# 1nc

## Off

### DA – 1NC

#### Budget passes now – leadership and base pressure get moderate Dems in line.

Alexander Bolton 9/9/21. Senior reporter. “Democratic leaders betting Manchin will back down in spending fight”. The Hill. Sept 9 2021. https://thehill.com/homenews/senate/571421-democratic-leaders-betting-manchin-will-back-down-in-spending-fight

Democrats are racing ahead with a $3.5 trillion spending package that would boost funding for social programs and raise taxes despite rumblings from Sen. Joe Manchin (D-W.Va.) that he might not support legislation with that price tag.

Democratic leaders are betting they can pressure Manchin to back down on his push for spending that’s closer to $1.5 trillion or $2 trillion.

In doing so, they’re essentially daring Manchin and other moderates like Sen. Kyrsten Sinema (D-Ariz.) to vote against the eventual budget reconciliation package, knowing that the base would erupt in anger over any Democratic lawmakers who buck the party on such a high-profile vote.

Senate and House committees are scrambling to reach consensus on sections of the so-called human infrastructure bill under their jurisdictions by Friday, and Democratic staff working on the legislation haven’t received any indication that it will be pared back to appease Manchin.

Progressive activists warn that if the bill falls well below the $3.5 trillion target set by Senate and House leaders, there will be significant backlash.

Manchin warned in a Wall Street Journal op-ed last week that he won’t vote for a $3.5 trillion reconciliation bill — putting President Biden’s agenda in peril since Democrats can’t afford a single defection in the 50-50 Senate — but his shot across the bow isn’t deterring fellow Democrats.

Axios reported Tuesday evening that Manchin won’t support a package that exceeds $1.5 trillion, a number the West Virginia Democrat floated earlier this year as a potential spending target.

Manchin’s office on Wednesday declined to confirm that $1.5 trillion is a red line for him. But the figure is in line with previous comments.

Manchin told ABC News’s “This Week” in June that he wouldn’t support a large spending package if Congress could only come up with enough revenue and savings to offset the cost of a $1.5 trillion or $2 trillion bill.

In last week’s Wall Street Journal op-ed, Manchin wrote that “ignoring the fiscal consequences of our policy choices will create a disastrous future for the next generation of Americans.”

But those warnings are falling on deaf ears in the Democratic leadership and the broader Democratic caucuses.

Senate Majority Leader Charles Schumer (D-N.Y.) on Wednesday brushed off Manchin’s threat and told reporters that negotiators are still planning to unveil a bold and ambitious proposal.

“In our caucus — there are some in my caucus who believe $3.5 trillion is too much, there are some in my caucus who believe it’s too little,” Schumer said on a press call Wednesday morning. “I can tell you this: In reconciliation we’re all going to come together to get something big done and, second, it’s our intention to have every part of the Biden plan in a big and robust way.”

Asked about Manchin’s call for a “strategic pause,” Schumer insisted “we’re moving full speed ahead.”

“We want to keep going forward. We think getting this done is so important to the American people for all the reasons we have outlined,” he said. “We are moving forward on this bill.”

Speaker Nancy Pelosi (D-Calif.) told reporters Wednesday that colleagues putting together the legislation will stick with the $3.5 trillion goal, though she acknowledged the final number might be different.

“I don’t know what the number will be. We are marking at $3.5 trillion,” she said.

A senior Democratic staffer said Senate and House committees, which face an end-of-week deadline to finish their elements of the reconciliation package by the end of this week, haven’t received any indication the final version will be pared down from the $3.5 trillion top-line spending goal laid out in the budget resolutions passed last month by each chamber.

“We’re working our asses off,” said the aide. “All we’re doing is working. We have been under orders to get to agreement with our House counterparts by close-of-business Friday.”

Senate Budget Committee Chairman Bernie Sanders (I-Vt.), who has primary jurisdiction over the reconciliation process, says the spending target agreed to by congressional Democrats already represents a significant compromise with moderates.

“The overwhelming majority of members of the budget committee — and I think a good 80 or more percent of Democratic members of the Senate — supported a $6 trillion bill,” Sanders said of the spending number he originally floated ahead of the budget debate.

Sanders argues that $3.5 trillion is what needs to be spent on transforming the nation’s energy economy to address climate change and “dealing with the needs of the working class.”

“To my mind, this bill at $3.5 trillion is already a major, major compromise. And at the very least this bill should be $3.5 trillion,” he said Wednesday.

Democratic strategists warn of a backlash from the party’s base if the legislation — which includes substantial spending on long-term care for the elderly and disabled, an extension of the child tax credit, funding for expanded child care and significant investments in renewable energy sources — falls well below $3.5 trillion.

“The reaction from progressives, which is already being indicated, would be very bad. People would be very disappointed,” said Mike Lux, a Democratic strategist.

But Lux said the threats from moderates should be viewed more as bargaining positions.

“People are doing a lot of posturing right now and throwing out broad numbers and broad statements. The fact is that Joe Manchin and other Democrats in the House and Senate voted for the $3.5 trillion budget outline,” he said. “We’re going to have to work very hard to get everybody on board with the budget plan again.

“There are going to be a lot of changes, a lot of compromises that everybody is going to have to make. The most important thing is to stay calm and keep talking to each other. Sooner or later we’ll get to a package that both Joe Manchin and [Rep. Alexandria Ocasio Cortez] can embrace because we need everybody,” he added. “I think it will work itself out in the end.”

#### Antitrust action saps finite capital, imperils rest of agenda

Karaim 21

(Reed, <http://library.cqpress.com/cqresearcher/document.php?id=cqresrre2021050705>, 5-7)

Stucke, the former U.S. Justice Department antitrust official, says that despite Wu and Khan's credentials and reputation, changing antitrust policy will require a concerted effort. With Biden having an ambitious overall agenda and his Democratic Party holding the slimmest possible majority in the Senate, Stucke says, the question is “to what extent will the Biden administration want to expend political capital on this. They've got some bipartisan support for antitrust reform, but to what extent are they going to mobilize that?”

#### Budget key to solve climate change.

Dino Grandoni and Brady Dennis 8/11/21. Reporter covering energy and environmental policy. Reporter focusing on environmental policy and public health issues. “Biden aims for sweeping climate action as infrastructure, budget bills advance”. Washington Post. Aug 11 2021. https://www.washingtonpost.com/climate-environment/2021/08/10/biden-climate-congress/

After years of dragging their feet, lawmakers in Washington advanced a pair of major bills this week that include significant provisions for tackling climate change as scientists continue to ring alarm bells about the state of the planet.

The Senate approved on Tuesday a sweeping bipartisan $1.2 trillion infrastructure bill with funding for many public works meant to cut climate-warning emissions. A day later, Democrats in the chamber took a major step to adopt an even bigger, $3.5 trillion budget bill supporting yet more programs for cleaning up power plants and cars.

Each, if passed, would invest billions of dollars in the sort of clean energy transition the United States must make to have any chance of hitting the goal set by President Biden to cut the nation’s emissions by at least 50 percent by the end of this decade.

“This was one of the most significant legislative days we’ve had in a long time here,” Senate Majority Leader Charles E. Schumer (D-N.Y.) told reporters Wednesday.

But both bills face a potentially bumpy road ahead. Democrats still need to draft in committees the details of their massive budget reconciliation package over the coming weeks, with not a single vote to spare in the 50-50 split Senate. The bipartisan public-works bill, meanwhile, still needs approval from the House, where progressive Democrats hold significant sway.

The moves on Capitol Hill come as hundreds of scientists detailed this week the intensifying fires, floods and other catastrophes that will continue to worsen until humans dramatically scale back greenhouse gas emissions.

Scientists assembled by the United Nations made clear in a landmark report Monday that time is running out for the world to make immediate and dramatic cuts to emissions produced by the burning of fossil fuels and other human activities. U.N. Secretary General António Guterres called the sobering, sprawling report from the Intergovernmental Panel on Climate Change a “code red for humanity.”

But it remains unclear whether the new findings alone will be enough to spur new action in a Washington as politically divided as ever.

Climate change remains a distinctly fraught issue in the United States compared with many other countries, with the de facto leader of one of the two major parties — former president Donald Trump — dismissing the scientific consensus about human-caused climate change and downplaying its risks throughout his term.

Even if Congress passes bills with big climate provisions, regulations from the Biden administration are vulnerable to being reined in by federal court judges appointed by Trump and the most conservative Supreme Court in a generation. And the fate of many of the administration’s climate initiatives could depend on the Democratic Party retaining control of Congress — and on how Biden himself fares if he runs again in 2024.

If Biden and his Democratic allies in Congress succeed in shifting the nation rapidly toward a greener future, the math of climate change means that the rest of the world would have to follow suit, and quickly. The United States accounts for only about one-seventh of global emissions. The rest of the world — particularly the world’s largest emitter, China — would need to set more aggressive goals for reducing footprints as well.

Other countries have taken steps to do that. The European Union, for instance, agreed earlier this year to cut carbon emissions as a bloc by at least 55 percent by 2030. But how aggressively China, India, Russia and other nations will move in the years ahead remains an open question.

World leaders already faced mounting pressure to arrive at a major U.N. climate conference scheduled this fall in Scotland with more ambitious, concrete plans to slow greenhouse gas pollution. That pressure grew only more intense after Monday’s IPCC assessment, which found that the world is quickly running out of time to meet the goals of the 2015 Paris agreement.

The report found that humans can only unleash less than 500 additional gigatons of carbon dioxide — the equivalent of about 10 years of current global emissions — to have an even chance of limiting warming to 1.5 degrees Celsius (2.7 Fahrenheit) above preindustrial levels.

The hopes of hitting that target, the most aspirational goal outlined in the Paris accord, will soon slip away without rapid action, the report made clear. After all, the world has already warmed more than 1 degree Celsius (1.8 degrees Fahrenheit), with few signs of slowing unless nations begin to cut emissions at a rate unprecedented in history.

For Biden to live up to his promises to reduce U.S. emissions sharply in coming years, transition to electric vehicles and eliminate the carbon footprint of the power sector by 2035, his administration needs a helping hand from Congress.

The infrastructure package, which the Senate approved in a 69-to-30 vote with the support of 19 Senate Republicans, apportions billions of dollars for building new transmission lines, public transit and electric-car charging stations.

Meanwhile, the separate $3.5 trillion budget reconciliation bill, which Democrats plan to pass on their own, includes more far-reaching provisions for tackling climate change.

That measure would impose new import fees on polluters and give tax breaks for wind turbines, solar panels and electric vehicles. It would also seek to electrify vehicles used by the U.S. Postal Service and other federal agencies and create a new Civilian Climate Corps to enlist young people in planting trees and other conservation work.

Perhaps most crucially, the legislation would put new requirements on electricity providers to use cleaner forms of energy — something President Barack Obama’s administration tried but failed to do.

Dan Lashof, U.S. director of the World Resources Institute, called Tuesday’s bipartisan infrastructure package “a down payment” on the fight against climate change but not nearly enough going forward. He said it is essential for the Senate to also pass the budget-reconciliation package that funds a broader array of climate-focused measures to create jobs and shift the nation’s infrastructure toward one no longer reliant on fossil fuels.

“The forthcoming reconciliation package could be our best opportunity for advancing climate action this decade,” he said. “Kicking the can down the road is no longer an option as extreme weather wreaks havoc across our nation and around the world.”

Passing both bills, along with tighter regulations from the Environmental Protection Agency, “puts us within shooting distance” reducing emissions by 50 percent by 2030, according to Collin O’Mara, president of the National Wildlife Federation.

#### Warming causes extinction – global nuclear conflagration.

Michael Klare 20. The Nation’s defense correspondent, professor emeritus of peace and world-security studies at Hampshire College, senior visiting fellow at the Arms Control Association in Washington, DC. “How Rising Temperatures Increase the Likelihood of Nuclear War”. The Nation. Jan 13 2020. https://www.thenation.com/article/archive/nuclear-defense-climate-change/

President Donald Trump may not accept the scientific reality of climate change, but the nation’s senior military leaders recognize that climate disruption is already underway, and they are planning extraordinary measures to prevent it from spiraling into nuclear war. One particularly worrisome scenario is if extreme drought and abnormal monsoon rains devastate agriculture and unleash social chaos in Pakistan, potentially creating an opening for radical Islamists aligned with elements of the armed forces to seize some of the country’s 150 or so nuclear weapons. To avert such a potentially cataclysmic development, the US Joint Special Operations Command has conducted exercises for infiltrating Pakistan and locating the country’s nuclear munitions. Most of the necessary equipment for such raids is already in position at US bases in the region, according to a 2011 report from the nonprofit Nuclear Threat Initiative. “It’s safe to assume that planning for the worst-case scenario regarding Pakistan’s nukes has already taken place inside the US government,” said Roger Cressey, a former deputy director for counterterrorism in Bill Clinton’s and George W. Bush’s administrations in 2011.

Such an attack by the United States would be an act of war and would entail enormous risks of escalation, especially since the Pakistani military—the country’s most powerful institution—views the nation’s nuclear arsenal as its most prized possession and would fiercely resist any US attempt to disable it. “These are assets which are the pride of Pakistan, assets which are…guarded by a corps of 18,000 soldiers,” former Pakistani president Pervez Musharraf told NBC News in 2011. The Pakistani military “is not an army which doesn’t know how to fight. This is an army that has fought three wars. Please understand that.”

A potential US military incursion in nuclear-armed Pakistan is just one example of a crucial but little-​discussed aspect of international politics in the early 21st century: how the acceleration of climate change and nuclear war planning may make those threats to human survival harder to defuse. At present, the intersections between climate change and nuclear war might not seem obvious. But powerful forces are pushing both threats toward their most destructive outcomes.

In the case of climate change, the unbridled emission of carbon dioxide and other greenhouse gases is raising global temperatures to unmistakably dangerous levels. Despite growing worldwide reliance on wind and solar power for energy generation, the global demand for oil and natural gas continues to rise, and carbon emissions are projected to remain on an upward trajectory for the foreseeable future. It is highly unlikely, then, that the increase in average global temperature can be limited to 1.5 degrees Celsius, the aspirational goal adopted by the world’s governments under the Paris Agreement in 2015, or even to 2°C, the actual goal. After that threshold is crossed, scientists agree, it will prove almost impossible to avert catastrophic outcomes, such as the collapse of the Greenland and Antarctic ice sheets and a resulting sea level rise of 6 feet or more.

Climbing world temperatures and rising sea levels will diminish the supply of food and water in many resource-deprived areas, increasing the risk of widespread starvation, social unrest, and human flight. Global corn production, for example, is projected to fall by as much as 14 percent in a 2°C warmer world, according to research cited in a 2018 special report by the UN’s Intergovernmental Panel on Climate Change (IPCC). Food scarcity and crop failures risk pushing hundreds of millions of people into overcrowded cities, where the likelihood of pandemics, ethnic strife, and severe storm damage is bound to increase. All of this will impose an immense burden on human institutions. Some states may collapse or break up into a collection of warring chiefdoms—all fighting over sources of water and other vital resources.

A similar momentum is now evident in the emerging nuclear arms race, with all three major powers—China, Russia, and the United States—rushing to deploy a host of new munitions. This dangerous process commenced a decade ago, when Russian and Chinese leaders sought improvements to their nuclear arsenals and President Barack Obama, in order to secure Senate approval of the New Strategic Arms Reduction Treaty of 2010, agreed to initial funding for the modernization of all three legs of America’s strategic triad, which encompasses submarines, intercontinental ballistic missiles, and bombers. (New START, which mandated significant reductions in US and Russian arsenals, will expire in February 2021 unless renewed by the two countries.) Although Obama initiated the modernization of the nuclear triad, the Trump administration has sought funds to proceed with their full-scale production, at an estimated initial installment of $500 billion over 10 years.

Even during the initial modernization program of the Obama era, Russian and Chinese leaders were sufficiently alarmed to hasten their own nuclear acquisitions. Both countries were already in the process of modernizing their stockpiles—Russia to replace Cold War–era systems that had become unreliable, China to provide its relatively small arsenal with enhanced capabilities. Trump’s decision to acquire a whole new suite of ICBMs, nuclear-armed submarines, and bombers has added momentum to these efforts. And with all three major powers upgrading their arsenals, the other nuclear-weapon states—led by India, Pakistan, and North Korea—have been expanding their stockpiles as well. Moreover, with Trump’s recent decision to abandon the Intermediate-Range Nuclear Forces (INF) Treaty, all major powers are developing missile delivery systems for a regional nuclear war such as might erupt in Europe, South Asia, or the western Pacific.

All things being equal, rising temperatures will increase the likelihood of nuclear war, largely because climate change will heighten the risk of social stress, the decay of nation-states, and armed violence in general, as I argue in my new book, All Hell Breaking Loose. As food and water supplies dwindle and governments come under ever-increasing pressure to meet the vital needs of their populations, disputes over critical resources are likely to become more heated and violent, whether the parties involved have nuclear arms or not. But this danger is compounded by the possibility that several nuclear-armed powers—notably India, Pakistan, and China—will break apart as a result of climate change and accompanying battles over disputed supplies of water.

Together, these three countries are projected by the UN Population Division to number approximately 3.4 billion people in 2050, or 34 percent of the world’s population. Yet they possess a much smaller share of the world’s freshwater supplies, and climate change is destined to reduce what they have even further. Warmer temperatures are also expected to diminish crop yields in these countries, adding to the desperation of farmers and very likely resulting in widespread ethnic strife and population displacement. Under these circumstances, climate-related internal turmoil would increase the risk of nuclear war in two ways: by enabling the capture of nuclear arms by rogue elements of the military and their possible use against perceived enemies and by inciting wars between these states over vital supplies of water and other critical resources.

The risk to Pakistan from climate change is thought to be particularly acute. A large part of the population is still engaged in agriculture, and much of the best land—along with access to water—is controlled by wealthy landowners (who also dominate national politics). Water scarcity and mismanagement is a perennial challenge, and climate change is bound to make the problem worse. Climate and Social Stress: Implications for Security Analysis, a 2013 report by the National Research Council for the US intelligence community, highlights the danger of chaos and conflict in that country as global warming advances. Pakistan, the report notes, is expected to suffer from inadequate water supplies during the dry season and severe flooding during the monsoon—outcomes that will devastate its agriculture and amplify the poverty and unrest already afflicting much of the country. “The Pakistan case,” the report reads, “illustrates how a highly stressed environmental system on which a tense society depends can be a source of political instability and how that source can intensify when climate events put increased stress on the system.” Thus, as global temperatures rise and agriculture declines, Pakistan could shatter along ethnic, class, and religious lines, precisely the scenario that might trigger the sort of intervention anticipated by the US Joint Special Operations Command.

Assuming that Pakistan remains intact, another great danger arising from increasing world temperatures is a conflict between it and India or between China and India over access to shared river systems. Whatever their differences, Pakistan and western India are forced by geography to share a single river system, the Indus, for much of their water requirements. Likewise, western China and eastern India also share a river, the Brahmaputra, for their vital water needs. The Indus and the Brahmaputra obtain much of their flow from periods of heavy precipitation; they also depend on meltwater from Himalayan glaciers, and these are at risk of melting because of rising temperatures. According to the IPCC, the Himalayan glaciers could lose as much as 29 percent of their total mass by 2035 and 78 percent by 2100. This would produce periodic flooding as the ice melts but would eventually result in long periods of negligible flow, with calamitous consequences for downstream agriculture. The widespread starvation and chaos that could result would prove daunting to all the governments involved and make any water-related disputes between them a potential flash point for escalation.

As in Pakistan, water supply has always played a pivotal role in the social and economic life of China and India, with both countries highly dependent on a few major river systems for civic and agricultural purposes. Excessive rainfall can lead to catastrophic flooding, and prolonged drought has often led to widespread famine and mass starvation. In such a setting, water management has always been a prime responsibility of government—and a failure to fulfill this function effectively has often resulted in civil unrest. Climate change is bound to increase this danger by causing prolonged water shortages interspersed with severe flooding. This has prompted leaders of both countries to build ever more dams on all key rivers.

India, as the upstream power on several tributaries of the Indus, and China, as the upstream power on the Brahmaputra, have considered damming these rivers and diverting their waters for exclusive national use, thereby diminishing the flow to downstream users. Three of the Indus’s principal tributaries, the Jhelum, Chenab, and Ravi rivers, flow through Indian-controlled Kashmir (now in total lockdown, with government forces suppressing all public functions). It’s possible that India seeks full control of Kashmir in order to dam the tributaries there and divert their waters from Pakistan—a move that could easily trigger a war if it occurs at a time of severe food and water stress and one that would very likely invite the use of nuclear weapons, given Pakistan’s attitude toward them.

The situation regarding the Brahmaputra could prove equally precarious. China has already installed one dam on the river, the Zangmu Dam in Tibet, and has announced plans for several more. Some Chinese hydrologists have proposed the construction of canals linking the Brahmaputra to more northerly rivers in China, allowing the diversion of its waters to drought-stricken areas of the heavily populated northeast. These plans have yet to come to fruition, but as global warming increases water scarcity across northern China, Beijing might proceed with the idea. “If China was determined to move forward with such a scheme,” the US National Intelligence Council warned in 2009, “it could become a major element in pushing China and India towards an adversarial rather than simply a competitive relationship.”

Severe water scarcity in northern China could prompt yet another move with nuclear implications: an attempted annexation by China of largely uninhabited but water-rich areas of Russian Siberia. Thousands of Chinese farmers and merchants have already taken up residence in eastern Siberia, and some commentators have spoken of a time when climate change prompts a formal Chinese takeover of those areas—which would almost certainly prompt fierce Russian resistance and the possible use of nuclear weapons.

In the Arctic, global warming is producing a wholly different sort of peril: geopolitical competition and conflict made possible by the melting of the polar ice cap. Before long, the Arctic ice cap is expected to disappear in summertime and to shrink noticeably in the winter, making the region more attractive for resource extraction. According to the US Geological Survey, an estimated 30 percent of the world’s remaining undiscovered natural gas is above the Arctic Circle; vast reserves of iron ore, uranium, and rare earth minerals are also thought to be buried there. These resources, along with the appeal of faster commercial shipping routes linking Europe and Asia, have induced all the major powers, including China, to establish or expand operations in the region. Russia has rehabilitated numerous Arctic bases abandoned after the Cold War and built others; the United States has done likewise, modernizing its radar installation at Thule in Greenland, reoccupying an airfield at Keflavík in Iceland, and establishing bases in northern Norway.

Increased economic and military competition in the Arctic has significant nuclear implications, as numerous weapons are deployed there and geography lends it a key role in many nuclear scenarios. Most of Russia’s missile-carrying submarines are based near Murmansk, on the Barents Sea (an offshoot of the Arctic Ocean), and many of its nuclear-armed bombers are also at bases in the region to take advantage of the short polar route to North America. As a counterweight, the Pentagon has deployed additional subs and antisubmarine aircraft near the Barents Sea and interceptor aircraft in Alaska, followed by further measures by Moscow. “I do not want to stoke any fears here,” Russian President Vladimir Putin declared in June 2017, “but experts are aware that US nuclear submarines remain on duty in northern Norway…. We must protect [Russia’s] shore accordingly.”

On the other side of the equation, an intensifying arms race will block progress against climate change by siphoning resources needed for a global energy transition and by poisoning the relations among the great powers, impeding joint efforts to slow the warming.

With the signing of the Paris Agreement, it appeared that the great powers might unite in a global effort to slash greenhouse gas emissions quickly enough to avoid catastrophe, but those hopes have since receded. At the time, Obama emphasized that limiting global warming would require nations to work together in an environment of trust and peaceful cooperation. Instead of leading the global transition to a postcarbon energy system, however, the major powers are spending massively to enhance their military capabilities and engaging in conflict-provoking behaviors.

Since fiscal year 2016, the annual budget of the US Department of Defense has risen from $580 billion to $738 billion in fiscal year 2020. When the budget increases for each fiscal year since 2016 are combined, the United States will have spent an additional $380 billion on military programs by the end of this fiscal year—more than enough to jump-start the transition to a carbon-​free economy. If the Pentagon budget rises as planned to $747 billion in fiscal year 2024, a total of $989 billion in additional spending will have been devoted to military operations and procurement over this period, leaving precious little money for a Green New Deal or any other scheme for systemic decarbonization.

Meanwhile, policy-makers in Washington, Beijing, and Moscow increasingly regard one another as implacable and dangerous adversaries. “As China and Russia seek to expand their global influence,” then–Director of National Intelligence Dan Coats informed Congress in a January 2019 report, “they are eroding once well-established security norms and increasing the risk of regional conflicts.” Chinese and Russian officials have been making similar statements about the United States. Secondary powers like India, Pakistan, and Turkey are also assuming increasingly militaristic postures, facilitating the potential spread of nuclear weapons and exacerbating regional tensions. In this environment, it is almost impossible to imagine future climate negotiations at which the great powers agree on concrete measures for a rapid transition to a clean energy economy.

In a world constantly poised for nuclear war while facing widespread state decay from climate disruption, these twin threats would intermingle and intensify each other. Climate-​related resource stresses and disputes would increase the level of global discord and the risk of nuclear escalation; the nuclear arms race would poison relations between states and make a global energy transition impossible.

### Econ DA –

#### Current antitrust law fosters innovation and competition – the plan crushes growth

Wright 21 – Joshua D. Wright, Executive Director of the Global Antitrust Institute at the Antonin Scalia Law School, former commissioner of the U.S. Federal Trade Commission from 2013 to 2015, “A Time for Choosing: The Conservative Case Against Weaponizing Antitrust,” Summer 2021, https://nationalaffairs.com/time-choosing-conservative-case-against-weaponizing-antitrust

It has long been vogue among liberal advocates to champion expansion of government control over firms, their decisions, and internal workings. Perhaps no better present example can be found than in the area of antitrust, where the policy landscape looks eerily similar to the progressive view articulated 60 years ago, littered with a hodgepodge of proposals to “break up” large firms, prohibit all mergers and acquisitions, assign burdens of proof to the accused, and control the design of products. Today’s progressives offer much of the same medicine for what allegedly ails the modern economy. Senator Warren has proposed, for example, to “break up big tech” platforms such as Amazon, Apple, Facebook, and Google, and to make technology companies criminally liable for misinformation presented on their platforms.[ii] While the large and successful American tech firms—the envy of the global economy—make a convenient target for these proposals, do not be fooled. This wolf comes as a wolf. The modern progressive antitrust agenda is part of a broader, more radical program—self-described as Neo-Brandeisian Antitrust—to turn antitrust law upside down so that it may be weaponized to shape and plan all sectors of the economy.

These proposals, while unfortunate and misguided, draw heavily upon standard liberal orthodoxy that has tended to be largely suspect of markets and the agency of individuals. One can hardly be surprised to see a staunch progressive like Senator Warren or Bernie Sanders advocate greater government control over private life. Perhaps one even grows to expect it.

What is more surprising, however, is the company Senator Warren and the Neo-Brandeisian Antitrust movement have attracted with the siren call of using the antitrust laws to centrally plan the tech sector (among others things), and to achieve greater government control of the interactions between individuals and the technology we use in our daily lives. Stalwart conservatives like Senator Hawley, for example, among others, have offered policy proposals to “deal” with “Big Tech” that eerily mimic those of Senator Warren and the command and control left. Senator Hawley has proposed legislation that would rewrite Section 230 of the Communications Decency Act and usher in a quasi-Conservative Fairness Doctrine for the internet.[iii] Indeed, Hawley’s proposal would place the Federal Trade Commission in the Big Brother position of determining when a social media platform’s moderation decision was “designed to” or “motivated by an intent to” negatively impact a political party. Attorney General Barr has offered a similar refrain, announcing that antitrust is an appropriate tool to police political bias.[iv] And President Trump recently signed an executive order that directs the Federal Trade Commission to explore using its consumer protection authority to sue social media platforms for content moderation decisions.[v]

Without question, the emotional appeal undergirding these actions is understandable. Conservative voices and opinions too often face a stacked deck when dealing with technology companies and social media, in particular. And this bias against conservative voices has taken on new life in the Trump era. But the hallmark of conservative values has been to rightfully eschew government control over economic life and to value principle over expediency. What is at stake, however, with the current proposals to upend modern antitrust to address tech markets is more important than whatever fleeting satisfaction is gained from exacting policy revenge on firms perceived to squelch conservative voices and ideas. At stake are conservative commitments to the rule of law and the role of the judiciary—newly stocked with immense talent by the Trump administration—in preventing government expansion and overreach. And if we resign ourselves to transient political wins, and debase the belief that entrepreneurs rather than bureaucrats should shape technology markets, we risk not only undermining these great causes conservatives have championed for decades but also the enormous economic gains to Americans that arise in our highly competitive tech markets.

Readers less familiar with antitrust law may not understand its critical role in the conservative legal movement. Modern antitrust law—and its consumer welfare standard—is a complex product of powerful ideas, extant economic evidence, and jurists like Bork, Thomas, Scalia, Easterbrook, and Doug Ginsburg taking on the wobbly intellectual foundations of 1960s competition law. That their efforts were so successful in persuading their liberal counterparts on the Supreme Court and lesser federal courts to join in the dismantling of the stale and obsolete antitrust that was then the law of the land is powerful evidence of the force of their ideas. It is difficult to find an area of law where the conservative legal movement enjoyed as much success as quickly and with such resounding results.

No doubt it helped that yesteryear’s antitrust was intellectually bankrupt and an insult to the rule of law. It pursued an unfortunate amalgamation of contradictory doctrines, including undefined notions of populism, protection of individual industries, and reducing firm size, that could be used to justify nearly any result. For instance, antitrust law allowed the market-leading frozen pie manufacturer in Utah to successfully sue its three national-brand competitors for eroding its high market share through a series of price cuts—thereby preventing precisely the type of competition the law was intended to protect. Antitrust law was so unprincipled and incoherent at the time that it led Justice Potter Stewart to observe while reviewing a government suit to block a merger between two grocery stores with a combined market share of 7.5% that, “The sole consistency that I can find is that, in litigation under [the merger laws], the Government always wins.”[vi]

The conservative legal movement, powered by the intersection of economic analysis and law, brought the rule of law to the wild and untamed progressive antitrust vision of the 1960s. Grounding antitrust law in a disciplined and tractable framework not only promotes the rule of law while preventing arbitrary and capricious enforcement, it also creates a stable and predictable environment for private actors and firms to invest and innovate. Of course, no doctrine is perfect and today’s antitrust is not without its own flaws. But it is tethered to robust economic evidence and common-law developments that promote competitive outcomes and, like the common law, has built-in mechanisms to improve and evolve in response to empirical evidence. But the coherent and principled makeup of antitrust should not and cannot be taken for granted.

Proposals today that are attracting conservatives and liberals alike aim to unwind these gains in exchange for granting those who happen to have power in the government a dominant hand in controlling tech firms on the fleeting hope that the power will be deployed for the greater social good. We have experience with this approach to antitrust in the United States. It is what we used to do. And we know better. Shifting power from judges to regulators, and then allowing those regulators to pick winners and losers to achieve political and social goals, is a recipe for abandoning conservative commitment to the rule of law while simultaneously sacrificing economic growth and innovation. The price is too high, with little or nothing to offer those who value individual liberty, the rule of law, and economic growth. While progressive ideology is contiguous with increasing government control over economic and social interactions in technology markets for its own sake, conservative principles are not. The proposed bargain is also remarkably short-sighted. It should go without saying that empowering partisan regulators to enforce a Fairness Doctrine for conservatives is not likely to work out so well when the other side is in control.

Conservatives traditionally have been wary of proposals by liberals and other big government proponents seeking to substitute the judgment of regulators and bureaucrats for those of entrepreneurs and innovators. And rightfully so. Such proposals, even when well intentioned, risk making Americans worse off. Progressives and populists now seek to commandeer antitrust to usher in a new era of central planning in order to achieve social policy objectives that they could not accomplish otherwise. But at what cost? The risks are not trivial. Using antitrust to redesign tech companies and their products will undermine the competitive dynamics that have brought Americans countless modern benefits, including smartphones, fast and easy online shopping, on-demand ride hailing, easy-to-access streaming media, and a bevy of free services including email, maps, and video conferencing. It also will threaten the incredible economic growth and job creation that these companies have brought to America’s shores. And while politicians surely will make promises akin to, “if you like the digital platform you have, you’ll get to keep it,” it is all too clear that when you expand government discretion and limit judicial oversight, those in positions of power will increasingly impose their preferences on the broader society. Ask yourself, do you really want the government designing the iPhone?

The reality is that the U.S. digital economy is highly competitive and serves Americans well. Fueled by investment, innovation, and entrepreneurship, the digital economy has contributed substantially to America’s economic growth. According to the Bureau of Economic Analysis, the digital economy accounted for 6.9 percent of gross domestic product in 2017, growing at an annual rate of 9.9 percent since 1998 as compared to 2.3 percent for the economy overall.[vii] That economic growth has been driven by some of the world’s most successful tech companies, such as Amazon, Apple, Facebook, Intel, Google, and Microsoft, each of which calls the United States home. These firms are investing ever-increasing amounts on research and development to innovate new products and stay competitive. In fact, the United States leads the world in research and development spending, and tech companies lead in the United States—representing the nation’s top five spenders with investments totaling more than $75 billion in 2018.[viii] Tech companies rank second (behind the telecom sector) in U.S. capital expenditures, with Alphabet (Google’s parent company), Amazon, Apple, Facebook, Intel, and Microsoft together spending more than $45 billion in 2017.[ix] And these investment figures are only expected to continue to grow. These are hardly the actions of monopolists resting on their laurels, secure in belief that they are untouchable by competition.

And there is more good news. Tech has only touched a portion of the U.S. economy to date, meaning that there still are opportunities for tech companies to foster economic growth by transforming stagnant industries such as housing, transportation, manufacturing, and health care for the better. And where are the next generation of innovators and tech entrepreneurs calling home? The United States. Recognizing an economy that is dynamic and rewards creativity, venture capital investing has soared to record levels in the United States—surpassing $140 billion in 2018—providing startups with the capital necessary to innovate, compete, and grow.[x] Today the United States is home to half of all startups valued at more than $1 billion—so-called “unicorns”—outpacing every other country in the world by a wide margin.[xi]

Now, some conservatives chafe at recitations of facts and claim that technology companies exclusively benefit only the privileged. But this economic growth and investment have led to substantial benefits to ordinary American consumers and workers. You need only look to the numerous free services that tech has brought to consumers. Americans place significant value on these free services. One peer-reviewed study published by the National Academy of Sciences found that consumers would need to receive a yearly payment of $3,600 to give up free internet maps, $8,400 to give up free email, and $17,500 to give up free search engines.[xii]

Tech firms also have spurred change in long stagnant industries by developing new products that spark competition across quality, price, and other dimensions. Take for instance ride-sharing apps. Local cab companies long had a stranglehold on taxi services and saw little need to innovate or evolve. Ride-sharing apps like US-based Uber and Lyft disrupted the livery service industry by offering lower-cost and more convenient services. Cab companies have been forced to respond by offering easier payment methods and other innovative services that enhance the consumer experience. Proponents of using antitrust to restructure or even break up tech companies are unable to explain how their sweeping plans, however carefully scripted, would not undo the business models that made these services and their associated benefits possible. The burden should be on those seeking to use antitrust to remake the digital economy to demonstrate that the risk is justified. It is hard to believe how it could be.

The digital economy also has been an important source of job creation. According to one estimate, nearly 12 million people held tech jobs in the United States in 2018.[xiii] Today the largest U.S. tech companies have replaced the major American employers of the past. In just under two decades, Amazon, Apple, Facebook, Alphabet, and Microsoft have employed more than one million workers.[xiv] In 2016, Amazon became the fastest company to employ 300,000 Americans—surpassing Walmart and General Motors.[xv] Moreover, while the share of economic output going to workers has been declining steadily overall for many years both in the U.S. and globally, in the tech and telecom sectors the labor share has been steady and even has increased, suggesting improved worker welfare.[xvi]

#### Independently, expanded antitrust regulation increases inflation

Bork 9/8 – Robert H. Bork, president of the Washington-based Antitrust Education Project, “Biden's antitrust demagoguery will drive inflation, not cure it,” 9/8/21, https://thehill.com/opinion/finance/571009-bidens-antitrust-demagoguery-will-drive-inflation-not-cure-it

The Biden administration, finally beginning to worry about the political impact of the rising cost of food, fuel and other basic consumer necessities, is neatly dovetailing its push for aggressive antitrust enforcement by blaming inflation on big business and market concentration.

Politically speaking, it is a neat fix. It drives one of the central policies of the Biden administration — to shift antitrust enforcement from the consumer welfare standard of the past 45 years back to an earlier era’s more nebulous standard against “bigness.” And it deflects blame for inflation.

President Biden lacks the theatrical flourish of a Huey Long, but he is nevertheless trying out his best version of the Kingfisher routine. “I’ve directed my administration to crack down on what some major players are doing in the economy that are keeping prices higher than they need be,” Biden said in August. The cause of higher prices, he argued, is greedy big business and its stranglehold on the American consumer.

It is clear what drives White House anxiety. Food prices have risen about 3.4 percent from last year. After years of low gasoline prices, Americans now pay above $3 a gallon in most parts of the country. Biden is tasking Federal Trade Commission Chair Lina Khan with targeting Big Ag and Big Oil for antitrust action to drive down prices for consumers.

If left unchallenged, the Biden administration may succeed in diverting some heat over rising inflation. Large corporations are not in good order with voters on both the left and right. The president cannot be allowed, however, to use a political diversionary tactic that would perversely do the opposite of what he claims to do: Biden’s antitrust policies would raise the prices of basic needs for consumers.

Let’s start with food prices and Big Ag.

Two University of Idaho economics professors, Philip Watson and Jason Winfree, wrote in The Idaho Statesman that larger farms and agricultural companies, which have the capital to invest in expensive technology and economies of scale, actually have been making food steadily more affordable. It is precisely because of these economies of scale that the cost of food, until the disruption of the pandemic, was taking less out of household budgets. The professors conclude that “breaking up Big Ag could have the disastrous effect of raising food prices, which would likely have a disproportionate impact on poorer households.”

If the Biden approach to agriculture and food is demagogic, its approach to oil and gas is risible. The current increase in gasoline prices results from the supply chain disruption caused by the pandemic, exacerbated by recent hurricanes and storms. It also may be partly because of the unrelenting hostility of the Biden administration to American energy, putting public lands off limits, killing the Keystone XL pipeline and using regulation to harass the fracking industry, despite the fact that cleaner-burning natural gas has helped reduce America’s greenhouse gas emissions. Technological advances led the United States to surpass Saudi Arabia and Russia in 2018 to become the world’s leading producer of oil. Biden’s antitrust policy also may be contributing to the sudden reversal of this energy glut. It was out of antitrust concerns that Berkshire Hathaway pulled out of a major natural gas pipeline deal earlier this year.

What has been the Biden administration’s response to recent shortages? It has not been to stimulate production at home or to help clear pipeline bottlenecks. Instead, national security adviser Jake Sullivan issued a statement pleading with OPEC and Russia to come to our rescue. OPEC demurred and Russian President Vladimir Putin used Sullivan’s entreaty to issue a humiliating “nyet.”

The real cause of inflation, of course, is recovery from a pandemic and the temporary economic depression it caused. It also might be driven by the reckless spending by presidents and Congresses of both parties. Our national debt is now 125 percent of our gross domestic product — higher than the previous high in 1946, when we won a victory over Germany and Japan rather than losing a war to the Taliban.

Blaming Big Ag and Big Oil for high prices will be popular. It also will be perverse. The abandonment of the consumer welfare standard will, if anything, lead to higher prices in both food and fuel for those least able to pay for it.

#### Inflation is contained now, but rising prices cause the Federal Reserve to hike interest rates – that quickly destroys the economy

Cox 21 – Jeff Cox, finance editor for CNBC.com where he manages coverage of the financial markets and Wall Street, “The Fed can fight inflation, but it may come at the cost of future growth,” 3/20/21, https://www.cnbc.com/2021/03/20/the-fed-can-fight-inflation-but-it-may-come-at-a-cost.html

One of the main reasons Federal Reserve officials don’t fear inflation these days is the belief that they have tools to deploy should it become a problem.

Those tools, however, come with a cost, and can be deadly to the kinds of economic growth periods the U.S. is experiencing.

Hiking interest rates is the most common way the Fed controls inflation. It’s not the only weapon in the central bank’s arsenal, with adjustments to asset purchases and strong policy guidance also at its disposal, but it is the most potent.

It’s also a very effective way of stopping a growing economy in its tracks.

The late Rudi Dornbusch, a noted MIT economist, once said that none of the expansions in the second half of the 20th century “died in bed of old age. Every one was murdered by the Federal Reserve.”

In the first part of the 21st century, worries are growing that the central bank might become the culprit again, particularly if the Fed’s easy policy approach spurs the kind of inflation that might force it to step on the brake abruptly in the future.

“The Fed made clear this week that it still has no plans to raise interest rates within the next three years. But that apparently rests on the belief that the strongest economic growth in nearly 40 years will generate almost no lasting inflationary pressure, which we suspect is a view that will eventually be proven wrong,” Andrew Hunter, senior U.S. economist at Capital Economics, said in a note Friday.

As it pledged to keep short-term borrowing rates anchored near zero and its monthly bond purchases humming at a minimum $120 billion a month, the Fed also raised its gross domestic product outlook for 2021 to 6.5%, which would be the highest yearly growth rate since 1984.

The Fed also ratcheted up its inflation projection to a still rather mundane 2.2%, but higher than the economy has seen since the central bank started targeting a specific rate a decade ago.

Competing factors

Most economists and market experts think the Fed’s low-inflation bet is a safe one – for now.

A litany of factors is keeping inflation in check. Among them are the inherently disinflationary pressures of a technology-led economy, a jobs market that continues to see nearly 10 million fewer employed Americans than a decade ago, and demographic trends that suggest a longer-term limit to productivity and price pressures.

“Those are pretty powerful forces, and I’d bet they win,” said Jim Paulsen, chief investment strategist at the Leuthold Group. “It may work out, but it’s a risk, because if it doesn’t work and inflation does get going, the bigger question is, what are you going to do to shut it down. You say you’ve got policy. What exactly is that going to be?”

The inflationary forces are pretty powerful in their own right.

An economy that the Atlanta Fed is tracking to grow 5.7% in the first quarter has just gotten a $1.9 trillion stimulus jolt from Congress.

Another package could be coming later this year in the form of an infrastructure bill that Goldman Sachs estimates could run to $4 trillion. Combine that with everything the Fed is doing plus substantial global supply chain issues causing a shortage of some goods and it becomes a recipe for inflation that, while delayed, could still pack a punch in 2022 and beyond.

The most daunting example of what happens when the Fed has to step in to stop inflation comes from the 1980s.

Runaway inflation began in the U.S. in the mid ’70s, with the pace of consumer price increases topping out at 13.5% in 1980. Then-Fed Chairman Paul Volcker was tasked with taming the inflation beast, and did so through a series of interest rate hikes that dragged the economy into a recession and made him one of the most unpopular public figures in America.

Of course, the U.S. came out pretty good on the other side, with a powerful growth spurt that lasted from late -1982 through the decade.

But the dynamics of the current landscape, in which the economic damage from the Covid-19 pandemic has been felt most acutely by lower earners and minorities, make this dance with inflation an especially dangerous one.

“If you have to prematurely abort this recovery because we’re going to have a kneejerk stop, we’re going to end up hurting most of the people that these policies were enacted to help the most,” Paulsen said. “It will be those same disenfranchised lower-comp less-skilled areas that get hit hardest in the next recession.”

The bond market has been flashing warning signs about possible inflation for much of 2021. Treasury yields, particularly at the longer maturities, have surged to pre-pandemic levels.

That action in turn has raised the question of whether the Fed again could become a victim of its own forecasting errors. The Jerome Powell-led Fed already has had to backtrack twice on sweeping proclamations about long-term policy intentions.

“Is it really going to be all temporary?”

In late-2018, Powell’s statements that the Fed would continue raising rates and shrinking its balance sheet with no end in sight was met with a history-making Christmas Eve stock market selloff. In late 2019, Powell said the Fed was done cutting rates for the foreseeable future, only to have to backtrack a few months later when the Covid crisis hit.

“What happens if the healing of the economy is more robust than even the revised projections from the Fed?” said Quincy Krosby, chief market strategist at Prudential Financial. “The question for the market is always, is it really going to be all temporary?’”

Krosby compared the Powell Fed to the Alan Greenspan version. Greenspan steered the U.S. through the “Great Moderation” of the 1990s and became known as “The Maestro.” However, that reputation became tarnished the following decade when the excesses of the subprime mortgage boom triggered wild risk-taking on Wall Street that led to the Great Recession.

Powell is staking his reputation on a staunch position that the Fed will not raise rates until inflation rises at least above 2% and the economy achieves full, inclusive employment, and will not use a timeline for when it will tighten.

“They called Alan Greenspan ‘The Maestro’ until he wasn’t,” Krosby said. Powell “is telling you there’s no timeline. The market is telling you it does not believe it.”

To be sure, the market has been through what Krosby described as “squalls” before. Bond investors can be fickle, and if they sense rates rising, they’ll sell first and ask questions later.

Michael Hartnett, the chief market strategist at Bank of America, pointed to multiple other bond market jolts through the decades, with only the 1987 episode in the weeks before the Oct. 19 Black Monday stock market crash having “major negative spillover effects.”

He doesn’t expect the 2021 selling to have a major impact either, though he cautions that things could change when the Fed finally does pivot.

#### Extended COVID economic decline causes multilateral meltdown – causes nuclear war, climate change, Arctic and space war.

McLennan 21 – Strategic Partners Marsh McLennan SK Group Zurich Insurance Group, Academic Advisers National University of Singapore Oxford Martin School, University of Oxford Wharton Risk Management and Decision Processes Center, University of Pennsylvania, “The Global Risks Report 2021 16th Edition” “http://www3.weforum.org/docs/WEF\_The\_Global\_Risks\_Report\_2021.pdf

Forced to choose sides, governments may face economic or diplomatic consequences, as proxy disputes play out in control over economic or geographic resources. The deepening of geopolitical fault lines and the lack of viable middle power alternatives make it harder for countries to cultivate connective tissue with a diverse set of partner countries based on mutual values and maximizing efficiencies. Instead, networks will become thick in some directions and non-existent in others. The COVID-19 crisis has amplified this dynamic, as digital interactions represent a “huge loss in efficiency for diplomacy” compared with face-to-face discussions.23 With some alliances weakening, diplomatic relationships will become more unstable at points where superpower tectonic plates meet or withdraw.

At the same time, without superpower referees or middle power enforcement, global norms may no longer govern state behaviour. Some governments will thus see the solidification of rival blocs as an opportunity to engage in regional posturing, which will have destabilizing effects.24 Across societies, domestic discord and economic crises will increase the risk of autocracy, with corresponding censorship, surveillance, restriction of movement and abrogation of rights.25 Economic crises will also amplify the challenges for middle powers as they navigate geopolitical competition. ASEAN countries, for example, had offered a potential new manufacturing base as the United States and China decouple, but the pandemic has left these countries strapped for cash to invest in the necessary infrastructure and productive capacity.26 Economic fallout is pushing many countries to debt distress (see Chapter 1, Global Risks 2021). While G20 countries are supporting debt restructure for poorer nations,27 larger economies too may be at risk of default in the longer term;28 this would leave them further stranded—and unable to exercise leadership—on the global stage.

Multilateral meltdown Middle power weaknesses will be reinforced in weakened institutions, which may translate to more uncertainty and lagging progress on shared global challenges such as climate change, health, poverty reduction and technology governance. In the absence of strong regulating institutions, the Arctic and space represent new realms for potential conflict as the superpowers and middle powers alike compete to extract resources and secure strategic advantage.29 If the global superpowers continue to accumulate economic, military and technological power in a zero-sum playing field, some middle powers could increasingly fall behind. Without cooperation nor access to important innovations, middle powers will struggle to define solutions to the world’s problems. In the long term, GRPS respondents forecasted “weapons of mass destruction” and “state collapse” as the two top critical threats: in the absence of strong institutions or clear rules, clashes— such as those in Nagorno-Karabakh or the Galwan Valley—may more frequently flare into full-fledged interstate conflicts,30 which is particularly worrisome where unresolved tensions among nuclear powers are concerned. These conflicts may lead to state collapse, with weakened middle powers less willing or less able to step in to find a peaceful solution.

### 1NC – Protectionism DA

#### International norms of free trade recovering now post-trump and COVID.

By Alessandra Migliaccio And William, Al Jazeera, 7-8-2021, "G-20 set to redefine world economic order post Trump, pandemic," No Publication, https://www.aljazeera.com/economy/2021/7/8/g-20-set-to-redefine-world-economic-order-post-trump-pandemic

Global finance chiefs this week will make their most concerted effort yet to redefine the world economic order in the era after Donald Trump and the coronavirus pandemic.

With trade tensions no longer bedevilling the Group of 20 economies in the way they did during the former US president’s tenure, the first in-person meeting of its finance ministers since the disease struck last year will attempt to forge consensus on unfinished business ranging from climate change to corporate taxation.

Alongside those issues, the July 9-10 gathering is likely to take stock of an incomplete global recovery, clouded by the persistent threat of setbacks from new variants of the coronavirus. That may focus minds on the need for continued fiscal efforts to support growth, amid mounting inflation concerns and oil prices that remain elevated following this week’s breakdown in OPEC+ talks.

“The global economies are working together again,” said Rosamaria Bitetti, an economist at Luiss University in Rome. “This is a huge opportunity for the G-20 to think about how this pandemic showed that in our interconnected world, problems are global and need to be addressed together, leaving nationalism behind.”

With Italy hosting the meeting in Venice as chair of the group, the symbolism of convening in a former hub for trade between continents won’t be lost on participants. They can also look to the name of the city’s fire-cursed opera house — La Fenice, or the Phoenix — for inspiration on what to strive for in the embers of an unprecedented global crisis.

The risk is that the scars of discord that haunted international meetings during the Trump years might persist, including echoes of his frequently touted suspicion of China.

For Bruno Le Maire, the French finance minister, the onus is now on the group to build on the consensus it achieved during early stages of the pandemic.

“The G-20 must show in Venice that it can still meet its responsibilities and be able to provide concrete, new and radical responses to the challenges ahead in a continuation of what it has succeeded in doing since February 2020,” he told reporters Tuesday.

#### Extraterritorial Sherman act application prompts blocking statutes across the globe. Ensuing uncertainty will devastate global trade, innovation, and economic growth.

SAMUEL F. KAVA, JD/MBA Candidate @ JHU/UofM, ’19,"The Extraterritorial Application of the Sherman Anti-Trust Act in the Age of Globalization: The Need to Amend the Foreign Trade Antitrust Improvements Act (FTAIA) & Vigorously Apply International Comity," Journal of Business and Technology Law 15, no. 1 (2019): 135-164,

Before the FTAIA was enacted, in 1982, many of the United States' closest allies were disgruntled by the U.S. courts' expansive extraterritorial application of the Sherman Anti-Trust Act. 152 These nations confided in the territorial principle, and believed it "axiomatic that in anti-trust matters the policy of one state may be to defend what it is the policy of another state to attack."153 The United Kingdom, one of the most outspoken allies against the United States' "attempt[] to impose [its] domestic laws on persons and corporations who are not U.S. nationals and who are acting outside the territory of the United States," viewed the extraterritorial application of the Sherman Anti-Trust Act as ironic given the fact "the United States was founded by those who took exception to little matters of taxation being imposed extraterritorially." 154 Thus, in an attempt to "protect their nationals from criminal [and civil] proceedings in foreign courts where the claims to jurisdiction [were] excessive and constitute[d] an invasion of sovereignty," foreign nations enacted blocking statutes to resist the extraterritorial application of the Sherman Act.155

The blocking statutes of each nation varied, but all served to "block the discovery of documents located in their countries and bar the enforcement of foreign judgements."156 The United Kingdom achieved these goals with the Protection of Trading Interests Act, France with the French Blocking Law, Canada with the Foreign Extraterritorial Measures Act, and Australia with the Foreign Proceedings Act.157 The conflicting laws between the United States and its foreign counterparts created tremendous uncertainty regarding what nation's laws would be applied in the event of a cross-border dispute. According to Nuno Lim o and Giovanni Maggi, economists from the University of Maryland and Yale University, "as the world becomes more integrated, the gains from decreasing trade-policy uncertainty should tend to become more important relative to the gains from reducing the levels of trade barriers."158

Essentially, for trade to prosper, it is more important to provide producers and consumers with predictability and certainty (regarding the rule of law) rather than enacting laws that focus on free trade economics. Accordingly, it is in the best interest of governments to focus on unifying its laws before negotiating for the elimination of tariffs or quotas. This is not to say that eliminating trade barriers is not vital to the health of the economy-in fact, tariffs, quotas, and other trade barriers are proven to adversely affect all parties involved in the chain of distribution-however, it is more important to unify laws before focusing on the elimination of any trade barriers.159

As mentioned in Part I.C., the complaints of U.S. exporters and foreign governments were heard, and the United States Congress enacted the FTAIA "to address the concerns of foreign governments that the effects test established in the Alcoa case had not made clear the magnitude of the U.S. effects required to support a claim under the Sherman Act." 160 Thus, the FTAIA was implemented to bring certainty to consumers and producers by requiring that "conduct must have a 'direct, substantial, and reasonably foreseeable effect"' for the Sherman Anti-Trust Act to apply extraterritorially. 161 This language provided the foreign community with temporary relief, and gave producers and consumers the certainty and predictability needed to establish confidence in the markets and continue trading. However, since the passage of the FTAIA in 1982, the world has witnessed a remarkable increase in globalization, such that most conduct that takes place today has a "direct, substantial, and reasonably foreseeable effect" 162 on the U.S. economy. Epitomizing the obscureness of the FTAIA, is the fact that U.S. enforcement agencies-i.e. the U.S. Department of Justice and the Federal Trade Commission-have taken an aggressive approach to pursuing international antitrust claims. In 2017, the U.S. Department of Justice ("DOJ") and Federal Trade Commission ("FTC") published the International Guidelines-a publication "explaining how the agencies intend to enforce U.S. antitrust laws against conduct occurring outside the United States." 163 The International Guidelines have taken the broadest approach in determining if conduct is "direct"-finding if there is a "reasonably proximate causal nexus between the conduct and the effect" conduct is "direct"-and the narrowest view that international comity bars enforcement of U.S. antitrust laws only when it is impossible for the actor to comply with both U.S. law and its foreign nation's law.164 Thus, because the FTAIA has become ineffective and there is a risk of further expansion of the extraterritorial application of the Sherman Anti-Trust Act with Apple v. Pepper, foreign nations will almost certainly strive to adopt modern and effective blocking statutes. These blocking statutes will revitalize uncertainty in the markets, and the global economy will be adversely affected.

In addition, because our world is more integrated, compared to the time when the FTAIA was implemented, the adverse economic effects may be worse if foreign nations pursue modern blocking statutes. To hedge against judicial uncertainty, corporations will likely react by hiring more robust legal teams. By re-allocating money to legal costs, with the hopes of avoiding potential litigation and ensuring compliance with all nations' laws, corporations would have foregone the opportunity to spend time and money on: (1) scaling its current line of products (which would decrease the price of goods for consumers), (2) enhancing the capabilities of its current line of products (which improve consumer capabilities and increase corporate profits), or (3) creating new and innovative products (which would benefit both consumers and producers). Thus, because corporations would be forced to spend more resources on avoiding litigation rather than research and development with the new blocking statutes, consumers, producers, distributors, and the economy as a whole will be adversely affected.

Overall, there is a significant risk that foreign nations will look towards blocking statutes to limit the extraterritorial application of the Act. The conflicting laws of the United States and international community will lead to judicial uncertainty, which will have an adverse impact on the global economy. Businesses will spend more time and money to avoid disputes; thus, undermining corporate profits, a customer's ability to purchase low cost goods, and the overall health of the global economy. The only certainty is that trade will slow down as a result of trade policy uncertainty. To avoid these adverse economic effects, it would be advantageous for the United States Congress to amend the FTAIA in a way that limits the effects of the extraterritorial application of the Sherman Anti-Trust Act. Specifically, Congress should limit the effects of the extraterritorial application of the Sherman Anti-Trust Act by expressly providing courts with a robust international comity analysis.

#### National antitrust silos promise the end of the economic order and liberal peace.

Steven S. Nam, Distinguished Practitioner, Center for East Asian Studies, Stanford University, ’18, Our Country, Right or Wrong: The FTC Act's Influence on National Silos in Antitrust Enforcement, 20 U. PA. J. Bus. L. 210 (2018).

National antitrust silos are not a novel phenomenon. Former European Commissioner for Competition Joaquin Almunia warned of them years ago, 5 2 and scholarship touching upon the furtherance of nationalist goals by various antitrust agencies dates back decades. 53 However, a creeping loss of public confidence in open markets-coupled with the obstacles to coherent global antitrust enforcement that bear the FTC Act's influence, as illustrated in this Article-risks amplifying the problem. As anti-free trade agendas continue to garner more mainstream popularity for formerly counter-establishment parties, a proliferation of protectionist silos could tempt even governments that, for the most part, had moved past them. Why, American officials may ask, should the U.S. continue championing the liberal international economic order when an illiberal China or an ostensibly liberal South Korea bends regulatory rules to disadvantage American companies, workers, and consumers? Skepticism towards a liberal democratic "end of history"'54 in general, and failures of economic liberalism in particular, are threatening to motivate political circles accordingly. Even perennial norms and conventions of the U.S. competition regime which evolved to safeguard regulator independence at home are no longer above disruption; the ambiguous statutory articulations that carried over abroad to empower strong executives are likewise playing a paper tiger role domestically of late.'55 Protectionist policies designed to compromise market competition-for all its documented excesses and inadequacies-would sap its creative vitality and the concurrent liberal peace 5 6 often taken for granted. Economic liberalism ails not so much from the intrinsic failings of core tenets, but from their more egregious nation-state and corporate violators. Proposals for greater accountability and harmonization have ranged from presumption of an underlying coordination scheme in antitrust investigations of a culpable country's companies,157 to an international competition regime binding on member states in at least some areas of antitrust.158 Each has associated costs, but their very debate harnesses polycentric dialogue lacking in nationalist regulatory agendas and calls for "our country, right or wrong" protectionist silos. It should be emphasized to policymakers and politicians collectively that lasting convergence in antitrust enforcement is unachievable without global coherence in regulator autonomy, and the FTC Act's formative influence is not above scrutiny or reproach. Still-elusive realization of the liberal economic international order's intended form will require an expanded constellation of independent competition regulators empowered to enforce antitrust laws consistently.

#### They read the LIO impact for us AND

#### Specifically India – devastates modernization efforts that stave off indo-pak and sino-pak war.

Clary and Narang 13 – Christopher Clary is a Stanton Nuclear Security Fellow at the RAND Corporation. Vipin Narang is assistant professor of political science at MIT. “Modernisation and Austerity” https://www.rand.org/blog/2013/09/modernisation-and-austerity.html)

Can India afford to simultaneously modernise all three defence services at its current pace?

Yesterday, India jubilantly tested the long-range Agni-V ballistic missile for the second time, en route to the missile's induction into the Strategic Forces Command in several years. But trouble looms on India's borders. In the recent monsoon session, Defence Minister A.K. Antony stood before Parliament to defend the government against the charge that it is permitting Chinese encroachment along the border and Line of Actual Control. Ground realities are difficult to discern from New Delhi, but much of the Indian media seems fearful that the Chinese are winning a slow border game of chicken. To the west, Pakistan Prime Minister Nawaz Sharif continued to make conciliatory noises towards Delhi while also chairing a National Command Authority meeting, which affirmed its support for “full spectrum deterrence”.

To deal with this rough neighbourhood, India has embarked on an ambitious military modernisation programme. Indians have triumphantly witnessed progress on a nuclear ballistic missile submarine, the Arihant, whose reactor recently went critical; watched the aircraft carrier Vikrant set off from dry dock; cheered news of the successful Agni-V test; and learned of political clearance to raise a Mountain Strike Corps in the east to be headquartered at Panagarh. Each of India's three armed services is moving to modernise itself.

But can India afford it all? The defence budget for 2013–14 grew by 5 per cent over the previous year, with defence capital acquisitions growing by 9 per cent. But, with inflation averaging more than 5 per cent since February, and the rupee depreciating by 14 per cent against the dollar over the same period, that modest nominal budget increase is actually a real budget decrease for defence. In a time of austerity, strategic planning is about prioritisation. How should India prioritise its future military modernisation to meet its envisioned security requirements? Each of the three services can claim urgent need.

First, there is the Indian Air Force. Saddled with an ageing, shrinking set of fighter aircraft and a stalling deal to buy France's Rafale, the IAF desperately needs an infusion of modern fighter aircraft. While the Sukhoi-30 MKI is an incredibly capable aircraft, and India plans to ultimately acquire 272 of them, one fighter alone cannot meet the full range of India's needs and mandated squadron strength. Despite high hopes, the Medium Multi-Role Combat Aircraft (MMRCA) deal with Dassault for its Rafale jets appears to be sputtering. Between French cutbacks in production and the falling rupee, it is an open question whether Dassault can live up to the terms of its lowest price bid. The IAF's joint development with Russia of a fifth-generation fighter, the Sukhoi PAK FA, is still in the early phases of development. That leaves India still relying on obsolete MiG-21s — in service for 50 years, with an increasingly abysmal safety record — as the backbone of its fighter strength. The IAF is similarly strained on transport and close air support capabilities.

While the air force struggles to replace obsolete platforms, the navy has launched an ambitious expansion plan of its surface and submarine fleet demanding significant capital expenditures. The half-decade process of developing and arming the Arihant and Vikrant is only beginning. But to have a fully operational nuclear deterrent at sea, India will need at least three nuclear submarines — at an estimated $3 billion each, not including the cost of developing the submarine-launched ballistic missiles. Similarly, the Vikrant will need time in port for maintenance and refitting. To keep up its forward naval air presence, India will need to complete the Vikrant's bigger sister ship, the Vishal, and finalise the painfully expensive, long-delayed acquisition of the aircraft carrier Vikramaditya from Russia.

The army has its own ambitions for replacing and expanding capabilities. The recent clearance to raise a Mountain Strike Corps will cost an estimated Rs 65,000 crore. Meanwhile, the army is in the process of fully upgrading India's main battle tank to the Russian T-90, even as it upgrades the army's attack-helicopter fleet and basic infantry, artillery, and armoured equipment. The army still has to decide where to hide its indigenous Arjun tank, which it has never been excited about but had thrust upon it by the DRDO. If the goal is indeed to be capable of waging offensives simultaneously on India's western and eastern fronts, the army still has a long way to go.

None of this will be cheap. So can India afford to simultaneously modernise all three services at its current pace?

This debate between competing services and strategic visions will be a painful one, but it must be had. All countries have difficulty picking winners and losers among services. It's always tempting to spread the wealth around. But doing so can carry very real costs. Instead of a clear-headed strategic rationale for investment, driven by a vision of its future strategic posture, India might find itself under-equipped in all three services — and dangerously vulnerable. India's civilian defence managers are particularly ill-equipped to make strategic choices, with many senior officials appointed to the defence ministry with no prior national security experience.

### 1NC – OFAC CP

#### The President of the United States should prohibit international anticompetitive business practices under an executive order administered by the Office of Foreign Asset Control.

#### OFAC can prohibit any dollar transaction anywhere in the world.

Paul Marquardt & Chase D. Kaniecki, Counsel @ Cleary Gottlieb, ‘20, “President Trump Authorizes Restrictions on WeChat and TikTok; Details to Come” https://www.clearytradewatch.com/2020/08/president-trump-authorizes-restrictions-on-wechat-and-tiktok-details-to-come/

Last night, President Trump issued two Executive Orders establishing a framework for prohibiting transactions involving popular Chinese-owned communications apps WeChat and TikTok.[1] Contrary to some press reports, the Executive Orders do not prohibit all transactions with their respective parent companies; they do not in fact set out the scope of the restrictions. Rather, they give the Commerce Department authority to prohibit any transaction involving a U.S. person or within the jurisdiction of the United States involving the two services; each of the Executive Orders clearly states “45 days after the date of this order, the Secretary shall identify the transactions subject to subsection (a) of this section [which contains the broad authority to prohibit].”[2] Furthermore, the scope of Commerce’s authority is subtly (and no doubt intentionally) different in the two Executive Orders: with respect to TikTok, the authority covers any transaction with ByteDance, TikTok’s parent; with respect to WeChat, the authority covers any transaction relating to WeChat involving its parent, Tencent Holding. Commerce will, within 45 days, take further action specifying exactly which transactions will be prohibited; it is even possible, particularly with respect to TikTok if the mooted divestiture of U.S. operations occurs, that no restrictions will be imposed.[3] Unless and until Commerce implements the Executive Orders, no restrictions are in place and their precise future scope is unknown.

To speculate on the possible shape of the ultimate restrictions, it appears unlikely that they will be quite as broad as the authorizing language suggests. The language identifying the transactions that may be prohibited is familiar from U.S. economic sanctions. Furthermore, as with the previous Executive Order relating to the information technology and communications supply chain permitting Commerce to review transactions with foreign suppliers on a case-by-case basis (to which the new Executive Orders refer),[4] the Executive Orders rely upon the framework statute underlying most sanctions programs administered by the Treasury Department’s Office of Foreign Assets Control (OFAC).[5] If taken to its maximum extent, this language would permit Commerce to prohibit any U.S. person or U.S. company anywhere in the world, and any person physically within the United States, from engaging in any transaction directly or indirectly involving or benefiting Tencent, if the transaction related to WeChat, or ByteDance—including processing any U.S. dollar payment clearing through the U.S. financial system (as the vast majority of global interbank U.S. dollar payments do).

However, the sanctions analogy is likely misleading. If the Administration intended to prohibit all transactions with ByteDance and TikTok, it would have been far simpler and more usual to designate them under an executive order administered by OFAC, as the United States has done in the past with parties considered malicious cyber-actors.[6] The Administration’s public statements hint at a narrower scope. The prefatory language of the Executive Orders emphasizes “the spread in the United States of mobile applications developed and owned by companies in the People’s Republic of China” and “access to Americans’ personal and proprietary information.” Furthermore, two days ago Secretary of State Michael Pompeo announced the “Clean Network” policy initiative, which includes the “Clean Store” effort to ”remove untrusted applications from U.S. mobile app stores.”[7] While there is no guarantee, it appears that the primary focus of the initiative may be blocking the use and availability of the apps within the United States, rather than prohibiting ordinary-course commercial transactions with ByteDance or (to the extent they relate to WeChat) Tencent generally to the extent they relate to operations outside the United States.

Ultimately, though, until Commerce takes implementing action any discussion of scope is educated guesswork. We will continue to monitor and report on developments.

#### There are three core federal antitrust laws.

Steven S. Nam, Distinguished Practitioner, Center for East Asian Studies, Stanford University, ’18, Our Country, Right or Wrong: The FTC Act's Influence on National Silos in Antitrust Enforcement, 20 U. PA. J. Bus. L. 210 (2018).

Enacted in 1914 to bolster and clarify the government's authority to hold accountable business enterprises that harm or endanger market competition, the FTC Act is one of three core federal antitrust laws together with the Sherman and Clayton Acts. The "catch-all" legislation established the FTC and empowers commissioners to investigate a wide range of anticompetitive business practices and to penalize culpable companies.27 Section 5 is central to the statute with its prohibition of "unfair methods of competition in or affecting commerce," as well as "unfair or deceptive acts or practices in or affecting commerce., 28 Any violation of U.S. antitrust laws-including, but not limited to, monopolization under Section 2 of the Sherman Act and mergers and acquisitions that trigger Section 7 of the Clayton Act-constitutes a violation of the FTC Act.

#### OFAC action does not expand “core” antitrust legislation and avoids political controversy.

Ortblad 8 — Vanessa, J.D. Candidate, Northwestern University School of Law, May 2009; B.A., University of Washington, 2002, “THE JOURNAL OF CRIMINAL LAW & CRIMINOLOGY,” Northwestern University, School of Law, <http://www.law.northwestern.edu/journals/jclc/backissues/v98/n4/9804_1439.Ortblad.pdf>, “CRIMINAL PROSECUTION IN SHEEP’S CLOTHING: THE PUNITIVE EFFECTS OF OFAC FREEZING SANCTIONS,” ADM

Unfortunately, U.S. courts have not considered any of the policy implications of OFAC’s actions because of its extreme deference to executive actions. Furthermore, Congress has amplified the Executive’s current powers through the USA PATRIOT Act and IEEPA, so no argument can be made that the President is acting “in a zone of twilight.”156 Congress currently seems most concerned with verifying that OFAC’s blocking actions are actually effective in countering terrorism financing by demanding better quantitative and qualitative measures for assessing OFAC’s efforts.157 But Congress should especially take note of the effect of OFAC’s actions on civil liberties. In the face of the expansion of executive power to combat the war on terror, it is particularly important for Congress to also focus its attention on safeguarding civil liberties, especially in light of past excesses during wartime. OFAC sanctions tend to fly below the radar when competing for attention with abuses at Abu Ghraib, debates over whether water-boarding is actually torture, and discussions regarding the possible closure of Guantanamo Bay. In light of these other pressing policy concerns, OFAC has largely escaped the media scrutiny and public policy discussion it merits.

### 1NC – States CP

#### The fifty states and relevant subnational entities, through the Multistate Antitrust Task Force, should issue a rule subject to notice and comment that the 50 states will increase its prohibitions on anticompetitive business practices by expanding the extraterritorial scope of its antitrust laws for nearly all platforms in the private sector.

#### States solve.

Arteaga & Ludwig ’21 [Juan; 1/28/21; Partner @ Crowell & Moring LLP, JD @ Columbia; and Jordan; Partner @ Crowell & Moring LLP, JD @ Loyola Law School, Los Angeles; “The Role of US State Antitrust Enforcement,” *Global Competition Review*; https://globalcompetitionreview.com/guide/private-litigation-guide/second-edition/article/the-role-of-us-state-antitrust-enforcement; AS]

During the 1980s, for example, state attorneys general once again emerged as vigorous antitrust enforcers, especially with respect to the prosecution of resale price maintenance practices and other vertical restraints. The rise in the level and prominence of state antitrust enforcement during this period was largely due to a perceived enforcement void at the federal level, where the DOJ and FTC had mostly limited their focus to ‘prohibiting cartels and large horizontal mergers’. No longer content with ceding antitrust enforcement to federal enforcers, state attorneys general expanded their antitrust dockets from prosecuting purely ‘local matters, such as bid-rigging on state contracts’, to actively investigating and litigating matters with multistate and national implications. To help ensure that they had a larger seat at the antitrust enforcement table, state attorneys general also increased the coordination of their enforcement efforts and competition advocacy through organisations such as the National Association of Attorneys General (NAAG), which created a Multistate Antitrust Task Force and issued state Vertical Restraints and Horizontal Merger Guidelines during this period.

Since the reawakening of state antitrust enforcement nearly 30 years ago, state attorneys general have continued to play an important role in the enforcement of both state and federal antitrust laws. During periods of lax federal antitrust enforcement, state attorneys general have often ramped up their enforcement activity in order to protect consumers from anticompetitive transactions and business practices. During periods of vigorous federal antitrust enforcement, they have often served as strong partners for the DOJ and FTC by, among other things, offering valuable insights about competitive dynamics in local markets, assisting with obtaining information from key market participants (including state governmental entities that are direct purchasers of goods and services), and helping develop and implement litigation strategies for cases being tried before federal judges presiding in their states.

Since January 2017, state attorneys general have increasingly played a leading and independent antitrust enforcement role. State antitrust enforcers have significantly increased their enforcement activity and willingness to act separately from their federal counterparts because many of them believe that there has been ‘under-enforcement’ by the DOJ and FTC. State antitrust enforcers have also been able to enhance their influence over key competition policy issues and the antitrust enforcement agenda within the United States because there appears to have been a significant decline in the coordination and relationship between the DOJ and FTC.

### Harmonization

#### Harmonization now – aff authors run the Biden administration.

Michaels & Kendall ’21 [Daniel; 7/15/21; Brussels Bureau Chief @ The Wall Street Journal; and Brent; Legal Affairs Reporter in the Washington Bureau @ The Wall Street Journal “U.S. Competition Policy Is Aligning With Europe, and Deeper Cooperation Could Follow”; https://www.wsj.com/articles/u-s-competition-policy-is-aligning-with-europe-and-deeper-cooperation-could-follow-11626334844; AS]

The European Union’s top antitrust regulator foresees greater alignment with the U.S. on competition enforcement, particularly in the tech sector, amid a broader policy reorientation under the Biden administration.

EU Executive Vice President Margrethe Vestager, the bloc’s competition commissioner, said she expects “much more intense work when it comes to technology and the digitized market” between her team and Washington.

President Biden’s policy statements and appointments, plus legislative proposals from Congress, indicate the U.S. is moving closer to positions long held in the EU regarding internet giants, pharmaceutical firms and other industries with diminishing competition.

As the world’s two most powerful antitrust regulators, the U.S. and the EU can shape global competition discourse and rein in many of the world’s largest companies, so greater cooperation could have significant impact.

For supporters of aggressive enforcement, “it will certainly be a marriage made in heaven,” said Jeffrey Jacobovitz, a Washington-based antitrust lawyer with Arnall Golden Gregory LLP. “I think they’ll work hand in hand. Increased coordination makes enforcement stronger.”

That alignment will make it even more incumbent on companies in the crosshairs to develop broad, cross-Atlantic strategies on how to respond to that scrutiny, Mr. Jacobovitz said.

While tech companies say similar policies in multiple jurisdictions can simplify operations, some worry about the U.S. adopting some of Europe’s more aggressive positions.

“The U.S. should be wary of copying EU-style experimental regulation,” said Christian Borggreen, vice president and head of the Brussels office at the Computer & Communications Industry Association, which represents companies including Amazon.com Inc., Facebook Inc. and Google. “As a leader in tech innovation, the U.S. would have much more to lose if they get it wrong.”

Mr. Biden’s appointments of high-profile U.S. progressives who have criticized tech giants—Lina Khan to run the Federal Trade Commission, and Tim Wu to the White House Economic Council—have been widely seen as indicating that Mr. Biden plans to turn up the heat on internet conglomerates. Companies such as Microsoft Corp. , Apple Inc. and Google parent Alphabet Inc. previously felt little pressure from Democrats, including former President Barack Obama, who criticized past EU efforts to restrain U.S. tech companies.

Ms. Vestager held an initial meeting with Ms. Khan by videoconference on July 2. Mr. Biden has yet to appoint someone to lead antitrust enforcement at the Justice Department. That nomination could provide further clues to his administration’s approach.

In parallel, House Democrats recently introduced a package of bills with bipartisan support that target big tech companies’ practices considered by critics as anticompetitive. The proposed legislation could go as far as breaking up, or at least shrinking, Amazon and other top tech companies.

New York state could go a step further with proposed antitrust legislation that would forbid companies from abusing a dominant market position—a prohibition central to EU competition regulation that is much stricter than U.S. federal antitrust rules.

Mr. Biden last week issued an executive order seeking to curb the power of companies across the U.S. economy that dominate their markets.

The jockeying for new policy approaches comes as officials on both continents have faced enforcement challenges in limiting digital giants’ activities. Ms. Vestager has imposed billions of dollars in penalties on U.S. tech companies but had little impact on their ability to control markets, according to critics including consumer advocates and some smaller competitors.

In the U.S., a federal judge last month dismissed cases brought by the FTC and most U.S. states against Facebook, though the FTC is expected to try again with an amended lawsuit.

“I believe there is a greater consensus that competition enforcement has not always delivered on its promise,” said University of Oxford law professor Ariel Ezrachi, who is director of Oxford’s Centre for Competition Law and Policy. He said the new U.S. approach is “a real tectonic shift.”

#### European populism is an alt cause – causes protectionism

#### US and antitrust not key to trade.

Brown ’18 – Gerry, Counterpunch (“Will World Trade Collapse After America Withdraws From WTO? Don’t Bet on It” https://www.counterpunch.org/2018/09/07/will-world-trade-collapse-after-america-withdraws-from-wto-dont-bet-on-it/)

The threat to growth in world trade didn’t begin with Trump’s “America First” policy. Way back in 2008 when the WTO Doha Round broke down on liberalization of agricultural trade, many already saw the writing on the wall. Countries in East Asia started to negotiate and enter into bilateral and regional FTAs.

The most significant FTA concluded in the new millennium in Asia was between the 10 member states of Association of Southeast Asian Nations (ASEAN) and China, dubbed ACFTA. China and ASEAN have a combined population of 1.9 billion and aggregate nominal GDP of almost $16 trillion in 2017 or 22% of global total. ACFTA is the largest trade grouping in terms of headcount, and the second largest measured by GDP, which ranks a close second to NAFTA’s 28%. After ACFTA came into effect in 2010, China’s bilateral trade with ASEAN members soared from under $200 billion in 2009 to more than half a trillion dollars last year, a whisker shy of China-EU trade of $540 billion, and a fifth less than China-US trade. Close to 90% of products are transacted at ZERO tariffs under ACFTA.

Earlier this year, all the TPP signatories sans the US agreed on a slightly modified version of TPP called CPTPP with a combined GDP (excluding America’s) representing 13% of the global total. CPTPP got rid of a few predatory provisions insisted by Washington such as empowering large multinational corporates to sue member states for enacting legislation to protect public health that “harms” their business, “national treatment” for foreign oil and mineral companies, and extending the copyrights period to lifetime of creators plus 75 years (restored to 50 years) . No big loss to China which has bilateral or multilateral FTA with all the 11 CPTPP signatories, except Japan and Mexico. The object of the original TPP to contain China is thus defanged.

A more ambitious and momentous regional FTA may be wrapped up by this year or next, after years of protracted and hard bargaining. The mother of all FTAs, the Regional Comprehensive Economic Partnership or RCEP for short, is a multilateral FTA between the 10 ASEAN members and their 6 dialogue partners, namely, China, India, Japan, South Korea, Australia and New Zealand. The 16 countries together have close to half of the world population, and boast an aggregate nominal GDP representing four-tenths of the global GDP, or one-third larger than that of NAFTA . With faster growth rates of RCEP than NAFTA, and if purchasing power parity GDP is used instead of nominal GDP, NAFTA will be left behind in the dust in no time .

And we have yet to mention the Belt and Road Initiative, which facilitates and increases trade between more than 70 participating countries with two-thirds of world population and a combined nominal GDP accounting for 35% of world total, slightly smaller than RCEP’s as a result of Japan and India not coming on board yet. Though BRI isn’t a customs union, the first multilateral FTA, i.e. Eurasia Economic Union or EAEU spearheaded by Russia has hit the ground running with 5 members. EAEU will eventually be enlarged to encompass all former USSR states except those in the Baltics. The EAEU as it stands now is a market of 183 million consumers and nominal GDP in excess of $4 trillion, one third more than ASEAN’s $2.8 trillion. Turkey and Iran have expressed interest in joining EAEU. More importantly, there’s likelihood of ASEAN-China FTA linking up with EAEU. If that materializes, the enlarged ACFTA-EAEU will have total GDP in excess of $20 trillion or 27% of global GDP (nominal), snapping at NAFTA’s heels.

The world outside America have long prepared for Washington’s withdrawal from WTO. Most of the pieces to deal with global trade ex USA are in place. Instead of hurting other countries, Trump’s America First and America Only policies will hurt itself with trade protectionism, unilateralism and self-imposed isolation. The rest of the world can get by, and pretty well too, without USA.

#### China retaliates to US pressure tit-for-tat. Revisionism is irrelevant because cooperation is possible even amongst antagonists.

Angela Huyue Zhang, Professor of Law, University of Hong Kong, ’21, Chinese Antitrust Exceptionalism., Chapter 5: Weaponizing Antitrust During the Sino- US Tech War, Oxford University Press (2021). DOI: 10.1093/ oso/ 9780198826569.003.0006

In response to US hostility, China has chosen to retaliate tit- for- tat. Such a strategy simultaneously consists of a promise and a threat: if the United States does nothing, then neither will China; conversely, if the United States attacks, so will China. One of the most famous examples of this strategy is the ‘liveand- let- live’ system that emerged during the trench warfare in the First World War.46 There, it was observed that cooperation is possible even amongst antagonists. Soldiers on the frontline defied orders from their higher command and refrained from shooting at the enemy as long as their opponents reciprocated. To deter America’s aggressive strategy of stifling Chinese leading technology companies, China has a few regulatory tools at its disposal. One of them is the AML which has emerged as a powerful economic weapon allowing the Chinese authority to exercise extraterritorial jurisdiction over foreign multinationals. The coercive capacity of the AML is expected to increase, given that a pending amendment to its powers would enhance its punitive capacities.

2.1 The Folk Theorem

To illustrate China’s tit- for- tat strategy, consider the following hypothetical game between the United States and China.47 In this game, the United States makes the first move, and it must decide whether it will maintain the status quo of accommodating the rise of China or take a more aggressive stance in order to deter China from acting in a way that would harm US interests. In this hypothetical game, if the United States keeps to the status quo, both countries will receive the same payoff score of 10. However, if the United States takes an aggressive approach, it will receive a score of 15 and China will obtain a score of 1. China must then decide whether to punish the United States, which will harm both itself and the United States. If China chooses to punish the United States, then both countries gain nothing. While the cooperative outcome yields the highest joint payoffs for the two countries, this equilibrium cannot be achieved in a one- shot game. If the game is only played once, then the United States’ dominant strategy will be one of aggression in which it will receive the largest advantage. In this scenario, United States will obtain the maximum payoff of 15. China will not be content but it is better off acquiescing and collecting a payoff of 1 instead of being left with zero gain. However, in reality, the United States and China are repeatedly and continuously interacting with each other in this relationship. Given that this game involves an infinite number of interactions, China will opt for a different strategy to fulfil its objectives. It will choose to punish the United States, in which case the United States will obtain nothing. In anticipation of being punished by China, the United States will modify its strategy to tolerate China’s rise, as a result of which China will acquiesce, achieving a payoff of 10 for both players. The key to maintaining this equilibrium is the implicit threat of punishment, and peace is only possible if China has the capacity to retaliate against any US aggression. This logic applied during the Cold War. In his Nobel Peace Prize lecture, Robert Aumann said: ‘In the long years of the cold war between the US and the Soviet Union, what prevented “hot” war was that bombers carrying nuclear weapons were in the air 24 hours a day, 365 days a year. Disarming would have led to a war.’48

But there is one important caveat: the discount rates for the two countries cannot be too high. For example, if the United States is very impatient, then it will still be worthwhile for it to attack Chinese technology companies. For instance, if America’s discount rate is over 67 per cent, the entire punishment at its present value is worth less than 5, which is all that the United States can gain today by attacking China. Therefore, if we assume that the parties engaged in an infinitely repeated game are patient and far- sighted enough, the cooperative outcome is achievable in equilibrium. Repeated interaction acts as an enforcement mechanism for a cooperative outcome.49 This is also known as the folk theorem because it was widely known among game theorists. A key insight of the folk theorem is that any player who does not carry out his punishment will be punished by the other player for its failure to do so.50 This motivates players to carry out the punishments, making their threat more credible while keeping each other on edge.

Accordingly, there are three important lessons that can be drawn from this hypothetical scenario. First, China must strike back in the event of US aggression, otherwise it might be punished for its failure to do so and in turn face heightened US aggression in the future. This, indeed, echoes the official line from the highest echelon of China’s Communist Party. Second, the Chinese threat must be large enough to deter US aggression. If, however, China appears to lack commitment to execute its threat, the United States may then decide that it is still better off attacking China today. For instance, if the costs and the risks associated with carrying out the punishment are very high, and China might back down, then the threat will appear less tenable to the United States. Third, China must react quickly so that the United States promptly senses the pains, since the Trump Administration appears impatient and near- sighted. Given China’s limited capacity to strike back with its own tariff sanctions, China needs to sharpen its economic weapons in order to swiftly retaliate against US aggression.

In the past, China has leveraged its expansive market access for its reprisals against other countries. As described by Barry Naughton, a renowned China expert: “China has established almost a kind of tit- for- tat machinery so that carefully calibrated punishment can be meted out to counterparts’.51 The example Naughton provided was China’s retaliation against South Korea. In July 2016, South Korea made a public announcement that it was installing an American anti- missile system to intercept missiles from North Korea. This move irked the Chinese government which perceived the deployment as a security threat and a way for the United States to extend its interests into Asia. In response, China imposed a number of economic sanctions on South Korea. Lotte, a company that agreed to allow its golf course in South Korea to be converted into a missile base, was directly targeted in this particular backlash. In December 2016, Lotte was obliged to suspend the construction and development of a large theme park project in Shenyang after the local government claimed that the project had not followed administrative procedures properly. In early 2017, Lotte was also fined for its advertising practices, and it was also forced to shut down 80 per cent of its supermarkets in China due to fire code violations. South Korea endured many such casualties in the aftermath of the installation of the anti- missile system. The Chinese government later imposed a travel ban on South Korea, boycotted South Korean products, and refused to provide licence approvals to South Korean online games for a year. The two countries reached a détente in late 2017. However, it was not until May 2019 that the Shenyang government lifted sanctions. Notably, none of these economic sanctions on South Korean businesses were imposed formally or as part of a bilateral negotiation. They were part of a tacit bargain where the punishment was delivered under the guise of violations of Chinese laws. In other words, China weaponized its various administrative regulations to levy informal economic sanctions on South Korean businesses. These Chinese measures constituted a credible threat sufficient enough to cause South Korea to back down. After all, China is South Korea’s primary export market, receiving almost a quarter of all South Korea’s total exports.

In theory, China could take a similar retaliatory strategy against the United States. Foreign direct investment from the United States to China amounted to USD 284 billion between 1990 and 2019, so China possesses an immense capacity to damage American businesses.52 Since the start of the trade war, US businesses have complained about the tighter scrutiny they undergo in Chinese customs clearance, as well as more stringent regulation of labour, advertising, and environment matters. For example, it has been reported that Chinese customs officials inspected 100 per cent of the imports of one US car manufacturer, as opposed to just 2 per cent in earlier years. US food importers are also subject to a longer quarantine period at airports, resulting in food spoiling or goods being sent back to the United States.

#### Empirical and theoretical research confirms China seeks status recognition. Denying Chinese strategy causes conflict.

Deborah Welch Larson, professor of political science at the University of California, Los Angeles, and Alexei Shevchenko is professor of political science at California State University, Fullerton, ‘19 “Lost in Misconceptions about Social Identity Theory RESPONSE,” International Studies Quarterly63, 1189–1191

Dissatisfied with their relative standing in the world, China and Russia are challenging the US-dominated liberal order. China has built and militarized artificial islands in the South China Sea to gain control over a strategic waterway. Russian President Vladimir Putin annexed Crimea from Ukraine and meddled in the 2016 US elections. These recent actions by China and Russia appear to have a common denominator—the desire to assert their status as global great powers (Larson and Shevchenko 2019, 198, 202–3). Could US accommodation of Chinese or Russian status ambitions help channel their behavior in a more constructive direction?

The rationale for status accommodation is that attempts by established powers to obstruct the rise of a state such as China are apt to provoke a backlash in the form of heightened nationalism, military buildups, or geopolitical rivalry. This is rooted in the psychological insights of social identity theory (SIT), which argues that impermeable status barriers, combined with the perception of unfair treatment and the possibility of change in the status hierarchy, will motivate a lower-status group to challenge the status quo (Tajfel 1978a, 1978b; Tajfel and Turner 1979). Steven Ward (2017) argues that the case for status accommodation rests on shaky scholarly ground. Ward contends that scholars who draw this connection (Larson and Shevchenko 2010, 2014b, 2019) have misused the psychological theory and presents an alternative explanation of status competition in international relations (IR), which he claims is more consistent with SIT. In Ward’s version of SIT, impermeable elite group boundaries only affect individuals who try to leave their group for a higher-status one; impermeability does not influence the behavior of groups. Thus, instead of being motivated by anger or hostility at persistent status denial, states pursue geopolitical competition because they have the capability to do so and the international community values advanced weaponry and overseas possessions as indicators of status.

To refute the argument that persistent status denial leads to conflict, Ward discusses “most likely” cases for the IR version of SIT—Germany’s Weltpolitik before World War I and Japanese foreign policy in the interwar period. In neither case, he asserts, was geopolitical competition driven by reactions to status barriers thrown up by the established powers.

Ward’s narrow critique misses the meaning and real-world implications of SIT. Most crucially, he overlooks the psychological dynamics of why lower-status groups choose to challenge the status quo—their frustration and anger over being denied the chance for status advancement, their unfair treatment by society, and the illegitimacy of the status hierarchy. In what follows, we will first present the basic propositions of SIT. We will then highlight several of Ward’s principal misconceptions, errors that could mislead researchers and have disastrous policy implications.

Social Identity Theory Propositions

SIT was developed in the 1970s by Henri Tajfel and his colleagues at the University of Bristol in the United Kingdom to correct for the reductionism of US social psychology, which attributed such intergroup phenomena as prejudice to the characteristics of individuals (Hogg and Abrams 1988, 12– 13). One insight of SIT is that individuals have both a personal identity and a social identity, derived from the social groups to which they belong (Tajfel 1978a, 41–43).

Because a person’s social group membership constitutes part of the self, members want their group to have a “positively distinctive” identity. Unfavorable comparisons with a similar reference group threaten collective self-esteem and may lead to the adoption of an identity management strategy. The choice of strategy depends on beliefs about the permeability of group boundaries and the legitimacy and stability of the status hierarchy (Tajfel and Turner 1979, 40). If lower-status group members believe that boundaries between social groups are permeable, they may try to “pass” into a higher-status group (Tajfel and Turner 1979, 43)— a mobility strategy. Although Ward insists that mobility is limited to individuals, in his original theoretical statement, Tajfel (1978a, 94) refers to the lower-status group strategy of becoming “more like the superior group,” with the aim of “cultural, social, and psychological assimilation of the group as a whole.” In order for this to take place, there would have to be a “breaking down of the barriers preventing the group from obtaining improved access.” In their analysis of identity management strategies, Blanz et al. (1998, 700) report that there is “no consensus among social identity theorists on the conceptualization of assimilation as either an individual or a collective strategy.”1

In international politics, when states perceive that elite group boundaries are permeable, states seek social mobility through emulation of the values, practices, and norms of the higher-status states in order to be admitted to elite clubs (Larson and Shevchenko 2010, 71–73; 2014a, 38–40; 2014b, 271) or a more prestigious social category such as middle power (Gilady 2018, 113–18).

When the status hierarchy is perceived as secure, that is, legitimate and stable, the lower-status group cannot even conceive of any alternatives to the status quo (Tajfel 1978a, 87). Under these conditions, the lower-status group may reduce unpleasant feelings of inferiority by engaging in social creativity, that is, reinterpreting their situation. A social creativity strategy may (1) identify a new dimension on which the in-group is superior, (2) reevaluate an existing characteristic as positive, or (3) choose an even lower-status group as the target of comparison (Tajfel and Turner 1979, 43). In international relations, social creativity frequently entails reframing a negative characteristic as positive or finding a new dimension on which the state is superior (Larson and Shevchenko 2010, 73). For example, the Chinese Communist Party now celebrates Confucianism as an element of Chinese culture, although Mao Zedong condemned the philosophy as feudalistic. But when the lower-status group begins to regard its position as illegitimate and the status hierarchy as changeable, it may adopt a strategy of social competition (Tajfel and Turner 1979, 45–46). Social competition seeks to “reverse the relative positions of the in-group and out-group on salient dimensions” (Tajfel and Turner 1979, 44). To achieve this goal, social competition “aims to equal or outdo the dominant group in the area on which its claim to superior status rests” (Larson and Shevchenko 2010, 72). Ward (2017, 826) mistakenly claims that the Larson and Shevchenko application of SIT restricts social competition to military and economic competition, but it can assume various forms. For example, during the Cold War, the Soviet Union sought to “catch up and surpass” the United States in economic production, modernization, culture, and standards of living, as well as military power (Larson and Shevchenko 2014a, 39; 2019).

Misconceptions about SIT

Ward’s (2017, 822–23) reason for contending that impermeable group boundaries do not play any role in SIT is that only individuals have the unpleasant experience of being denied the opportunity to join a higher-status group. However, according to SIT, impermeable boundaries cause individuals to identify more strongly with their in-group and to act as group members (Tajfel and Turner 1979, 35; Ellemers 1993; Bettencourt et al. 2001). Ward’s account also downplays the importance of the legitimacy of the status hierarchy, which is central to SIT. Impermeable group boundaries combined with the perceptions of the illegitimacy of the status hierarchy and the possibility of change can turbocharge social competition (Turner and Brown 1978; Ellemers 1993; Bettencourt et al. 2001). Lower-status groups will “lash out” at the illegitimacy of their status (Hornsey 2008, 214; Tajfel and Turner 1979, 45– 46). As Tajfel (1978b, 52) observes, “a combination of illegitimacy and instability would become a powerful incitement for attempts to change the status quo.” The role of illegitimacy in encouraging challenges to the higher-status group distinguishes SIT from alternative explanations. For example, Wohlforth (2009) argues that uncertainty about which state will prevail due to uneven distribution of power increases the likelihood of status competition. Renshon (2017, 57–58) argues that states that receive less status than they believe they deserve are likely to take military action because it provides dramatic, visible, and unambiguous evidence of the state’s power and resolve.

Ward (2017, 825–26) claims that Larson and Shevchenko’s interpretation of SIT does not adequately distinguish mobility from competition. However, this assertion stems from misreading the fundamentals of SIT, where social competition clearly refers to seeking relative advantage over the out-group (Turner 1975), not “acquisition of consensually valued attributes,” as Ward asserts. Social competition is a zero-sum game. One group cannot be better unless another is worse (Brown and Ross 1982, 156–57). The higher-status group’s identity is threatened by the challenger, and it will attempt to hold on to its position by any means available (Tajfel 1978, 88; Tajfel and Turner 1979, 38, 45–46; Brown and Ross 1982). Although social creativity does not try to compete directly with the out-group, but merely to win recognition in a different domain, and thus is not subject to zero-sum logic, it may also result in conflict if the higher-status group refuses to recognize alternative criteria for status or the lowerstatus group’s preeminence on that dimension. When this happens, SIT predicts “intense hostility in intergroup attitudes and . . . marked discrimination in intergroup behavior” (Tajfel 1978, 97). Brown and Ross (1982) finds that lower-status group members expressed anger and hostility toward the higher-status group’s belittling of its achievements. In short, “when a group’s action for positive distinctiveness is frustrated, impeded, or in any way actively prevented by an out-group, this will promote overt conflict and hostility between the groups” (Tajfel and Turner 1979, 46).

Ward’s discussion of historical cases does little to strengthen his overall argument since it is not clear why Wilhelmine Germany or interwar Japan are “most likely” cases for SIT. If neither state faced obstacles to its status ambitions before adopting imperialist policies, then by definition SIT is not relevant. Moreover, Ward does not demonstrate that China and Russia are similar to the cases of Germany or Japan in the variables that caused them to engage in geopolitical rivalry. Thus, it is hard to see how one can draw inferences from these two historical cases about the policy implications for dealing with a rising China and a resurgent Russia.

Conclusion and Policy Implications

Ward concludes that the United States should try to convince China and Russia of the high costs or futility of status competition. SIT and empirical research, however, suggest that US efforts to frustrate the status aspirations of China and Russia will generate intense frustration and resentment (Deng 2008, 60), resulting in a backlash, analogous to Russia’s reaction to the West’s rejection of its efforts to be accepted as a player after the end of the Cold War, but potentially more dangerous given China’s increased military spending and enhanced naval capabilities (Larson and Shevchenko 2019, 248–51). Rather than trying to impede their efforts to gain increased influence, which could lead to military conflict, SIT implies that the United States should reinforce efforts by Russia or China to achieve status through social creativity in nongeopolitical areas, such as establishing new institutions or clubs, mediating international conflicts, or controlling proliferation. Successful status accommodation should be a continuing process and could involve formal summits, working groups, or strategic dialogues. Instead of containment, the goal would be social cooperation, where the United States, Russia, and China acknowledge each other’s achievements or preeminence in different issue areas, specialize in particular issues, or share leadership roles (Larson and Shevchenko 2010, 95; 2019, 249–50). Ward (2017, 831–32) confuses status accommodation with “appeasement” but this is yet another misconception about SIT. In fact, SIT implies that a status accommodation strategy should be supplemented with continuing investments in shaping perceptions of the stability and legitimacy of the status hierarchy to avoid contributing to Russian or Chinese beliefs that they can change their position unilaterally. This means that the United States should preserve its overall military and economic power and alliance networks. It should also ensure international support for its global leadership by resisting unilateralist temptations and by promoting universal rules.

#### Reject aff evidence – it’s the blob talking. Groupthink bias makes publishing anti-establishment truths unpalatable.

Stephen Walt, Professor of IR @ Harvard, ’18, “Realism and Restraint: America's New Foreign Policy” https://www.youtube.com/watch?time\_continue=22&v=MmRhdYXgh3U&feature=emb\_logo

well I think it's largely because there 09:35 was a powerful bipartisan consensus in 09:38 favor of this strategy within the 09:40 foreign policy elite a consensus not 09:43 shared by the general public now by 09:46 foreign policy out elite I mean 09:48 Americans who actively engage on a 09:50 regular basis with issues of 09:52 international affairs I'm talking about 09:55 the blob we're talking about first of 09:59 all the formal institutions of 10:00 government the president the National 10:02 Security Council the department's of 10:04 State and Defense the intelligence 10:05 agencies etc membership organizations 10:09 like say the Council on Foreign 10:10 Relations the Chicago Council on global 10:13 affairs think tanks like the Brookings 10:16 Institution the Carnegie Endowment the 10:18 American Enterprise Institute and many 10:21 many others various special interest 10:24 groups and lobbies that are trying to 10:26 advance some foreign policy issue from 10:29 human rights to arms control to defense 10:31 spending to regional policy and there's 10:34 literally dozens of them as well I would 10:37 add those parts of the media that deal 10:40 with foreign affairs and of course 10:42 scholars like me who write books and 10:44 articles trying to shape 10:46 piñon who sometimes serve in government 10:48 themselves and who trained the people 10:51 who go on to fill key positions in 10:53 government that's who I'm talking about 10:55 several features of this elite are worth 10:58 noting first there are no formal 11:01 requirements for membership there's no 11:03 required degree you have to have there's 11:05 no bar exam you need to pass no Medical 11:08 Board you need a real estate license to 11:10 sell real estate in the United States 11:12 but you don't need a license to practice 11:14 foreign policy all you have to do is 11:16 convince enough other people in the 11:19 foreign policy elite that you're smart 11:21 energetic and above all loyal second it 11:25 is a community especially at the highest 11:28 levels leading members know each other 11:30 well they belong to lots of different 11:32 overlapping institutions and given those 11:36 two features no formal requirements and 11:39 everybody knows everybody else 11:40 professional success depends on your 11:43 networks and your reputation and because 11:47 your reputation is important that means 11:49 staying within the acceptable consensus 11:52 and you all know pretty much what that 11:54 consensus is NATO is essential Israel's 11:59 beyond criticism Iran Russia and China 12:02 are bad nuclear proliferation is bad but 12:06 our nuclear weapons are good free trades 12:10 pretty good terrorism is the absolute 12:13 worst democracy and human rights are 12:16 very important except when close allies 12:19 fall short and most important of all the 12:23 United States must exercise leadership 12:26 on every issue and in every part of the 12:29 globe oh and by the way it also has the 12:32 right to overthrow any government we 12:34 happen to dislike if we think we can get 12:35 away with it 12:37 questioning any of those ideas is not a 12:41 smart career move in Washington DC now 12:44 to try and show how pervasive this 12:46 consensus is in the book I discussed 12:49 three different task forces the 12:51 Princeton project on national security 12:53 which was done in 2006 the project for a 12:56 united and strong Amer 12:58 shaaka in 2013 and the Center for new 13:01 American securities task force called 13:03 extending American power in 2016 they're 13:07 all bipartisan they're each produced by 13:09 famous bold-faced names in the foreign 13:11 policy elite but the circumstances under 13:15 which they were written were very 13:16 different before the financial crisis 13:19 before Iraq went south or afterwards so 13:24 the circumstances under which they're 13:25 written a different yet each one lays 13:28 out almost an identical agenda and 13:31 justifies it in almost identical 13:33 language they are in short 13:35 interchangeable this is how the foreign 13:37 policy elite thinks about America's role 13:40 in the world regardless of what the 13:42 circumstances are regardless of what the 13:44 balance of power is America's financial 13:46 condition the nature of our relations 13:48 with other countries as well now to be 13:52 sure there are sometimes disagreements 13:54 on specific issues within this community 13:56 such as the Iran deal or whether we 13:59 should intervene in Syria but again in 14:02 Washington DC voices supporting liberal 14:05 hegemony far outweigh the number of 14:08 voices saying the United States might 14:10 want to act with somewhat greater 14:11 restraint and why does the foreign 14:14 policy community like this so much well 14:17 I think it's partly because many of 14:18 these people some of whom are my best 14:20 friends really genuinely believe in 14:24 these principles and think spreading 14:25 them around the world would be good for 14:27 the United States and good for everyone 14:28 else but trying to remake the world in 14:32 America's image also increases their 14:34 power and status flatters their sense of 14:37 self-worth justifies a bigger budget and 14:40 gives them plenty to do in other words 14:43 liberal hegemony is a full-employment 14:45 policy for the foreign policy elite the 14:50 American people however have a somewhat 14:52 different view on the one hand they 14:54 reject isolationism as the Chicago 14:57 Council's many surveys of public opinion 14:59 have shown but they also seem to want a 15:03 more restrained foreign policy in 2013 15:06 for example 80% of Americans believed 15:09 quote we should not think 15:11 so much in international terms but 15:14 concentrate on our own national problems 15:16 and building up strength here at home in 15:20 2016 64% said the United States was 15:23 playing the role of global policeman 15:26 more than it should consider also that 15:30 the last four US presidents were elected 15:33 on platforms promising to do less in 15:36 foreign affairs what was Bill Clinton's 15:38 slogan it's the economy stupid george w 15:43 bush promised you a humble foreign 15:46 policy and said he would get out of 15:48 doing nation-building Obama got to be a 15:51 candidate because he opposed the Iraq 15:53 war and he had promised to stop doing 15:56 stupid stuff and of course Trump was 15:59 critical of all of his predecessors and 16:01 especially of the foreign policy elite 16:04 so how does that elite convince a 16:07 reluctant public to go along with this 16:09 well of course by inflating threats to 16:12 convince Americans they won't be secure 16:14 unless they medal all over the world by 16:17 exaggerating the benefits of this policy 16:20 for example by telling you that and 16:22 intervening all over the world will 16:24 create stability even though in fact 16:27 it's been creating instability in most 16:29 of the places we're doing it or claiming 16:32 that liberal hegemony will in fact 16:34 spread our values around the world but 16:37 as I said before democracy is now in 16:39 retreat and liberal values are in fact 16:42 under siege not only overseas but also 16:45 here at home finally by concealing the 16:49 costs so we financed our wars now by 16:52 borrowing the money rather than by 16:54 raising taxes meaning that we're 16:57 shifting the bill on to our children and 16:59 grandchildren and we rely on the 17:01 all-volunteer force so we don't have to 17:03 actually draft people who would be 17:05 reluctant to serve we also rely very 17:07 heavily on airpower and on drones to 17:10 keep American casualties low which 17:13 creates the interesting paradox right we 17:15 have to keep casualties low in order to 17:17 keep public support for wars in places 17:19 like Afghanistan but that means we're 17:21 fighting wars in ways to make them 17:23 almost 17:23 impossible to win and eventually the 17:26 public wakes up to the fact that the war 17:28 is endless and public support declines 17:30 anyway there's one final step however 17:33 and that's by not holding anybody very 17:37 accountable consider that the people 17:40 responsible for the Iraq war remain 17:42 respected figures in the foreign policy 17:45 elite and some of them for example john 17:48 bolton are in top jobs today if you're a 17:52 member of the elite you can give 17:54 classified information to your mistress 17:56 lie to the FBI about it 17:58 plead guilty pay a fine and then quickly 18:01 resume your place as a well respected 18:03 expert you can be convicted of lying to 18:07 Congress get pardoned go back into 18:09 government screw up again and land a 18:12 nice Cinna cure at a prestigious 18:14 think-tank and become very close to 18:17 being Deputy Secretary of State by 18:20 contrast those who challenged the 18:23 consensus view usually get marginalized 18:26 even when they turn out to be right so 18:29 for example I talk in the book about the 18:31 case of Colonel Paul Yingling Paul 18:34 Yingling served two tours in Iraq as an 18:37 army officer and then wrote an article 18:39 in 2006 criticizing the senior 18:42 leadership of the army it was called a 18:44 failure of generalship the article was 18:47 widely hailed as an accurate summary of 18:49 command failures in Iraq it was assigned 18:51 at West Point and at the command and 18:54 General Staff College suggesting that 18:56 maybe he was on to something so the 18:58 question is did Colonel Yingling rise in 19:01 the army to a position of greater 19:03 responsibility you know the answer of 19:05 course he was passed over for promotion 19:07 and is now teaching high school in 19:09 Colorado in short the foreign policy 19:13 world in Washington is in many ways a 19:16 self protecting community lots of other 19:19 communities act the same way by the way 19:21 universities protect faculty when they 19:23 misbehave the Catholic Church protected 19:25 priests but the question you want to ask 19:28 yourself is is this a healthy situation 19:29 if the people who get it wrong not just 19:33 once but over and over pay a little 19:35 price 19:37 the people who get things right don't 19:39 get recognized why should we expect to 19:42 do better now at this point the question

### Competitiveness

#### New antitrust is circumvented and watered down – durable fiat doesn’t solve judicial disregard and congressional inaction

Crane 21 – Frederick Paul Furth Sr. Professor of Law at UMich (Daniel, Antitrust Antitextualism, 96 Notre Dame L. Rev. 1205 (2021). Available at: <https://scholarship.law.nd.edu/ndlr/vol96/iss3/7>

As first the antitrust agencies through their merger guidelines and then the courts through endorsement of the agencies’ approach systematically shifted merger policy away from the incipiency standard and began requiring formal market definition and probability of adverse price effects, Congress acquiesced through inaction. Whatever else it said in 1950, Congress has thus far shown itself willing to let the courts and antitrust agencies reshape merger law in a form far more favorable to business consolidation. \* \* \* In sum, from the courts’ earliest forays into interpreting the Sherman Act up through contemporary antitrust jurisprudence, the courts have manifested a systematic tendency to interpret the substantive antitrust statutes contrary to their texts, legislative histories, and often their spirit.236 Sometimes, as with the rule of reason and labor exemption, the judicial disregard of text and purpose has occurred fairly immediately. In other cases, as with the Robinson-Patman and Celler-Kefauver Acts, an initial period of statutory fidelity has slipped gradually into a period of statutory infidelity. In some cases, as with respect to section 5 of the FTC Act and section 3 of the Clayton ct, the courts continue to proclaim their fidelity after they functionally move to infidelity. In many cases, the courts stop pretending after a while and admit quite candidly that they are taking liberties with the statute. If this antitrust antitextualism is merely the product of common-law methodology, one would expect to see movement away from the statute’s text in both permissive and restrictive directions, or, to put it more crassly, both in favor of big capital and against it. But the movement has all been in one direction: loosening a congressional check on big capital. Thus, the rule of reason allowed courts to bless large combinations of capital that the courts deemed reasonable; narrowing the labor exemption frustrated labor’s ability to countervail capital’s power; restricting the private right of action for treble damages significantly curtailed the private-litigation check on business; judicial narrowing of the Clayton Act’s exclusive dealing and tying restrictions allowed (mostly big) firms to exploit market power; reading “unfair” out of the FTC Act eliminated section 5 as a check on business morality; eviscerating the Robinson-Patman Act protections for small and independent businesses favored large and powerful businesses; and requiring proof of likely price increases and technical relevant market definition in merger cases immunized many large-scale mergers from legal challenge. Throughout the history of American antitrust law, the courts have shown a systematic tendency to read down the antitrust statutes in favor of big capital. But the story of antitrust antitextualism is not simply one of conservative/progressive ideological struggle between Congress and the courts. Much of the action away from statutory text and purpose was accomplished by, or with the support of, judges of the political left. Unlike in other fields, Congress has not responded with statutory overrides. And far from buttressing its atextual statutory readings of the antitrust laws through veiled constitutional warnings about congressional overreaching, the Court has repeatedly pulled in the opposite direction, asserting quasi-constitutional reverence for antitrust law.237 Despite ample opportunity to do so, the Court has not removed antitrust law from the reach of congressional reconsideration by constitutionalizing its atextual readings. Antitrust antitextualism does not follow a conventional left/right ideological pattern. Its actual pattern is more subtle III. THE IDEALISTIC CONGRESS, PRAGMATIC COURTS THESIS AND ITS IMPLICATIONS Thus far, this Article has made an empirical observation—that, from the beginning of antitrust history, the courts have atextually read down the antitrust statutes in favor of big business and considered and rejected a potential explanation: that this phenomenon primarily represents an ideological tugof-war between a progressive Congress and more conservative courts. This final Part searches for an alternative understanding, one that is perhaps less obvious but more fitting, and then considers its systemic implications for the antitrust enterprise. A. The Idealistic/Pragmatic Thesis Congress writes expansive statutes reining in business power, the courts (either immediately or over time) disregard the plain text of the statutes and trim them down in favor of capital, and Congress acquiesces through inaction. Why? The best-fitting explanation is this: the antitrust laws reside in perennial tension between two fundamental impulses of the American political psyche—the romantic and idealistic attachment to smallness over bigness, and the pragmatic and often grudging realization that large-scale organization may be necessary to achieve material advantages. The romanticism and idealism of the anti-bigness impulse pushes it to the fore in the popular political arena. Congress legislates on the popular aspiration for an egalitarian economy organized around small proprietors and independent local businesses and freedom from economic dominance. When the statutes come to the courts or antitrust agencies, judges and antitrust enforcers play the pragmatic role of balancing those popular aspirations against the contending impulse for efficiency and material benefit. This balancing act induces them to give less effect to the statutes than the broad statutory texts suggest. So long as the judicial decisions achieve results that strike a politically acceptable outcome between the aspirational and pragmatic impulses, Congress is content to leave the judicial and enforcement decisions alone.

#### New rule of reason constraints are egregiously misinterpreted and result in corporate victory

Hanley 4-6 – policy analyst at Open Markets Institute (Daniel, "How Antitrust Lost Its Bite," Slate Magazine, <https://slate.com/technology/2021/04/antitrust-hearings-congress-legislation-bright-line-rules.html> APRIL 06, 2021)//gcd

In the late 1970s, however, judges began to adopt a malevolent antitrust framework, which they claimed was beneficial to consumers, while actually relishing, [praising](https://www.law.cornell.edu/supct/html/02-682.ZS.html), and [incentivizing](https://en.wikipedia.org/wiki/Brooke_Group_Ltd._v._Brown_%26_Williamson_Tobacco_Corp.) the concentration of corporate power. This new consumer welfare standard emerged in large part because of the “rule of reason.” The rule of reason was initially created by the Supreme Court [in 1911](https://en.wikipedia.org/wiki/Standard_Oil_Co._of_New_Jersey_v._United_States) to help the judiciary navigate the vast range of variance in antitrust harms. The rule of reason allows judges to determine whether ostensibly predatory or exclusionary corporate conduct is legal based on the reasonableness of the suspected violator’s behavior. Exclusionary antitrust conduct analyzed under a rule of reason analysis generally functions by allowing each side of a lawsuit to argue the predatory effects and the justifications for the conduct. Although the rule of reason is perceptually fair by giving each side of the litigation an opportunity to argue about the conduct at issue, in practice it is anything but. Judges began using the ambiguity of the rule of reason to push a standard focused on consumer welfare, one that [favors corporate concentration](https://www.yalelawjournal.org/note/amazons-antitrust-paradox) and turns away from strict antitrust rules. Courts initially only applied the rule of reason selectively. After adopting the consumer welfare framework, the Supreme Court now applies the rule of reason to most antitrust violations. Antitrust is about determining and [allocating the rights](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3337861), privileges, and duties of all economic actors. When Congress originally enacted the Sherman Act, the law was intended to [protect consumers, workers, and democracy](https://digitalcommons.law.umaryland.edu/mlr/vol78/iss4/4/) from excessive concentrations of corporate power. Because of this reality, it is an inherently political area of law. The shift toward rooting it in economics, and making its application substantially more obscure than a bright-line rule, is effectively a means by the judiciary to strip the historical foundations of antitrust from the record and instead substitute its own judgment on what the priorities are for the economy and how it should be structured. When combined with the rule of reason, the judiciary’s consumer welfare framework effectively erases Congress’ intent for the antitrust laws to operate as a “[comprehensive charter of economic liberty](https://supreme.justia.com/cases/federal/us/356/1/)” that “[does not confine its protection to consumers, or to purchasers, or to competitors, or to sellers](https://supreme.justia.com/cases/federal/us/334/219/).” Such values are best determined by members of the elected legislature rather than unelected judges, a point ironically acknowledged by the [Supreme Court in 1972](https://supreme.justia.com/cases/federal/us/405/596/). Lower federal courts today continue to push the consumer welfare standard even further by, in violation of [controlling Supreme](https://supreme.justia.com/cases/federal/us/405/596/) [Court precedent](https://supreme.justia.com/cases/federal/us/374/321/), weighing the competitive harms of a dominant firm’s conduct against one group to the benefits provided to another group. In [ongoing litigation against the NCAA](https://www.scotusblog.com/case-files/cases/national-collegiate-athletic-association-v-alston/) that was heard by the Supreme Court last week, the district court judge ruled that the NCAA’s compact with universities to set a ceiling on the amount of compensation that student-athletes can receive is legal because of the reputed benefit consumers derive from watching athletes knowing there is a cap on their compensation. The court employed the rule of reason to arrive at this result. In an alternative enforcement regime, the NCAA would be a per se illegal employer cartel that is suppressing workers’ wages. Comprehensive empirical analysis has revealed that the rule of reason has been a rubber stamp for even the most egregious antitrust conduct. A [2009 analysis](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1480440) revealed that 97 percent of cases analyzed under the rule of reason result in victories for defendants. That means corporations are effectively shielded from most antitrust violations. Part of the reason for such a skewed result in favor of antitrust defendants is that dominant firms have access to high-salaried economists that are able to manipulate analyses to mask the corporation’s conduct to look like it is operationally efficient instead of engaging in predatory practices. Such a situation also deters antitrust litigation because a plaintiff will also have to incur the cost of an economist—which can cost several thousand dollars and, [in some cases](https://www.propublica.org/article/these-professors-make-more-than-thousand-bucks-hour-peddling-mega-mergers), [several hundred thousand dollars](https://www.law.cornell.edu/supremecourt/text/12-133). Thus, the battle over the legality of a business tactic under a consumer welfare framework and rule of reason legal analysis depends on access to immense financial capital and judicial appeasement of policies that favor corporate integration rather than common notions of fairness, equity, and deconcentrated markets—which was the original purpose of the antitrust laws. Despite [controlling](https://supreme.justia.com/cases/federal/us/370/294/) Supreme Court [precedent](https://supreme.justia.com/cases/federal/us/374/321/) prohibiting the use of economics in certain antitrust violations, courts now routinely use it to justify corporate consolidation. For example, in the context of merger analysis, the economization of antitrust has led courts to believe and depend on theoretical assumptions on how mergers are beneficial for society and consumers. In the case of AT&T and its pursuit of acquiring Time Warner in 2018, the corporation [stated](https://www.courtlistener.com/recap/gov.uscourts.dcd.191339/gov.uscourts.dcd.191339.121.0_1.pdf) its merger would produce efficiencies and save customers money. District Court Judge Richard Leon was persuaded by AT&T’s statements [holding that](https://casetext.com/case/united-states-v-at-t-inc-2) vertical integration is able to shrink its costs and will “lead to lower prices for consumers.” But such assumptions have been categorically repudiated by researchers. In one example, the economist John Kwoka [found that](https://mitpress.mit.edu/books/mergers-merger-control-and-remedies) 80 percent of studied mergers led to high prices and even reduced output. [Other studies](https://www.antitrustinstitute.org/wp-content/uploads/2019/04/Carstensen-Lande-Final.pdf) have found equivalent results. In the context of AT&T, subsequent evidence showed that AT&T did [raise prices](https://arstechnica.com/information-technology/2018/07/att-promised-lower-prices-after-time-warner-merger-its-raising-them-instead/) on consumers.