack on the United States, it might well be wondered just how Russia and/or China could plausibly be brought into the picture, not least because they seem unlikely to be fingered as the most obvious state sponsors or encouragers of terrorist groups. They would seem far too responsible to be involved in supporting that sort of terrorist behavior that could just as easily threaten them as well. Some possibilities, however remote, do suggest themselves. For example, how might the United States react if it was thought or discovered that the fissile material used in the act of nuclear terrorism had come from Russian stocks,40 and if for some reason Moscow denied any responsibility for nuclear laxity? The correct attribution of that nuclear material to a particular country might not be a case of science fiction given the observation by Michael May et al. that while the debris resulting from a nuclear explosion would be “spread over a wide area in tiny fragments, its radioactivity makes it detectable, identifiable and collectable, and a wealth of information can be obtained from its analysis: the efficiency of the explosion, the materials used and, most important … some indication of where the nuclear material came from.”41 Alternatively, if the act of nuclear terrorism came as a complete surprise, and American officials refused to believe that a terrorist group was fully responsible (or responsible at all) suspicion would shift immediately to state possessors. Ruling out Western ally countries like the United Kingdom and France, and probably Israel and India as well, authorities in Washington would be left with a very short list consisting of North Korea, perhaps Iran if its program continues, and possibly Pakistan. But at what stage would Russia and China be definitely ruled out in this high stakes game of nuclear Cluedo? In particular, if the act of nuclear terrorism occurred against a backdrop of existing tension in Washington’s relations with Russia and/or China, and at a time when threats had already been traded between these major powers, would officials and political leaders not be tempted to **assume the** worst? Of course, the chances of this occurring would only seem to increase if the United States was already involved in some sort of limited armed conflict with Russia and/or China, or if they were confronting each other from a distance in a proxy war, as unlikely as these developments may seem at the present time. The reverse might well apply too: should a nuclear terrorist attack occur in Russia or China during a period of heightened tension or even limited conflict with the United States, could Moscow and Beijing resist the pressures that might rise domestically to consider the United States as a possible perpetrator or encourager of the attack? Washington’s early response to a terrorist nuclear attack on its own soil might also raise the possibility of an unwanted (and nuclear aided) confrontation with Russia and/or China. For example, in the noise and confusion during the immediate aftermath of the terrorist nuclear attack, the U.S. president might be expected to place the country’s armed forces, including its nuclear arsenal, on a higher stage of alert. In such a tense environment, when careful planning runs up against the friction of reality, it is just possible that Moscow and/or China might mistakenly read this as a sign of U.S. intentions to use force (and possibly nuclear force) against them. In that situation, the temptations to preempt such actions might grow, although it must be admitted that any preemption would probably still meet with a devastating response. As part of its initial response to the act of nuclear terrorism (as discussed earlier) Washington might decide to order a significant conventional (or nuclear) retaliatory or disarming attack against the leadership of the terrorist group and/or states seen to support that group. Depending on the identity and especially the location of these targets, Russia and/or China might interpret such action as being far too close for their comfort, and potentially as an infringement on their spheres of influence and even on their sovereignty. One far-fetched but perhaps not impossible scenario might stem from a judgment in Washington that some of the main aiders and abetters of the terrorist action resided somewhere such as Chechnya, perhaps in connection with what Allison claims is the “Chechen insurgents’ … long-standing interest in all things nuclear.”42 American pressure on that part of the world would almost certainly raise alarms in Moscow that might require a degree of advanced consultation from Washington that the latter found itself unable or unwilling to provide. There is also the question of how other nuclear-armed states respond to the act of nuclear terrorism on another member of that special club. It could reasonably be expected that following a nuclear terrorist attack on the United States, bothRussia and China would extend immediate sympathy and support to Washington and would work alongside the United States in the Security Council. But there is just a chance, albeit a slim one, where the support of Russia and/or China is less automatic in some cases than in others. For example, what would happen if the United States wished to discuss its right to retaliate against groups based in their territory? If, for some reason, Washington found the responses of Russia and China deeply underwhelming, (neither “for us or against us”) might it also suspect that they secretly were in cahoots with the group, increasing (again perhaps ever so slightly) the chances of a major exchange. If the terrorist group had some connections to groups in Russia and China, or existed in areas of the world over which Russia and China held sway, and if Washington felt that Moscow or Beijing were placing a curiously modest level of pressure on them, what conclusions might it then draw about their culpability

### AT: Perm Solves

#### Spending directions aren’t legally mandated – agencies have the last word so they just reappropriate funding

**CRFB 20.** Committee for a Responsible Federal Budget. “Appropriations 101”. July 8, 2020. https://www.crfb.org/papers/appropriations-101

**Do agencies have any discretion in how they use funds from appropriators?** Executive branch agencies must spend funds provided by Congress in the manner directed by Congress in the text of the appropriations bills. Appropriations bills often contain accompanying report language with additional directions, **which are not legally binding** but are generally followed by agencies. In some instances, Congress will provide for very narrow authority or use funding limitation clauses to tell agencies what they cannot spend the money on. That said, Congress often provides **broad authority**, which **gives agencies more control in allocating spending**. Agencies also have some **authority to reprogram funds** between accounts after notifying (and in some cases getting approval from) the Appropriations Committees.

### 2NC – No Link/FTC Solves

#### FTC doesn’t have the authority to enforce Sherman but the DOJ does

**Roulusonis, 15** – Lawyer

[Robert, "Understanding How and Why the U.S. Competition Law System is Decentralized" Estudios de Deusto, Vol. 63/1, Jan-June 2015, https://revista-estudios.revistas.deusto.es/article/view/180/294, accessed 7-11-2021]

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#### Normal means includes interagency disputes and duplicated enforcement

**PLI, 15** [Practising Law Institute, "Overview of the U.S. Antitrust Laws," Antitrust Law Answer Book, 2015, https://legacy.pli.edu/product\_files/Titles/4153/58678\_sample01\_20141108153021.pdf, accessed 7-16-2021]

But there are areas, especially with emerging technologies, where neither agency has clearly superior expertise, and conflicts can arise when both agencies request clearance. After all, both agencies have essentially the same broad legal jurisdiction, and both understandably want to be involved in interesting or visible matters. Moreover, ceding a transaction to the other agency provides it with expertise it can cite in the next clearance fight. When clearance disputes happen, they can delay efficient resolutions of a matter. Unfortunately these disputes are not uncommon, particularly in industries such as computer hardware and software, Internet-based services, media, defense products, construction materials, and agriculture. Clearance disputes have the biggest impact on mergers reported under the Hart-Scott-Rodino Act;6 because HSR has statutory deadlines for decisions to investigate, disputes between the agencies can have a significant impact on the speed at which a transaction can be reviewed. This periodic competition between the two federal agencies may be understandable, but it is neither productive nor attractive.

Given this less-than-precise allocation system, it is not always possible to predict which federal agency will handle a matter. Experienced antitrust lawyers can make educated judgments, but there are occasionally surprising results. While many lawyers have tried over the years to guide a particular matter to one agency or the other, as a general matter such efforts are not successful. As a result, one of the uncertainties at the beginning of many antitrust matters is which federal agency will be involved. Because there are significant procedural differences between the agencies, and even some substantive differences in how they apply the antitrust laws, this uncertainty could conceivably affect the final outcome and is thus frustrating to those who are subject to it. It is small consolation that many others have faced the same frustration.

### UQ – AT: SEPs

#### The DOJ is shifting focus to white collar crime but has limited resources – their card doesn’t even have a date accessed

**Adams and Kingman, 21** -- Co-Chair of the firm’s White-Collar Criminal Defense & Regulatory Compliance Practice Group and an experienced criminal and civil trial attorney

[Matthew Adams and Marissa Koblitz Kingman, “Predicting a Renewed Focus on White-Collar Crime Under President Biden’s DOJ,” Fox Rothschild, 3-11-2021, <https://www.foxrothschild.com/publications/predicting-a-renewed-focus-on-white-collar-crime-under-president-bidens-doj/>]

During the 2020 campaign, former President Trump frequently called himself the “law and order president.” However, based upon a review of statistics from his time in office, his attention appears to have been focused on something other than white-collar criminal and regulatory enforcement. Now that the Biden administration has taken the helm in Washington, the Department of Justice (DOJ) is expected to place renewed emphasis on prosecuting white-collar crime. August 2020 reporting published by Bloomberg that analyzed publicly available data from DOJ and Syracuse University determined the average number of white-collar defendants charged by federal prosecutors was down 26% in the first three years of the Trump presidency compared to the average under President Obama. Bloomberg’s reporting also found that fines imposed on corporations fell 76% between the last 20 months of the Obama administration and the first 20 months of the Trump administration. Why? It is the prerogative of the executive branch to set the priorities of DOJ, and the tea leaves appear to be hinting that white-collar enforcement is about to make a major comeback under the Biden administration. Early Policy Change On January 29, 2021, just days into the Biden presidency, DOJ formally announced a change to its official Policy on Charging and Sentencing. It reversed the Trump administration’s May 10, 2017 policy statement requiring federal prosecutors to charge “the most serious, readily provable offense.” Instead, the Biden administration modeled its policy vision after that of President Obama’s DOJ, adopting its language of “ensur[ing] that decisions about charging, plea agreements and advocacy at sentencing are based on the merits of each case and reflect an individualized assessment of relevant facts.” While that does not overtly mention a renewed focus on bringing more white-collar cases, the move marks a return to a policy in place in 2010 when white-collar prosecutions reached all-time highs in the United States. The Obama administration was responsible for a seismic shift in the way corporate wrongdoing was prosecuted and the types of punishments sought for corporate misconduct. A return to those Obama-era policies at DOJ likely means a renewed focus on white-collar investigations, and those types of punishments. In the so-called “Yates Memo,” dated September 9, 2015, then-Deputy U.S. Attorney General Sally Yates spelled out the Obama administration’s vision for corporate accountability. Its hallmark was a move away from large fines and penalties easily absorbed by corporate treasuries, and toward individual accountability for board members and company executives directly responsible for the wrongdoing. This policy, the Obama administration claimed, would punish wrongdoers without hurting employees and shareholders who were innocent bystanders. Early indicators suggest we are headed for a hard pivot back in that direction. The Trump administration dedicated vast federal resources to combatting violent crime, with a particular emphasis on gangs and immigration violations, but presided over a marked decline in new white-collar case filings. Coupled with a conservative-minded deregulation agenda, Trump’s DOJ brought fewer white-collar prosecutions than any administration in recent history. According to data compiled by Syracuse University, white-collar prosecutions fell to a 25-year low in 2020, with DOJ bringing only half the white-collar cases it did just nine years earlier in 2011. Multiple Indicators Predictions of a surge in white-collar prosecutions under President Biden are not exclusively attributable to a return to Obama-era policies, or any particular factor. History is also instructive. In 2011, the last time white-collar prosecutions reached all-time highs, the nation was emerging from its last major financial crisis, no doubt coloring DOJ’s priorities at the time. A decade after the explosion of white-collar cases we saw in 2011, the United States is in the throes of yet another unprecedented financial crisis, this one brought about by the COVID-19 pandemic. It is a target-rich environment for prosecutors. Trillions of dollars of government-backed forgivable stimulus loans and other aid have already made their way into the national economy, and on March 11, President Biden added to the total, signing the $1.9 trillion American Rescue Plan into law. When the government funds economic stimulus at the levels it has in response to COVID-19, you can bet there will be stringent enforcement of alleged fraud and abuse to follow. Deregulation also contributes to declines in criminal and non-criminal white-collar enforcement. The Trump administration rolled back regulations in virtually every arena, from the financial markets to the environment. The first month of the Biden presidency, with dozens of executive actions intended to reverse Trump-era policies, portends that the next several years will be fertile ground for a significant uptick in white-collar enforcement activity. **DOJ, like any law enforcement agency, has finite resources.** Political appointees largely control its leadership and play a significant role in shaping how its limited resources are used. While resources will always be allocated to respond to events worthy of federal law enforcement attention, the proactive areas of DOJ’s focus arise from the strategic priorities of the country’s leadership, starting with the president. Over the next four years, new priorities will emerge, but looking in at the new administration a little over a month into President Biden’s term, trends in white-collar criminal and regulatory prosecutions and compliance have emerged.

DOJ focus AND effectiveness increasing – shift to coordinated investigations

**Bloomberg Law, 21** [Bloomberg Law, "White Collar Crime Investigation & the Biden Administration," Proskauer, 8-3-2021, https://www.proskauer.com/pub/white-collar-crime-investigation-and-the-biden-administration, accessed 9-12-2021]

In 2015, then-Deputy Attorney General Sally Yates issued a memorandum to the attorneys of the Justice Department articulating departmental policy on corporate misconduct. This memo became popularly known as the Yates Memo. It was not the first of these memos—deputy attorney generals at least as far back as Larry Johnson in 2003 issued similar pronouncements—and it will likely not be the last.

One particular aspect of the Yates Memo has gone under-scrutinized, and aligns with what may be a broader trend across the Department in the coming year: the memo's mandate that criminal and civil attorneys handling corporate investigations be in routine communication with one another. A renewed focus on this seemingly innocuous requirement is warranted as President Joe Biden continues to staff the Department with Obama-era prosecutors.

The Justice Department has long recognized the importance of parallel development of civil and criminal proceedings. The Justice Manual—formerly known as the U.S. Attorneys’ Manual—contains an entire subsection on coordination between proceedings. Over the course of the Trump Administration, parallel proceedings receded from the spotlight. With both new tools to pursue wrongdoing and the fodder of large government stimulus programs to investigate, a renewed focus on coordination between criminal and civil proceedings appears likely during the Biden administration.

The Yates Memo noted that “early and regular” communication between the civil and criminal division lawyers at the Justice Department “can be crucial” to the department's goals and “promotes the most thorough and appropriate resolution in every case.” The memo, therefore, required that “[c]riminal attorneys handling corporate investigations should notify civil attorneys as early as permissible of conduct that might give rise to potential individual civil liability, even if criminal liability continues to be sought.” A return to this type of information sharing and concurrent, coordinating investigations could generally lead to a rise in enforcement measures taken, particularly where new investigations involve murky mens rea situations.

#### No thumpers – deadlock prevents antitrust enforcement

Doesn’t interfere with privacy enforcement because there’s consensus. The plan changes this by FIAT

Eleanor Tyler 10/7/21. Legal Analyst on the Litigation team, with a focus on antitrust, at Bloomberg Law. “ANALYSIS: FTC May Be Headed Into Deadlock, Delaying Big Deals.” https://news.bloomberglaw.com/bloomberg-law-analysis/analysis-ftc-may-be-headed-into-deadlock-delaying-big-deals

The Federal Trade Commission may be about to pause, unable to act on antitrust enforcement and policy until President Biden’s nominee can be confirmed and seated.

On Oct. 8, Federal Trade Commissioner Rohit Chopra is stepping down to take up his new position as head of the Consumer Financial Protection Bureau. Because it takes a majority among the Commissioners present to conduct business, and because the remaining commissioners will be split 2-2 between Democrat and Republican appointees, the Commission may find itself sitting on its hands until an equally divided Senate can approve privacy expert Alvaro Bedoya, whom Biden nominated Sept. 20 for Chopra’s seat.

In the past, the Commission has typically managed to continue making decisions and bringing cases while short a member (or several). These aren’t normal times, however. Many actions could be easily conducted on a bipartisan basis, but decisions about antitrust policy—and, potentially, antitrust enforcement—have proven contentious. That poses a potential obstacle for deals currently under investigation at the FTC, which tend to be large deals and those with market overlap between the parties.

#### Khan hasn’t brought cases.

Gold 12/20 [Ashley Gold “Six months with Lina Khan's FTC,” 12/20/21, *Axios*, https://www.axios.com/lina-khan-ftc-six-months-4a5c4ba6-cef1-4a1f-b1dc-a528b2b41471.html, EA]

The big picture: Khan's tenure so far has seen more table-setting for future actions than major high-profile antitrust cases.

• Those who want to see Big Tech taken to task hope to see Khan bring major cases that would spin off prior acquisitions and block proposed mergers. And the clock is ticking.

#### Other enforcement is all talk

Graham 9/18 [Jed Graham, citing William Kovacic, antitrust deity and former FTC chair; Writes about economic policy for Investor's Business Daily, “FTC, Biden Antitrust Enforcement Push Takes On Amazon, Google — And The Supreme Court,” 09/18/21, Investor's Business Daily, https://www.investors.com/news/antitrust-enforcement-push-by-ftc-biden-takes-on-amazon-google-supreme-court/, EA]

Khan is clearly using her bully pulpit to the utmost, trying to dissuade merger talks from reaching fruition.

But right now it's all talk. She has turned a few heads, but the S&P 500 and Big Tech leaders have kept cruising. Facebook stock is up 11% since Khan took the FTC's helm on June 15, while Apple has climbed 15% and Google stock 18%. That's despite reports that the Justice Department is preparing to file a second Google antitrust suit over its ad dominance.

The new antitrust enforcement regime may not change all that much "until they show that they can sue and win," Kovacic said.

#### Kanter and Khan fail- conflict of interest concerns doom enforcement on appeal

Ford, 21 -- New Republic staff writer

[Matt Ford, "Why Hasn’t Biden Chosen a Trust-Buster Yet?," New Republic, 7-15-2021, https://newrepublic.com/article/162988/hasnt-biden-chosen-trust-buster-yet?utm\_source=internal&amp;utm\_medium=recirc\_container&amp;utm\_campaign=Editor%E2%80%99s\_Picks\_, accessed 7-24-2021]

One potential nominee favored by progressives is Jonathan Kanter, a former federal prosecutor who now runs his own law firm that focuses on antitrust enforcement. But those who work on the other side of the antitrust equation could also bring their own set of complications. White House ethics officials reportedly raised red flags about his private sector work on the subject. Kanter has previously represented clients who challenged Google’s power, raising concerns about whether he could participate in the division’s high-profile lawsuit against the company’s search-engine monopoly.

Concerns about conflicts of interest are far from hypothetical. Both Amazon and Facebook, for instance, have formally asked Khan to recuse herself from their respective cases in the last few weeks. “Chair Khan has made numerous and highly detailed public pronouncements regarding Amazon, including on market definition, specific conduct and theories of harm, and the purpose, effects, and legality of such conduct,” Amazon said in a filing in June. “Indeed, she has on numerous occasions argued that Amazon is guilty of antitrust violations and should be broken up.” Facebook, using nearly identical language in its own filing this week, argued that Khan “built her career, in large part, by singling out Facebook as a professed antitrust violator.”

If Khan doesn’t recuse herself, those companies argue they could later challenge enforcement actions in which she took part on due-process grounds. It’s unclear whether those challenges would ultimately prevail, but they underscore the high-stakes questions that surround vetting nominees for antitrust positions. And while DOJ officials work under different conflict of interest standards than FTC members, it could be politically and ethically tricky for Biden to name an antitrust division chief who previously worked on cases for or against the heavyweight giants of Big Tech.

### AT: Det Solves

#### Deterrence is impossible- manager who start anticompetitive behavior are gone before penalties

Crane, 11 – University of Michigan Frederick Paul Furth Sr. Professor of Law

[Daniel, *The Institutional Structure of Antitrust Enforcement*, 2011, 175-178, accessed 7-32-21, modified for gendered language]

In order to evaluate this deterrence claim, one must ascertain who is being deterred. The primary class of relevant decision makers is corporate managers, although one must also consider the possibility that vigilant shareholders will rein in managers who fail to respond to antitrust incentives. With respect to these managers, the argument that private antitrust litigation provides effective deterrence is increasingly doubtful. Two converging trends—the increasing length of antitrust proceedings and the increasing shortness of managerial tenure—make it likely that corporate managers severely discount the threat of future damages litigation.

First, the time gap between the planning of antitrust violation (which is presumably the moment at which deterrence should take root) and antitrust judgment day is increasingly long. While current statistics on the duration of antitrust litigation are not readily available, it is possible to make reasonable assumptions based on the available data. For the last decade, the average disposition time for all civil cases in the federal system has been steady at between eight and nine months. The average time from filing of the case to trial has steadily increased from around 18.5 months in 199668 to 24.6 months in 2007.69 This suggests that early disposition of cases, whether due to motions to dismiss or early settlement practice, has been relatively constant, but that cases going all the way to trial take much longer than before because of the increasing complexity of modern litigation and the increasing burden of discovery.70 The Georgetown study, discussed in Chapter 3, found that antitrust cases take, on average, about three times longer than other federal cases from initiation of the lawsuit to disposition.71 While this ratio has likely not remained constant, the average antitrust suit almost certainly lasts for three or four years. In 2007, there were 378 federal antitrust cases that had been pending for over three years, an immense number considering that there were only a thousand new antitrust filings, and that many cases are quickly disposed of on motions to dismiss.72

The time from filing to trial tells only part of the story. The average interval from the filing of a notice of appeal to final disposition is now over a year for all cases.73 The average interval for antitrust cases is likely even longer due to their monetary significance and complexity. Certiorari petitions to the Supreme Court typically add another year to the delay, during which the appellate court\* s mandate and the corresponding obligation to pay the judgment are stayed.74 Moreover, the misconduct at issue usually begins at least a year or two, and often many years, before the complaint is even filed. Hence, in the average private antitrust case, the time from the beginning of an anticompetitive scheme until judgment day is at least five years and may be closer to ten years or more.

The relevant time intervals in two recent private antitrust cases, in which the plaintiffs won substantial damages awards at trial and had them affirmed on appeal, are instructive. In LePage's Inc. v. 3M,75 the allegedly anticompetitive bundled rebates were put in place in 1992, and LePage’s filed suit in 1997 but did not prevail until 2004, when the Supreme Court denied certiorari. In Conwood Co. v. U.S. Tobacco Co.,76 the plan to eliminate Conwood was hatched in 1990, Conwood sued in 1998, and the Supreme Court denied certiorari in 2003. In both cases, the time between the decision to engage in the challenged conduct and the end of the legal process was well over a decade.

This time lag should be paired with the fact that the managers who put into place anticompetitive schemes are increasingly unlikely to be around to internalize their effects at judgment day. During the 1980s, the turnover rate among senior managers in large corporations was just above 10 percent.77 By all accounts, the turnover rate has increased significantly, and perhaps even doubled, in the 1990s and 2000s, as various capital market factors accentuated shareholder demand for short-term performance.78 Today, the average CEO holds [their]~~her~~ job for about six years.79 Mid-level executives, such as divisional managers, typically hold their jobs for an even shorter period, perhaps less than four years.80 Thus, most of the executives responsible for an antitrust violation will no longer be with the firm by the time a damages award is entered against the company.

High managerial turnover rates might not thwart the deterrence objective if managers were to internalize some of the detrimental effects of antitrust judgments rendered after they leave the defendant firm. In particular, managers might incur a reputational cost in lost future employment opportunities or take a prestige hit in the business community by virtue of their past roles in a later-adjudicated antitrust violation.81 But there is scant evidence suggesting that individual managers’ reputations are much affected by antitrust judgments against their former employers. Individual managers are not often named as codefendants in private antitrust cases and usually do not appear in any public pronouncement of liability. Liability in complex antitrust cases seldom turns on the culpability of a single manager but rather on a cluster of managerial decisions over time, making it difficult to pinpoint blame.82 Relatedly, judicial opinions in private antitrust cases often omit the names of individual managers, referring instead to the acts of an impersonal corporation or “the defendant.” For example, in the much-publicized LePage’s Inc. v. 3 M case,83 neither the district court nor the Third Circuit opinion referred to a single 3M executive by name. In most cases, an outsider to the litigation would find it difficult to impose a reputational sanction against any present or former firm manager.

In light of these facts, it is difficult to see how the threat of a future damages judgment disciplines managerial decision making. When managers plan conduct that brings immediate large profits but only potential liability at some future date, the extent to which the future liability deters them from choosing immediate profits is a function of their implicit discount rate for the potential damages award. The longer the perceived time until judgment day, the more likely it is that managers will discount the threat of damages. If managers believe that they are unlikely to be employed by the firm at the distant judgment day, they will tend to disregard the threat of future liability altogether.

#### That crushes deterrence

Crane, 11 – University of Michigan Frederick Paul Furth Sr. Professor of Law

[Daniel, *The Institutional Structure of Antitrust Enforcement*, 2011, 180-181, accessed 7-32-21]

Given all of the above factors, it is implausible that the threat of future private litigation does much to deter anticompetitive behavior. My own experience in a private antitrust case is illustrative. By the time the case settled during an appeal, it had been nine years since the lawsuit was filed and fifteen years since the alleged misconduct began. Only a handful of personnel who were with the company during the relevant events were still employed by the firm at settlement. Since the time that the underlying conduct had occurred, the company had witnessed multiple generations of senior management come and go. The company’s capital structure had changed multiple times, too. First, it was part of a corporate conglomerate; then it was spun off as an independent publicly traded company; then it was acquired by another conglomerate; and shortly afterward, it was taken private. The managers and shareholders who had reaped the gains from any unlawful conduct, assuming that there was any, had long since moved on.

Of course, deterrence is not just about deterring the individual managers who undertook the wrongful acts from doing so again. Deterrence also seeks to set an example that others will heed.89 But others will learn the lesson that is actually taught to the wrongdoers—and not the abstract lesson that antitrust law is trying to teach. If a manager at MegaFirm observes a successful private antitrust lawsuit against another dominant company and asks what it means for him, then the answer to his question may well be: “It is perfectly rational for me to beat up on my competitor, if that increases the success of my division, my incentive compensation, and the value of my stock options. By the time judgment day arrives, I will probably be in a job two times removed from this one and have diversified my stock portfolio so that MegaFirm’s stock will account for a relatively small proportion of my wealth.”

**Companies won’t be deterred – they’re at a resource advantage**

**Kantrowitz 20.** “‘It’s Ridiculous.’ Underfunded FTC and DOJ Can’t Keep Fighting the Tech Giants Like This.” Big Technology. Sep 17, 2020. <https://bigtechnology.substack.com/p/its-ridiculous-underfunded-us-regulators> (Alex Kantrowitz is the founder of Big Technology, a newsletter and podcast about Amazon, Apple, Facebook, Google, and Microsoft. His book Always Day One: How The Tech Titans Plan To Stay On Top Forever debuted in April 2020.)

Agency staffers are typically mission-driven and knowingly work for salaries below private-sector rates, but the resource-rich tech giants are now poaching directly from agencies at a rate remarkable even for Washington’s revolving door between the private and public sector. Kate Patchen, a DOJ antitrust chief, went directly to Facebook in 2018. Bryson Bachman, a high-ranking attorney in the DOJ's antitrust division, became a senior counsel at Amazon in 2018. Scott Fitzgerald, who worked in the DOJ’s antitrust division for nearly 13 years, became a corporate counsel working on regulation for Amazon this May. At the FTC, senior attorney Laura Berger moved to Microsoft in 2018 to become a privacy director for LinkedIn. And Nithan Sannappa, a well-regarded attorney in the agency’s division of privacy and identity protection left for Twitter in 2017 and is now a lawyer for Google. The FTC declined to comment. The DOJ did not respond to an inquiry. Hiring this type of talent gives the tech giants a major advantage in their effort to fend off regulation. Ashkan Soltani, a former chief technologist at the FTC, recalled agency lawyers hugging a former colleague who was working for the tech giants as an outside counsel as they prepared to face off in court. “They would have a really personal relationship with staff, which is kind of awkward,” he said. “And they'd know, in detail, all of the cases that the agency has currently and would be able to advise their clients whether to push hard on an issue or not.” Ultimately, Congress is responsible for funding these agencies, and its lack of action in this regard makes its hearings and tough questioning of tech giant CEOs a little hollow. Getting Bezos to sweat in a made-for-YouTube interrogation pales in comparison to Congress’s responsibility to properly fund the regulators. None of five members of Congress contacted for this story, including some of the most theatrical in the hearings, agreed to comment.

#### Trump wrecked deterrence cred

Baer, 20 – Brookings Institution governance studies visiting fellow

[Bill, on leave from Brookings, former assistant AG of the Antitrust Division, acting associate AG at DOJ and director of the Bureau of Competition at the FTC; Jonathan B. Baker, American University law professor, former FCC chief economist and FTC Bureau of Economics director; Michael Kades, Washington Center for Equitable Growth competition policy director, and former antitrust counsel for Sen. Klobuchar, spent 20 years as an antitrust attorney at the FTC; Fiona Scott Morton, Yale economics profess, former DOJ Antitrust deputy assistant AG; Nancy L. Rose, MIT econ professor, former DOJ Antitrust deputy assistant AG; Carl Shapiro, Cal Berekeley econ professor, former White House Council of Economic Advisers member and DOJ Antitrust deputy assistant AG; and Tim Wu, Columbia Law professor, “Restoring competition in the United States: A vision for antitrust enforcement for the next administration and Congress,” November 2020, accessed 6-1-21]

Successfully addressing anticompetitive conduct relies heavily on deterrence. That can occur only if agencies enforce the antitrust laws without fear or favor and on a principled basis. **Even the appearance of favoritism** or inappropriate decision-making **can undermine deterrence**.

Unfortunately, the current political leadership of the Department of Justice and the Antitrust Division have damaged the integrity of the Antitrust Division. The Justice Department has spent substantial antitrust resources investigating cannabis markets that raised no possibility of competitive harm. It has publicly pursued baseless antitrust charges against auto manufacturers that disagreed with the Trump administration’s views on environmental policy.38 And its inconsistency in merger enforcement has raised further alarm over political interference, while also harming deterrence in its own right. For example, it adamantly refused to accept a behavioral remedy and unsuccessfully challenged AT&T Inc.’s acquisition of Time Warner Inc., which involved a defendant that owned a cable network, CNN, that President Donald Trump often criticized.39

Yet the same leadership negotiated a behavioral remedy to address T-Mobile USA’s acquisition of Sprint Corp., a case that raised more traditional antitrust concerns. The two companies engaged in an open lobbying campaign largely unrelated to the competitive impact of their proposed merger.40 The appearance that companies receive more favorable treatment when they provide political support to an administration **destroys effective deterrence** and agency credibility.