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### 1AC – Dynamism

#### Contention one: Dynamism

#### Dominant digital platforms gatekeep access to markets by both operating a platform and marketing their own goods on it – only structural prohibitions prevent barriers to entries posed by companies’ structure, not just the scale of their market power.

Khan ’19 [Lina; Chairperson @ Federal Trade Commission, JD @ Yale Law School; “The Separations of Platforms and Commerce,” *Columbia Law Review* 119(4), p. 973-1098; AS]

A handful of digital platforms exert increasing control over key arteries of American commerce and communications. Structuring access to markets, these firms function as gatekeepers for billions of dollars in economic activity. By virtue of setting marketplace rules for the millions of merchants, producers, and developers dependent on their infrastructure, dominant platforms today “function as regulators.”3

As these platforms further concentrate market power, there are rising concerns about their size—usually in reference to the large share that each firm captures of its primary markets.4 Yet an equally important question concerns not the scale of these companies but their structure. One feature dominant digital platforms share is that they have integrated cross business lines such that they both operate a platform and market their own goods and services on it. This structure places dominant platforms in direct competition with some of the businesses that depend on them, creating a conflict of interest that platforms can exploit to further entrench their dominance, thwart competition, and stifle innovation.5 Consider Spotify’s effort to reach users through Apple’s iPhone while Apple sought to promote Apple Music. In 2016, Spotify revealed that Apple had blocked the streaming application from the App Store, “continu[ing] a troubling pattern of behavior by Apple to exclude and diminish the competitiveness of Spotify on iOS and as a rival to Apple Music.”6 Or take the challenge faced by Yelp, Foundem, and scores of online services to reach internet users while Google sought to build out its own competitor offerings.7

In Europe and India, competition authorities have found that Google ranks its own services higher than those offered by rivals, a “search bias” that means anyone competing with Google properties may effectively disappear from Google search results.8 Merchants that rely on Amazon to reach consumers are in a similar bind: Not only must they jostle for placement against Amazon’s own goods, but they also face the constant risk that Amazon will spot their bestselling items and produce them itself.9 Facebook, equipped with technology that lets it detect which rival apps are succeeding, would often give companies a choice: Be acquired by Facebook, or watch it roll out a direct replica.10 Competing with one of these giants on the giant’s own turf is rife with hazards.

Venture capitalists now factor this risk into their investment decisions.11 Indeed, the power of these gatekeeper platforms to steer the fate of countless other firms is described by entrepreneurs and investors as “having a profound impact on innovation in Silicon Valley”12 and “choking off the start-up world.”13 Venture capitalists now discuss a “kill-zone” around digital giants—“areas not worth operating or investing in, since defeat is guaranteed.”14 Discussing how tech platform giants today use their integrated structure to undermine rivals, a product manager who worked for Microsoft leading up to its antitrust suit observed, “It’s what we did at Microsoft.”15

Indeed, the way in which dominant online platforms threaten to undermine competition and distort markets today is not entirely new. At its core, the problem traces to a basic challenge posed by firms that capture control over a critical network or channel of distribution. Regulators and competition authorities have traditionally harnessed a set of tools to ensure that bottleneck facilities do not distort competition. These tools include common carriage, which requires firms to offer customers equal access on equal terms,16 as well as interoperability, which requires networks to maintain an open interface, enabling users to switch between platforms with ease.17 These policies respond, respectively, to problems of discrimination and lock-in.

In digital markets, however, third parties that depend on a platform risk not just discrimination and lock-in but also appropriation. Because dominant platforms monitor with unrivaled precision the business activity of third parties while also competing with them, a platform can harvest insights gleaned from a producer at the producer’s expense. This Article argues that these combined problems of discrimination and information appropriation invite recovering common carriage’s forgotten cousin: structural separations. Structural separations place clear limits on the lines of business in which a firm can engage. Rather than prohibit particular business practices, separations proscribe certain organizational structures. In antitrust, structural remedies are contrasted with behavioral ones: Whereas behavioral remedies seek to prevent firms from engaging in specific types of conduct, structural remedies seek to eliminate the incentives that would make that conduct possible or likely in the first place.18

Structural prohibitions have been a traditional element of American economic regulation. They have been applied as a standard regulatory tool and key antitrust remedy in network industries, often to prohibit a dominant intermediary from competing with the businesses that depend on it to get to market. While common carriage regimes prevent a firm from discriminating—requiring equal service on equal terms—structural prohibitions eliminate one source of the incentive to discriminate. In this way, common carriage and structural separations often functioned as complements in the service of nondiscrimination.

Today, structural separations have largely been abandoned.19 At the same time that lawmakers have significantly weakened or outright eliminated sector-specific regulatory regimes, judicial interpretation of antitrust law has drastically narrowed the forms of vertical conduct and structures that register as anticompetitive. And when antitrust enforcers have targeted these forms of conduct and structures in recent years, they’ve applied remedies that generally (1) fail to target the underlying source of the problem and (2) overwhelm the institutional capacities of the government actors assigned to oversee them.20 Neglecting structural separations results in both substantive harms and institutional misalignments—effects that are especially pronounced in digital markets.

#### Case-by-case adjudication creates slow, ambiguous enforcement and deprives legal participation – regulatory uncertainty substantially disadvantages entrants.

Chopra & Khan ’20 [Rohit; Commissioner @ Federal Trade Commission; and Lina; Chairperson @ Federal Trade Commission, JD @ Yale Law School; “The Case for “Unfair Methods of Competition” Rulemaking,” *The University of Chicago Law Review* *87*(2), p. 357-380; AS]

Antitrust law today is developed exclusively through adjudication. In theory, this case-by-case approach facilitates nuanced and fact-specific analysis of liability and well-tailored remedies. But in practice, the reliance on case-by-case adjudication yields a system of enforcement that generates ambiguity, unduly drains resources from enforcers, and deprives individuals and firms of any real opportunity to democratically participate in the process.

One reason that antitrust adjudication suffers from these shortcomings is that courts analyze most forms of conduct under the “rule of reason” standard. The “rule of reason” involves a broad and open-ended inquiry into the overall competitive effects of particular conduct and asks judges to weigh the circumstances to decide whether the practice at issue violates the antitrust laws. Balancing short-term losses against future predicted gains calls for “speculative, possibly labyrinthine, and unnecessary” analysis and appears to exceed the abilities of even the most capable institutional actors.1 Generalist judges struggle to identify anticompetitive behavior2 and to apply complex economic criteria in consistent ways.3 Indeed, judges themselves have criticized antitrust standards for being highly difficult to administer.4 And if a standard isn’t administrable, it won’t yield predictable results. The dearth of clear standards and rules in antitrust means that market actors face uncertainty and cannot internalize legal norms into their business decisions.5 Moreover, ambiguity deprives market participants and the public of notice about what the law is, thereby undermining due process—a fundamental principle in our legal system.6

Decades ago, former Commissioner Philip Elman observed that case-by-case adjudication “may simply be too slow and cumbersome to produce specific and clear standards adequate to the needs of business~~men~~[people], the private bar, and the government agencies.”7 Relying solely on case-by-case adjudication means that businesses and the public must attempt to extract legal rules from a patchwork of individual court opinions. Because antitrust plaintiffs bring cases in dozens of different courts with hundreds of different generalist judges and juries, simply understanding what the law is can involve piecing together disparate rulings founded on unique sets of facts. All too often, the resulting picture is unclear. This ambiguity is compounded when the Supreme Court assigns to lower courts the task of fleshing out how to structure and apply a standard, potentially delaying clarity and certainty for years or even decades.8

The current approach to antitrust also makes enforcement highly costly and protracted. In 2012, the American Bar Association (ABA) published the report of a task force that sought to “study ways to control the costs of antitrust litigation and enforcement.”9 The task force, the authors explained, was “a response to concerns” about both “the costs imposed on businesses by the American system of antitrust enforcement” and “the length of time required to resolve antitrust issues both in litigation and in enforcement proceedings.”10 Out-of-control costs undermine effective antitrust enforcement by agencies and private litigants, but may advantage actors who profit from anticompetitive practices and can treat litigation as a routine cost of business.

Professor Michael Baye and Former Commissioner Joshua Wright have noted that generalist judges may be ill-equipped to independently analyze and assess evidence presented by economic experts.11 Because determining the legality of most conduct now involves complex economic analysis, courts have effectively “delegate[d] both factfinding and rulemaking to courtroom economists,” making courtroom economics “not just inevitable but often dispositive.”12 In fact, paid expert testimony now is often “the ‘whole game’ in an antitrust dispute.”13

Paid experts are a major expense. Some experts charge over $1,300 an hour, earning more than senior partners at major law firms.14 Over the last decade, expenditures on expert costs by public enforcers have ballooned.15 In a system that incentivizes firms to spend top dollar on economists who can use ever-increasing complexity to spin a favorable tale, the eye-popping costs for economic experts can put the government and new market entrants at a significant disadvantage.16

Another component of the burden is that antitrust trials are extremely slow and prolonged.17 The Supreme Court has criticized antitrust cases for involving “interminable litigation”18 and the “inevitably costly and protracted discovery phase,”19 yielding an antitrust system that is “hopelessly beyond effective judicial supervision.”20 That it can easily take a decade to bring an antitrust case to full judgment means that by the time a judge orders a remedy, market circumstances are likely to have outpaced it.21 The same 2012 ABA report suggested that lengthy, costly litigation may be contributing to reduced government-enforcement efforts over time relative to the expansion of the US economy.22

Lastly, the current approach deprives both the public and market participants of any real opportunity to participate in the creation of substantive antitrust rules.23 The exclusive reliance on case-by-case adjudication leaves broad swaths of market participants watching from the sidelines, lacking an opportunity to contribute their perspective, their analysis, or their expertise, except through one-off amicus briefs.24 Nascent firms and startups are especially likely to be left out—despite the vital role they play in the competition ecosystem—given that they do not comprise a significant portion of the parties represented in litigated matters, and they usually lack the resources to engage in amicus activity. Furthermore future entrants, whose interests should be carefully considered in all aspects of competition law and policy, have no voice.

Firms, entrepreneurs, workers, and consumers across our economy vary wildly in their experiences and perspectives on market conduct. Enforcement and regulation of business conduct can more successfully promote competition when it incorporates more voices and evidence from across the marketplace.

The ambiguity of the laws, the administrative and resource burdens of enforcing them, and the exclusivity of the current process tend to advantage incumbents and suppress market entry. For example, when courts disagree with one another on the legality of particular conduct, new entrants are likely to eschew the practice, since the threat of litigation could prove fatal at an early stage. Incumbents, by contrast, will be more likely to conduct a cost-benefit analysis of engaging in a potentially unlawful practice, since they are likely to have higher tolerance for protracted litigation and deeper pockets to fund it. Continued ambiguity and complexity also create business opportunities for lawyers, economists, and lobbyists, who effectively profit from the lack of clarity

#### FTC rulemaking improves the speed, clarity and certainty of enforcement to level the playing field for market entrants.

Chopra & Khan ’20 [Rohit; Commissioner @ Federal Trade Commission; and Lina; Chairperson @ Federal Trade Commission, JD @ Yale Law School; “The Case for “Unfair Methods of Competition” Rulemaking,” *The University of Chicago Law Review* *87*(2), p. 357-380; AS]

II. THE CASE FOR RULEMAKING UNDER “UNFAIR METHODS OF COMPETITION”

Legislative history is clear that Congress sought to advance competition law outside the courts as well as through them.25 Two decades into enforcement of the federal antitrust laws, Congress was frustrated with the exclusively common law approach to antitrust. In particular, lawmakers worried that the case-by-case approach to enforcement was yielding a body of law that was inconsistent, unpredictable, and unmoored from congressional intent.26 The solution, lawmakers decided, was the creation of a new expert administrative agency: the Federal Trade Commission.

Congress established the FTC to supplement the authority of the Attorney General.27 While both institutions were tasked with enforcing the antitrust laws, lawmakers designed the FTC with two distinct features: (1) delegated authority to interpret and prohibit “unfair methods of competition,” as established by § 5 of the Federal Trade Commission Act28 (FTC Act) and (2) extensive authority to collect confidential business information and conduct industry studies, as established by § 6(b) of the FTC Act.29

By designing the Commission this way, Congress sought to create a regime where the law developed not just through the judiciary but also through an expert agency. Congress envisioned that the Commission’s data collection from market participants would ensure that the agency stayed abreast of evolving business practices and market trends, and that it would use this expertise to establish market-wide standards clarifying what practices constituted an “unfair method of competition,” even as the market evolved. This unique role would complement adjudication pursued by the Attorney General, state attorneys general, and private parties.30 Indeed, Congress expected that federal judges and other policymakers would defer to the Commission on competition matters because it would “serve as an indispensable instrument of information and publicity, as a clearinghouse for the facts by which both the public mind and the managers of great business undertakings should be guided.”31 It would, in other words, be “unusually expert.”32

The Commission, at times, has drawn on its expansive information collection authorities to follow market trends and establish expertise on industry practices. For example, in the 1970s the FTC ordered over 450 of the country’s largest firms to report certain financial information. The Commission used this data to identify uncompetitive areas of the economy and to guide industrywide investigations into potential antitrust violations.33 More recently, the FTC has used this § 6(b) authority to study the business practices of patent assertion entities and data brokers, as well as the efficacy of the FTC’s merger remedies.34

As a whole, however, the Commission has fulfilled its mandate to promote competition by functioning less as an expert agency and more as a generalist enforcer and adjudicator.35 This is not to say the agency lacks expertise; indeed, the Commission’s work with particular markets has provided indispensable insights into the marketplace. But, on competition matters, the agency has rarely used this expertise to affirmatively identify what conduct or practices constitute an “unfair method of competition.” Instead, the Commission has sought to define “unfair methods of competition” on a case-by-case basis.

Former Commissioner Wright and Jan Rybnicek have observed that relying exclusively upon adjudication has “thus far proved incapable of generating any meaningful guidance as to what constitutes an unfair method of competition,” resulting in a “boundless standard.”36 They have described this “failure to identify what precisely comprises an unfair method of competition” as “an unfortunate and persistent black mark on the Commission’s record.”37

We agree that relying solely on adjudication to define the substance of § 5 has generated persistent ambiguity. However, relying on courtroom battles to create precedents that set expectations for the marketplace is not the only vehicle through which the Commission can establish what conduct constitutes an “unfair method of competition.” The Commission has in its arsenal a far more effective tool that would provide greater notice to the marketplace and that is developed through a more transparent and participatory process: rulemaking. Through engaging in rulemaking, the Commission could define “unfair methods of competition” through processes established by the Administrative Procedure Act38 (APA).3

There is an enormous body of literature on the choice between adjudication and rulemaking, and this Essay does not seek to fully address the various trade-offs.40 Instead, our goal is to reflect on the current state of antitrust enforcement and consider ways to address the ambiguity, burdens, and democratic deficiency that we discuss above.

“Rulemaking” often evokes the idea of government imposing some inflexible prescription upon the marketplace. This is not what we are suggesting. As former Commissioner Elman rightly noted, rulemaking can also be related to “standards, guidelines, pointers, criteria, or presumptions.”41 Rules come from courts, legislative bodies, and agencies. While they were not promulgated as agency rules, certain elements of the merger guidelines eventually came to serve as rules once courts adopted them.42 The merger guidelines stipulate the analytical framework that the agencies rely on to enforce the merger law. Agency rulemaking could do the same for “unfair methods of competition.”

We see three major benefits to the FTC engaging in rulemaking under “unfair methods of competition,” even if the conduct could be condemned under other aspects of antitrust laws. As we describe above, the current approach generates ambiguity, is unduly burdensome, and suffers from a democratic participation deficit. Rulemaking can benefit the marketplace and the public on all of these fronts.

First, rulemaking would enable the Commission to issue clear rules to give market participants sufficient notice about what the law is, helping ensure that enforcement is predictable.43 The APA requires agencies engaging in rulemaking to provide the public with adequate notice of a proposed rule. The notice must include the substance of the rule, the legal authority under which the agency has proposed the rule, and the date the rule will come into effect.44 An agency must publish the final rule in the Federal Register at least thirty days before the rule becomes effective.45

These procedural requirements promote clear rules and provide clear notice. As the Supreme Court has stated, a “fundamental principle in our legal system is that laws which regulate persons or entities must give fair notice of conduct that is forbidden or required.”46 Clear rules also help deliver consistent enforcement and predictable results. Reducing ambiguity about what the law is will enable market participants to channel their resources and behavior more productively and will allow market entrants and entrepreneurs to compete on more of a level playing field.

Second, establishing rules could help relieve antitrust enforcement of steep costs and prolonged trials. Identifying ex ante what types of conduct constitute “unfair method[s] of competition” would obviate the need to establish the same exclusively through ex post, case-by-case adjudication. Targeting conduct through rulemaking, rather than adjudication, would likely lessen the burden of expert fees or protracted litigation, potentially saving significant resources on a present-value basis.47

Moreover, establishing a rule through APA rulemaking can be faster than litigating multiple cases on a similar subject matter. For taxpayers and market participants, the present value of net benefits through the promulgation of a clear rule that reduces the need for litigation is higher than pursuing multiple, protracted matters through litigation. At the same time, rulemaking is not so fast that it surprises market participants. Establishing a rule through participatory rulemaking can often be far more efficient. This is particularly important in the context of declining government enforcement relative to economic activity, as documented by the ABA.48

And third, rulemaking would enable the Commission to establish rules through a transparent and participatory process, ensuring that everyone who may be affected by a new rule has the opportunity to weigh in on it, granting the rule greater legitimacy.49 APA procedures require that an agency provide the public with meaningful opportunity to comment on the rule’s content through the submission of written “data, views, or arguments.”50 The agency must then consider and address all submitted comments before issuing the final rule. If an agency adopts a rule without observing these procedures, a court may strike down the rule.51

This process is far more participatory than adjudication. Unlike judges, who are confined to the trial record when developing precedent-setting rules and standards, the Commission can put forth rules after considering a comprehensive set of information and analysis.52 Notably, this would also allow the FTC to draw on its own informational advantage—namely, its ability to collect and aggregate information and to study market trends and industry practices over the long term and outside the context of litigation.53 Drawing on this expertise to develop rules will help antitrust enforcement and policymaking better reflect empirical realities and better keep pace with evolving business practices.

#### There are no neatly bounded ways to capture all dimensions platform power – delegating rulemaking authority to an expert agency allows separations regimes to match market realities.

Khan ’19 [Lina; Chairperson @ Federal Trade Commission, JD @ Yale Law School; “The Separations of Platforms and Commerce,” *Columbia Law Review* 119(4), p. 973-1098; AS]

D. Application: Challenges and Unresolved Questions

Implementing a separations regime presents some first-order questions and challenges. First, how do we define platforms and to which platforms should a separation apply? Second, how does one identify the parameters of the platform, especially when integration provides heightened functionality? Third, what should be the scope of the prohibited activity and how should the prohibition be structured? And fourth, what is the proper institutional mechanism for implementing the separation? This section offers some initial suggestions for how to approach these questions. Arriving at a complete analytical framework for structuring separations in digital markets will require deeper engagement with these issues.

1. Defining Platform. — Offering a clearly bounded definition of “platform” is challenging. Most definitions look to the role that the entity plays in intermediating activity by others. One definition, for example, is “a firm that controls a network, facility, or essential input that those providing a complementary good or service” must “rely on.”635 Another set of definitions focuses on the infrastructure-like role that these firms play, by structuring access to markets or facilitating transactions.636 And some discussions use the terms “network,” “infrastructure,” and “platform” interchangeably.637

Recent studies by policymakers have also settled on the idea that dominant platforms play a unique role that regulators should recognize. In March, the Digital Competition Expert Panel—a panel convened by the U.K. government to study digital markets—issued a report proposing, among other ideas, that dominant platforms that enjoy a “powerful negotiating position” be designated as having a “strategic market status” and be required to abide by a special code of conduct.638 A report commissioned by the European Commission, meanwhile, noted that, by designing marketplace rules that govern millions of users, dominant platforms “function as regulators” that should face a special responsibility to “ensure a level playing field” on their marketplace and “not use [their] rule-setting power to determine the outcome of competition.”639 Given the challenge of offering a bounded definition of “dominant platform,” any definition will likely be under- or over-inclusive. But any definition should seek to capture the degree of market power that the platform enjoys over users.640 How essential is the platform’s infrastructure? To what degree do other businesses depend on the platform to reach users, and what is the cost to businesses of avoiding this platform and using alternative channels? Relevant factors could include: (1) the extent to which the entity serves as a central exchange or marketplace for the transaction of goods and services, including the level of market power that it enjoys in its platform market; (2) the extent to which the entity is essential for downstream productive uses, and whether downstream users have access to viable substitutes for the entity’s services; (3) the extent to which the entity derives value from network effects, and the type of network effects at play; (4) the extent to which the entity serves as infrastructure for customizable applications by independent parties; and (5) the size, scope, scale, and interconnection of the company.

There are no neatly bounded ways to capture these dimensions of platform power. When implementing “maximum separation,” the FCC initially used operating revenue as the criterion for determining which carriers must comply.641 In the context of digital platforms, market share may prove a better proxy than operating revenues, given that it is the platform’s role as a gatekeeper or bottleneck—for which there are no real adequate substitutes—that gives rise to the relevant harms.

The prohibition should be centered on the activities that the platform facilitates as a bottleneck. Since a key goal of the separations regime is to eliminate the conflict of interest that arises when a dominant platform directly competes with the firms using the platform,642 only activity that would place platforms in direct competition in this way would be subject to the prohibition. This would not prevent platforms from integrating into lines of business that do not rely on the platform market. Nor would such a separations regime target conglomeration or vertical integration categorically; it would instead focus on platform entry into markets that creates the ability and incentive to discriminate, to leverage dominance, and to use information collected on firms as customers against them as competitors.

2. Distinguishing Between Platform and Commerce. — Applying separations to digital platforms would likely raise the challenge of identifying what constitute distinct products or services. In Microsoft, for example, the court had to determine whether the operating system and the browser—the two products the government claimed Microsoft had “tied”—should be considered a single integrated system.643 Microsoft argued that bundling new functionality into old products was a basic component of technological evolution.644 A similar issue may arise with digital platforms: Android, for example, could claim that certain apps must be integrated with its operating system in order to provide basic functionality or for technical necessity.

The traditional metric for assessing whether a set of bundled products constitute separate products is consumer demand. In Microsoft, the D.C. Circuit relied on Jefferson Parish’s consumer-demand test to determine whether consumers preferred a choice in browsers.645 Applying a similar inquiry in the platform context could similarly help identify whether integration of distinct functionalities should be viewed as an integrated system or as a platform. Regulators would also have the capacity to determine, over time, whether certain apps or features were necessary for basic functionality and whether the benefits of integration were sufficiently high to offset any potential harms to innovation. There may also be specific apps or functionalities where innovation is less likely to be transformative, and therefore where integration may prove fewer risks. As with earlier regimes, periodic reassessment and revisions would prove necessary to ensure the separation continued to accord with and reflect evolving market realities.

3. Institutional Mechanism and Timing. — A separations regime separating platforms and commerce could be implemented through statute or rulemaking or as antitrust remedies (under existing or new antitrust law). A statute from Congress could also establish the principle of separating platforms from commerce—as was the case with banking— with the specific authority to design and implement separations delegated to an agency. This approach would benefit from having an expert agency design and revisit the separation. Absent new legislation, the FTC could use its Section 5 authority to implement a separations principle through rulemaking.646 Designing separations only through rulemaking would require the agency to create rules of general applicability and— absent a specific congressional mandate—could limit the agency’s ability to structure highly tailored separations. Antitrust remedies would be costlier and take significantly longer, requiring the government or a private party to successfully show anticompetitive conduct and effects stemming from a digital platform’s involvement in multiple markets.

Given the enfeebling of antitrust doctrines that police single-firm anticompetitive conduct—and the judicial requirement that remedies be carefully tailored to competitive harm—this path is likely to be significantly more challenging.647 Previous instances of structural separations offer a few models for structuring these prohibitions. An operational or functional separation requires the firm to create separate divisions within the firm, requiring that a platform wishing to engage in commerce may do so only through a separate and independent affiliate, which the platform may not favor in any manner. A full structural separation, by contrast, requires that the platform activity and commercial activity be undertaken through separate corporations with distinct ownership and management. For example, the functional approach would permit Alphabet to operate Google search and vertical services that produce content so long as the two complementary services are structured as separate affiliates. The second option would prohibit Alphabet from running both the platform service and the complementary service, requiring that one be spun off and run by an independent owner.

It’s not clear that anything short of a full structural separation would be sufficient, especially given the risks of information misappropriation. While running complementary services as affiliates could be accompanied by information firewalls, the efficacy of firewalls requires close monitoring.648 Evidence shows that the antitrust agencies have neglected to fully monitor and enforce conduct remedies in the past.649 Moreover, firewalls may prove especially difficult to monitor in the context of digital platforms, given the heightened information asymmetries between private platform firms and public enforcers. It is possible that the risk of information misappropriation may vary by platform—but dominant platforms should carry the burden of establishing why operating complementary services as affiliates would not be anticompetitive.

Finally, a basic challenge facing regulators and enforcers when dealing with high-tech industries is the role of timing. Because these markets can evolve quickly, market changes can render regulatory interventions obsolete.650 Similarly, the failure to intervene can leave exclusionary conduct unchecked, resulting in path-dependent reductions in innovation. Any subsequent attempt to impose separations should include a built-in review process every two to three years, to ensure that the remedy still matches the market conditions.65

#### Start-up innovation creates the conditions for post-pandemic growth – competition generates a virtuous cycle of innovation and investment that locks in productivity gains.

Manyika ’21 [James; Chair and Director @ McKinsey Global Institute; and Michael Spence; Philip H. Knight Professor and Dean Emeritus @ Stanford University's Graduate School of Business; “A Better Boom: How to Capture the Pandemic's Productivity Potential,” *Foreign Affairs* 100(4), p. 107-117; AS]

Surprising as it may seem, out of the deepest economic crisis since World War II could come a new era of productivity gains and prosperity. Whether that happens will depend largely on the decisions that governments and businesses make as they prepare to exit the pandemic in the coming months. In the short and medium term, the prospects for increased productivity-and prosperity-are encourag2 ing, as the United States and other countries spend heavily on economic recovery and businesses reap the benefits of digitization. But the outlook is less optimistic over the long term, since governments cannot spend indefinitely and consumer and investment spending may not fill the gap.

Governments and businesses must therefore seek to create the conditions for sustained productivity growth and prosperity, in particular by facilitating the diffusion of technological and organizational innovations and bolstering consumer demand. Out of a major global crisis could come a major jolt of productivity growth-but only if policymakers and business leaders make the most of this moment.

THE PRODUCTIVITY PARADOX

The history of productivity growth can be understood as a succession of technological revolutions, from the steam engine to the computer. Each offered the promise of accelerated productivity and economic growth, and each eventually delivered. But there has often been a delay between innovation and adoption, and another between adoption and economic impact. The economist Robert Solow summed up these apparent discrepancies in a 1987 article in The New York Times Book Review, writing, "You can see the computer age everywhere but in the productivity statistics." His formulation became known as "the Solow paradox."

But then came the revolution in information and communication technologies between 1995 and 2005, a decade in which the Solow paradox was temporarily resolved. Widespread adoption of these technologies was accompanied by a simultaneous acceleration in productivity, which grew at an annualized rate of 2.5 percent in the United States, a full percentage point faster than the rate between 1970 and 1995. Companies invested heavily in information and communication technologies and reorganized their operations and managerial practices around them. They did so out of the desire to gain a competitive edge, but also because of relatively robust consumer demand for their products.

Productivity growth accelerated in several sectors as a result, driving growth in the U.S. economy as a whole. This period was characterized by an unusual combination of large spurts in productivity growth in a few big sectors employing many workers, such as retail and wholesale, and even larger productivity growth in smaller sectors, such as those that produced computers and electronic products. In both bi and small sectors, there was a virtuous cycle of employment growth to meet demand and even faster growth in the value of the output from these sectors. The value of outputs across all sectors of the economy grew by 3.4 percent per year between 1995 and 2005, whereas the total number of hours worked grew by only 0.9 percent per year.

But the boom did not last. Between 2005 and 2019, annual productivity growth in the United States fell by more than half, to 1.0 percent. In the aftermath of the 2008 global financial crisis, from 2010 to 2019, it was even lower, at 0.6 percent. Unlike the United States, z European countries had not experienced rapid productivity gains in the 1995-2005 period, but they did experience the postcrisis decline. r Between 2010 and 2019, annual productivity growth fell below one percent in France, Germany, and the United Kingdom.

The Solow paradox was back. After a decade of rapid productivity gains, the information technology revolution had reached a point of diminishing returns. But the next wave of technology-the digitization of processes, big data and analytics, cloud computing, the Internet of Things-was not yet ready to fill the gap. Despite early breakthroughs in image recognition and natural language processing, few firms had begun to make use of artificial intelligence technologies, and digitization was proceeding slowly. We estimated, based on a sector-by sector assessment, that in 2015, the United States had reached only 18 percent of its digital potential and Europe had reached only 12 percent. Moreover, a gap had opened up between the firms that were digital leaders and those that were digital laggards-a gap that other researchers found was correlated with a gap in labor productivity.

This gap in technology adoption was widening at a time of weak consumer demand for goods and services, in large part due to the aftereffects of the financial crisis. Firms scaled back their investments, and fewer new businesses were created. Making matters worse, the share of income that flowed to top earners and the owners of capital increased, while the share that went to labor decreased, further weakening demand.

Across the United States and Europe, the vast majority of sectors experienced declines in productivity growth. Only four percent of all sectors recorded productivity jumps in 2014, compared with an average of 18 percent of sectors that achieved substantial increases in productivity in the previous two decades. Growth in gross value added-a measure of a firm's or a sector's contribution to GDP-declined from 3.4 percent annually between 1995 and 2005 to 1.8 percent between 2005 and 2019. Growth in hours worked remained roughly unchanged, at 0.7 percent, throughout both periods.

These two very different periods of economic activity in the United States reveal much about the underpinnings of productivity growth. It stems first and foremost from the widespread adoption of technological innovations, especially general-purpose technologies such as electricity and the Internet. But it also stems from the managerial innovation and reorganization of functions and tasks that occur when firms adopt new technologies. Both of these processes must spur leaps in productivity growth in many sectors, or at least in a few large ones, so that productivity jumps in the economy as a whole. Finally, adoption and reorganization within and across sectors must be driven by competition, which incentivizes firms to innovate and helps spur technological diffusion.

Not all productivity growth is created equal, however. Productivity growth can be achieved through gains in the volume or value of outputs for a given number of hours worked, or it can come about as a result of a reduction in hours worked for a given output. Often both happen at the same time. But it is when the former exceeds the latter that a virtuous cycle is created in which innovation and investment generate growth in employment and wages, which in turn generates demand for increased (or more valuable) output. This is what happened during the period from 1995 to 2005. When the latter source of productivity growth exceeds the former, however, a vicious cycle results in which firms reduce labor costs faster than they grow the volume or value of their outputs, which in turn puts pressure on employment and incomes.

POST-PANDEMIC POTENTIAL

The pandemic has primed advanced economies for another period of rapid productivity growth. It is too early to say for sure whether such growth will be the product of a virtuous or a vicious cycle, but signs point to the former. Despite uncertainty, stress, and plummeting economic activity in the early days of the covID-19 crisis, many firms boldly deployed and used new general-purpose technology-especially digital technology-in ways that have driven virtuous productivity gains in the past. In October 2020, we surveyed 900 C-suite executives in various sectors and countries and found that many had digitized their business activities 20 to 25 times as fast as they had previously thought possible. Often, this meant shifting their businesses to online channels, since roughly 60 percent of the firms we surveyed experienced a significant increase in customer demand for online goods and services as a result of the pandemic.

Before the pandemic, e-commerce was forecast to account for less than a quarter of all U.S. retail sales by 2024. But during the first two months of the covID-19 crisis, e-commerce's share of retail sales more than doubled, from 16 percent to 33 percent. And that growth did not just reflect brick-and-mortar firms setting up shop online for the first time. Firms that were already highly digitized before the pandemic significantly expanded their online capabilities to meet the surge in demand. They also reorganized their operations, including their logistics, to complement what they were doing digitally-for example, by expanding their direct-to-home delivery capabilities.

Businesses also strove to become more efficient and agile. In Europe and North America, nearly half of the respondents to our survey said that they had reduced their operating expenditure as a share of revenue between December 2019 and December 2020. Two-thirds of senior executives said they had increased investment in automation and artificial intelligence, whether to help warehouse and logistics operations cope with higher e-commerce volumes or to enable manufacturing plants to meet surging demand. Many companies used technology to reduce the physical density of their workplaces or to enable contactless service-for instance, by expanding self-checkout in grocery stores and pharmacies and employing online ordering apps for restaurants and hotels. Other businesses, such as meatpacking and poultry plants, accelerated the deployment of robotics to reduce their need for labor. If there was one lesson from the pandemic, it was that digital capability and resilience go hand in hand.

But even as the arrival of vaccines has made it possible to imagine a return to relative normalcy in parts of the developed world, continued digitization and the adoption of other technological innovations promise to deliver still more productivity gains. The largest of these gains-roughly an additional two percentage points per year-could come in the health-care, construction, information technology, retail, pharmaceutical, and banking sectors. In health care, for instance, accelerating the use of telemedicine beyond the pandemic could drive incremental productivity growth for years. According to one recent U.S. poll, 76 percent of patients expressed interest in using telemedicine in the future, and industry experts project that the services for 20 percent of health-care spending could be delivered virtually-up from 11 percent before the pandemic. Other sectors, including automotive, travel, and logistics, show less-but still substantial-potential for productivity growth as a result of more flexible task scheduling, leaner operations, and smarter procurement.

Overall, these innovations and organizational changes could accelerate productivity growth by around one percentage point per year between now and 2024 in the United States and the six large European economies that we analyzed (France, Germany, Italy, Spain Sweden, and the United Kingdom). This gain would result in a productivity growth rate twice as high as the rate after the 2008 global financial crisis, and in the United States, it would expand per capita GDP by roughly $3,500 by 2024. That would be a stunning outcome, but it will hinge on continued technology adoption by firms and the maintenance of robust demand.

Even more productivity gains could be on the horizon thanks to other advancements. The accelerating revolution in biology, for instance, could transform sectors from health care and agriculture to consumer goods, energy, and materials. Biological innovation has already enabled the rapid development of new vaccines for covID-19. Equally impressive revolutions in energy could make possible the widespread adoption of solar and wind power, especially in light of recent progress toward better (and cheaper) batteries. Artificial intelligence is also advancing rapidly, but is still a long way from being deployed widely across companies and sectors. When and if that happens, the productivity gains could be enormous.

FOLLOW THE DIGITAL LEADER

Future gains in productivity, even those that boost overall growth, are likely to be uneven. We analyzed metrics that have the potential to unleash future productivity growth-such as research-and-development spending, revenue, capital expenditures (including digital expenses), and mergers and acquisitions-and found that especially in the United States, a small number of large superstar firms accounted for a disproportionately large share of the activity in all these categories. From the third quarter of 2019 to the third quarter of 2020, U.S. superstars (defined as the top ten percent of firms by profit) saw much shallower declines in capital expenditures and revenue than did other companies. During the same period, U.S. superstars spent $2.6 billion more on R & D than they did the previous year, while all other firms spent just $1.4 billion more.

If this investment, innovation, and technology adoption gap between superstars and the rest of the large firms and smaller, less profitable firms persists, any post-pandemic acceleration in productivity growth could fall short of its potential. Small and mediumsized enterprises have been hit disproportionately hard by the covID-19 crisis. As a result, many of them are unable to make big investments in future productivity and are therefore liable to fall even further behind the superstars. This is what happened in the aftermath of the 2008 global financial crisis, when only a minority of companies achieved productivity growth.

But there is room for cautious optimism about the ability of nonsuperstars to close some of the gap. Before the pandemic, the superstars tended to be highly digitized and innovative in their managerial approaches, as well as more profitable and resilient. They were therefore better placed to weather and even take advantage of the shock. But as the hardest-hit firms and sectors recover, and as early digital adaptors demonstrate the enormous potential of these technologies, many of the digital laggards could begin to catch up. Indeed, in another survey of executives we conducted in December 2020, about 75 percent of respondents in North America and Europe said they expected investment in new technologies to accelerate substantially between 2020 and 2024, up from 55 percent between 2014 and 2019. This expected uptick was similar across firm sizes.

Another reason for optimism is that in 2020, a year that saw the darkest economic days of the pandemic, 24 percent more new businesses were created in the United States than in 2019. Europe lagged behind the United States on this metric, with new business creation staying roughly flat in 2020 in France, Germany, and the United Kingdom and declining by more than 15 percent in Italy and Spain. If the American increase in business dynamism persists, however, it should contribute to more productivity growth.

Investment, innovation, and technology adoption are only one-half of the virtuous cycle of productivity growth, however. The other half is demand for the expanded output that results-in other words, income growth from increased productivity has to flow to people who will spend that additional money. In the short term, the outlook for demand is good, especially for countries that have made progress toward vaccinating their populations and could be among the first to open up their economies. Pent-up demand and savings from the pandemic could be unleashed all at once, resulting in a strong initial bounce in demand led by consumers. In the United States, President Joe Biden's $1.9 trillion economic support bill should push demand even higher.

In the medium term, the outlook for demand is also relatively solid, although it will depend on the size, deployment, and longevity of government spending. In the United States, Biden now has set his sights on a large infrastructure package. As his administration shifts its focus from economic relief to investment in productive areas, it could also increase productivity growth by raising demand to match potential supply, creating a high-pressure economy, that is, one with low unemployment and high growth. The outlook in continental Europe, where large-scale government economic support is harder to coordinate, is less certain. Nonetheless, the EU has put in place an unprecedented plan totaling some $900 billion to boost investment in the digital and green energy transitions.

But government spending on this scale will likely be time-limited, making the long-term outlook for demand less rosy. Moreover, long neglected problems, including the falling share of firms' income going to workers, rising inequality, and the long-term decline in private investment, could drag down demand. Roughly 60 percent of the postpandemic productivity gains that we estimate could come from innovations and organizational restructuring-the one percentage point of acceleration per year between now and 2024-would stem from firm-level measures, such as automation, designed to cut labor and other business costs. Unless firms do more to boost the volume or value of their output and help workers transition by acquiring new skills, the drive for efficiency will risk generating productivity gains through a vicious, rather than a virtuous, cycle, undermining wages and jobs and weakening consumption-driven demand and investment.

A NEW AGE OF DYNAMISM?

What can businesses and governments do to capitalize on the positive short- and medium-term outlook for productivity and to improve the long-term outlook? First, they should work to speed up technology adoption and managerial innovation, helping these changes spread within and across sectors. As the recovery begins, firms that have until recently been focused on crisis management and survival should follow the lead of superstar firms by investing in technology and reorganization. The superstars can assist in this process by supporting their broader ecosystems, in particular by doing business with smaller firms that offer complementary products and services. Governments can support the process, as well, by investing in research and development.

Policymakers should also seek to strengthen competition and business dynamism. In a healthy economy, the firms that add the most value prosper and grow, while the firms that add the least value shrink or disappear: so-called creative destruction. Policymakers can revive and reinforce this natural sorting process by revising competition rules, bankruptcy procedures, and product and labor-market regulations.

#### Incremental innovation by incumbents makes markets less dynamic and means ROI will soon equate the cost of capital – the plan ignites a gale of creative destruction to induce drastic innovation.

Rizzo ’21 [Andrea Minuto; Head of International Affairs @ Italian Competition Authority; “Digital Mergers: Evidence from the Venture Capital Industry Suggests That Antitrust Intervention Might Be Needed,” *Journal of European Competition Law & Practice* 12(1); AS]

In recent years, a debate about the possible existence of a kill zone around technology incumbents has gone beyond venture capital circles to involve a broader audience.33 In the kill zone, incumbents allegedly have both the ability and the incentive to foreclose promising potential competitors. Their position allows them to collect large amounts of data and to identify emerging trends early and to react to them, whether by adopting aggressive exclusionary practices to protect their core market or by pre-emptive acquisitions of innovative start-ups at generous multiples.34 Exclusionary conduct and acquisitions may actually be complementary strategies, rather than substitutive ones, as the former may allow the incumbent to reduce the acquisition price.35

Despite the growing concern that the possible existence of a kill zone might negatively impact innovation, the venture capital industry itself has diverse views about the need to increase antitrust scrutiny against large digital incumbents changing the current approach to M&As. In particular, among the venture capitalists that have actively engaged with US antitrust enforcers36, even those that acknowledge the existence of a problem at the same time express their fears for the possible unintended consequences of changes introduced with the best of intentions.

Tackling incentives to innovate in the digital sector represents a multifaceted phenomenon, where the opposing sides are nevertheless part of the same coin. On one hand, venture capital has so far greatly contributed to the transformation of high-risk start-ups into fully fledged independent companies, participating in the creation of the most valuable public companies globally. Moreover, start-ups benefit in many ways from the ecosystems created by large technology incumbents, among others, by using their platforms as effective distribution channels.

Furthermore, the incumbents might simply offer a better product or service. On the other hand, however, there seems to be evidence, on the investment side, highlighting a possible reduction of venture-backed start-ups operating in the same space where digital incumbents are active. As stated during these debates ‘funds have a limited size and they have to allocate capital and they would much rather pursue a market that has tailwinds behind it as opposed to a market that has matured and that has deep entrenched incumbents’.37 In markets dominated by incumbents, ‘(... ) start-ups building superior products (... ) may also find it difficult to secure VC investment’.38

In addition, some venture capitalists have expressed their views that competition to digital incumbents might likely arise from adjacent markets. A ‘viral’ success in a separate vertical could, as it grows, spill into the core market of a dominant player. These adjacent markets might be an area where antitrust agencies could focus more.

Some of the evidence described in the previous section is consistent with the existence of reduced first-time venture-backed funding in markets dominated by digital incumbents. Despite the evidence still being limited, it nevertheless provides suggestive food for thought and should trigger more detailed research on this complex topic. First of all, the existence and the magnitude of this reduction have to be further verified, for example, through a precise identification of the companies actually competing in the same space of digital incumbents and their evolution. The second step should then verify the existence of a causal link between the alleged aggressive behaviour of the incumbents in the kill zone and the reduction of venture capital financings, especially in the early stages of start-ups.

This reduction might, indeed, not necessarily pertain to the antitrust domain as it could stem from changing requirements of start-ups themselves as their technological and commercial needs evolve. The widespread ‘blitzscaling’ 39 strategy—where start-ups enter a digital niche with a narrow focus then gradually expanding—has been made possible by developments—such as the advent of smartphones, social media and cloud computing40—that allow for global reach and scalability41 at almost no initial technological cost, while marketing and human capital budgets may be on the rise at successive stages of the start-ups’ development.42

Moreover, changes have taken place also in the investment industry landscape through an expansion of the types of capital provided. Among others, non-traditional newer investors and sovereign wealth funds have invested in later-stage companies.43 Lastly, as for the exits through a sale, generous acquisitions might, as well, reflect prospective efficiencies deriving from the synergies between the acquirer and the acquired start-up.

However, the evidence thus far collected does suggest that current digital incumbents face very little threat of entry. Competition for the market dynamics are not necessarily symptomatic of the presence of the exploitation of market power, provided that incumbents still face, actual or potential, competitive pressures and could be substituted by a more efficient rival.44 What is needed is not just incremental innovation, but the drastic innovation that makes market leadership highly contestable. This is especially true for technology markets, where, as stated by Google itself, ‘changes tend to be revolutionary, not evolutionary’.45

Some recent studies and antitrust agency reports suggest that digital markets are becoming progressively less dynamic. Among others, the UK’s Digital Competition Expert Panel (UK Report46) observes that competition for the market does not appear to be able to solve competition issues linked to winner-take-all outcomes, as the next technological revolution is likely to focus on data that existing firms control to a large extent and that successful new entrants are generally acquired by incumbents. Moreover, Organisation for Economic Co-operation and Development (OECD) research suggests that, in digital-intensive sectors, mark-ups are increasingly higher47 while the decline in business dynamism occurs faster than in other sectors of the economy.48

As highlighted by the Stigler report49, key players in the digital industry remained the same over the last two technology waves, staying dominant through the shift to mobile and the rise of artificial intelligence, without significant impact on market share or profit margins.

Lastly, worrying evidence emerges also from the application of profitability analysis to digital incumbents. High profits substantially and persistently above the cost of capital 50 could signal that the market is not functioning properly, as in the long term, return on investment should equal the cost of capital. In that regard, the UK’s Competition and Markets Authority (CMA) has found, in the context of the sector enquiry into online platforms and digital advertising51, that the return on capital employed (ROCE) of Google and Facebook has been well above any reasonable estimate of a competitive benchmark for many years. In 2018, the estimated cost of capital for both Google and Facebook was around 9%, compared to actual returns on capital of over 40% for Google and around 50% for Facebook. Even though these results have to be interpreted with caution52, they seem to indicate that digital platforms are not facing the threat of entry and this evidence is consistent with the actual exploitation of market power.

Schumpeter 53 highlighted the prospect of new competition and innovation as incessantly playing a key role in fostering dynamic competition and economic efficiency. The evidence so far described may indicate that this impulse for creative destruction is fading in digital market.

#### Slow growth causes extinction.

Oppenheimer ’21 [Michael; Clinical Professor in Center for Global Affairs @ New York University, Senior Consulting Fellow @ Scenario Planning at the International Institute for Strategic Studies, Former Executive Vice President @ The Futures Group, Member @ Council on Foreign Relations, Member in the Foreign Policy Roundtable @ Carnegie Council on Ethics and International Affairs, Member @ The American Council on Germany; “The Turbulent Future of International Relations,” in *The Future of Global Affairs: Managing Discontinuity, Disruption and Destruction*, p. 23-43]

Four structural forces will shape the future of International Relations: globalization (but without liberal rules, institutions, and leadership)1; multipolarity (the end of American hegemony and wider distribution of power among states and non-states2); the strengthening of distinctive, national and subnational identities, as persistent cultural differences are accentuated by the disruptive effects of Western style globalization (what Samuel Huntington called the “non-westernization of IR”3); and secular economic stagnation, a product of longer term global decline in birth rates combined with aging populations.4 These structural forces do not determine everything. Environmental events, global health challenges, internal political developments, policy mistakes, technology breakthroughs or failures, will intersect with structure to define our future. But these four structural forces will impact the way states behave, in the capacity of great powers to manage their differences, and to act collectively to settle, rather than exploit, the inevitable shocks of the next decade.

Some of these structural forces could be managed to promote prosperity and avoid war. Multipolarity (inherently more prone to conflict than other configurations of power, given coordination problems)5 plus globalization can work in a world of prosperity, convergent values, and effective conflict management. The Congress of Vienna system achieved relative peace in Europe over a hundred-year period through informal cooperation among multiple states sharing a fear of populist revolution. It ended decisively in 1914. Contemporary neoliberal institutionalists, such as John Ikenberry, accept multipolarity as our likely future, but are confident that globalization with liberal characteristics can be sustained without American hegemony, arguing that liberal values and practices have been fully accepted by states, global institutions, and private actors as imperative for growth and political legitimacy.6 Divergent values plus multipolarity can work, though at significantly lower levels of economic growth-in an autarchic world of isolated units, a world envisioned by the advocates of decoupling, including the current American president.7 Divergent values plus globalization can be managed by hegemonic power, exemplified by the decade of the 1990s, when the Washington Consensus, imposed by American leverage exerted through the IMF and other U.S. dominated institutions, overrode national differences, but with real costs to those states undergoing “structural adjustment programs,”8 and ultimately at the cost of global growth, as states—especially in Asia—increased their savings to self insure against future financial crises.9

But all four forces operating simultaneously will produce a future of increasing internal polarization and cross border conflict, diminished economic growth and poverty alleviation, weakened global institutions and norms of behavior, and reduced collective capacity to confront emerging challenges of global warming, accelerating technology change, nuclear weapons innovation and proliferation. As in any effective scenario, this future is clearly visible to any keen observer. We have only to abolish wishful thinking and believe our own eyes.10

Secular Stagnation

This unbrave new world has been emerging for some time, as US power has declined relative to other states, especially China, global liberalism has failed to deliver on its promises, and totalitarian capitalism has proven effective in leveraging globalization for economic growth and political legitimacy while exploiting technology and the state’s coercive powers to maintain internal political control. But this new era was jumpstarted by the world financial crisis of 2007, which revealed the bankruptcy of unregulated market capitalism, weakened faith in US leadership, exacerbated economic deprivation and inequality around the world, ignited growing populism, and undermined international liberal institutions. The skewed distribution of wealth experienced in most developed countries, politically tolerated in periods of growth, became intolerable as growth rates declined. A combination of aging populations, accelerating technology, and global populism/nationalism promises to make this growth decline very difficult to reverse. What Larry Summers and other international political economists have come to call “secular stagnation” increases the likelihood that illiberal globalization, multipolarity, and rising nationalism will define our future. Summers11 has argued that the world is entering a long period of diminishing economic growth. He suggests that secular stagnation “may be the defining macroeconomic challenge of our times.” Julius Probst, in his recent assessment of Summers’ ideas, explains:

…rich countries are ageing as birth rates decline and people live longer. This has pushed down real interest rates because investors think these trends will mean they will make lower returns from investing in future, making them more willing to accept a lower return on government debt as a result.

Other factors that make investors similarly pessimistic include rising global inequality and the slowdown in productivity growth…

This decline in real interest rates matters because economists believe that to overcome an economic downturn, a central bank must drive down the real interest rate to a certain level to encourage more spending and investment… Because real interest rates are so low, Summers and his supporters believe that the rate required to reach full employment is so far into negative territory that it is effectively impossible.

…in the long run, more immigration might be a vital part of curing secular stagnation. Summers also heavily prescribes increased government spending, arguing that it might actually be more prudent than cutting back – especially if the money is spent on infrastructure, education and research and development.

Of course, governments in Europe and the US are instead trying to shut their doors to migrants. And austerity policies have taken their toll on infrastructure and public research. This looks set to ensure that the next recession will be particularly nasty when it comes… Unless governments change course radically, we could be in for a sobering period ahead.12

The rise of nationalism/populism is both cause and effect of this economic outlook. Lower growth will make every aspect of the liberal order more difficult to resuscitate post-Trump. Domestic politics will become more polarized and dysfunctional, as competition for diminishing resources intensifies. International collaboration, ad hoc or through institutions, will become politically toxic. Protectionism, in its multiple forms, will make economic recovery from “secular stagnation” a heavy lift, and the liberal hegemonic leadership and strong institutions that limited the damage of previous downturns, will be unavailable. A clear demonstration of this negative feedback loop is the economic damage being inflicted on the world by Trump’s trade war with China, which— despite the so-called phase one agreement—has predictably escalated from negotiating tactic to imbedded reality, with no end in sight. In a world already suffering from inadequate investment, the uncertainties generated by this confrontation will further curb the investments essential for future growth. Another demonstration of the intersection of structural forces is how populist-motivated controls on immigration (always a weakness in the hyper-globalization narrative) deprives developed countries of Summers’ recommended policy response to secular stagnation, which in a more open world would be a win-win for rich and poor countries alike, increasing wage rates and remittance revenues for the developing countries, replenishing the labor supply for rich countries experiencing low birth rates.

Illiberal Globalization

Economic weakness and rising nationalism (along with multipolarity) will not end globalization, but will profoundly alter its character and greatly reduce its economic and political benefits. Liberal global institutions, under American hegemony, have served multiple purposes, enabling states to improve the quality of international relations and more fully satisfy the needs of their citizens, and provide companies with the legal and institutional stability necessary to manage the inherent risks of global investment. But under present and future conditions these institutions will become the battlegrounds—and the victims—of geopolitical competition. The Trump Administration’s frontal attack on multilateralism is but the final nail in the coffin of the Bretton Woods system in trade and finance, which has been in slow but accelerating decline since the end of the Cold War. Future American leadership may embrace renewed collaboration in global trade and finance, macroeconomic management, environmental sustainability and the like, but repairing the damage requires the heroic assumption that America’s own identity has not been fundamentally altered by the Trump era (four years or eight matters here), and by the internal and global forces that enabled his rise. The fact will remain that a sizeable portion of the American electorate, and a monolithically proTrump Republican Party, is committed to an illiberal future. And even if the effects are transitory, the causes of weakening global collaboration are structural, not subject to the efforts of some hypothetical future US liberal leadership. It is clear that the US has lost respect among its rivals, and trust among its allies. While its economic and military capacity is still greatly superior to all others, its political dysfunction has diminished its ability to convert this wealth into effective power.13 It will furthermore operate in a future system of diffusing material power, diverging economic and political governance approaches, and rising nationalism. Trump has promoted these forces, but did not invent them, and future US Administrations will struggle to cope with them.

What will illiberal globalization look like? Consider recent events. The instruments of globalization have been weaponized by strong states in pursuit of their geopolitical objectives. This has turned the liberal argument on behalf of globalization on its head. Instead of interdependence as an unstoppable force pushing states toward collaboration and convergence around market-friendly domestic policies, states are exploiting interdependence to inflict harm on their adversaries, and even on their allies. The increasing interaction across national boundaries that globalization entails, now produces not harmonization and cooperation, but friction and escalating trade and investment disputes.14 The Trump Administration is in the lead here, but it is not alone. Trade and investment friction with China is the most obvious and damaging example, precipitated by China’s long failure to conform to the World Trade Organization (WTO) principles, now escalated by President Trump into a trade and currency war disturbingly reminiscent of the 1930s that Bretton Woods was designed to prevent. Financial sanctions against Iran, in violation of US obligations in the Joint Comprehensive Plan Of Action (JCPOA), is another example of the rule of law succumbing to geopolitical competition. Though more mercantilist in intent than geopolitical, US tariffs on steel and aluminum, and their threatened use in automotives, aimed at the EU, Canada, and Japan,15 are equally destructive of the liberal system and of future economic growth, imposed as they are by the author of that system, and will spread to others. And indeed, Japan has used export controls in its escalating conflict with South Korea16 (as did China in imposing controls on rare earth,17 and as the US has done as part of its trade war with China). Inward foreign direct investment restrictions are spreading. The vitality of the WTO is being sapped by its inability to complete the Doha Round, by the proliferation of bilateral and regional agreements, and now by the Trump Administration’s hold on appointments to WTO judicial panels. It should not surprise anyone if, during a second term, Trump formally withdrew the US from the WTO. At a minimum it will become a “dead letter regime.”18

As such measures gain traction, it will become clear to states—and to companies—that a global trading system more responsive to raw power than to law entails escalating risk and diminishing benefits. This will be the end of economic globalization, and its many benefits, as we know it. It represents nothing less than the subordination of economic globalization, a system which many thought obeyed its own logic, to an international politics of zero-sum power competition among multiple actors with divergent interests and values. The costs will be significant: Bloomberg Economics estimates that the cost in lost US GDP in 2019- dollar terms from the trade war with China has reached $134 billion to date and will rise to a total of $316 billion by the end of 2020.19

Economically, the just-in-time, maximally efficient world of global supply chains, driving down costs, incentivizing innovation, spreading investment, integrating new countries and populations into the global system, is being Balkanized. Bilateral and regional deals are proliferating, while global, nondiscriminatory trade agreements are at an end. Economies of scale will shrink, incentivizing less investment, increasing costs and prices, compromising growth, marginalizing countries whose growth and poverty reduction depended on participation in global supply chains. A world already suffering from excess savings (in the corporate sector, among mostly Asian countries) will respond to heightened risk and uncertainty with further retrenchment. The problem is perfectly captured by Tim Boyle, CEO of Columbia Sportswear, whose supply chain runs through China, reacting to yet another ratcheting up of US tariffs on Chinese imports, most recently on consumer goods:

We move stuff around to take advantage of inexpensive labor. That’s why we’re in Bangladesh. That’s why we’re looking at Africa. We’re putting investment capital to work, to get a return for our shareholders. So, when we make a wager on investment, this is not Vegas. We have to have a reasonable expectation we can get a return. That’s predicated on the rule of law: where can we expect the laws to be enforced, and for the foreseeable future, the rules will be in place? That’s what America used to be.20

The international political effects will be equally damaging. The four structural forces act on each other to produce the more dangerous, less prosperous world projected here. Illiberal globalization represents geopolitical conflict by (at first) physically non-kinetic means. It arises from intensifying competition among powerful states with divergent interests and identities, but in its effects drives down growth and fuels increased nationalism/populism, which further contributes to conflict. Twenty-first-century protectionism represents bottom-up forces arising from economic disruption. But it is also a top-down phenomenon, representing a strategic effort by political leadership to reduce the constraints of interdependence on freedom of geopolitical action, in effect a precursor and enabler of war. This is the disturbing hypothesis of Daniel Drezner, argued in an important May 2019 piece in Reason, titled “Will Today’s Global Trade Wars Lead to World War Three,”21 which examines the preWorld War I period of heightened trade conflict, its contribution to the disaster that followed, and its parallels to the present:

Before the First World War started, powers great and small took a variety of steps to thwart the globalization of the 19th century. Each of these steps made it easier for the key combatants to conceive of a general war.

We are beginning to see a similar approach to the globalization of the 21st century. One by one, the economic constraints on military aggression are eroding. And too many have forgotten—or never knew—how this played out a century ago.

…In many ways, 19th century globalization was a victim of its own success. Reduced tariffs and transport costs flooded Europe with inexpensive grains from Russia and the United States. The incomes of landowners in these countries suffered a serious hit, and the Long Depression that ran from 1873 until 1896 generated pressure on European governments to protect against cheap imports.

…The primary lesson to draw from the years before 1914 is not that economic interdependence was a weak constraint on military conflict. It is that, even in a globalized economy, governments can take protectionist actions to reduce their interdependence in anticipation of future wars.

In retrospect, the 30 years of tariff hikes, trade wars, and currency conflicts that preceded 1914 were harbingers of the devastation to come. European governments did not necessarily want to ignite a war among the great powers. By reducing their interdependence, however, they made that option conceivable.

…the backlash to globalization that preceded the Great War seems to be reprised in the current moment. Indeed, there are ways in which the current moment is scarier than the pre-1914 era. Back then, the world’s hegemon, the United Kingdom, acted as a brake on economic closure. In 2019, the United States is the protectionist with its foot on the accelerator. The constraints of Sino-American interdependence—what economist Larry Summers once called “the financial balance of terror”—no longer look so binding. And there are far too many hot spots—the Korean peninsula, the South China Sea, Taiwan—where the kindling seems awfully dry.

Multipolarity

We can define multipolarity as a wide distribution of power among multiple independent states. Exact equivalence of material power is not implied. What is required is the possession by several states of the capacity to coerce others to act in ways they would otherwise not, through kinetic or other means (economic sanctions, political manipulation, denial of access to essential resources, etc.). Such a distribution of power presents inherently graver challenges to peace and stability than do unipolar or bipolar power configurations,22 though of course none are safe or permanent. In brief, the greater the number of consequential actors, the greater the challenge of coordinating actions to avoid, manage, or de-escalate conflicts. Multipolarity also entails a greater potential for sudden changes in the balance of power, as one state may defect to another coalition or opt out, and as a result, the greater the degree of uncertainty experienced by all states, and the greater the plausibility of downside assumptions about the intentions and capabilities of one’s adversaries. This psychology, always present in international politics but particularly powerful in multipolarity, heightens the potential for escalation of minor conflicts, and of states launching preventive or preemptive wars. In multipolarity, states are always on edge, entertaining worst-case scenarios about actual and potential enemies, and acting on these fears—expanding their armies, introducing new weapon systems, altering doctrine to relax constraints on the use of force—in ways that reinforce the worst fears of others.

The risks inherent in multipolarity are heightened by the attendant weakening of global institutions. Even in a state-centric system, such institutions can facilitate communication and transparency, helping states to manage conflicts by reducing the potential for misperception and escalation toward war. But, as Waheguru Pal Singh Sidhu argues in his chapter on the United Nations, the influence of multilateral institutions as agent and actor is clearly in decline, a result of bottom-up populist/nationalist pressures experienced in many countries, as well as the coordination problems that increase in a system of multiple great powers. As conflict resolution institutions atrophy, great powers will find themselves in “security dilemmas”23 in which verification of a rival’s intentions is unavailable, and worst-case assumptions fill the gap created by uncertainty. And the supply of conflicts will expand as a result of growing nationalism and populism, which are premised on hostility, paranoia, and isolation, with governments seeking political legitimacy through external conflict, producing a siege mentality that deliberately cuts off communication with other states.

Finally, the transition from unipolarity (roughly 1989–2007) to multipolarity is unregulated and hazardous, as the existing superpower fears and resists challenges to its primacy from a rising power or powers, while the rising power entertains new ambitions as entitlements now within its reach. Such a “power transition” and its dangers were identified by Thucydides in explaining the Peloponnesian Wars,24 by Organski (the “rear-end collision”)25 during the Cold War, and recently repopularized and brought up to date by Graham Allison in predicting conflict between the US and China.26

A useful, and consequential illustration of the inherent challenge of conflict management during a power transition toward multipolarity, is the weakening of the arms control regime negotiated by the US and the Soviet Union during the Cold War. Despite the existential, global conflict between two nuclear armed superpowers embracing diametrically opposed world views and operating in economic isolation from each other, the two managed to avoid worst-case outcomes. They accomplished this in part by institutionalizing verifiable limits on testing and deployment of both strategic and intermediate-range nuclear missiles. Yet as diplomatically and technically challenging as these achievements were, the introduction of a third great power, China, into this twocountry calculus has proven to be a deal breaker. Unconstrained by these bilateral agreements, China has been free to build up its capability, and has taken full advantage in ramping up production and deployment of intermediate-range ground-launched cruise missiles, thus challenging the US ability to credibly guarantee the security of its allies in Asia, and greatly increasing the costs of maintaining its Asian regional hegemony. As a result, the Intermediate Nuclear Force treaty is effectively dead, and the New Start Treaty, covering strategic missiles, is due to expire next year, with no indication of any US–Russian consensus to extend it. The US has with logic indicated its interest in making these agreements trilateral; but China, with its growing power and ambition, has also logically rejected these overtures. Thus, all three great powers are entering a period of nuclear weapons competition unconstrained by the major Cold War arms control regimes. In a period of rapid advances in technology and worsening great power relations, the nuclear competition will be a defining characteristic of the next decade and beyond. This dynamic will also complicate nuclear nonproliferation efforts, as both the demand for nuclear weapons (a consequence of rising regional and global insecurity), and supply of nuclear materials and technology (a result of the weakening of the nonproliferation regime and deteriorating great power relations) will increase.

Will deterrence prevent war in a world of several nuclear weapons states, (the current nuclear powers plus South Korea, Iran, Saudi Arabia, Japan, Turkey), as it helped to do during the bipolar Cold War? Some neorealist observers view nuclear weapons proliferation as stabilizing, extending the balance of terror, and the imperative of restraint, to new nuclear weapons states with much to fight over (Saudi Arabia and Iran, for example).27 Others,28 examining issues of command and control of nuclear weapons deployment and use by newly acquiring states, asymmetries in doctrines, force structures, and capabilities between rivals, the perils of variable rates in transition to weapons deployment, problems of communication between states with deep mutual grievances, the heightened risk of transfer of such weapons to non-state actors, have grave doubts about the safety of a multipolar, nuclear-armed world.29 We can at least conclude that prudence dictates heightened efforts to slow the pace of proliferation, while realism requires that we face a proliferated future with eyes wide open.

The current distribution of power is not perfectly multipolar. The US still commands the world’s largest economy, and its military power is unrivaled by any state or combination of states. Its population is still growing, despite a recent decline in birth rates. It enjoys extraordinary geographic advantages over its rivals, who are distant and live in far worse neighborhoods. Its economy is less dependent on foreign markets or resources. Its political system has proven—up to now—to be resilient and adaptable. Its global alliance system greatly extends its capacity to defend itself and shape the world to its liking and is still intact, despite growing doubts about America’s reliability as a security guarantor. Based on these mostly material and historical criteria, continued American primacy would seem to be a good bet, if it chooses to use its power in this way.30

So why multipolarity? The clearest and most frequently cited evidence for a widening distribution of global power away from American unipolarity is the narrowing gap in GDP between the US and China. The IMF’s World Economic Outlook forecasts a $0.9 trillion increase in US GDP for 2019–2020, and a $1.3 trillion increase for China in the same period.31 Many who support the American primacy case argue that GDP is an imperfect measure of power, that Chinese GDP data is inflated, that its growth rates are in decline while Chinese debt is rapidly increasing, and that China does poorly on other factors that contribute to power—its low per capita GDP, its political succession challenges, its environmental crisis, its absence of any external alliance system. Yet GDP is a good place to start, as the single most useful measure and long-term predictor of power. It is from the overall economy that states extract and apply material power to leverage desired behavior from other states. It is true that robust future Chinese growth is not guaranteed, nor is its capacity to convert its wealth to power, which is a function of how well its political system works over time. But this is equally the case for the US, and considering recent political developments is not a given for either country.

As an alternative to measuring inputs—economic size, political legitimacy, technological innovation, population growth—in assessing relative power and the nature of global power distribution, we should consider outputs: what are states doing with their power? The input measures are useful, possibly predictive, but are usually deployed in the course of making a foreign policy argument, sometimes on behalf of a reassertion of American primacy, sometimes on behalf of retrenchment. As such, their objectivity (despite their generous deployment of “data”) is open to question. What is undeniable, to any clear-eyed observer, is a real decline in American influence in the world, and a rise in the influence of other powers, which predates the Trump administration but has accelerated into America’s free fall over the last four years. This has produced a de facto multipolarity, whether explainable in the various measures of power—actual and latent—or not. This decline results in part from policy mistakes: a reckless squandering of material power and legitimacy in Iraq, an overabundance of caution in Syria, and now pure impulsivity. But more fundamentally, it is a product of relative decline in American capacity—political and economic—to which American leadership is adjusting haphazardly, but in the direction of retrenchment/restraint. It is highly revealing that the last two American presidents, polar opposites in intellect, temperament and values, agreed on one fundamental point: the US is overextended, and needs to retrench. The fact that neither Obama nor Trump (up to this point in his presidency) believed they had the power at their disposal to do anything else, tells us far more about the future of American power and policy—and about the emerging shape of international relations—than the power measures and comparisons made by foreign policy advocates.

Observation of recent trends in US versus Russian relative influence prompts another question: do we understand the emerging characteristics of power? Rigorously measuring and comparing the wrong parameters will get us nowhere at best and mislead us into misguided policies at worst. How often have we heard, with puzzlement, that Putin punches far above his weight? Could it be that we misunderstand what constitutes “weight” in the contemporary and emerging world? Putin may be on a high wire, and bound to come crashing down; but the fact is that Russian influence, leveraging sophisticated communications/social media/influence operations, a strong military, an agile (Putin-dominated) decision process, and taking advantage of the egregious mistakes by the West, has been advancing for over a decade, shows no sign of slowing down, and has created additional opportunities for itself in the Middle East, Europe, Asia, Latin America, the Arctic. It has done this with an economy roughly the size of Italy’s. There are few signs of a domestic political challenge to Putin. His external opponents are in disarray, and Russia’s main adversary is politically disabled from confronting the problem. He has established Russia as the Middle East power broker. He has reached into the internal politics of his Western adversaries and influenced their leadership choices. He has invaded and absorbed the territory of neighboring states. His actions have produced deep divisions within NATO. Again, simple observation suggests multipolarity in fact, and a full explanation for this power shift awaiting future historians able to look with more objectivity at twenty-first-century elements of power.

When that history is written, surely it will emphasize the extraordinary polarization in American politics. Was multipolarity a case of others finding leverage in new sources of power, or the US underutilizing its own? The material measures suggest sufficient capacity for sustained American primacy, but with this latent capacity unavailable (as perceived, I believe correctly, by political leadership) by virtue of weakening institutions: two major parties in separate universes; a winnertake-all political mentality; deep polarization between the parties’ popular bases of support; divided government, with the Presidency and the Congress often in separate and antagonistic hands; diminishing trust in the permanent government, and in the knowledge it brings to important decisions, and deepening distrust between the intelligence community and policymakers; and, in Trump’s case, a chaotic policy process that lacks any strategic reference points, mis-communicates the Administration’s intentions, and has proven incapable of sustained, coherent diplomacy on behalf of any explicit and consistent set of policy goals.

Rising Nationalism/Populism/Authoritarianism

The evidence for these trends is clear. Freedom House, the go-to authority on the state of global democracy, just published its annual assessment for 2020, and recorded the fourteenth consecutive year of global democratic decline and advancing authoritarianism. This dramatic deterioration includes both a weakening in democratic practice within states still deemed on balance democratic, and a shift from weak democracies to authoritarianism in others. Commitment to democratic norms and practices—freedom of speech and of the press, independent judiciaries, protection of minority rights—is in decline. The decline is evident across the global system and encompasses all major powers, from India and China, to Europe, to the US. Right-wing populist parties have assumed power, or constitute a politically significant minority, in a lengthening list of democratic states, including both new (Hungary, Poland) and established (India, the US, the UK) democracies. Nationalism, frequently dismissed by liberal globalization advocates as a weak force when confronted by market democracies’ presumed inherent superiority, has experienced a resurgence in Russia, China, the Middle East, and at home. Given the breadth and depth of right-wing populism, the raw power that promotes it—mainly Russian and American—and the disarray of its liberal opponents, this factor will weigh heavily on the future.

The major factors contributing to right-wing populism and its global spread is the subject of much discussion.32 The most straightforward explanation is rising inequality and diminished intergenerational mobility, particularly in developed countries whose labor-intensive manufacturing has been hit hardest by the globalization of capital combined with the immobility of labor. Jobs, wages, economic security, a reasonable hope that one’s offspring has a shot at a better life than one’s own, the erosion of social capital within economically marginalized communities, government failure to provide a decent safety net and job retraining for those battered by globalization: all have contributed to a sense of desperation and raw anger in the hollowed-out communities of formerly prosperous industrial areas. The declining life expectancy numbers33 tell a story of immiseration: drug addition, suicide, poor health care, and gun violence. The political expression of such conditions of life should not be surprising. Simple, extremist “solutions” become irresistible. Sectarian, racial, regional divides are strengthened, and exclusive identities are sharpened. Political entrepreneurs offering to blow up the system blamed for such conditions become credible. Those who are perceived as having benefited from the corrupt system—long-standing institutions of government, foreign countries and populations, immigrants, minorities getting a “free ride,” elites—become targets of recrimination and violence. The simple solutions of course, don’t work, deepening the underlying crisis, but in the process politics is poisoned. If this sounds like the US, it should, but it also describes major European countries (the UK, France, Italy, Germany, Poland, Hungary, the Czech Republic), and could be an indication of things to come for non-Western democracies like India.

We have emphasized throughout this chapter the interaction of four structural forces in shaping the future, and this interaction is evident here as well. Is it merely coincidence that the period of democratic decline documented by Freedom House, coincides precisely with the global financial and economic crisis? Lower growth, increasing joblessness, wage stagnation, superimposed on longer-term widening of inequality and declining mobility, constitute a forbidding stress test for democratic systems, and many continue to fail. And if we are correct about secular stagnation, the stress will continue, and authoritarianism’s fourteen-year run will not be over for some time. The antidemocratic trend will gain additional impetus from the illiberal direction of globalization, with its growth suppressing protectionism, weaponization of global economic exchange, and weakening global economic institutions. Multipolarity also contributes, in several ways. The former hegemon and author of globalization’s liberal structure has lost its appetite, and arguably its capacity, for leadership, and indeed has become part of the problem, succumbing to and promoting the global right-wing populist surge. It is suffering an unprecedented decline in life expectancy, and recently a decline in the birth rate, signaling a degree of rot commonly associated with a collapsing Soviet Union. While American politics may once again cohere around its liberal values and interests, the time when American leadership had the self-confidence to shape the global system in its liberal image is gone. It may build coalitions of the like-minded to launch liberal projects, but there will be too much power outside these coalitions to permit liberal globalization of the sort imagined at the end of the Cold War. In multipolarity, the values around which global politics revolve will reflect the diversity of major powers, their interests, and the norms they embrace. Convergence of norms, practices, policies is out of the question. Global collective action, even in the face of global crises, will be a long shot. To expect anything else is fantasy

Unbrave New World and Future Challenges

At the outset of this chapter we described these structural forces as interacting to produce more conflict and diminished prosperity. We also predicted a world with shrinking collective capacity to address new challenges as they arise. What specifically will such a world look like? We address below three principal challenges to global problem solving over the next decade.

Interstate Conflict

In the world experienced by most readers of this volume, conflict is observed within weak states, sometimes promoted by regional competitors, by terrorist groups, or by great powers, acting through surrogates or by indirect means. Sometimes, as in Syria, this conflict spills over to contiguous states and contributes to regional instability, and challenges other regions to respond effectively, a challenge that Europe has not met. Much of this will continue, but the global significance of such local conflicts will be greatly magnified by increasing great power conflict, which will feed—rather than manage or resolve—local instabilities and will in turn be exacerbated by them. Great powers will jockey for advantage, support their local partners, escalate preemptively. Conflicts initially confined to failing states or unstable regions will be redefined by great powers as global in scope and significance.

This tendency of states to view local conflicts in the context of a zero-sum, global struggle for power is familiar to students of the Cold War, but now with the additional challenges to collective action, expanded uncertainty and worst-case thinking associated with the power transition to multipolarity. We can easily observe increased conflict in US–China relations, as we will in US–Russia relations as future US administrations try to make up for ground lost during the Trump presidency, especially in the Middle East. We can observe it among powerful states with mutual historical grievances, now with a weakening presence of the hegemonic security guarantor and having to consider the renationalization of their defense: Japan-South Korea, Germany-France. We can observe it among historical rivals operating in rapidly changing security landscapes: India-China. We can observe it within the Middle East, as internal rivalries are appropriated by regional powers in a contest for regional dominance. We can observe it clearly in Syria, where the regime’s violent suppression of Arab Spring resistance led to all-out civil war, attracted outside support to proxy forces by aspiring regional hegemons Saudi Arabia and Iran, enabled the rise of ISIS, and eventually to great power intervention, principally by Russia. In a world of effective great power collaboration or American primacy, the Syrian civil war might have been settled through power sharing or partition, or if not, contained within Syria. The collapse of Yugoslavia, occurring during a period of US “unipolarity” and managed effectively, demonstrates the possibilities. Instead, with the US retrenching, Middle East rivals unconstrained by great powers, and great power competition rising, the Syria civil war was fed by outside powers, then metastasized into the region, and—in the form of refugee flows—into Europe, fundamentally altering European politics. Libya may be at the early stages of this scenario.

This is not the end of the Syria story. Russia has established itself as a major player in Syria and the Middle East’s power broker, the indispensable country with leverage throughout the region. China is poised to reap the financial and power benefits of Syrian reconstruction. The US has just demonstrated, in its act of war against the Iranian regime, its willingness, without consultation, to put its allies’ security in further jeopardy, accentuating the risks of security ties with Washington and generating added opportunities for Russia and China. The purpose here is not to critique US policy, but to point out the dramatically shifting power balance in a critical region, toward multipolarity. The dangers of such a shift will become apparent as some future US president attempts to reassert US influence in the region and finds a crowded playing field.

Can a multipolar distribution of power among several states whose interests, values, and political practices are divergent, all experiencing bottom-up nationalist pressures, all seeking advantages in the oversupply of regional instability, be made to work? I think not. Will this more dangerous world descend into direct military confrontation between great powers, and could such confrontation lead to use of nuclear weapons? Here the question becomes, what will this more dangerous world actually look like; what instruments of coercion will be available to states as technology change accelerates; how will states employ these instruments; how will deterrence work (if at all) among several states with large but unequal levels of destructive capacity, weak command, and control, disparate— or opaque—strategies and simmering rivalries; can conflict management work in a world of weak institutions? The collapse of the Cold War era nuclear arms control regime, the threat to the Non-Proliferation Treaty represented by the demise of the JCPOA, and multiple indications of an accelerating nuclear arms race among the three principle powers, augurs badly. Given the structural forces at play, and without predicting the worst, we are indeed entering perilous times.

Global Poverty and Inequality

Despite the challenges of volatility and disruptive change inherent in globalization, the world under American liberal leadership has managed a dramatic reduction of extreme poverty. According to World Bank estimates, in 2015, 10 percent of the world’s population lived on less than $1.90 a day, down from nearly 36 percent in 1990.34 In fact, as of September 2018, half the world is now middle class or wealthier.35 The uneven success of the UN Millennium Development Goals (MDGs) exemplifies this achievement, and demonstrates what is possible when open markets are managed through strong global institutions, effective leadership and interstate collaboration. What this liberal hegemonic system did not achieve, however, was a fair distribution of the gains from globalization within states, and among those states that for various reasons were not full participants in this system.

This record of partial achievement leaves us with a full agenda for the next fifteen years, but without the hegemonic leadership, strong institutions, ascendant liberalism or robust global growth that enabled previous gains. There are powerful reasons to question the sustainability of these poverty reduction gains, leading to doubts about the realization of the Sustainable Development Goals, which have replaced the MDGs as global development targets.36 (See Jens Rudbeck’s chapter and Sidhu’s UN chapter for SDGs). Skeptics have pointed to slowing global growth, specifically in China, whose demand for imported commodities was a major factor in developing country growth and job creation; growing protectionism in developed country markets, fueled by bottom-up forces of nationalism, and from top-down by a weakened global trading regime and increased geopolitical rivalry; the effects of accelerating climate change on agriculture, migration and communal conflict in poor countries; and the growth burst among poor countries from the rapid transition to more efficient use of resources, a transition that is now slowing down.37

Perhaps the greatest concern in this scenario is a general deterioration in the developing country foreign investment climate. Foreign direct investment (FDI) has been a major contributor to growth, job creation, and poverty alleviation among poor countries. It has incentivized growthfriendly policies, reduced corruption, introduced technology and effective management practices, and linked poor countries to foreign markets through global supply chains.38 It has stimulated growth of indigenous manufacturing and service companies to supply new foreign investments.

It has been the major cause of economic convergence between rich and poor countries. From 2000 to 2009, developing economies’ growth rates were more than four percentage points higher than those of rich countries, pushing their share of global output from just over a third to nearly half.39 However, FDI flows into poor countries are imperiled by the structural forces discussed here. Political instability arising from slower growth and environmental stress will increase investors’ perception of higher risk, reinforcing their developed country bias. Protectionism among developed countries will threaten the global market access upon which manufacturing investment in developing countries is premised, causing firms to pare back their global supply chains. As companies retrench from direct investment in poor countries, the appeal to those countries of Chinese debt financed infrastructure projects, under the Belt-Road Initiative with little or no conditionality, but at the risk of “debt traps,” will increase.

Global Warming

The question posed at the beginning of this section is whether the international system, evolving toward multipolarity and rising nationalism, will find the collective political capital to confront challenges as they arise. Global warming is the mother of all challenges, and the weakness in the system’s capacity to respond is clear. With the two major political/economic powers and greenhouse gas emitters locked in deepening geopolitical conflict (and with one of them locked in climate change denial, possibly through 2024), the chances of significantly slowing global warming or even ameliorating its effects are very slim. We are reduced to the default option, nation-specific adaptation to climate change, which will impose rising human, political and economic costs on all, and will widen the gap between rich countries with adaptive capacity (of varying degrees), and the poor, who will suffer deteriorating economic, political, and social conditions. (For a contrary, optimistic view see Michael Shank’s chapter, which credits new actors—like cities—as playing a more constructive role in climate mitigation.) This would bring to a close liberal globalization’s greatest achievement; the raising of 1.1 billion people out of extreme poverty since 1990,40 with all its associated gains in quality of life (in the WHO Africa region, for example, life expectancy rose by 10.3 years between 2000 and 2016, driven mainly by improvements in child survival and expanded access to antiretrovirals for treatment of HIV).41

Several forces are at work here. The problem itself is graver—in magnitude and in rate of worsening—than predicted by climate scientists. The UN Intergovernmental Panel on Climate Change (IPCC), the major source of information on global warming, has consistently underpredicted the rate of climate deterioration. This holds true even for its “worst-case scenarios,” meaning that what was meant as a wake-up call has in fact reinforced complacency.42 (see Michael Shank’s chapter for further discussion of climate change). The IPCC, in its 2019 report, has tried to undo the damage by emphasizing the acceleration in the rate of warming and its effects, the only partially understood dynamic of climate change, and—given wide uncertainty—the possibility of unpleasant surprises yet to come. This strengthens the scientific case for urgency—to both severely limit greenhouse gas emissions, and to increase investment in ameliorating the effects.

Unfortunately, the crisis comes at a moment when the climate for collective action is ice cold. Geopolitical competition incentivizes states to out produce each other, regardless of the environmental effects. Multipolarity complicates collective action. Economic stagnation mandates job creation, making regulation politically toxic. Bottom-up nationalism/populism causes states to pursue “relative gains,” meaning that if the nation is seen as gaining in a no-holds-barred economic competition with others, the negative environmental effects can be tolerated. A post-Trump presidency would help, with the US rejoining the Paris Agreement, and lending its weight to tighter regulation, increased R and D, and stronger economic incentives to reduce carbon emissions. Keep in mind, however, that President Obama was fully behind such efforts, but in a deeply polarized America was unable to implement measures needed to fulfill the Paris obligations through legislation, and his executive orders to do this were swiftly overturned by Trump.

Conclusion

It may be tempting to hope that post-Trump, the US can regain its global leadership and exert its considerable power in a liberal direction, but with enough self-awareness of its relative decline to share responsibility with others. This was, I believe, the broad direction of the Obama strategy, evidenced by the JCPOA and the Trans-Pacific Partnership: liberal, collective solutions to global problems, as US dominance receded.

This would constitute an optimistic scenario, and it confronts two major problems: can US internal politics support it (can, for example, the country legislate controls on carbon, essential for the global credibility and durability of such commitments); and is the world ready to reengage with American leadership, given the damage to its reputation and the structural forces discussed in this chapter?

My educated guess is no, on both counts. The rot within is extensive, the concrete evidence clear in the economic inequality/immobility numbers, the life expectancy numbers, the deep political polarization, between the two major parties, between regions, between cities and rural areas. We are in fact a long way from fitness for global leadership, and the recognition of this by others will accelerate the decline of American influence. The rest of the world is well on its way toward adjusting to post-American hegemony, some by renationalizing their defense, or by cutting deals with adversaries, by building new alliances or by seizing new opportunities for influence in the vacuum left by American retrenchment. The evidence for this will accumulate. Observe the current and emerging Middle East, where all these post-hegemonic strategies are visible.

#### Platform dependency on China fuels digital authoritarianism – separations and start-up entrance decouples US platforms from Chinese markets.

Sitaraman ’20 [Ganesh; Co-founder and Director of Policy @ Great Democracy Initiative, Professor of Law @ Vanderbilt University; “Too Big to Prevail: The National Security Case for Breaking Up Big Tech,” *Foreign Affairs* 99(2), p. 116-126; AS]

But the national security case against breaking up Big Tech is not just weak; it is backward. Far from competing with China, many big technology companies are operating in the country, and their growing entanglements there create vulnerabilities for the United States by exposing its firms to espionage and economic coercion. At home, market concentration in the technology sector also means less competition and therefore less innovation, which threatens to leave the United States in a worse position to compete with foreign rivals. Rather than threatening to undermine national security, breaking up and regulating Big Tech is necessary to protect the United States’ democratic freedoms and preserve its ability to compete with and defend against new great-power rivals.

DESTINATION: CHINA

Competition with China will define U.S. national security conversations for decades to come, and Americans need to think carefully about the role technology will play in this increasingly competitive environment. But to claim that the likes of Amazon and Google are helping counter China’s technological and geopolitical rise simply because they are American companies makes little sense.

Almost all big U.S. technology companies have extensive operations in China today. Google announced plans for an AI research center in Beijing in 2017 and is exploring a partnership with the Chinese Internet behemoth Tencent. Microsoft is expanding its data centers in China and has recently built an entire operating system, Windows 10 China Government Edition, for the Chinese government. Amazon’s cloud service in China is second in popularity only to that of its Chinese counterpart, Alibaba. Apple famously designs its phones in California but manufactures them in China. Facebook, notably, does not operate in China—but not for lack of trying. The company repeatedly attempted to gain access to the Chinese market only to be blocked by Chinese government officials.

Merely operating in China may seem harmless. Yet according to scholars, U.S. government officials, and even American business associations, any U.S. technology company working in China could very well be supporting the Chinese state and the expansion of digital authoritarianism. In the course of their operations in the country, U.S. companies routinely interact with Chinese companies, some of which are run or partly owned by the state. Those that are not still have informal ties to state and Communist Party officials and face strong incentives to behave as the state wishes even without direct pressure from the government. Because the Chinese market and the state are intertwined in this way, Chinese companies that partner with foreign ones are highly likely to pass along operational and technological developments to the Chinese government and military, including in ways that could advance Beijing’s emerging surveillance state and accelerate its ability to spread its model of digital authoritarianism around the world.

These challenges are particularly clear in the case of AI, as commercial innovations in that field can also have military implications. Under Beijing’s doctrine of “civil-military fusion,” Chinese researchers and private companies are working ever more closely with the government and the military, which means that technological innovations that may have originated with a foreign company active in China can find their way to supporting the People’s Liberation Army. “If you’re working in China,” Ashton Carter, a former U.S. defense secretary, has said, “you don’t know whether you’re working on a project for the military or not.”

In addition to widely known concerns about Chinese espionage and surveillance, integration with the Chinese market also opens Big Tech—and the United States—to pressure from China, which can use that influence to hurt U.S. interests. Scholars refer to this tactic—turning economic interdependence into political leverage—by a variety of terms, including “geoeconomics,” “reverse entanglement,” and “weaponized interdependence.” Whatever it’s called, China has a long track record of doing it, across countries and industries. To retaliate against South Korea’s adoption of a U.S. missile defense system in 2017, China blocked Chinese travel agencies from offering trips to the country. And after the dissident Liu Xiaobo was awarded the Nobel Peace Prize in 2010, China temporarily blocked imports from Norway.

To avoid offending Chinese officials and potentially losing access to the country’s large market, companies are adapting their behavior even outside China’s borders. Hollywood studios have been accused of rewriting scripts and editing scenes for that purpose: choosing to blow up the Taj Mahal instead of the Great Wall of China in the movie Pixels, according to Reuters, and replacing China with North Korea as the main adversary in the 2012 remake of Red Dawn, according to the Los Angeles Times. In 2019, Daryl Morey, the general manager of the NBA basketball team the Houston Rockets, tweeted in support of pro-democracy protesters in Hong Kong; soon thereafter, he deleted the post. In the days that followed, the owner of the Rockets wrote that Morey did “NOT speak” for the team, and the NBA said it was “regrettable” that Morey’s views had “deeply offended many of our friends in China.” (After a public outcry, the NBA clarified that it would not censor or fire Morey.) A year earlier, Mercedes-Benz had posted a quote from the Dalai Lama on Instagram. After an online backlash in China, the automaker quickly erased the quote, and its parent company, Daimler, said that the post had contained an “erroneous message” and had “hurt the feelings of people” in China. The People’s Daily, China’s largest newspaper, later branded Mercedes-Benz as an “enemy of the people.”

Such conduct by Western companies illustrates a broader point: they act based on their commercial interests, not in the name of abstract democratic principles or for the cause of U.S. national security. The same is true when these companies try to influence government policy. The potential stakes are high. The U.S. Department of Commerce, for instance, has the power to set export restrictions on some sensitive technologies, including AI; those restrictions may be important from a national security standpoint, even if they negatively affect some companies’ bottom lines. Yet the dominant ideology among corporate lawyers today holds that the sole aim of managers is to maximize shareholder profits, and corporate lobbyists are thus likely to advocate public policies that support those profits even if they run counter to U.S. national interests.

Practically all U.S. companies active in China are subject to such pressures to one degree or another, and how to address that predicament is another question altogether. But the size and dominance of American technology companies are part of the problem. As the U.S. technology sector becomes more concentrated and the few players in it become more dependent on the Chinese market for consumers and profits, these firms—and, by extension, the United States—become more vulnerable to pressure from Beijing. Antimonopoly policies could help remedy this problem: in a fractured market with many players, the sheer number of firms would all but guarantee that some would build supply chains that circumvented China, or build their products wholly in the United States, or simply choose not to engage in the Chinese market—whether because of idiosyncratic preferences, competitive dynamics, product differentiation, higher costs, or other factors.

Consider another industry whose structure resembles that of Big Tech: Hollywood. Like the technology industry, today’s entertainment sector consists of a handful of studios that are increasingly dominant at the box office and able to pressure theaters to give their content preferential treatment. If these big, integrated companies comply with Chinese censors out of a concern for market access, then U.S. consumers will not see content that offends the Chinese government. By contrast, in a system with a large number of small studios and competitive distribution channels, many companies would lack the size, scope, or desire to cater to the Chinese market, let alone be dependent on it. Nor would they have the power or scale to lock out new competitors through vertical integration. The result would be a market in which Americans had a range of content choices, including entertainment that might not accord with the views of foreign censors.

Of course, in theory, it is possible that a small number of big U.S. technology firms, each with monopoly-like power, might be so profitable as to have no need for the Chinese market, whereas small companies with razor-thin profit margins might depend more on that market for consumers and profits. But this hypothesis has not been borne out. The current technology sector is already highly concentrated, and yet today’s technology companies are not forsaking the Chinese market; instead, they are desperate to expand their business there.

As they do so, they will likely be subject to the same pressures bearing down on Hollywood, the NBA, Mercedes, and other entities that want to operate in China. Companies such as Amazon and Google, which both produce their own content and distribute it through their platforms, may over time be tempted to make that content palatable to Chinese censors. And because those firms have immense market power within the United States, American consumers will be left with no serious, scalable alternatives.

A more competitive technology sector, with many smaller players, would also mitigate the ill effects of lobbying, for much the same reasons. Fewer companies would be dependent on the Chinese market, and those that were would be differentiated enough to often end up on different sides of policy debates. Their lobbying efforts would be less likely to cut in a single direction and thus less likely to capture government.

THE VIRTUE OF MONOPOLY

Big Tech’s market dominance, some will argue, has benefits: free of constant worries about vicious competition, technology giants can focus on the big questions. They have the time and resources to invest copiously in cutting-edge research, where success is rare but the potential payoff—for technological innovation and thus for U.S. competitiveness and national security—is massive.

Whether or not they say it explicitly, those who want to protect Big Tech from antitrust laws and other regulations are advocating a “national champions” model—a system in which the state shields a few select big companies from competition, allowing them to spend on research and development. But there is strong evidence that this approach is imperfect, at times even counterproductive. As the legal scholar Tim Wu has noted, it is usually competition, not consolidation, that fosters innovation. Competitors have to find ways to differentiate themselves in order to survive and expand. Large, protected firms become lethargic, are slow to innovate, and rest on their laurels.

Recall the race for supremacy in the electronics industry that played out between the United States and Japan in the 1980s. Japan, according to Wu, chose to protect its national champions, giving direct government support to such powerhouses as NEC, Panasonic, and Toshiba. The United States took the opposite tack. Its largest electronics firm at the time, IBM, came under antitrust scrutiny by U.S. authorities, and the ensuing decade-long legal battle discouraged the company from engaging in conduct that might run afoul of antitrust laws. That created the space for a variety of other hardware and software companies, among them Apple, Lotus, and Microsoft, to flourish. Competition led to innovation and the creation of some of the most forward-looking companies of the era.

National champions also have an incentive to hide breakthroughs that might undermine their market power. Bell Labs, one of the pillars of AT&T’s telecommunications empire, has long been celebrated for its role as an “ideas factory.” But Bell Labs and AT&T also suppressed innovations that threatened their business model. Starting in the 1930s, for example, AT&T’s management sat on recording inventions that could have been used for answering machines, for fear this innovation might jeopardize the use of the telephone.

Skeptics might argue that this time is different—that today’s next-generation technologies are so resource-intensive that smaller companies in a competitive environment couldn’t afford the necessary investments. But even if broken up and regulated, Big Tech’s main players would have considerable money left to spend on AI, robotics, quantum computing, and other next-generation technologies. Facebook would still have billions of users without Instagram and WhatsApp. Amazon’s platform would still have enormous market power in online sales even if it wasn’t allowed to produce its own products.

Whatever resource constraints did arise could be offset by greater public investment in R & D. As the economist Mariana Mazzucato has argued, such government spending has historically been a significant driver of innovation; the Internet, for example, began as a U.S. Defense Department network. There is no reason the government could not play the same role today.

Unlike research by national-champion firms, research funded by public investment would not be tied to the profit motive. It could therefore cover a wider range of subjects, extend to basic research that does not have immediate or foreseeable commercial applications, and include research that might challenge the incumbency and business models of existing companies. Public research could also de-emphasize areas of inquiry that may be profitable but are socially undesirable. For many of the biggest technology companies, surveillance, personalized targeting, and the eliciting of particular behavioral responses lie at the heart of their business models, which means that their efforts to innovate are geared in no trivial way toward improving those tactics. An authoritarian country may see those as valuable public goals, but it is not at all clear why a free and democratic society should.

Public investment in R & D also has the potential to spread the benefits of technology, innovation, and industry throughout the United States. At present, much of the country’s technological and innovative prowess is concentrated in a few hubs—the most prominent being Northern California, Seattle, and Boston. This is not surprising, as unlike the government, technology companies have no reason to want to spread development evenly. Amazon’s competition to decide the location of its second headquarters is a good example. After inviting countless pitches from cities across the country and much public attention, the company settled on New York and Washington, D.C.—two cities that hardly need an economic boost. Public investment, as the economists Jonathan Gruber and Simon Johnson have argued, could remedy these geographic imbalances and spur successful economies in dozens of midsize cities all over the country, with spillover benefits for their regions.

Mountains of data are needed to improve AI’s precision and accuracy, and some might think that only Big Tech can collect and handle data in such vast quantities. But this need not be the case, either. The United States could create a public data commons with data collected from a variety of government sources (and regulate it with strict rules about personal privacy), for use by businesses, local governments, and nonprofits to train machines. Any new data would be fed back into the data commons, allowing the quality and quantity of the information to improve over time. Alternatively, the government could require technology companies to make their data available in interoperable formats. If those companies effectively have monopoly power over data, then they could be regulated as monopolies—with public access to the data sets as a condition for their continued protection as monopolies. No legal obstacles stand in the way of these options, and both would enable innovation and expand the number of players working on important technological developments.

SQUEEZING THE GOVERNMENT

For the moment, such public initiatives exist only as proposals. Big technology companies have considerable market power, and the U.S. government increasingly relies on their services, including to run its national security apparatus. Technology is, of course, a crucial aspect of warfare, and firms such as Amazon and Microsoft have contracts to provide cloud services to U.S. defense and intelligence agencies. These technology companies are fast becoming part of the United States’ defense industrial base—the collection of industries that are indispensable for U.S. military equipment. As they do so, the curse of monopoly capitalism that already affects the country’s overconsolidated defense sector—causing higher costs, lower quality, reduced innovation, and even corruption and fraud—will likely grow worse.

To see the challenge ahead, consider the present state of the U.S. weapons industry, which is already remarkably uncompetitive. In 2019, the Government Accountability Office found that 67 percent of 183 contracts for major weapons systems did not have a competitive bidding process. Almost half the contracts went to one of five companies—a stunning testament to the dominance of a handful of firms. And in 2018, the Defense Department released a report on the military’s supply chain that listed numerous items for which only one or two domestic companies (and in some cases none) produced the essential goods. Perhaps most striking of all, the report found that the United States no longer had the capacity to build submarines on a rapid timetable because of single suppliers and declining competition.

Unsurprisingly, as Frank Kendall, a former head of acquisitions at the Pentagon, has pointed out, large defense contractors “are not hesitant to use this power for corporate advantage.” In a recent article in The American Conservative, the researchers Matt Stoller and Lucas Kunce argue that contractors with de facto monopoly at the heart of their business models threaten national security. They write that one such contractor, TransDigm Group, buys up companies that supply the government with rare but essential airplane parts and then hikes up the prices, effectively holding the government “hostage.” They also point to L3 Technologies, a defense contractor with ambitions, in the words of its one-time CEO, to become “the Home Depot of the defense industry.” According to Stoller and Kunce, L3’s de facto monopoly over certain products means that it continues to receive lucrative government contracts even after it admitted in the settlement of a 2015 civil fraud lawsuit that it had knowingly supplied defective weapons sights to U.S. forces.

As technology becomes more integral to the future of U.S. national security, Big Tech’s market power will likely lead to much the same problems. Technology behemoths will amass defense contracts, and the Pentagon will be locked into a state of dependence, just as it is currently with large defense contractors. Instead of healthy innovation, the government will have created what Michael Chertoff, a former homeland security secretary, has called a “technological monoculture,” which is unwieldy and vulnerable to outside attack. The cost to taxpayers will increase, whether due to higher prices or fraud and corruption, and much of their money—funding that could have been available for innovation—will become monopoly profits for technology executives and shareholders.

A WAY FORWARD

That technology companies do not want to be broken up is unsurprising. They are profitable, growing, and powerful. Nor is it a mystery why they try to play the trump card of invoking national security in their defense. But even from the viewpoint of national security, the case for shielding Big Tech from competition is weak. Technology companies are not competing with China so much as integrating with it, at significant risk to U.S. interests.In the United States, competition and public investment in R & D, not today’s consolidated technology sector, will provide the best path forward to innovation.

Policymakers should embrace proposals to break up and regulate big technology companies: to unwind mergers and acquisitions such as Facebook’s decision to buy the social networking and messaging services Instagram and WhatsApp. They should require technology platforms such as Amazon to separate from businesses that operate on their platforms. They should apply nondiscrimination principles drawn from public utilities and common carrier laws to digital platforms. And they should adopt stringent privacy regulations.

In this era of great-power competition, the best way to remain competitive and innovative is through market competition, smart regulations, and public spending on R & D. Breaking up Big Tech won’t threaten national security; it will bolster it.

#### Digital authoritarianism causes extinction.

Manstead ’20 [Katherine; Non-Resident Fellow @ Alliance for Securing Democracy and Senior Adviser for Public Policy @ Australian National University’s National Security College; “Strong Yet Brittle: The Risks of Digital Authoritarianism”; https://securingdemocracy.gmfus.org/wp-content/uploads/2020/05/Strong-Yet-Brittle-The-Risks-of-Digital-Authoritarianism.pdf]

While digital authoritarianism can enhance regime durability and national power, it also introduces deep-seated vulnerabilities, eight of which are considered below. Significantly, digital authoritarians may find themselves in a state of constant contest with other regime types, trapped in cycles of overreach and backlash, and prone to strategic miscalculations that pull them into interstate conflict. The current turn to digital authoritarianism therefore also has broader implications for international peace and stability.

Brittle Legitimacy

Reliance on information control makes authoritarians brittle. Small chinks in their information control armor could have existential consequences, particularly during political or economic crises (i.e. when the regime needs to rely on control for legitimacy because it is not delivering for citizens). The information and ideas most dangerous to authoritarians include:

• the identity of opposition groups and leaders and their levels of support; 17

• technical means for subverting control of communications and surveillance technologies;18

• ideas about values that transcend state sovereignty, such as liberalism and human rights;19

• evidence that the central government is not delivering efficient outcomes;20 and

• ideas that undermine the myths and narratives used to legitimize authoritarian rule or the power of the ruling elite.21

Constant Contest

Since technologies and ideas are dynamic, the battle for information control is a constant struggle. It can never be ‘won.’ Authoritarians are therefore in a perpetual state of information warfare, inside and outside their regime, and feel perpetually insecure. This dynamic may lead authoritarian governments to assess that it is worth engaging in information or cyberattacks to discredit liberal ideas at their foreign source or to shape or disable systems that jeopardize their information control—despite real risks of conflict escalation and global pushback.

Overreach and Backlash

The fundamental importance of information control to authoritarians increases the likelihood of overreach, leading to cycles of backlash and reprisal. Many perceive China’s heavy-handed narrative warfare in Hong Kong and confrontational efforts to control narratives about coronavirus to be strategic missteps. For example, CCP efforts to stifle dissent by punishing online gaming company Blizzard and the National Basketball Association (NBA) arguably aided Hong Kong protester narratives;22 while CCP obfuscation about coronavirus has prompted unprecedented diplomatic rebukes from world leaders.23 Despite rising international awareness and condemnation of China’s sharp power tactics,24 China is accelerating, not muting, these behaviors.25 One explanation for this is that the CCP calculates that the risks of international backlash (and occasional overreach by its officials) are acceptable, compared with the risk of letting domestic information control falter.

Impaired Feedback Mechanisms

Authoritarians embrace technology to increase the legibility of their societies. But legibility requires cooperation from society. It is facilitated by an open information ecosystem, robust civil society, mechanisms of transparency, and protections for political speech.26 Conversely, information control and technology-enabled systems of surveillance and enforcement discourage accurate reporting and punish whistleblowing, while incentivizing officials to conceal failures and exaggerate successes.27 In 2007, Le Keqiang (before he became China’s premier) described China’s national income figures as “man-made” and unreliable, and noted that more objectively verifiable proxies should be preferred to official statistics collected by provinces.28 Without elections, authoritarians can also struggle to understand public sentiment, a problem highlighted by the Chinese government’s mismanagement of massive ongoing protests in Hong Kong. Party leaders wrongly assessed that the protestors’ grievances were primarily economic rather than political and that they did not enjoy broader public support.29 As Zeynep Tufekci has observed, the costs of China’s “authoritarian blindness” have been immense: a solvable issue (demands to withdraw a relatively unimportant extradition treaty) became “a bigger, durable crisis” with ongoing political consequences.30

China’s delayed reaction to coronavirus is a stark example of the authoritarian legibility and feedback problem. Local officials and hospital administrators in Wuhan suppressed information about the outbreak and punished doctor whistleblowers—depriving other provinces and the central government (not to mention international authorities) of vital signals that would have allowed swifter action to control the pandemic.31 Once authorities acknowledged the pandemic, China deployed the full weight of its digital surveillance capabilities. It was able to implement top-down lockdowns quickly; marshal its tech sector to build health apps; force citizens to download these apps; and access vast commercial holdings of personal data to cross-check compliance. However, it lacked critical bottom-up feedback systems that may have obviated the need for such draconian measures in the first place.32 Indeed, controlling for income and population size, authoritarian regimes appear to be more lethal than democracies during epidemics, arguably because of their closed information ecosystems.33

Overreliance on Technological Systems which ‘Fail Hard’

Many authoritarian governments are embracing AI-driven surveillance and control methods—from ‘smart cities’ to digital currencies, e-payment platforms and social apps. However, when AI systems fail, they tend to fail in unpredictable, often catastrophic ways. While citizens in democracies lament slow adoption of digital governance, authoritarians’ speed comes with the risk that authorities roll out unsafe or vulnerable systems.34 Imagine a critical failure of China’s social credit system—whether by accident or sabotage—which affected the integrity of records. The implications for regime stability could be significant.

AI systems do not need to fail to produce problematic results. They draw insights and make predictions based on correlations in vast datasets but are not good at identifying causal mechanisms. This means that AI systems often produce outcomes which humans cannot reverse engineer or routinely evaluate. Like using asbestos to build a city, AI governance systems might produce good results in the short-term, but inconsistencies or oversights in their approaches could lead to cascading failures that humans struggle to identify, let alone rectify.35

Unintended Consequences from High-Tech Modernism

Fixation by central governments on achieving targets or deploying certain technologies creates incentives for local officials to deploy “technology placebos” that do little to address underlying economic and social concerns. For example, many so-called smart city projects in authoritarian societies have failed to meet development and economic goals. They are fraught with issues such as “unclear strategic goals” (e.g. they often optimize for surveillance, not development) and “inadequate implementation.”36 This problem may be particularly pronounced for less-developed authoritarian governments which have been persuaded, for strategic reasons, to buy Chinese-exported digital surveillance tools that are not customized to local circumstances. These cities may also become locked into unstable or insecure technical architectures37 and economic dependence on China.38

Commitments to targets, and ideological fervor about technology, can also distort commercial decisions and raise unrealistic public expectations. Analysis of China’s AI industry, for example, suggests that companies are eschewing investment in basic research and focusing on quick wins in applied research.39 Additionally, China is already behind on meeting a number of its technology targets40—a lag that will likely be exacerbated by the global economic downturn following the coronavirus pandemic, and rising security fears in foreign markets about the security of Chinese technology and IP theft by its companies.

From a strategic perspective, there are risks that authoritarian governments’ fixation on technology-centric strategies will lead them to overestimate what technology can in fact achieve. For example, Chinese military strategists have posited that AI could lift the ‘fog’ of war and eliminate uncertainty and confusion on the battlefield. This is an ahistorical and unlikely prediction that could inspire miscalculation.41 Russian strategists theorize about how psychological operations might subdue adversaries without a shot being fired—an approach that may overestimate what cognitive warfare can achieve, at least without being combined with other elements of national power.42

Challenges to Social Cohesion

The medium- and long-term social consequences of digital authoritarianism are yet untested. Overreliance on surveillance and enforcement systems could attenuate relationships within a society, exacerbating authoritarians’ underlying low trust problems. Since they tend to reduce citizens to data inputs, these systems may deny citizens’ intrinsic desire for dignity and identity—with unexpected results.43 Information control tactics—such as flooding—can repress opposition, but long-term may exacerbate public uncertainty and decrease business confidence and trust in official information, with implications for social cohesion and economic progress.44

Dysfunctional Innovation Ecosystems

Information control and state-led pushes for technology dominance risk hampering innovation. For example, to achieve Xi Jinping’s ‘Made in China 2025’ goals, the CCP is supporting high-tech monopolies, restricting international collaboration, and yoking the state and market together.45 However, monopolies are notoriously inefficient and cross-border collaboration is an important driver of innovation. Further, innovation works best under free market conditions and in open societies.46 Some analysts argue that China’s success in deploying AI applications is an exception to this rule. However, there is a risk that Chinese companies are prioritizing shortterm breakthroughs (e.g. analyzing existing datasets to find new insights) at the expense of long-term investment in basic research.47 While authoritarians may excel at developing and deploying AI applications, conceptual research is arguably the real engine of AI advancement—and something that will continue to thrive in open societies.

Summary and Further Research

All states face risks in the information age, but the extent to which regime type affects the relative likelihood of these risks materializing, and their magnitude, is understudied. For example, much has been written about liberal democracies’ vulnerabilities to propaganda and foreign interference via social media.48 But while information warfare against open societies is more likely, arguably it is a higher magnitude threat for authoritarians, where control of information is core to regime survival. Similarly, analysts often lament that democratic governments have been slow to digitize governance systems and craft forward-looking technology policy.49 But while digital authoritarians might outcompete democracies in the roll-out of advanced technologies, this creates new vulnerabilities and risks. Inappropriate safeguards and accidents may result in cascading failures, while heavily digitized governance systems may be susceptible to foreign attack. Regime type may also affect the relative ability of authoritarians and democracies to mitigate their information age risks. For example, a democracy can build resilience to cyber and information threats through a variety of civil society and market-based interventions. Digital authoritarians must rely on a more limited set of top-down policy tools. Ultimately, a more systematic effort to map the comparative strengths and vulnerabilities of authoritarians and democracies in the information age could help both to better understand the other’s threat perceptions and manage escalation risks. It might also highlight ways in which democracies can hold digital authoritarians’ core interests at risk, in order to deter authoritarian interference in their own digital environments.

### 1AC – Plan

#### The United States federal government should adopt the principle of separating platforms from commerce for platforms in the private sector.

### 1AC – Systemic Risk

#### Contention two: Systemic Risk

#### Societal collapse is inevitable – dominant platforms are too big to fail – digitalization is financialization on steroids.

Curran ’20 [Dean; Assistant Professor in Sociology @ University of Calgary, PhD in Sociology; “Connecting risk: Systemic risk from finance to the digital,” *Economy and Society* 49(2), p. 239-264; AS]

The risks of tightly-coupled universal intermediaries

Irrespective of the importance of these insights into systemic fragility, insofar as we are interested in its impacts on overall social life, then the identification of the fragility of a system is only part of the problem. The other key question is: how important is this specific system to the overall functioning of society? To provide one set of contrasting examples, both pre-2008 finance and the Ryanair flight network in the summer of 2017 were systems that exhibited extremely low levels of redundancy and significant fragility to disruption (see Financial Times, 2017). Yet, Ryanair’s cacophony of cancelled and delayed flights was an inconvenience to a small portion of the population of Europe, while the stuttering of the credit provision system in finance resulted in a massive social crisis. As such, not only is the risk that a system will cease to function properly important, but insofar as we are oriented to systemic social risk and the potential for social crises, we must also focus on the level of dependence of society on this system. While existing approaches have focused on the fragility of a network, insofar as the intention of the analysis is to tack closely to the point of the social science study of risk – the potential damages to society – then the vulnerability of society to breakdowns in the network is just as important as the vulnerability of the network in itself.

This is what makes systemic financial risk so problematic in the twenty-first century. Firstly, finance has become interconnected to the point where it is a single, though highly uneven, system in which almost all parts are vulnerable to any other part of the financial system. Secondly, society as a whole exhibits very little redundancy vis-à-vis this single private finance system. Through its monopoly on credit provision and the near universality of employment of credit by corporations and private individuals, this network of contemporary privately-run financial institutions is increasingly emerging as a universal intermediary. Finance itself does not make anything, but it has increasingly become a single network that is a fundamental means to the provision of a vast array of other social functionings.13 Credit has become so central to economic processes across society that some bankers could speculate that, if the state had not intervened after the Lehman bankruptcy, grocery stores could have run out of food as their credit ran dry (Luyendijk, 2015). In this context, through financial institutions’ role as fundamental intermediaries in complex financial networks of interdependence, the failure of the system of privately owned finance would have disrupted everything else that depends on these networks of financial interdependence for continued functioning. Consequently, the ‘financialization of daily life’ (Langley, 2008; Martin, 2002), in which credit plays an increasingly fundamental role in commercial transactions, is not merely a massive sea change in subjectivities and a financial strategy for financial institutions to increase the scope of profit-making activities – it is also a systemic increase in the tight-coupling of society vis-à-vis the financial system. In this way, the proper functioning of the credit system itself has become a necessary condition to the reproduction of an ever greater number of social functionings – thus causing a massive increase in social dependence on this single, private system of finance.

Insofar then as universal intermediaries exhibit systemic fragilities there is significant potential for systemic social risk that can result in social crises, as emerged from the global financial crisis of 2008. Reducing this vulnerability can proceed via either making the system that is the intermediary more stable or through reducing its power as a necessary condition by generating other, independent ways of securing the goods to which this system is a means. This point, while not made explicit in the risk literature, is an important insight that can be generated by bringing together literatures on organizational and legal power and ecological, systemic risk. Almost all of the literature on contemporary finance focuses on making the system more stable, though there are also important treatments on replacing the private system of credit provision with a public system. Yet, from a social systemic risk perspective, the contemporary financial system is so dangerous not only because it is fragile and susceptible to crises, but because there is no back-up or alternative to contemporary global private finance for society. Reducing social dependence on credit and/or providing other forms of credit provision, including public and non-profit that are not integrated into the networks of interconnection of the existing private system, could not only provide greater security from systemic financial risk, but also massively reduce the necessary-condition-power of private finance that makes bailouts so difficult to avoid.

This is likewise where the ‘networked digitalisation of daily life’, akin to the financialisation of daily life, is increasingly important. As with the role of finance as an intermediary, digital giants are developing massive platforms that increasingly mediate almost all the basic functionings that human beings seek to achieve (Mansell, 2012; Srnicek, 2017).14 With the status of increasingly a universal intermediary for different social functions, if any of these platforms were to fail, all of the networks of dependence that rely on that platform would in turn fail. As banks enjoyed intermediary power as a means of enjoying market power, the major digital companies, including Apple, Alphabet, Amazon, Facebook and Microsoft are doing all they can to heighten their intermediary power by making themselves increasingly indispensable to more and more social and economic functions.

As with finance, this growing systemic risk should not be viewed simply as a relatively exogenous process of growing interdependencies due to globalization and technological development (cf. Centeno et al., 2015; Goldin & Mariathasan, 2014; World Economic Forum, 2015), but rather as fundamentally intensified by the pursuit of private efficiencies and monopoly power so as to realize profit and value maximization. Exemplified in the Silicon Valley ideology of ‘Unless you are breaking stuff … you are not moving fast enough’ (Zuckerberg in Anthony, 2017), the dependence of society on specific digital platforms continues to grow. The potential for ‘Schumpeterian profits’ from impeding competition by occupying the role of essential intermediaries for different social functions thus likewise intensifies the systemic risk associated with the failure of any of these digital giants.

As with contemporary finance, these digital giants seek to exhibit universal intermediary power. Insofar as they are necessary conditions to key functionings of our life, they exhibit a kind of dual power, that enables them to appropriate massive levels of economic rents due to their monopolistic position (Mazzucato, 2018), while also creating immense risks for society when they fail to successfully fulfil their roles – thus making it a core social interest that they not fail in their function. In these cases, companies, through what has been called ‘infrastructural imperialism’ (Vaidhyanathan, 2011) have sought to insert themselves as a universal means to the goods of our lives. More recently, cities themselves have been increasingly targeted by ransomware, which have threatened to bring urban governance to a halt. After a cyber attack hobbled Atlanta in 2018, which cost millions of dollars to recover from, in 2019 more than 40 municipalities in the United States have been hacked. These include major cities such as Albany and Baltimore, several smaller cities in Florida, along with 22 towns across Texas, which have been simultaneously afflicted (Fernandez & Sanger, 2019). As Wu (2010), has shown, insofar as digital companies appropriate these public ‘common carrier’ positions – including providing the infrastructure through which cities function – they become part of the critical infrastructure of social life. Yet, by enabling such a systemically risky system as the contemporary digital economy to develop in a manner that both amplifies the risk of the system itself and the social dependence on this system, we repeat the mistakes that were made in the lead-up to the 2008 financial crisis.

While at this point these cyber-attacks may be considered a considerable harm rather than a crisis, the growing infiltration of networked devices throughout our basic infrastructure associated with the revolution in IoT 15 and the potential for an entire networked smart city means that a level of interconnectedness implicit in current dynamics of innovation would turn a penetration at the scale of WannaCry or NotPetya, or the cyber-security and safety failures of AWS or Mirai, into a social catastrophe, in which the basic infrastructure of the city or an entire region could be disabled, or used as a tool for even more damaging cyber or infrastructural attacks. While cybersecurity is sophisticated and more can be done on this front, it is in many ways fighting a losing battle of trying to patch over an excessively interconnected and fragile system, on which we are increasingly intensely dependent. As Hypponen declares, summarizing the security status of digitally interconnected devices, ‘Whenever an appliance is described as being ‘smart’, it’s vulnerable’ (Hypponen & Nyman, 2017, p. 5). And yet the current trajectory is ever-greater damages as companies continue to work towards their goals of ever-greater network integration of social, material and political life with the digital economy.

With the growing complexity of digital interconnections – both within the digital system and at the human-digital interface (see Greenfield, 2017) – mismatches between the knowledge of programmers who create the code for software and the impacts that software’s vulnerabilities have continue to grow. This mismatch thus further intensifies the space for avoiding responsibility for the damages promulgated across these systems. As Naughton (2017) has highlighted, legal responsibility in the digital economy is rarely even close to commensurate to the damages wreaked through the failures of their created products. That it has not been seriously broached that any of the companies above be held even partially legally culpable for the collateral damages due to the breaches of their software exemplifies the extent to which the digital economy is dominated by intermediaries that are always seeking to further install themselves in people’s basic functionings and general capabilities, but are not held responsible when their intermediary roles are suspended – even when there are enormous path-dependent negative side-effects from breaches and breakdowns. The massive complexity of the networks of information they have contributed to creating and the inchoate nature of the damages they enable, which interact with many other causes – that is, they are not solely responsible for Russian political influence or the damaging of political discourse, but their business models play a definite, but indeterminate role in these processes – institutionalizes a kind of structural recklessness and irresponsibility at the centre of digital innovation.

While a critical, reflexive systemic risk analysis cannot be used to predict the future, it can aid in identifying important vulnerabilities that create the potential for system-wide risks. High levels of interconnectedness, complexity, low redundancy and high levels of mismatch between activity and knowledge, alongside low culpability is a toxic combination that created the conditions for a social crisis in 2008. Likewise this toxic combination is increasingly being manifested in the contemporary networked digital economy, which could generate another systemic social crisis that, given the existing scope and granularity of dependence of social life on digitally networked devices, potentially could be of even greater proportions.

#### 1 – Interconnectedness and lack of redundancy – it guarantees global internet and infrastructure collapse.

Curran ’20 [Dean; Assistant Professor in Sociology @ University of Calgary, PhD in Sociology; “Connecting risk: Systemic risk from finance to the digital,” *Economy and Society* 49(2), p. 239-264; AS]

Systemic financial and digital risk

The digital economy, which comprises ‘those businesses that increasingly rely upon information technology, data, and the internet for their business models’ (Srnicek, 2017, p. 4), is increasingly presenting itself as a hegemonic business model, which requires its own analytical treatment (Srnicek, 2017; see also Bauer & Latzer, 2016; Elder-Vass, 2016). Issues of risk and crisis raised by the financial crisis are particularly relevant to the emerging study of the digital economy in the face of the significant impacts from recent cyberattacks WannaCry and NotPetya and several breaches of confidential data, including 145 million people’s data held by Equifax and over 100 million held by Capital One.

While the shorthand of ‘digital economy’ is often and usefully used (Bauer & Latzer, 2016; Elder-Vass, 2016), core to this revolution is not simply the shift from analogue to digital, but in particular, the shift towards the use of computing devices that are networked. 4 As such ‘digital economy’ is employed as shorthand for the ‘networked digital economy’. This section further develops the framework for investigating emerging systemic risk proposed above, while also advancing evidence for the claim that the contemporary digital economy is manifesting systemic risk characteristics that have important similarities to the systemic risk characteristics of pre-2008 crisis finance. To pursue this dual task, I briefly develop a comparative systemic risk analysis of pre-crisis finance and the digital economy with respect to the following characteristics: interconnectedness and redundancy; interactive complexity, and mismatches between scope of knowledge and activity. Each of these subsections introduces brief illustrative cases to both clarify how to use this framework, or ‘toolbox’ of the political economy of systemic risk, and to provide prima facie evidence that significant digital systemic risk, and as is subsequently shown below, significant social systemic risk, is emerging from the current trajectory of the digital economy.

Problems of interconnectedness and redundancy in finance and the digital economy

As has been widely discussed in the literature on the 2008 financial crisis, in the lead-up to the crisis, the financial institutions that comprised the financial network became much more interconnected to the rest of the network, which increased the likelihood that solvency problems of one financial institution could threaten many other institutions in the network (Goldin & Mariathasan, 2014; Haldane, 2009; May et al., 2008). Alongside the growing interconnectedness of the financial network was a trend towards reduced redundancy, as banks significantly increased their leverage levels (Haldane et al., 2010). With increasing levels of leverage (the ratio of assets to equity), each financial institution had less back-up equity to employ when one of its investments failed to provide its anticipated return.

In the context of high interconnectedness and low redundancy, the failure of a small number of investments (such as when two of Bear Stearns’ hedge funds collapsed in July 2007) or, alternatively failure by an institution’s counterparty to meet their obligations (as occurred with Lehman Brothers in September 2008) could propagate risk across the network as these losses in turn created problems of liquidity and solvency for other counterparties and so on throughout the entire network (see Haldane, 2009). As the literature has previously discussed, with many investment banks having leverage ratios of 30 to one, losses of little more than 3 per cent could cause a bank to be insolvent (Curran, 2015; Haldane et al., 2010). With such a tightly connected network of firms and such little redundancy, the network was primed to have losses cascade throughout the network, until an institution with much greater levels of redundancy, the state, stepped in and ended the cascading losses through bailouts and stimulus packages.

In terms of analysing interconnectedness in the digitally networked economy, it is one of those few sectors that is considered to be even more connected than global finance. The growing scale of computing devices and their connection via the internet is a widely noted phenomenon (see Goldin & Mariathasan, 2014), with the internet being described as the world’s largest network (Perrow 2007, p. 249), and as a ‘world-spanning living organism’ (Pentland 2009, in Zuboff, 2015, p. 85). Moreover, this growth of connectivity has been extremely rapid, with not only massive increases in the number of digitally interconnected devices, but also the types of devices that are being connected continuing to proliferate (Schneier, 2018).

In terms of redundancy, while the internet is a massive network – which enables potential connection between any two devices that have IP addresses – it has been noted that the physical infrastructure of the internet exhibits a reasonably high level of redundancy. Even if one of the root-level servers was to be disabled, the system would be able to adjust, thus enabling continued availability of internet services (Perrow, 2007). Nevertheless, on top of this physical infrastructure of the internet has developed a series of oligopolistic or monopolistic providers of key services on the web such as Amazon, Apple, Google, Facebook and Microsoft, while Alibaba, Baidu and Tencent, occupy similar levels of market dominance in China (Webb, 2019). While monopolistic market structures are primarily viewed from a pricing perspective, market dominance also raises important questions from a systemic risk perspective that have only been addressed within the sector of finance. As such, while there is some recognition of the importance of ‘systematically important financial institutions’ (FSB, 2011), there has not yet been a corresponding regulatory recognition of the systemic risk associated with ‘systematically important digital institutions’. These dominant firms have become key nodes that support a vast array of web services, which in turn support a multitude of social practices. Google has eight products that have over one billion users, while Amazon, Microsoft, and Facebook exhibit similar levels of market dominance in their respective markets (Lardinois, 2018; Mazzucato 2018). This political economic structure of the digital economy, which benefits from the network effects of digital information markets (Hindman, 2018; Srnicek, 2017), alongside light-touch regulation (Curran, 2018), consequently has built a much more centralized functional web onto of the distributed technology of the internet.

Given the interoperability and interdependencies within these companies, the monopolistic, centralized nature of the web provision creates the potential for vulnerabilities to cascade widely through the web, even if the physical infrastructure is distributed. As Perrow (2007) has emphasized, having many systems that utilize the same software systems leaves them open to ‘commonmode’ failures, where a potential failure or breach anywhere in the network can lead to multiple, potentially cascading failures due to the systems being vulnerable to the same failure. The economic centralization of the infrastructure of the web thus leads to the potential for the identification and exploitation of a single vulnerability leading to the failure of thousands or even potentially millions of computing devices, which are vulnerable to the same weakness.5

The WannaCry cyberattack exemplifies the growing importance of the systemic fragilities involved with cyber risk, and on a truly global scale – affecting over 100 countries worldwide – based on the identification and exploitation of a single key vulnerability in Microsoft software (Larson, 2017). In terms of its impacts, one-third of the UK’s National Health Service (NHS) was rendered inoperative, Chinese students were locked out of their university files, over 1,000 computers at Russia’s interior ministry were disrupted, as were billion dollar businesses, such as FedEx and Telefónica. In total it is estimated that over 230,000 computers were infected by WannaCry (Thomas, 2019) and the costs of the attack are estimated at somewhere between $4–8 billion (Greenberg, 2018). For WannaCry, the malware took advantage of a vulnerability in Windows, which had been previously developed by the US-based NSA into an attack tool for its own hacking operations. This penetration tool, EternalBlue – based on a key ‘zero-day vulnerability’ for Windows operating systems – was stolen from the NSA and subsequently leaked on the internet in 2017 so that others could use it for cyber-attacks.

In evaluating cyber-threats there are three commonly discussed criteria for computer security: confidentiality, availability and integrity (Schneier, 2018). Confidentiality is that only parties that are authorized gain access to the information held on a system. Availability involves the continued access and functionality of computing services to authorized parties. Integrity involves only authorized parties making changes in a computer system.6 In the lead-up to WannaCry, one of, if not the most, sophisticated hacking groups in the world, the NSA, were unable to keep their own hacking tools confidential.

The EternalBlue vulnerability was again used the following year in the NotPetya malware. The NotPetya ransomware attack is considered the most costly attack yet, with estimates that it cost companies over $20 billion, while also shutting down key infrastructure (Clarke & Knake, 2019, p. 18). In this case, it was vulnerabilities in the update servers of a Ukrainian software company, Linkos, that provided a back door to thousands of computers in Ukraine, which enabled the hackers to release the NotPetya malware (Greenberg, 2018). NotPetya ‘crippled multinational companies including Maersk, pharmaceutical giant Merck, FedEx’s European subsidiary TNT Express, French construction company Saint-Gobain, food producer Mondele¯z, and manufacturer Reckitt Benckiser. In each case, it inflicted nine-figure costs’ (Greenberg, 2018).

Again, as with WannaCry, there were cascading effects on economic and material life. One example of its impacts is instructive, especially given the primary business model of the internet of maximizing connectivity and data collection and analysis.7 The Danish logistics company, Maersk, was hobbled by the attack. While Ukraine was the original target, given Maersk’s role in the global supply chain, ‘an attack on Maersk strikes everywhere at once’ (Greenberg, 2018). With a single breach of Maersk’s systems due to the installation of the unknowingly infected software in Odessa, this led to problems around the globe, as the malware caused the failure of a key ‘choke point’ in its shipping terminal system. This led to the closure for the day of 17 of its 76 terminals, including New Jersey, Los Angeles, Algericas (Spain), Rotterdam, and Mumbai, leading to massive delays and further problems given the focus on efficiencies and just-in-time deliveries in the global supply chain (Greenberg, 2018; see also Goldin & Mariathasan, 2014). While the software on Maersk’s ships were not infected, the terminals’ software had been wiped away, such that for ‘days to come, one of the world’s most complex and interconnected distributed machines, underpinning the circulatory system of the global economy itself, would remain broken’ (Greenberg, 2018).

The NotPetya attack is estimated to have cost Maersk $300 million; however, luckily the fundamental principle of the digital economy – connect (and collect) everything – was unintentionally violated in this case. In seeking to rebuild the logistics systems that plan how to sort and arrange their shipping process, a copy of the ‘domain controllers’, which serve as a map to the network, needed to be found. Maersk though had been syncing together all 150 domain controllers, and hence, in a clear case of the risks of the ethos of growing, almost reckless interconnectivity, all were wiped out by the NotPetya malware, except one, which remained exempt from the syncing process because a blackout in the Ghanaian office prior to the NotPetya infection had rendered the machine offline and disconnected from the network when NotPetya struck.8

As this case illustrates, a component can only serve effectively as redundancy if it is not too tightly-coupled to the network. If there is a high correlation between the failure of the part and its ‘back-up’ then there is not effective redundancy; yet the push to connectivity tends to infect all the parts in the case of an infection. In this case, redundancy was achieved, through a core principle of systemic risk minimization (modularity) unintentionally trumping the business model of the digital economy, of maximizing connectivity and interdependence.

Software increasingly functions as a core part of the infrastructure of our economic, social and political world. Yet, unlike the modularity of conventional infrastructure, networked software exhibits a series of interdependencies and potentialities for ‘common-mode’ failures that provides scope for an initial, single infection somewhere in the globe to cascade across the globe. Yet, despite the growing accumulation of costly ‘near-misses’ (see Perrow, 1984) little has changed in the fundamental business model of the digital economy, or of governments’ refusal to regulate for the systemic risk that is emerging from this massive growth in interconnectedness. In fact the digital economy aims to ever further increase the connectedness of life through the Internet of Things (IoT) (Schneier, 2018).

#### 2 – Complexity – monopolization of the digital economy makes the IoT vulnerable to cyber-attacks.

Curran ’20 [Dean; Assistant Professor in Sociology @ University of Calgary, PhD in Sociology; “Connecting risk: Systemic risk from finance to the digital,” *Economy and Society* 49(2), p. 239-264; AS]

Complexity in finance and the digital economy

In addition to the risks emerging from being a highly interconnected and low redundancy network, high levels of complexity in finance played a key role in the lead-up to the financial crisis of 2008. Perrow (1984) provides a basis for distinguishing between the risk properties of different types of complexity through his differentiation between linear complexity and interactive complexity. Linear complexity involves a system with many parts, but the interactions between these parts are linear, visible and generally predictable. Interactive complexity involves relations between parts that are not linear, such that there is a much greater chance of one component of the system interacting with and impacting components in many different parts of the system.9 This distinction is akin to Haldane’s (2009) distinction between more modular complexities, where there are relatively separable sub-structures, and interactively complex systems, where any part of the system exhibits a higher likelihood of dependence on any other part of the system in highly unpredictable, irregular ways. For the purpose of exposition, these two types of complexity will be called separable complexity and interactive complexity.

The lead-up to the financial crisis is widely acknowledged as having experienced a massive increase in the complexity of the financial system. Simple, short-chain securitization is consistent with risk reduction strategies (Engelen et al., 2011); however, complex forms of securitization led to such a level of opacity and unpredictable interactions between different financial transactions, and ultimately financial institutions, that a ‘modest increase of seriously delinquent subprime mortgages’ of 3 per cent ($34 billion) led to the fundamental disruption of the $57 trillion US financial system (Dodd, 2007).

In terms of the level of complexity that was reached in the years leading up to the 2008 crisis, ABS CDOs (Collateralized Debt Obligations in which the underlying assets are Asset-Backed Securities), can provide a useful illustrative case. ABS CDOs were a particularly complex security, in which the underlying components were bundles of different tranches of a series of ABSs. The tranches of these ABSs were built out of thousands of mortgages, with the different tranches classified based on the probability of default of their underlying mortgages, with the AAA tranches offering lower rates of return due to greater security, while the lower tranches (including BBB and BB) offering higher rates of return in compensation for a higher probability of default (see Financial Crisis Inquiry Commission, 2011, p. 73). ABS CDOs (which the Financial Crisis Inquiry Commission just calls ‘CDOs’) were then made out of the ‘mezzanine tranches’ of ABSs, in particular the AA, A, BBB and BB tranches, which were more difficult to sell because of the higher risk attached to them. Through constructing a new security by pooling together these different tranches, the sellers of these investments were able to claim that the process of creating ABS CDOs reduced correlation between assets through diversification and hence these mezzanine tranches were then sold as securities in which the majority of the ABS CDO was rated AAA (80 per cent), despite being made almost solely of higher probability of default securities (see Financial Crisis Inquiry Commission, 2011, pp. 127–129). The repackaging of these securities provided important arbitrage opportunities, especially because of the symbolic value attached to AAA rated investments. The resulting losses from these complex forms of securitization though played a key role in the lead-up to the 2008 financial crisis (MacKenzie, 2011, pp. 1779, 1782–1786).

In addition to high levels of interconnectedness and low redundancy, high levels of complexity are another key feature of the digital economy. In particular, the digital economy manifests not just a high level of complexity, but in particular a high level of interactive complexity, in which wide-ranging and unpredictable interconnections between different parts of a system are possible. Many of the software programs that are necessary to the web are immensely complex – much too complex for even the most sophisticated programmers in the world to adequately understand. Windows, for example, has over 60 million lines of code (Gisel & Olejnik, 2018).

Pasquale (2015) highlights an important element of contemporary power dynamics in that digital companies implement a two-sided mirror. They seek to know everything about their users, while their users know nothing about how they function. Yet, from a risk perspective there is also the larger point that given this level of complexity of these programs, no one, whether inside the company or outside, can hope to have a comprehensive picture of the interactions between these different lines of code – much less, how this software interacts with the external, social world. Even with the best programmers in the world, the complexity of these software systems regularly creates unanticipated mistakes in coding.10 When this level of complexity intersects with how tightly-coupled many software systems are, the exploitation of a single key vulnerability can lead to the complete breakdown of a computer or network of computers, as occurred with WannaCry and NotPetya. This complexity is so much more problematic in the context of the particularities of cyber-security. That is, it does not matter how many attacks are repelled because a single breach is enough to potentially generate a ‘class break’, in which a number of devices with similar software vulnerabilities can have their confidentiality, availability, or integrity breached (Schneier, 2018).

Yet, despite the continuing failures of cyber-security and the fragility of the system, the current trajectory of the business model of the digital economy, of seeking monopolistic network effects and of collecting as much data as possible, incessantly drives further growth in the size and complexity of the network (Hindman, 2018; Srnicek, 2017; Zuboff, 2019). While this is manifested by many trends, the pivot towards the Internet of Things (IoT) – as associated with projects such as the ‘smart home’ of surveillance capitalism (Zuboff, 2019) and ‘smart cities’ (Kitchin & Dodge, 2019) – exemplifies this in particularly stark terms. The addition of billions of further devices to the internet has not only immensely increased the ‘attack surface’ of interconnected devices on which cyber-security depends; it has also amplified the complexity of potential interactions between internet connected devices (see Schneier, 2018).

The Mirai botnet11 exemplifies well the potential risks of the interactive complexity of the contemporary networked digital economy, as well as some of the particular risks involved in shifting from a modular infrastructure to an interconnected infrastructure that is exposed to weaknesses anywhere across the global digital network. Unlike WannaCry and NotPetya, which involved sophisticated teams of computer hackers, the original source code for Mirai was developed by three 21 year olds in the United States. The botnet in turn was built out of this source code – which the original hackers had released onto the web (as an attempt to hide their identities from the FBI). Other, as of yet unidentified hackers, using the Mirai botnet to take control of IoT devices that had default passwords (security cameras, DVRs, routers (Graff, 2017)) used them to pursue a Distributed Denial of Service (DDoS) against the company Dyn. This attack caused widespread problems across the web because of Dyn’s core infrastructural role in the internet through its role as a Domain Name System (DNS) for other websites. This attack led to large parts of the internet on the Eastern Coast of the United States not working, causing disruptions to Twitter, Amazon, Spotify, PayPal, Reddit and Airbnb amongst others, while also disrupting parts of the internet in the rest of North America and in Europe (Graff, 2017). As a DNS, Dyn helps web browsers translate written addresses into numbered IP addresses and vice versa and thus is a core part of the functionality of the web. At the height of the attack, hackers were able to use over 600,000 infected devices through the Mirai botnet to launch an unprecedented record attack of 1.2 terrabits of network-clogging traffic to Dyn’s servers, which overloaded their servers, thus disrupting their ability to fulfil their normal functions (Graff, 2017).

While the disruption from this attack was felt in the United States and Europe, the insecure, infected devices did not come from these areas. Highlighting the complex interdependencies of the global nature of the internet and how any two devices with an IP address can be directly and instantaneously connected, this was ‘harm at a distance’ at its best, as the infected devices were primarily from Brazil, Columbia and Vietnam, while China, South Korea, Russia, Turkey and India also exhibited significant levels of infection (listed in descending order (Bursztein, 2017)). Contrary to separable complexity, interactive complexity functioned across the system as devices of different types (DVRs versus core infrastructure DNS) and geographical locations (Asia and South American versus the United States and Europe) became intricately interconnected because of a breach of a seemingly distant and disparate part of the system.

#### 3 – Mismatch between knowledge and activity – malfunctions are likely and trigger a global domino effect.

Curran ’20 [Dean; Assistant Professor in Sociology @ University of Calgary, PhD in Sociology; “Connecting risk: Systemic risk from finance to the digital,” *Economy and Society* 49(2), p. 239-264; AS]

Mismatches between scope of knowledge and activity

In addition to high interconnectedness, low redundancy and high interactive complexity, pre-crisis finance also exhibited a significant mismatch between the scope of knowledge and activity. As Tett (2009, p. xiv) argues ‘The modern world is littered with these silos – pockets of specialist knowledge, where technical experts work in mental and structural silos. Indeed, these silos are proliferating, for as the pace of innovation speeds up, and spreads further and further around the globe, our world is becoming more technologically complex by the day’. As such, while Tett (2009, 2015) primarily focuses her critique on increasing silos of knowledge, as her quote suggests we are witnessing an even more dangerous process in which we have a dual process of the production of increasingly complex and interconnected systems, alongside the increasingly narrow, cordoned bases of knowledge and responsibility for those who are cumulatively producing this externalized complexity. This process is clearly on display in the lead-up to the financial crisis.

While, as discussed above, the complexity of interconnections between Mortgage Backed Securities grew the scope of knowledge of its producers did not correspondingly grow – in fact, in many ways it constricted. Rather than carefully investigating the different potential risks, ‘Mortgage lending had become an assembly-line affair in which loans were made and then quickly reassembled into bonds immediately sold to investors’ (Tett, 2009, p. 112). Even when key additional layers of complexity were added through the development of ABS CDOs, there was little additional knowledge or orientation to the additional connections that were being generated. Ultimately, the primary knowledge base and orientation of the producers and sellers of ABS CDOs was how to attain the desired credit rating on these investments – all other portions of complexity were externalized by the vast majority of those formulating these investments. Consequently, once the model of the Gaussian copula was identified as a way to solve the problem of estimating correlations, the complexities were neglected, with the Gaussian copula functioning as the ‘combustion engine of the CDO world’ (Tett 2009, p. 119–122). As MacKenzie’s (2011) discussion of different clusters of evaluation practices likewise shows, those who made and rated the ABS CDOs lacked a sufficient basis of knowledge to fully understand their actual activity – both in terms of the vulnerabilities of the investments they packaged and the vulnerability of the financial system to these extremely complex investment vehicles. As emphasized above, these mismatches between knowledge and activity not only left open the potential for creating extremely risky financial transactions, but also tended to shield those who created and benefitted from the risk from responsibility for the consequences of these risks.

The digital economy likewise manifests extreme mismatches between the scope of knowledge of those developing computing programs and the interdependencies that emerge on top of them. As emphasized above, contemporary computer programs exhibit a level of complexity well beyond the comprehension of a single person or group of people. Alongside this complexity then is a massive mismatch between the extremely small part of an overall program that any one set of programmers develop and understand – which even then can contain flaws in itself (Schneier, 2018) – and the emergent intersections of these units into larger systemic fragilities across the network. As interactive complexities build on top of interconnected and low redundancy systems and intensify the problems emerging from these features, this mismatch between scope of knowledge and activity intensifies these problems of interactive complexity. Moreover, problems of interactive complexity are amplified by how tightly-coupled computing systems can be – massive automated systems can be ~~disabled~~ [harmed] by even a single mistake as computers do not possess the type of hermeneutic interpretability that living agents do (see Kernighan, 2017). Yet, it is not only the physical nature of computing that leads to the potential for a single mistake to cascade through a computing device; the emerging monopolistic business model of the digital economy creates greater interdependencies as large digital companies seek to insert themselves as a universally necessary part of the ‘stack’ of digital computing services (Nunan & Di Domenico, 2017). An illustrative example, the cascading failure of websites in February 2017, exemplifies well how the interconnectedness and complexity of the web interacts with mismatches between the knowledge of specific individuals and the massive ramifications that their actions can have.

In February 2017, several websites on the East Coast of the United States stopped functioning properly, including the websites of Slack, GitHub, GitLab, Quora, Medium, Expedia, Adobe Cloud, with reports of Xero, SiriusXM, and Nest internet-connected devices also ceasing to function properly (Nichols, 2017). In fact, outage monitoring sites DownDetector and isitdownrightnow.com were also not functioning properly due to the overloading of the sites because of a massive spike in internet users checking on the functionality of these other websites (Nichols, 2017). Ultimately, this five-hour breakdown in availability of these websites and services was traced back to the malfunctioning of Amazon Web Services (AWS), a core cloud computing provider. The malfunctioning had occurred due to a single typo by an Amazon employee. The employee was debugging a billing system and ended up taking offline more servers than were intended. This ‘error started a domino effect that took down two other server subsystems and so on … ’ (Del Rey, 2017). AWS had also suffered a significant outage due to human error years earlier in 2011. In upgrading its primary servers, the traffic that the server usually manages was sent to a back-up server rather than being sent to the rest of the network. This back-up server was not intended to handle this much higher level of traffic, thus causing a significant amount of the traffic to get ‘stuck’. Despite this single mistake of redirection to the back-up server, if the system had functioned properly, the problem would not have cascaded in this way, but this mistake interacted with other as of yet previously unidentified bugs, thus amplifying the breakdown in service (Goldman, 2011).

The massive outage in February 2017 is estimated to have damaged the business of 54 of the top 100 internet retailers, with an estimated total economic impact of $150 million (Bort, 2017). This has led to the incident being described as ‘Amazon and the $150 million typo’ (Hersher, 2017). Reflecting on the systemic importance of a single cloud computing company, it was noted that AWS has ‘quietly become responsible for keeping much of the internet running’ and that ‘AWS has come to underpin so much of our daily life that we hardly even notice how important it’s become — until it stops working’ (Swearingen, 2018). Yet, different parts of AWS malfunctioned again in September 2017 and then in March 2018, hitting Alexa, Slack and Capital One. While Amazon apologized and promised changes, the cascading impacts of AWS outages continue to be felt. As with interconnectedness and low redundancy, the growing complexity and mismatch between knowledge and impacts in the digital economy, though shaped by the technology, is not an inevitable dimension of the technology, but rather massively intensified by the monopolistic characteristics of the digital economy and the goal of digital giants to grow as large as quickly as possible (see Hindman, 2018).

#### Cascading collapse escalates global hotspots, including reactor meltdowns – extinction.

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But what exactly is a global system? Our planet itself is an autonomous and selfsustaining mega-system, marked by periodic cycles and elemental vagaries. Human activities within however are not system isolates as our banking, utility, farming, healthcare and retail sectors etc. are increasingly entwined. Risks accrued in one system may cascade into an unforeseen crisis within and/or without (Choo, Smith & McCusker, 2007). Scholars call this phenomenon “emergence”; one where the behaviour of intersecting systems is determined by complex and largely invisible interactions at the substratum (Goldstein, 1999; Holland, 1998).

The ongoing COVID-19 pandemic is a case in point. While experts remain divided over the source and morphology of the virus, the contagion has ramified into a global health crisis and supply chain nightmare. It is also tilting the geopolitical balance. China is the largest exporter of intermediate products, and had generated nearly 20% of global imports in 2015 alone (Cousin, 2020). The pharmaceutical sector is particularly vulnerable. Nearly “85% of medicines in the U.S. strategic national stockpile” sources components from China (Owens, 2020).

An initial run on respiratory masks has now been eclipsed by rowdy queues at supermarkets and the bankruptcy of small businesses. The entire global population – save for major pockets such as Sweden, Belarus, Taiwan and Japan – have been subjected to cyclical lockdowns and quarantines. Never before in history have humans faced such a systemic, borderless calamity.

COVID-19 represents a classic emergent crisis that necessitates real-time response and adaptivity in a real-time world, particularly since the global Just-in-Time (JIT) production and delivery system serves as both an enabler and vector for transboundary risks. From a systems thinking perspective, emerging risk management should therefore address a whole spectrum of activity across the economic, environmental, geopolitical, societal and technological (EEGST) taxonomy. Every emerging threat can be slotted into this taxonomy – a reason why it is used by the World Economic Forum (WEF) for its annual global risk exercises (Maavak, 2019a).

As traditional forces of globalization unravel, security professionals should take cognizance of emerging threats through a systems thinking approach.

METHODOLOGY

An EEGST sectional breakdown was adopted to illustrate a sampling of extreme risks facing the world for the 2020-2030 decade. The transcendental quality of emerging risks, as outlined on Figure 1, below, was primarily informed by the following pillars of systems thinking (Rickards, 2020):

• Diminishing diversity (or increasing homogeneity) of actors in the global system (Boli & Thomas, 1997; Meyer, 2000; Young et al, 2006);

• Interconnections in the global system (Homer-Dixon et al, 2015; Lee & Preston, 2012);

• Interactions of actors, events and components in the global system (Buldyrev et al, 2010; Bashan et al, 2013; Homer-Dixon et al, 2015); and

• Adaptive qualities in particular systems (Bodin & Norberg, 2005; Scheffer et al, 2012)

Since scholastic material on this topic remains somewhat inchoate, this paper buttresses many of its contentions through secondary (i.e. news/institutional) sources.

ECONOMY

According to Professor Stanislaw Drozdz (2018) of the Polish Academy of Sciences, “a global financial crash of a previously unprecedented scale is highly probable” by the mid-2020s. This will lead to a trickle-down meltdown, impacting all areas of human activity.

The economist John Mauldin (2018) similarly warns that the “2020s might be the worst decade in US history” and may lead to a Second Great Depression. Other forecasts are equally alarming. According to the International Institute of Finance, global debt may have surpassed $255 trillion by 2020 (IIF, 2019). Yet another study revealed that global debts and liabilities amounted to a staggering $2.5 quadrillion (Ausman, 2018). The reader should note that these figures were tabulated before the COVID-19 outbreak.

The IMF singles out widening income inequality as the trigger for the next Great Depression (Georgieva, 2020). The wealthiest 1% now own more than twice as much wealth as 6.9 billion people (Coffey et al, 2020) and this chasm is widening with each passing month. COVID-19 had, in fact, boosted global billionaire wealth to an unprecedented $10.2 trillion by July 2020 (UBS-PWC, 2020). Global GDP, worth $88 trillion in 2019, may have contracted by 5.2% in 2020 (World Bank, 2020).

As the Greek historian Plutarch warned in the 1st century AD: “An imbalance between rich and poor is the oldest and most fatal ailment of all republics” (Mauldin, 2014). The stability of a society, as Aristotle argued even earlier, depends on a robust middle element or middle class. At the rate the global middle class is facing catastrophic debt and unemployment levels, widespread social disaffection may morph into outright anarchy (Maavak, 2012; DCDC, 2007).

Economic stressors, in transcendent VUCA fashion, may also induce radical geopolitical realignments. Bullions now carry more weight than NATO’s security guarantees in Eastern Europe. After Poland repatriated 100 tons of gold from the Bank of England in 2019, Slovakia, Serbia and Hungary quickly followed suit.

According to former Slovak Premier Robert Fico, this erosion in regional trust was based on historical precedents – in particular the 1938 Munich Agreement which ceded Czechoslovakia’s Sudetenland to Nazi Germany. As Fico reiterated (Dudik & Tomek, 2019):

“You can hardly trust even the closest allies after the Munich Agreement… I guarantee that if something happens, we won’t see a single gram of this (offshore-held) gold. Let’s do it (repatriation) as quickly as possible.” (Parenthesis added by author).

President Aleksandar Vucic of Serbia (a non-NATO nation) justified his central bank’s gold-repatriation program by hinting at economic headwinds ahead: “We see in which direction the crisis in the world is moving” (Dudik & Tomek, 2019). Indeed, with two global Titanics – the United States and China – set on a collision course with a quadrillions-denominated iceberg in the middle, and a viral outbreak on its tip, the seismic ripples will be felt far, wide and for a considerable period.

A reality check is nonetheless needed here: Can additional bullions realistically circumvallate the economies of 80 million plus peoples in these Eastern European nations, worth a collective $1.8 trillion by purchasing power parity? Gold however is a potent psychological symbol as it represents national sovereignty and economic reassurance in a potentially hyperinflationary world. The portents are clear: The current global economic system will be weakened by rising nationalism and autarkic demands. Much uncertainty remains ahead. Mauldin (2018) proposes the introduction of Old Testament-style debt jubilees to facilitate gradual national recoveries. The World Economic Forum, on the other hand, has long proposed a “Great Reset” by 2030; a socialist utopia where “you’ll own nothing and you’ll be happy” (WEF, 2016).

In the final analysis, COVID-19 is not the root cause of the current global economic turmoil; it is merely an accelerant to a burning house of cards that was left smouldering since the 2008 Great Recession (Maavak, 2020a). We also see how the four main pillars of systems thinking (diversity, interconnectivity, interactivity and “adaptivity”) form the mise en scene in a VUCA decade.

ENVIRONMENTAL

What happens to the environment when our economies implode? Think of a debt-laden workforce at sensitive nuclear and chemical plants, along with a concomitant surge in industrial accidents? Economic stressors, workforce demoralization and rampant profiteering – rather than manmade climate change – arguably pose the biggest threats to the environment. In a WEF report, Buehler et al (2017) made the following pre-COVID-19 observation:

The ILO estimates that the annual cost to the global economy from accidents and work-related diseases alone is a staggering $3 trillion. Moreover, a recent report suggests the world’s 3.2 billion workers are increasingly unwell, with the vast majority facing significant economic insecurity: 77% work in part-time, temporary, “vulnerable” or unpaid jobs.

Shouldn’t this phenomenon be better categorized as a societal or economic risk rather than an environmental one? In line with the systems thinking approach, however, global risks can no longer be boxed into a taxonomical silo. Frazzled workforces may precipitate another Bhopal (1984), Chernobyl (1986), Deepwater Horizon (2010) or Flint water crisis (2014). These disasters were notably not the result of manmade climate change. Neither was the Fukushima nuclear disaster (2011) nor the Indian Ocean tsunami (2004). Indeed, the combustion of a long-overlooked cargo of 2,750 tonnes of ammonium nitrate had nearly levelled the city of Beirut, Lebanon, on Aug 4 2020. The explosion left 204 dead; 7,500 injured; US$15 billion in property damages; and an estimated 300,000 people homeless (Urbina, 2020). The environmental costs have yet to be adequately tabulated.

Environmental disasters are more attributable to Black Swan events, systems breakdowns and corporate greed rather than to mundane human activity.

Our JIT world aggravates the cascading potential of risks (Korowicz, 2012). Production and delivery delays, caused by the COVID-19 outbreak, will eventually require industrial overcompensation. This will further stress senior executives, workers, machines and a variety of computerized systems. The trickle-down effects will likely include substandard products, contaminated food and a general lowering in health and safety standards (Maavak, 2019a). Unpaid or demoralized sanitation workers may also resort to indiscriminate waste dumping. Many cities across the United States (and elsewhere in the world) are no longer recycling wastes due to prohibitive costs in the global corona-economy (Liacko, 2021).

Even in good times, strict protocols on waste disposals were routinely ignored. While Sweden championed the global climate change narrative, its clothing flagship H&M was busy covering up toxic effluences disgorged by vendors along the Citarum River in Java, Indonesia. As a result, countless children among 14 million Indonesians straddling the “world’s most polluted river” began to suffer from dermatitis, intestinal problems, developmental disorders, renal failure, chronic bronchitis and cancer (DW, 2020). It is also in cauldrons like the Citarum River where pathogens may mutate with emergent ramifications.

On an equally alarming note, depressed economic conditions have traditionally provided a waste disposal boon for organized crime elements. Throughout 1980s, the Calabria-based ‘Ndrangheta mafia – in collusion with governments in Europe and North America – began to dump radioactive wastes along the coast of Somalia. Reeling from pollution and revenue loss, Somali fisherman eventually resorted to mass piracy (Knaup, 2008).

The coast of Somalia is now a maritime hotspot, and exemplifies an entwined form of economic-environmental-geopolitical-societal emergence. In a VUCA world, indiscriminate waste dumping can unexpectedly morph into a Black Hawk Down incident. The laws of unintended consequences are governed by actors, interconnections, interactions and adaptations in a system under study – as outlined in the methodology section.

Environmentally-devastating industrial sabotages – whether by disgruntled workers, industrial competitors, ideological maniacs or terrorist groups – cannot be discounted in a VUCA world. Immiserated societies, in stark defiance of climate change diktats, may resort to dirty coal plants and wood stoves for survival. Interlinked ecosystems, particularly water resources, may be hijacked by nationalist sentiments. The environmental fallouts of critical infrastructure (CI) breakdowns loom like a Sword of Damocles over this decade.

GEOPOLITICAL

The primary catalyst behind WWII was the Great Depression. Since history often repeats itself, expect familiar bogeymen to reappear in societies roiling with impoverishment and ideological clefts. Anti-Semitism – a societal risk on its own – may reach alarming proportions in the West (Reuters, 2019), possibly forcing Israel to undertake reprisal operations inside allied nations. If that happens, how will affected nations react? Will security resources be reallocated to protect certain minorities (or the Top 1%) while larger segments of society are exposed to restive forces? Balloon effects like these present a classic VUCA problematic.

Contemporary geopolitical risks include a possible Iran-Israel war; US-China military confrontation over Taiwan or the South China Sea; North Korean proliferation of nuclear and missile technologies; an India-Pakistan nuclear war; an Iranian closure of the Straits of Hormuz; fundamentalist-driven implosion in the Islamic world; or a nuclear confrontation between NATO and Russia. Fears that the Jan 3 2020 assassination of Iranian Maj. Gen. Qasem Soleimani might lead to WWIII were grossly overblown. From a systems perspective, the killing of Soleimani did not fundamentally change the actor-interconnection-interactionadaptivity equation in the Middle East. Soleimani was simply a cog who got replaced.

#### Grid collapse causes extinction.

Weiss ’19 [Matthew and Martin; May 29; National Sales Director at United Medical Instruments, UMI and Research assistant at the American Jewish University; Neurosurgeon at UCLA-Olive View Medical Center; Energy, Sustainability, and Society, “An assessment of threats to the American power grid,” vol. 9]

Consequences of a sustained power outage

The EMP Commission states “Should significant parts of the electrical power infrastructure be lost for any substantial period of time, the Commission believes that the consequences are likely to be catastrophic, and many people will die for the lack of the basic elements necessary to sustain life in dense urban and suburban communities.” [67].

Space constraints preclude discussion on how the loss of the grid would render synthesis and distribution of oil and gas inoperative. Telecommunications would collapse, as would finance and banking. Virtually all technology, infrastructure, and services require electricity.

An EMP attack that collapses the electric power grid will collapse the water infrastructure—the delivery and purification of water and the removal and treatment of wastewater and sewage. Outbreaks that would result from the failure of these systems include cholera. It is problematic if fuel will be available to boil water. Lack of water will cause death in 3 to 4 days [68].

Food production would also collapse. Crops and livestock require water delivered by electronically powered pumps. Tractors, harvesters, and other farm equipment run on petroleum products supplied by an infrastructure (pumps, pipelines) that require electricity. The plants that make fertilizer, insecticides, and feed also require electricity. Gas pumps that fuel the trucks that distribute food require electricity. Food processing requires electricity.

In 1900, nearly 40% of the population lived on farms. That percentage is now less than 2% [69]. It is through technology that 2% of the population can feed the other 98% [68]. The acreage under cultivation today is only 6% more than in 1900, yet productivity has increased 50 fold [69].

As stated by Dr. Lowell L Wood in Congressional testimony:

“If we were no longer able to fuel our agricultural machine in the country, the food production of the country would simply stop, because we do not have the horses and mules that used to tow agricultural gear around in the 1880s and 1890s”. “So the situation would be exceedingly adverse if both electricity and the fuel that electricity moves around the country……… stayed away for a substantial period of time, we would miss the harvest, and we would starve the following winter” [70].

People can live for 1–2 months without food, but after 5 days, they have difficulty thinking and at 2 weeks they are incapacitated [68]. There is typically a 30-day perishable food supply at regional warehouses but most would be destroyed with the loss of refrigeration [69]. The EMP Commission has suggested food be stockpiled for a possible EMP event.

A prescription for failure

Even if all the recommendations of the Congressional EMP Commission were implemented, there is no guarantee that the grid will not sustain a prolonged collapse. There should therefore be contingency plans for such a failure.

There is also another consideration. The foundational pillars of prior American nuclear defense policy, in today’s climate, are of uncertain validity. Mutual assured destruction is the Maginot line of the 21st century. Nonproliferation will prove difficult to resurrect.

The consequences of a widespread nuclear attack have been positioned to the public as massive deaths from blast effects, and then further lingering deaths from the effects of radiation. We suspect there will be no electricity, and there will be no electricity for a very long time.

There should be an actionable plan in anticipation of a possible prolonged collapse of the grid—a retro-structure and a skill set to provide a framework for survival. Our sense is there is no plan.

#### Cyber-attacks go nuclear – extinction.

Orlov ’20 [Vladimir, Founder & Director of the PIR Center, President of the Trialogue Club International, Head of the Center for Global Trends and International Organizations at the Diplomatic Academy, Ministry of Foreign Affairs of the Russian Federation, Co-Founder and Academic Supervisor of the International Dual Degree MA Program in Nonproliferation and Global Security Studies, MGIMO University, Professor at MGIMO University, author (or coauthor) of more than a dozen books and monographs and more than three hundred research papers, articles, and essays, publishes his views in Russian and foreign periodicals, “‘No Holds Barred’ and the New Vulnerability: Are We in for a Re-Run of the Cuban Missile Crisis in Cyberspace?,” SSRN Scholarly Paper, ID 3538078, Social Science Research Network, 02/14/2020, papers.ssrn.com, doi:10.2139/ssrn.3538078]

Not hundred per cent of the dialogue has been frozen, fortunately. Certain informal, mostly offthe-record, meetings of US and Russian experts on cyber agenda continue taking place, both through Track 2 and Track 1.5. One of the most intellectually stimulating meetings, with frank exchanges, took place in Vienna in December 2018. The report produced after the meeting stressed “the significant risk […] that cyber-attacks could conceivably lead to a military escalation that may further trigger a nuclear weapons exchange, a fact that became more explicit with the adoption of the current Nuclear Posture Review. This issue gets complicated given that third parties may have the capabilities to invoke a cyber conflict between Russia and the United States. Whether a country or a non-state actor, they could put the two countries on the verge of an armed conflict by attacking critical infrastructure of either of them and making it look as if the aggressor were the other one”[22]. However, one should have no illusion: such informal meetings may be fully fruitful only when their reports and policy recommendations are utilized by the governments. And for that, a warmer climate in bilateral relations is a must. So far, we see exactly the opposite: mercury falling to freezing levels.

Risk of cyber clashes growing into a chaotic global cyber war has been emphasized by the UN Secretary-General Antonio Guterres in his Agenda for Disarmament: “Malicious acts in cyberspace are contributing to diminishing trust among States… States should implement the recommendations elaborated under the auspices of the General Assembly, which aim at building international confidence and greater responsibility in the use of cyberspace.[23]” However, as the members of the US-Russian Track 1.5 working group on strategic stability recently concluded, “without a constructive dialogue on cyber issues between the United States and Russia, the world would most likely fail to agree on any norms of responsible behavior of states in cyber space”[24].

Do we really have to survive a cyber equivalent of the Cuban Missile Crisis to realize the importance of achieving some kind of agreement on cyber issues, and on the broader agenda of international information security?[25] Or is that kind of talk plain old alarmism?

I don’t want to sound a fatalist, but I am even less keen on sounding like an ostrich that’s buried its head in the sand. We cannot ignore the obvious: whether the world’s most powerful actors like it or not, the world is sliding to another major crisis like the one in 1962. The cyber war is already raging. There are no rules of engagement in that war. The uncertainty is high. The spiral of tension is getting out of control. The cyber arms race is gaining momentum. And there are no guarantees that the next crisis will be controllable, or that it will result in a catharsis as far as international information security regulation is concerned. There’s no telling what will happen once the cyber genie is out of the bottle.

#### Internet collapse causes extinction.

Eagleman ’10 [Dr. David; 11/9/2010; PhD in Neuroscience @ Baylor University, Adjunct Professor of Neoroscience @ Stanford University, Former Guggenheim Fellow, Director of the Center for Science and Law, BA @ Rice University; “Six Ways The Internet Will Save Civilization”; https://www.wired.co.uk/article/apocalypse-no]

Many great civilisations have fallen, leaving nothing but cracked ruins and scattered genetics. Usually this results from: natural disasters, resource depletion, economic meltdown, disease, poor information flow and corruption. But we’re luckier than our predecessors because we command a technology that no one else possessed: a rapid communication network that finds its highest expression in the internet. I propose that there are six ways in which the net has vastly reduced the threat of societal collapse.

Epidemics can be deflected by telepresence

One of our more dire prospects for collapse is an infectious-disease epidemic. Viral and bacterial epidemics precipitated the fall of the Golden Age of Athens, the Roman Empire and most of the empires of the Native Americans. The internet can be our key to survival because the ability to work telepresently can inhibit microbial transmission by reducing human-to-human contact. In the face of an otherwise devastating epidemic, businesses can keep supply chains running with the maximum number of employees working from home. This can reduce host density below the tipping point required for an epidemic. If we are well prepared when an epidemic arrives, we can fluidly shift into a self-quarantined society in which microbes fail due to host scarcity. Whatever the social ills of isolation, they are worse for the microbes than for us.

The internet will predict natural disasters

We are witnessing the downfall of slow central control in the media: news stories are increasingly becoming user-generated nets of up-to-the-minute information. During the recent California wildfires, locals went to the TV stations to learn whether their neighbourhoods were in danger. But the news stations appeared most concerned with the fate of celebrity mansions, so Californians changed their tack: they uploaded geotagged mobile-phone pictures, updated Facebook statuses and tweeted. The balance tipped: the internet carried news about the fire more quickly and accurately than any news station could. In this grass-roots, decentralised scheme, there were embedded reporters on every block, and the news shockwave kept ahead of the fire. This head start could provide the extra hours that save us. If the Pompeiians had had the internet in 79AD, they could have easily marched 10km to safety, well ahead of the pyroclastic flow from Mount Vesuvius. If the Indian Ocean had the Pacific’s networked tsunami-warning system, South-East Asia would look quite different today.

Discoveries are retained and shared

Historically, critical information has required constant rediscovery. Collections of learning -- from the library at Alexandria to the entire Minoan civilisation -- have fallen to the bonfires of invaders or the wrecking ball of natural disaster. Knowledge is hard won but easily lost. And information that survives often does not spread. Consider smallpox inoculation: this was under way in India, China and Africa centuries before it made its way to Europe. By the time the idea reached North America, native civilisations who needed it had already collapsed. The net solved the problem. New discoveries catch on immediately; information spreads widely. In this way, societies can optimally ratchet up, using the latest bricks of knowledge in their fortification against risk.

Tyranny is mitigated

Censorship of ideas was a familiar spectre in the last century, with state-approved news outlets ruling the press, airwaves and copying machines in the USSR, Romania, Cuba, China, Iraq and elsewhere. In many cases, such as Lysenko’s agricultural despotism in the USSR, it directly contributed to the collapse of the nation. Historically, a more successful strategy has been to confront free speech with free speech -- and the internet allows this in a natural way. It democratises the flow of information by offering access to the newspapers of the world, the photographers of every nation, the bloggers of every political stripe. Some posts are full of doctoring and dishonesty whereas others strive for independence and impartiality -- but all are available to us to sift through. Given the attempts by some governments to build firewalls, it’s clear that this benefit of the net requires constant vigilance.

Human capital is vastly increased

Crowdsourcing brings people together to solve problems. Yet far fewer than one per cent of the world’s population is involved. We need expand human capital. Most of the world not have access to the education afforded a small minority. For every Albert Einstein, Yo-Yo Ma or Barack Obama who has educational opportunities, uncountable others do not. This squandering of talent translates into reduced economic output and a smaller pool of problem solvers. The net opens the gates education to anyone with a computer. A motivated teen anywhere on the planet can walk through the world’s knowledge -- from the webs of Wikipedia to the curriculum of MIT’s OpenCourseWare. The new human capital will serve us well when we confront existential threats we’ve never imagined before.

Energy expenditure is reduced

Societal collapse can often be understood in terms of an energy budget: when energy spend outweighs energy return, collapse ensues. This has taken the form of deforestation or soil erosion; currently, the worry involves fossil-fuel depletion. The internet addresses the energy problem with a natural ease. Consider the massive energy savings inherent in the shift from paper to electrons -- as seen in the transition from the post to email. Ecommerce reduces the need to drive long distances to purchase products. Delivery trucks are more eco-friendly than individuals driving around, not least because of tight packaging and optimisation algorithms for driving routes. Of course, there are energy costs to the banks of computers that underpin the internet -- but these costs are less than the wood, coal and oil that would be expended for the same quantity of information flow.

The tangle of events that triggers societal collapse can be complex, and there are several threats the net does not address. But vast, networked communication can be an antidote to several of the most deadly diseases threatening civilisation. The next time your coworker laments internet addiction, the banality of tweeting or the decline of face-to-face conversation, you may want to suggest that the net may just be the technology that saves us.

#### Structural separations maintain system stability by valuing redundancy over efficiency.

Khan ’19 [Lina; Chairperson @ Federal Trade Commission, JD @ Yale Law School; “The Separations of Platforms and Commerce,” *Columbia Law Review* 119(4), p. 973-1098; AS]

Preserving System Resiliency

Another justification that recurs is promoting the resiliency of systems. Because several of the entities subject to structural separations serve an “infrastructural” role—structuring access to markets or to an essential good or service—the public has a strong interest in maintaining their stability and shielding them from disruption.497 Crashes that cripple these infrastructural services can have an outsized effect on economic activity, and involvement in multiple lines of business can increase the likelihood of system crashes. For this reason, policymakers treated strict limits on entry and exit as one way to shield critical services from undue risk.498 Structural separations in banking and telephony, too, were partly justified on grounds of promoting system stability.499

Precisely because banking services constitute a critical good, ensuring the soundness and stability of banking is a central goal of banking policy. Lawmakers and regulators have argued that preventing banks from expanding into commercial activities may help insulate banks from the vagaries of other sectors.500 This line of argument is premised on the idea that exposing banks to manufacturing, physical trading, or other commercial activities “increases the vulnerability of the banking and payments systems, the federal deposit insurance fund, and thereby the broader economy.”501 A question frequently raised during the 2013 debates around banks’ expansion into physical commodity trading was: What would happen if Morgan Stanley repeated the BP oil spill? Would taxpayers be on the line for the $61.2 billion in damages? In this way, a structural separation helps eliminate the risk that instability or disruption in commercial markets could necessitate a financial bailout.502 To be sure, not all commercial activities are inherently more risky than financial activity—and, some might argue, expanding into these spheres may help banks diversify risk. That said, it is true that some commercial activities—like drilling oil or mining—pose particularly expensive risks to which federally insured depository institutions should not be exposed.503

Concerns about system stability and resiliency also informed the FCC’s Computer Inquiries. The carriers argued that, in order to promote efficiency, they should be permitted to use excess capacity for data processing.504 The Commission stated, first, that “the potential abuses inherent” in the system far outweighed any purported efficiencies,505 and, second, the carriers should have a “‘back-up’ system” that “should be designed to meet foreseeable breakdowns of equipment dedicated to public service” and “should be available instantly for that purpose without the conflicting claims of other users.”506 In other words, the FCC privileged redundancy over efficiency, recognizing that the former would serve the public by helping to ensure the stability of communications services and networks. Although expanding into data processing wouldn’t necessarily heighten the risk of a crash, keeping that capacity for backup would enable the system to absorb any shocks, helping promote resiliency.

### 1AC – Disinformation

#### Contention three: Disinformation

#### Dominant platforms undermine the free exchange of information – loss of independent publishers generates propaganda, misinformation, and polarization.

Stoller ’19 [Matt; 10/17/19; Fellow @ Open Markets Institute, Director of Research @ American Economic Liberties Project, Former Senior Policy Advisor and Budget Analyst @ Senate Budget Committee; “Tech Companies Are Destroying Democracy and the Free Press”; https://www.nytimes.com/2019/10/17/opinion/tech-monopoly-democracy-journalism.html; AS]

These two phony Facebook pages illustrate the crisis of the free press and democracy: Advertising revenue that used to go to quality journalism is now captured by big tech intermediaries, and some of that money now goes to dishonest, low-quality and fraudulent content.

This is the first presidential election happening after the business model for journalism collapsed. Advertising revenue for print newspapers has fallen by two-thirds since 2006. From 2008 to 2018, the number of newspaper reporters dropped 47 percent. Two-thirds of counties in America now have no daily newspaper, and 1,300 communities have lost all local coverage. Even outlets native to the web, like BuzzFeed and HuffPost, have laid off reporters. This problem is a global one; for example, in Australia from 2014 to 2018, the number of journalists in traditional print publications fell by 20 percent.

The signaling functions of news brands and the cultural barriers meant to guard against distorting effects of advertising have broken down. In their place, a dysfunctional information ecosystem has emerged, characterized by polarization, addiction and conspiracy theories. In Europe and in the United States, young men learn race science on YouTube. In Brazil, citizens learn that Zika is spread by vaccines. As the Center for Humane Technology puts it: “Today’s tech platforms are caught in a race to the bottom of the brain stem to extract human attention. It’s a race we’re all losing.”

There are two drivers of this crisis. The first is the concentration of online advertising revenue in the hands of Google and Facebook — global monopolies sitting astride public discourse, diverting money that used to go to publishers to themselves. The second is an ethical breakdown — a natural consequence of advertising financing an information utility like a social network or search engine — which I call “conflicted communications.”

It’s tempting to blame the rise of the internet for all of this, but it’s important to recognize that technology is shaped by law. Advertising, publishing and information distribution operate in publicly structured markets. In the past 40 years, the rules underlying these markets have undergone a radical reorganization.

As the communications historian Richard John argues, for roughly 200 years (beginning with the creation of the Post Office in 1791), American policymakers generally sought to decentralize media power and keep communication networks neutral. In the late 1970s, policymakers reversed their presumptions. They relaxed antitrust law, eliminated the fairness doctrine and eventually allowed the creation of large media conglomerates through the Telecommunications Act of 1996.

Enabled by a loose merger policy, there was a roll-up of the internet space. From 2004 to 2014, Google spent at least $23 billion buying 145 companies, including the advertising giant DoubleClick. And since 2004, Facebook has spent a similar amount buying 66 companies, including key acquisitions allowing it to attain dominance in mobile social networking. None of these acquisitions were blocked as anti-competitive.

Data is now the key input into advertising: If you know who is looking at an ad, that ad space becomes much more valuable. Google and Facebook now know who is looking at every ad, and their competitors for ad dollars — newspapers — do not. Further, newspapers now must also rely on Google and Facebook to reach their customers, and hand them valuable subscriber and reader data; when The Wall Street Journal refused to abide by Google’s formatting terms, Google removed it from its search ranks and the newspaper’s traffic dropped by 44 percent.

In other words, it wasn’t just technology but also a pro-concentration philosophy that shaped the information revolution of the 1990s and 2000s. Google and Facebook grew to control important information utilities, like general search, social networking and mapping. New forms of advertising — underpinned by unregulated use of data and sold through opaque and complex auctions — then undermined the bargaining leverage of publishers and enabled new forms of fraud using bots and falsified content.

A result of these policy changes is a radical centralization of power over the flow of information. Tech platforms now control online advertising revenue, which is the primary source of financing for news. But this is not just a problem of the monopolization of an industry — these new monopolists are not simply more powerful media behemoths taking share from smaller publishers. Google and Facebook are not in the journalism business at all; they are in the communications business, running information utilities with revenue that used to go to journalism.

Advertising financing presents an inherent conflict of interest, because advertising is a third party paying to manipulate someone. In traditional media, advertising can influence editorial choices. There are a series of ethical structures designed to inhibit excessive control of advertisers in media industries, a result of debates for hundreds of years among public figures on the nature of advertising and publishing. Some of these include the signaling effects of differentiated news brands, a diversity of news outlets, the separation of advertising and editorial departments, and guilds to protect journalistic integrity from publishing business interests. But such ethical debates have yet to occur around information utilities. Consequently, the manifestation of the distorting effect of advertising — addiction, manipulation, fraud, tearing of a collective social fabric — has been met with little cultural immunity, policy response or institutional defenses.

Before Google became an enormous advertising company, the company’s co-founders — Sergey Brin and Larry Page — noted this problem. They looked at the problematic search engine market of the 1990s — with companies offering advertisers the chance to pay to be listed as an organic search result — and argued that financing a search engine business through advertising was fundamentally corrupting. Such information utilities would then have an incentive to keep users on their properties so that they could keep selling more ads. They would also have an incentive to self-deal, putting content in front of users that benefits the utility rather than the end user. And they would have an incentive to surveil their users, so that they could target them more effectively.

Mr. Brin and Mr. Page were right about the corrupting influence of advertising. This business model of conflicted communications is where the addiction, surveillance, fraud and clickbait come from. Unfortunately, we are living in the world they foresaw.

The combination of these two dynamics — the concentration of power and the new ethical quandaries presented by the financing of information networks by advertising — has created a crisis for democracy. The monopolization of ad revenue starves legitimate outlets of financing. More subtly, the signaling functions of news brands and the dense cultural barriers meant to guard against distorting effects of advertising have broken down. The task of policymakers is now to put together the ethical structures to mitigate these conflicts.

The collapse of journalism and democracy in the face of the internet is not inevitable. To save democracy and the free press, we must eliminate Google and Facebook’s control over the information commons. That means decentralizing these markets and splitting information utilities from one another so that search, mapping, YouTube and other Google subsidiaries are separate companies, and Instagram, WhatsApp and Facebook once again compete. It also means barring or severely curtailing advertising on any of these platforms. Advertising revenue should once again flow to journalism and art. And people should pay directly for communications services, instead of paying indirectly by forgoing democracy.

#### Concentration creates a breeding ground for Russian fake news campaigns – separations inhibit Russian operatives.

Hendrickson ’17 [Clara; 12/7/17; Research Analyst @ Brookings; and William Galston; Ezra K. Zilkha Chair and Senior Fellow in Governance Studies @ Brookings; “Big technology firms challenge traditional assumptions about antitrust enforcement”; https://www.brookings.edu/blog/techtank/2017/12/06/big-technology-firms-challenge-traditional-assumptions-about-antitrust-enforcement/; AS]

THE NEW TECHNOLOGY TRUSTS

So while fear that big tech can wield excessive influence in our democracy may reflect broader misgivings outside the realm of antitrust law and enforcement, some political concerns about big tech appropriately fall under the purview of antitrust regulation. As Sally Hubbard, a Senior Editor at the Capitol Forum who covers monopolization issues, recently stated in an interview with Vox’s Sean Illing, “Companies like Facebook and Google have had an outsize effect on political discourse because of the ways their algorithms help to promote and spread fake news and propaganda. Even if it’s not their intent, their business model invariably contributes to this problem.” More competition between rival platforms would have introduced a greater number of algorithms for Russian operatives to navigate, and probably would have mitigated the impact of the fake news that successfully targeted voters during the 2016 U.S. election.

Similarly, because the services offered by the likes of Google and Facebook are free (or low cost in the case of Amazon), tech companies have escaped the predatory pricing concerns typically triggered by anticompetitive high prices. However, Financial Times columnist Rana Foroohar has argued that we incur non-monetary costs when we use these services, handing over our attention and personal data.

Of course these two examples do not immediately elicit a clear solution for antitrust enforcement reform one way or the other, but they do illustrate that the dynamics of the tech era will require an updated conception and application of current antitrust law. While what this looks like remains unclear, a consensus is emerging that the Chicago School consumer welfare framework, formulated by Robert Bork and Richard Posner among others, has failed to capture today’s market power. In a widely-read note published in the Yale Law Journal, Lina Khan, a fellow at the Open Markets Institute, shows that the focus on low prices as the exclusive goal of antitrust cannot account for Amazon’s dominance.

#### Russian propaganda campaigns cause miscalc – goes nuclear.

Trenin ’18 [Dmitri; 1/25/18; Director @ Carnegie Moscow Center; “Avoiding U.S.-Russia Military Escalation During the Hybrid War”; https://carnegiemoscow.org/2018/01/25/avoiding-u.s.-russia-military-escalation-during-hybrid-war-pub-75277; AS]

FEATURES OF THE HYBRID WAR

This Hybrid War’s most distinguishing feature is that it is being fought in a truly global, virtually borderless environment. International interaction is no longer restricted by walls or other state-imposed barriers. Traditional distinctions between strategy and tactics have been all but erased. The hybrid warriors include many more players than was the case during the Cold War—from national governments and transnational corporations to nongovernmental actors and even private individuals.

The war is being fought simultaneously in a number of spheres, on different levels, and in the never-ending, twenty-four-hour news cycle. This aspect of warfare is particularly true of the field of information, which is of prime importance in the Information Age that emerged with the end of the Cold War. From cyber conflicts and the use of artificial intelligence to the predominance of propaganda and fake news, the main battles of the Hybrid War are taking place outside of the purely physical realm and in the domain of new information technologies. Just as important to the Hybrid War is economics, which has been the key driver of globalization that paralleled the rise of these innovative information technologies. The prominence of the U.S. media and the United States’ immense financial power give it a huge advantage in both fields. As a result, the weapons of choice in the Hybrid War are those that use information and economic power to discredit and sanction one’s adversaries.3

Politically, the Hybrid War includes the outside stimulation of political changes in other countries through street activism and the promotion of specific values, parties, or popular movements. It has been characterized by interference in elections, political transitions, and other political processes, including various efforts to hack sensitive information, spread compromising or damaging materials and fake news, encourage character assassinations, and impose personal and other noneconomic sanctions (for example, restrictions on travel, seizure of assets, imprisonment, or deportation) on opponents. The existence of a common information space makes waging political warfare on foreign territory much easier and more attractive than ever before. Cross-border promotion of democracy and support for the color revolutions that dominated the 2000s (for example, the 2003 Rose Revolution in Georgia and the 2004 Orange Revolution in Ukraine) have now found counterparts in emerging solidarity among those who espouse more conservative and traditionalist values, such as political systems based on authoritarian models and strict national sovereignty.4

Military power is not out of the picture—though its use is different than in the Cold War. The static standoff of million-strong armies in Europe and the long shadow of the nuclear arms race have drawn down or faded. Nuclear deterrence between Russia and the West remains in place but at lower and more stable levels than during the Cold War. Today’s risks of miscalculation derive from potential incidents involving conventional forces. A token military standoff has reemerged along Russia’s border with NATO countries, but, to date, this standoff bears no resemblance in either scale or scope to the forces that faced each other during the Cold War. The main focus is on developing new military technologies and novel means and ways of prosecuting warfare—from outer space to cyberspace—that blur or eliminate the distinction between wartime and peacetime. Like its predecessor, the Hybrid War is a war in the time of peace. Even more than in the past, however, the onus is on national leaderships to minimize the number of casualties, ideally to zero.

Russian military strategists had developed the concept of hybrid warfare even before the actual conflict broke out in earnest between the United States and Russia in early 2014. Analyzing the experience of the post-Soviet color revolutions and the 2011 Arab Spring, Chief of the General Staff Valery Gerasimov wrote in February 2013 that the “consequences of new conflicts are comparable to those of a real war”; in many cases, nonmilitary methods “are substantially more effective than the power of arms,” and greater emphasis is placed on “political, economic, information, humanitarian, and other nonmilitary means” and “covert military measures,” including “information warfare and actions by special forces.” In this environment, “overt use of military force, often in the form of peacekeeping or crisis management, takes place only at a certain stage, mainly to achieve final success in a conflict.” With regard to the U.S.-Russia confrontation, another key feature has surfaced: asymmetry between the sides’ capabilities.

POWER ASYMMETRIES AND ASYMMETRIC ACTIONS

Although Gerasimov was referring to a hybrid war when discussing new means and methods of warfare, this analysis uses the newly fashionable term to describe the current U.S.-Russia confrontation. Unlike its Cold War predecessor, this conflict is asymmetrical. At least since the 1970s, the Soviet Union was the United States’ equal in terms of both nuclear and conventional military power. Even beyond its own vast land mass and immediate sphere of influence in Eastern Europe, it wielded considerable ideological power in many Western countries and in the Third World and presided over a system of alliances in Africa, Asia, Europe, Latin America, and the Middle East. The Russian Federation, by contrast, has few formal allies, no satellite states, and a handful of protectorates, if one includes the self-proclaimed states of Abkhazia, Donbass, South Ossetia, and Transnistria. It has no ideology to compare with the comprehensive dogma of Marxism-Leninism, and although it is still a nuclear superpower, it lags far behind the United States in non-nuclear military capabilities. Economically, Russia—with its estimated 1.5 percent of the global gross domestic product—is a dwarf.

Neither the balance nor the correlation of forces, however, will determine the outcome of this confrontation. Despite the glaring asymmetries in the national power of the two sides of the conflict, the course of events is not predetermined. As a nonlinear, highly asymmetrical conflict, the outcome likely will result from domestic developments in Russia or the United States or both. Both countries are facing serious problems that could prove decisive in the final calculations of the Hybrid War.

The United States is going through a triple crisis of its political system, exemplified but not caused by the arrival of President Donald Trump and the virulent domestic opposition to him and his policies. A crisis of social values lies beneath this political crisis and points to a widening gap between the more liberal and the largely conservative parts of the country. At the same time, the United States faces a crisis within its own foreign policy as it struggles to reconcile the conflict between the more inward-looking U.S. national interest and the international liberal order of the U.S.-led global system.

Russia, though outwardly stable, is approaching its own major crisis as the political regime created by Putin faces an uncertain future after the eventual departure of its figurehead. Putin’s Kremlin is already working on a political transition that would rejuvenate the elite and improve its competence and performance, but, at the same time, Russian society is also changing and Putin’s heirs cannot take its support for granted. Gross inequality, sluggish economic growth, low vertical mobility, and high-level corruption will present a range of serious challenges to the future Russian leadership.

The eventual outcome of the Hybrid War could be reminiscent of the downfall of the Soviet Union, which was far less the result of the U.S.-Soviet Cold War than of a misguided effort to reform the Soviet Union itself. Russia might break down and break up again, or it might decide on a foreign policy more geared toward its economic needs than to a certain concept of world order. As for the United States, it might decide to limit its global commitments and redesign its international role as the world’s preeminent but no longer dominant state. Yet, in doing so, it will need to accept that its change in status will come with a certain price and that it will not be able to take advantage of the benefits of the position it once enjoyed.

Asymmetries in power lead to asymmetric actions, which as Gerasimov suggested are intended to “neutralize the enemy’s superiority in warfare” or “identify and exploit the enemy’s vulnerabilities.”5 By an order of magnitude—or more—Russia is outgunned, outmanned, and outspent by the combined forces of the United States and its allies. To stay in the fight, it must rely on its few comparative advantages and seek to use them to maximum effect. These advantages include the geographical proximity of some of the main theaters of operation, such as Crimea and eastern Ukraine, where Russia has escalation dominance; the Russian political system, which allows for secretive, swift, and decisive action; and Moscow’s willingness to take much higher risks in view of the disproportionally higher stakes involved for the Russian leadership and a national culture that historically has tolerated higher losses in defense or protection of the Motherland. Through swift decisions and actions, made without prior warning, Russia is capable of surprising its adversaries and keeping them off-balance. This situation promises an uncertain, hard-to-predict, and risky environment, where miscalculation can lead to incidents or collisions that, in turn, lead to escalation. Granted, these incidents would be of a different kind than the tank standoff at Berlin’s Checkpoint Charlie in late October 1961 or the Cuban Missile Crisis barely a year later. Escalation resulting from miscalculation would not be automatic, but the wider damage it could cause needs to be taken seriously.

#### Monopoly on information undermines democratic governance.

Fukuyama ’21 [Francis et al; Senior Fellow @ Stanford University's Freeman Spogli Institute for International Studies; Barak Richman; Katharine T. Bartlett Professor of Law and Professor of Business Administration @ Duke University School of Law; Ashish Goel; Professor of Management Science and Engineering @ Stanford University; “How to Save Democracy From Technology,” *Foreign Affairs* 100(1), p. 98-110; AS]

Since 2016, Americans have woken up to the power of technology companies to shape information. These platforms have allowed hoaxers to peddle fake news and extremists to push conspiracy theories. They have created "filter bubbles," an environment in which, because of how their algorithms work, users are exposed only to information that confirms their preexisting beliefs. And they can amplify or bury particular voices, thus having a disturbing influence on democratic political debate. The ultimate fear is that the platforms have amassed so much power that they could sway an election, either deliberately or unwittingly.

Critics have responded to these concerns by demanding that the platforms assume greater responsibility for the content they broadcast. They called for Twitter to suppress or fact-check President Donald Trump's misleading tweets. They lambasted Facebook for stating that it would not moderate political content. Many would like to see Internet platforms behave like media companies, curating their political content and holding public officials accountable.

But pressuring large platforms to perform that function-and hoping they will do it with the public interest in mind-is not a long-term solution. This approach sidesteps the problem of their underlying power, and any real solution must limit that power. Today, it is largely conservatives who complain about Internet platforms' political bias. They assume, with some justification, that the people who run today's platforms-Jeff Bezos of Amazon, Mark Zuckerberg of Facebook, Sundar Pichai of Google, and Jack Dorsey of Twitter-tend to be socially progressive, even as they are driven primarily by commercial self-interest.

This assumption may not hold up in the longer run. Suppose that one of these giants were taken over by a conservative billionaire. Rupert Murdoch's control over Fox News and The Wall Street Journal already gives him far-reaching political clout, but at least the effects of that control are plain to see: you know when you are reading a Wall Street Journal editorial or watching Fox News. But if Murdoch were to control Facebook or Google, he could subtly alter ranking or search algorithms to shape what users see and read, potentially affecting their political views without their awareness or consent. And the platforms' dominance makes their influence hard to escape. If you are a liberal, you can simply watch MSNBC instead of Fox; under a Murdoch-controlled Facebook, you may not have a similar choice if you want to share news stories or coordinate political activity with your friends.

Consider also that the platforms-Amazon, Facebook, and Google, in particular-possess information about individuals' lives that prior monopolists never had. They know who people's friends and family are, about people's incomes and possessions, and many of the most intimate details of their lives. What if the executive of a platform with corrupt intentions were to exploit embarrassing information to force the hand of a public official? Alternatively, imagine a misuse of private information in conjunction with the powers of the government-say, Facebook teaming up with a politicized Justice Department.

Digital platforms' concentrated economic and political power is like a loaded weapon sitting on a table. At the moment, the people sitting on the other side of the table likely won't pick up the gun and pull the trigger. The question for U.S. democracy, however, is whether it is safe to leave the gun there, where another person with worse intentions could come along and pick it up. No liberal democracy is content to entrust concentrated political power to individuals based on assumptions about their good intentions. That is why the United States places checks and balances on that power.

#### Democratic regress causes global war.

Diamond ’19 [Larry; 2019; Professor of Sociology and Political Science and at Stanford University, Ph.D. in Sociology from Stanford University; Ill Winds, “Conclusion: A New Birth of Freedom,” Ch. 14]

In such a near future, my fellow experts would no longer talk of “democratic erosion.” We would be spiraling downward into a time of democratic despair, recalling Daniel Patrick Moynihan’s grim observation from the 1970s that liberal democracy “is where the world was, not where it is going.” 5

The world pulled out of that downward spiral—but it took new, more purposeful American leadership. The planet was not so lucky in the 1930s, when the global implosion of democracy led to a catastrophic world war, between a rising axis of emboldened dictatorships and a shaken and economically depressed collection of self-doubting democracies.

These are the stakes. Expanding democracy—with its liberal norms and constitutional commitments—is a crucial foundation for world peace and security. Knock that away, and our most basic hopes and assumptions will be imperiled.

The problem is not just that the ground is slipping. It is that we are perched on a global precipice. That ledge has been gradually giving way for a decade. If the erosion continues, we may well reach a tipping point where democracy goes bankrupt suddenly—plunging the world into depths of oppression and aggression that we have not seen since the end of World War II. As a political scientist, I know that our theories and tools are not nearly good enough to tell us just how close we are getting to that point—until it happens.

#### Disinformation and polarization undermine international commitments – clear presidential signals are key to credibility.

Trubowitz ’19 [Peter; 5/16/19; Associate Fellow in US and the Americas Program @ Chatham House; and Peter Harris; Assistant Professor of Political Science @ Colorado State University; “Will Dysfunctional Politics Finally End the American Century?”; https://www.chathamhouse.org/2019/05/will-dysfunctional-politics-finally-end-american-century; AS]

Can the United States continue to shape international politics as it has done for the past 70 years, or is the era of US dominance coming to an end? Most attempts to answer this question focus on America’s relative power – that is, the balance of material capabilities between the US and its geopolitical competitors. However, today the most pressing checks on US leadership come not from foreign competitors, but rather from America’s increasingly dysfunctional domestic politics.

America is suffering from a shortage of functional or ‘usable power.’ While relative power as measured by its military arsenal vis-à-vis those of its rivals has held steady, the domestic political ability of US presidents to turn the country’s tremendous power and wealth into international influence is declining. This has been the case for some time now. America’s deficit of usable power did not begin with Donald Trump, but it has grown measurably on his watch as president.

Presidents’ usable power depends on their ability to win the support of a broad cross-section of the voting public for their foreign policy agenda. Historically, presidents have relied on three tools to gain public buy-in: bipartisanship on Capitol Hill, the leader’s ability to set the terms of debate and the design of economically inclusive policies. Each contributed mightily to the public consensus underpinning US foreign policy for decades after the Second World War. Today, all three are in short supply.

Bipartisanship was the norm in foreign policymaking during the Cold War. Democratic presidents could count on the support of moderate eastern Republicans in Congress; Republican presidents relied on the support of conservative southern Democrats. Domestic voters, who worried about presidents’ partisan motives, found such bipartisan support reassuring.

So did America’s allies and friends overseas. They worried that in the absence of bipartisan support, international commitments taken by one president would be reversed or soft-pedaled when the party out of power gained control of the White House.

This is exactly what has happened since the end of the Cold War. Foreign policymaking has become increasingly partisan and erratic. Incoming presidents now look for opportunities to undo their predecessors’ legacies, something that rarely happened during the Cold War.

George W Bush withdrew from the Kyoto Protocol on climate change and opposed the Rome Statute creating the International Criminal Court. Barack Obama ended US involvement in Iraq. Donald Trump withdrew the US from the Trans-Pacific Partnership, pulled out of the Paris Agreement on climate change and renounced the Iran nuclear deal. US relative power may not have changed much since the 1990s, but these examples show decline in America’s willingness to engage and commit internationally as well as in how credible others view its international pronouncements.

If hyper-partisanship has made US commitments worth less internationally, the absence of a shared vision of America’s international purpose has made bipartisanship harder to produce domestically. To build lasting bipartisan coalitions, presidents must structure the national conversation in ways that convince voters that their administration’s preferred international policies will strengthen national security and increase economic opportunity while making it hard for their political opponents to mount an effective challenge.

During the Cold War, presidents enjoyed considerable success in structuring debate over America’s role in the world. The existence of a ‘clear and present danger’ to national security helped by making it possible for to frame the case for creating and sustaining an expansive (and expensive) American-led international order in terms of national security and anti-communism.

This formulation contributed to some forms of extremism (such as McCarthyism) and overreach (the Vietnam War). At the same time, it put internationalism on firm bipartisan footing and gave presidents considerable latitude to advance internationalist causes.

Since the end of the Cold War, presidents have struggled to secure domestic support for their foreign policies. In absence of a Soviet-style threat, Bill Clinton, George W Bush and Barack Obama all found their efforts to breathe new life into internationalism buffeted by partisan division and public pressure to ‘do less internationally’. Mounting public disillusionment with globalization compounded matters. This disillusionment is related to the problem of (non)inclusive growth.

There was a time when presidents made sure that their foreign policies paid economic dividends for average Americans. Teddy Roosevelt’s ‘Square Deal’ and Franklin Roosevelt’s ‘New Deal’ both linked grand strategic ambitions abroad to benefit-sharing policies at home. This was also true of US foreign policy during much of the Cold War. Presidents and lawmakers alike could advocate internationalist foreign policies – military preparedness, free trade, foreign aid and so forth – safe in the knowledge that most economic sectors and congressional districts would benefit from their actions.

Even before the Berlin Wall came down, support for internationalism had started to weaken. From the 1980s onward, less regulation, lower taxes, anti-union policies and de-unionization, and higher profits for the few meant less economic security for the many. As the costs of this neoliberal agenda continued to mount in the 1990s and 2000s, growing numbers of middle- and working-class Americans came to see globalization not as a means to improve their personal circumstances, but rather as a source of growing income inequality and economic insecurity.

The chickens finally came home to roost in November 2016, when America elected a president running on an avowedly anti-internationalist platform.

Donald Trump’s ‘America First’ narrative has tapped into Americans’ economic anxiety. There is little realistic chance, however, that it will bridge the chasms that separate Republicans and Democrats, conservatives and liberals, and internationalists and nationalists.

Trump’s harsh stance on immigration has proven to be very unpopular with the majority of voters, even if it appeals strongly to his base. His embrace of economic nationalism is more popular, but opinion polls show that even Trump’s staunchest supporters in rural America are having second thoughts about his trade war with China. Meanwhile, under Trump, partisanship in Washington has increased to hitherto unimaginable levels.

Can the US put its foreign policy house in order? Yes, but to do so, it is critical to recognize that the source of the problem does not lie in Beijing or Moscow.

The decline in US foreign policy efficacy has deep roots in domestic politics in the US. Restoring America’s usable power will require political spadework on the home front: bipartisan bridge-building, an inclusive political vision to connect national priorities with foreign policy and a sustained commitment to more equitable growth-promoting and redistributive policies. This will be a tall order, to be sure, but presidents have successfully navigated such troubled waters in the past.

#### Uncertainty surrounding commitments prompts prolif.

Bell ’18 [Mark S. Bell, Joshua D. Kertzer, Bjorn Jerden, Hemal Shah; assistant professor of political science at the University of Minnesota, assistant professor of government at Harvard University, head of the Asia Program at The Swedish Institute of International Affairs, director for India and Regional Markets at the U.S. Chamber of Commerce’s Global Innovation Policy Center; 3/23/18; “ASSESSING THE U.S. COMMITMENT TO ALLIES IN ASIA AND BEYOND”; https://www.gmfus.org/publications/assessing-us-commitment-allies-asia-and-beyond; German Marshall Fund; TV]

Just as scholars of international relations often worry about how uncertainty makes it harder for actors in international politics to cooperate with one another,9 political psychologists argue that uncertainty has at least two important implications for how we think and behave. First, when faced with an uncertain world, individuals respond by trying to reduce the uncertainty they experience: uncertainty makes us cling to our “ingroups” (the groups to which we feel like we belong) and focus on threats to our identity.10 Uncertainty about the credibility of U.S. commitments thus not only incentivizes allies to “hedge” by looking into other arrangements to protect themselves, but also has the potential to exacerbate competitive dynamics. For example, it is not surprising that debates within South Korea, Japan, and even Germany about acquiring independent nuclear weapons are suddenly becoming more politically mainstream. If, for example, South Korean policymakers are uncertain about the credibility of U.S. extended deterrence, investing more in South Korean capabilities reduces the downside risk of relying on the United States. But this, of course, has the potential to exacerbate tensions with other states in the region, such as Japan, China, and North Korea. Allies investing more in their own defense and adopting more independent foreign policies also have the potential to increase tensions with the United States itself, creating a feedback loop that may further undermine the strength of the alliance.

#### Proliferation causes extinction.

Bass ’20 [Gary J; professor of politics and international affairs at Princeton University, PhD from Harvard University; April 2020; “Just and Unjust Proliferation”; https://scholar.princeton.edu/sites/default/files/gjbass/files/bass\_ethics.pdf; Ethics, Vol. 130; TV]

New nuclear confrontations in South Asia, East Asia, or the Middle East may prove unstable.130 Scott Sagan points to Japan’s 1941 surprise attack on Pearl Harbor—despite Admiral Yamamoto Isoroku’s prescient warning that it could lead to the fiery obliteration of Tokyo by US bombers—as an example of how deterrence can fail even when the target country has robust military forces and can credibly threaten devastating retaliation.131 As Albert Wohlstetter warned in a classic 1959 article, the ability to retaliate rests on maintaining a reliable peacetime deterrent force which could weather a first strike, having surviving leaders capable of deciding to counterattack and conveying that command to the remainder of the armed forces, as well as the ability of the retaliatory weapons to reach enemy territory and penetrate both active and passive defenses.132 Smaller nuclear arsenals are inherently more vulnerable to attack, which tempts enemy states to destroy a nascent nuclear program now rather than allow a hated neighbor to break out as a nuclear-armed adversary.133

Great powers, too, may be galvanized to smash a hostile country’s emerging nuclear programs before they reach fruition, as the United States considered before China got the bomb.134 Many newly nuclear-armed countries are close to each other, forcing lightning reaction times. In impoverished or unstable countries, command-and-control or retaliatory launch capabilities may be weak, which also tempts enemy predation. As Sagan argues, even established and new nuclear powers have been frighteningly subject to accidents and errors.135 Rickety governments are at risk of coups or upheaval during an international crisis, replaying the Kennedy administration’s fears that Nikita Khrushchev had been toppled by Soviet hardliners during the Cuban missile crisis. And some of the new proliferators are embroiled in enduring rivalries intensified by ideological or nationalist hatreds, such as the Indo-Pakistani or Arab-Israeli conflicts.

One might expect more robust deterrence when only one side had nuclear weapons. Yet the record is not clear-cut. As Vipin Narang concludes in a study of the nuclear postures of China, France, India, Israel, Pakistan, and South Africa, the possession of secure second-strike nuclear forces was not enough to systematically deter conventional war.136 There are five cases when states without nuclear weapons have attacked states which had them, including China striking the United States in Korea in 1950, Argentina invading the British-held Falklands in 1982, and the devastating Egyptian and Syrian surprise attack against Israel in 1973—one of the most perilous moments in Israel’s existence.137

There is some evidence that acquiring nuclear weapons can make certain states more aggressive, rather than less, because of what political scientists call the stability-instability paradox: since both sides know that escalation from conventional conflict to nuclear war would be devastating, their nuclear forces cancel each other out and may leave them freer to engage in conventional warfare.138 Following that logic, both Amartya Sen and Scott Sagan have argued that the Kargil War was in part sparked by Pakistan’s new possession of nuclear weapons, emboldening the Pakistan army to pick a conventional fight with India.139 Similarly, Victor Cha claims that North Korea’s recent belligerence is motivated by a sense among its leadership that their nuclear arsenal makes them invulnerable to retaliation from foreign powers.140

Realists could reasonably quarrel with any part of this analysis. Those are important debates to have, and this brief discussion is hardly meant to close them. Yet it is difficult to be sanguine about nuclear proliferation as it is unfolding today. It is certainly plausible that in stable dyads, nuclear weapons have a robust deterrent effect, but social scientists are not sure exactly how strong it is—whether it would afford protection against miscalculation, hair-trigger decisions, nationalist hatred, or the sheer desperation of a government such as Imperial Japan in 1941. Absent more certainty, nuclear skeptics would not feel freed from their moral qualms.

When dicing with death, the odds matter. As McMahan notes,“whether it would be wrong to form the conditional intention to use nuclear weapons will always depend on questions concerning the evaluation of outcomes and the assessment of probabilities.”141 Some of us might be prepared to risk a 1 percent chance of the greater evil of a nuclear war in order to avoid the 99 percent chance of the lesser evil of conventional aggression, while no sensible person would accept a 50 percent chance of nuclear war to stop a 50 percent chance of conventional attack. But what about a 20 percent chance of nuclear conflagration to forestall, say, a 60 percent chance of conventional aggression? What if the odds of nuclear war were “somewhere between one out of three and even,” as Kennedy later reckoned about the Cuban missile crisis?142 Even if a deterrence breakdown is highly unlikely, each newly armed state could add to the chances of apocalypse. The argument from peaceful effects rests heavily on these probabilities of greater and lesser evils, repeated with each new nucleararmed state, but it is hard to share the robust confidence of the proliferation optimists about them.

#### Structurally separating the communications networks firms operate from their ad businesses promotes media integrity.

Khan ’19 [Lina; Chairperson @ Federal Trade Commission, JD @ Yale Law School; “The Separations of Platforms and Commerce,” *Columbia Law Review* 119(4), p. 973-1098; AS]

b. Media Diversity. — As in the past, integration by dominant platforms today could undermine the richness and diversity of outlets providing media and news. At first blush, this may seem counterintuitive, given how much easier and cheaper the digital age has made it to disseminate information. But the proliferation of information in the digital age—the age of information overload—means that the firms organizing and delivering desired and valued information gain in importance. The dominant platforms have emerged as powerful gatekeepers and network distributors in part because they serve as digital portals, and “choosing and switching among different portals entails cognitive costs.”579 This stickiness helps explain why a portal that achieves early dominance can prove so challenging to dislodge.

Critics have argued that Amazon’s outsized power to cut off publishers and authors from the online marketplace threatens First Amendment values.580 Google and Facebook’s role as dominant portals of news and media, meanwhile, may undermine the health and diversity of the media ecosystem. For one, the need to be visible in search rankings and the News Feed incentivizes publishers to invest in content that the platforms’ algorithms favor. Facebook’s emphasis on video content, for example, spurred publishers to fire hundreds of journalists in favor of video producers—only to learn that Facebook had inflated its video numbers.581 A market structure in which two companies set the metrics determining whether internet content gets seen is not a system that promotes diversity. In recent years, questions about news bias by Facebook and the black-box nature of Google search rankings have prompted a larger discussion about whether permitting two firms to capture control over digital information mediation undermines the integrity of our news ecosystems.582

This algorithm-chasing dynamic is primarily a feature of Google and Facebook’s horizontal dominance. But Facebook and Google also vertically compete with the news publishers that depend on their platforms for greater exposure to readers.583 This dual role they play—as a competitor in the sale of digital ads and as an intermediary in the distribution of information—diverts advertising revenue from publishers to the dominant platforms, helping them maintain their duopoly in the digital advertising market.584 The news industry, meanwhile, is on life support: Hundreds of local and regional newspapers have been rolled up or shuttered, such that two thirds of counties in America now have no daily newspaper and 1,300 communities have lost all local coverage.585 Even outlets native to the web, like Buzzfeed and the Huffington Post, are laying off reporters.586

Insofar as this dual role played by Facebook and Google deprives publishers of digital advertising revenue, structurally separating the communications networks these firms operate from their ad businesses could potentially be justified on the basis of protecting the news media. Rather than separating platforms from commerce, such a separation would target a particular business model in order to promote media diversity and protect journalism.587 Careful analysis would be needed to determine precisely what kinds of limits on behavioral-ad based business models might be justified.

# 2AC

## Dynamism

### 2AC – AT: Heg Bad

#### 1. Heg deters all conflict – acceding to rival spheres of influence sparks great power war.

Brands ’20 [Hal; Henry A. Kissinger Distinguished Professor of Global Affairs at the Johns Hopkins University School of Advanced International Studies, Resident Scholar at the American Enterprise Institute, PhD from Yale University; 4/20/20; “Don’t Let Great Powers Carve Up the World: Spheres of Influence Are Unnecessary and Dangerous”; <https://www.foreignaffairs.com/articles/china/2020-04-20/dont-let-great-powers-carve-world>; Foreign Affairs; accessed 8/30/20; TV]

What a difference two decades make. In the early years of this century, the world appeared to be moving toward a single, seamless order under U.S. leadership. Today the world is fragmenting, and authoritarian challengers, led by China and Russia, are chipping away at American influence in East Asia, eastern Europe, and the Middle East. In its 2002 National Security Strategy, the George W. Bush administration envisioned the end of great-power rivalries. In 2020, the question is how great powers can navigate their rivalries without stumbling into war.

Writing in Foreign Affairs (“The New Spheres of Influence,” March/April 2020), Graham Allison offers a road map for this new environment: the United States should accept the return of “spheres of influence” and effectively let China and Russia dominate swaths of their respective geopolitical neighborhoods. Doing so, Allison contends, is actually in keeping with the United States’ best diplomatic traditions, considering that Washington tolerated a Soviet sphere of influence in eastern Europe during the Cold War. Reviving that tradition is necessary, simply because the United States no longer has the military and economic dominance to deny China and Russia their geopolitical due. And it is desirable, because mutually accepted spheres of influence can promote stability and peace in a more rivalrous world.

Allison’s argument is alluring but wrong. In truth, the United States has resisted the creation of rival spheres of influence for most of its history, even as it has worked assiduously to build its own. Ceding ground to China and Russia today would be not a recipe for stability but a blueprint for coercion and conflict, and it would weaken the United States’ geopolitical hand vis-à-vis its rivals. Nor is a return to spheres of influence foreordained—Washington still has the power to prevent Beijing and Moscow from dominating their regions, so long as it rejects Allison’s advice to cut loose its vulnerable frontline allies. A tougher, more competitive world is unavoidable. A far more dangerous world, divided into competing superpower fiefdoms, is not.

AN AMERICAN TRADITION Spheres of influence have been common throughout history, but Americans have never been quite comfortable with them. In fact, much of U.S. foreign policy dating back to independence has consisted of efforts to prevent rival powers from establishing such domains. In the nineteenth century, U.S. leaders rejected the idea that any European power should have a sphere of influence in North America or the Western Hemisphere at large. They maneuvered—often quite ruthlessly—to evict European powers from these areas. At the turn of the twentieth century, the United States took this regional policy global. The so-called Open Door policy aimed to dissuade foreign powers from carving up China, and later all of East Asia, into exclusive spheres. Washington joined World War I in part to prevent Germany from becoming the dominant European power. A generation later, the United States fought to deny Japan a sphere of influence in the Pacific and prevent Hitler from establishing primacy over the entire Old World. During and after World War II, Washington also engaged in quieter diplomatic and economic efforts to accelerate the dissolution of the British Empire.

Even during the Cold War, Americans never fully accepted Soviet control over eastern Europe. The Truman and Eisenhower administrations sought to roll back the Iron Curtain through ideological warfare and covert action; later administrations expanded trade and diplomatic ties with Warsaw Pact states as a subtler way of undermining Kremlin control. The Reagan administration overtly and covertly supported political movements that were challenging the Kremlin’s authority from within. And when Washington had a chance to peacefully destroy the Soviet sphere of influence after the fall of the Berlin Wall, it did, supporting German unification and the expansion of NATO.

Opposition to spheres of influence, in other words, is a part of U.S. diplomatic DNA. The reason for this, Charles Edel and I argued in 2018, is that spheres of influence clash with fundamental tenets of U.S. foreign policy. Among them is the United States’ approach to security, which holds that safeguarding the country’s vital interests and physical well-being requires preventing rival powers from establishing a foothold in the Western Hemisphere or dominating strategically important regions overseas. Likewise, the United States’ emphasis on promoting liberty and free trade translates to a concern that spheres of influence—particularly those dominated by authoritarian powers—would impede the spread of U.S. values and allow hostile powers to block American trade and investment. Finally, spheres of influence do not mesh well with American exceptionalism—the notion that the United States should transcend the old, corrupt ways of balance-of-power diplomacy and establish a more humane, democratic system of international relations.

Of course, that intellectual tradition did not stop the United States from building its own sphere of influence in Latin America from the early nineteenth century onward, nor did it prevent it from drawing large chunks of Europe, East Asia, and the Middle East into a global sphere of influence after World War II. Yet the same tradition has led the United States to run its sphere of influence far more progressively than past great powers, which is why far more countries have sought to join that sphere than to leave it. And since hypocrisy is another venerable tradition in global affairs, it is not surprising that Americans would establish their own, relatively enlightened sphere of influence while denying the legitimacy of everyone else’s.

That endeavor reached its zenith in the post–Cold War era, when the collapse of the Soviet bloc made it possible to envision a world in which Washington’s sphere of influence—also known as the liberal international order—was the only game in town. The United States maintained a world-beating military that could intervene around the globe; preserved and expanded a global alliance structure as a check on aggression; and sought to integrate potential challengers, namely Beijing and Moscow, into a U.S.-led system. It was a remarkably ambitious project, as Allison rightly notes, but it was the culmination of, rather than a departure from, a diplomatic tradition reaching back two centuries.

GIVE THEM AN INCH… The post–Cold War moment is over, and the prospect of a divided world has returned. Russia is projecting power in the Middle East and staking a claim to dominance in its “near abroad.” China is seeking primacy in the western Pacific and Southeast Asia and using its diplomatic and economic influence to draw countries around the world more tightly into its orbit. Both have developed the tools needed to coerce their neighbors and keep U.S. forces at bay.

Allison is one of several analysts who have recently advanced the argument that the United States should make a virtue of necessity—that it should accept Russian and Chinese spheres of influence, encompassing some portion of eastern Europe and the western Pacific, as the price of stability and peace. The logic is twofold: first, to create a cleaner separation between contending parties by clearly marking where one’s influence ends and the other’s begins; and second, to reduce the chances of conflict by giving rising or resurgent powers a safe zone along their borders. In theory, this seems like a reasonable way of preventing competition from turning into outright conflict, especially given that countries such as Taiwan and the Baltic states lie thousands of miles from the United States but on the doorsteps of its rivals. Yet in reality, a spheres-of-influence world would bring more peril than safety.

Russia’s and China’s spheres of influence would inevitably be domains of coercion and authoritarianism. Both countries are run by illiberal, autocratic regimes; their leaders see democratic values as profoundly threatening to their political survival. If Moscow and Beijing dominated their respective neighborhoods, they would naturally seek to undermine democratic governments that resist their control—as China is already doing in Taiwan and as Russia is doing in Ukraine—or that challenge, through their very existence, the legitimacy of authoritarian rule. The practical consequence of acceding to authoritarian spheres of influence would be to intensify the crisis of democracy that afflicts the world today.

The United States would suffer economically, too. China, in particular, is a mercantilist power already working to turn Asian economies toward Beijing and could one day put the United States at a severe disadvantage on the world’s most economically dynamic continent. Washington should not concede a Chinese sphere of influence unless it is also willing to compromise the “Open Door” principles that have animated its statecraft for over a century.

Such costs might be acceptable in exchange for peace and security. But spheres of influence during the Cold War did not prevent the Soviets from repeatedly testing American redlines in Berlin, causing high-stakes crises in which nuclear war was a real possibility. Nor did those spheres prevent the two sides from competing sharply, and sometimes violently, throughout the “Third World.” Throughout history, spheres-of-influence settlements, from the Thirty Years’ Peace between Athens and Sparta to the Peace of Amiens between the United Kingdom and Napoleonic France have often ended, sooner or later, in war.

The idea that spheres of influence are a formula for peace rests on assumptions that often go unexamined: that revisionist powers are driven primarily by insecurity, that their grievances are limited and can be easily satisfied, that the truly vital interests of competing powers do not conflict, and that creative statecraft can therefore fashion an enduring, mutually acceptable equilibrium. The trouble is that these premises don’t always hold. Ideology and the quest for greatness—not simply insecurity—often drive great powers. Rising states are continually tempted to renegotiate previous bargains once they have the power to do so. Offering concessions to a revisionist state may simply convince it that the existing order is fragile and can be tested further. Conceding a sphere of influence to a great-power challenger might not produce stability but simply give that challenger a better position from which to realize its ambitions.

Consider the situation in the western Pacific. The most minimal Chinese sphere of influence would surely include Taiwan. Yet if Taiwan became a platform for Chinese military capabilities, the defense of other U.S. allies in the region, such as Japan and the Philippines, would become vastly more difficult. Nor would such a concession likely satisfy Chinese ambitions. A growing body of literature by scholars such as Toshi Yoshihara, James Holmes, Liza Tobin, and Elizabeth Economy suggests that China desires at the very least to push the United States beyond the chain of islands running from Japan to Taiwan to the Philippines. Even a limited Chinese sphere in the western Pacific would serve as a springboard to this larger objective.

Meanwhile, the United States will have sacrificed a number of critical advantages by pulling out. A free Taiwan offers proof that Chinese culture and democracy are not incompatible; subjugating Taiwan would also allow Beijing to remove this ideological threat. Worse still, the United States would lose the edge that comes from being the only great power without significant security hazards near its borders. It was only after the United States achieved dominance in the Western Hemisphere that it could project power globally. Russia and China, by contrast, still have to deal with U.S. allies, partners, and military presences in their own backyards—a circumstance that diverts resources they might otherwise use to pursue more distant ambitions and compete with the United States at a truly global scale.

MEASURES OF POWER Fortunately, new spheres of influence are avoidable. Russia is a formidable player because of its willingness to take risks and pursue asymmetric strategies; but Moscow will not rebuild a meaningful sphere of influence so long as the United States opposes that ambition. In Europe, Russia is still dramatically outmatched. Admittedly, on NATO’s eastern flank, geography and the local balance of power favor Moscow; but even there, the alliance has been strengthening its capabilities for several years. Studies by the RAND Corporation show that with the right troop deployments, NATO could establish a credible—and affordable—deterrent to Russian aggression without posing any offensive threat. Russia, meanwhile, has struggled even to pull Ukraine back into its orbit: although Russian-backed separatists are waging a bloody war in the eastern part of the country, and Moscow has annexed Crimea, western Ukraine has gravitated toward Europe and the United States since 2014. And although Russia can wield some influence in the Middle East, it can emerge as the region’s primary outside power only if the United States abandons its role there.

The extent of China’s power makes the situation in the western Pacific more difficult. Yet Beijing will have trouble dominating the region in the same way that the United States came to dominate the Caribbean. China’s neighbors are not pushovers. Many have the diplomatic and military support of the United States, and some, such as Japan, are major powers in their own right. What is more, China must project military power across large bodies of water if it is to establish authority in the region, and to do so is inherently difficult. It will be all the more difficult if U.S. regional allies invest in the capabilities needed to inflict high costs on any assault and if Washington refines its capabilities and concepts for countering Chinese aggression. The regional military balance will not ever revert to what it was in 1996, when Washington could face down Beijing’s attempts to intimidate Taiwan by sailing two carrier strike groups into the waters off China’s coast; but with the right investments and strategies, the United States and its allies can lengthen the odds of Chinese regional dominance.

Perhaps in recognition of this fact, China is also using information operations, economic blandishments, and other forms of political meddling to weaken the region’s resistance to its power. Yet some countries are already working to reduce their vulnerability to economic and political coercion. Australia has undertaken a major campaign to highlight malign Chinese influence; Japan is actively seeking to limit its dependence on supply chains that run through China. Washington may have done more by itself than China has done to undermine U.S. economic power in the region, through its withdrawal from the Trans-Pacific Partnership trade agreement and its tardiness in developing alternatives, together with its allies, to Chinese technology, investment, and lending. These policy errors are damaging, but they are still within the United States’ power to correct.

DON'T GIVE UP YET The prospects for maintaining favorable regional balances of power are far better than the skeptics assume. What is essential, however, is that Washington not erode those balances by severing ties with vulnerable allies and partners on the frontlines. Allison suggests that doing so might be necessary to bring U.S. capabilities in line with commitments and reduce friction with rising powers. Yet the effect of abandoning the Baltic allies or breaking the ambiguous commitment to Taiwan would be to make it impossible for those countries to ward off Chinese or Russian influence and to demoralize other U.S. allies around them. Washington would be paving the way for just the authoritarian spheres of influence it should—and can—avoid. The United States has a distinguished record of breaking down authoritarian spheres of influence, first in its own hemisphere and then beyond. It should not now make the historic blunder of throwing that achievement away for an illusory promise of stability or as a premature concession to a darker future that need not come to pass.

#### 2. No transition. Retrenchment causes domestic backlash and oscillation between engagement/isolation that is the worst possible world

Wright, PhD, 20

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The realists and the progressives arguing for retrenchment differ in their assumptions, logic, and intentions. The realists tend to be more pessimistic about the prospects for peace and frame their arguments in hardheaded terms, whereas the progressives downplay the consequences of American withdrawal and make a moral case against the current grand strategy. But they share a common claim: that the United States would be better off if it dramatically reduced its global military footprint and security commitments. This is a false promise, for a number of reasons. First, retrenchment would worsen regional security competition in Europe and Asia. The realists recognize that the U.S. military presence in Europe and Asia does dampen security competition, but they claim that it does so at too high a price—and one that, at any rate, should be paid by U.S. allies in the regions themselves. Although pulling back would invite regional security competition, realist retrenchers admit, the United States could be safer in a more dangerous world because regional rivals would check one another. This is a perilous gambit, however, because regional conflicts often end up implicating U.S. interests. They might thus end up drawing the United States back in after it has left—resulting in a much more dangerous venture than heading off the conflict in the first place by staying. Realist retrenchment reveals a hubris that the United States can control consequences and prevent crises from erupting into war. The progressives’ view of regional security is similarly flawed. These retrenchers reject the idea that regional security competition will intensify if the United States leaves. In fact, they argue, U.S. alliances often promote competition, as in the Middle East, where U.S. support for Saudi Arabia and the United Arab Emirates has emboldened those countries in their cold war with Iran. But this logic does not apply to Europe or Asia, where U.S. allies have behaved responsibly. A U.S. pullback from those places is more likely to embolden the regional powers. Since 2008, Russia has invaded two of its neighbors that are not members of NATO, and if the Baltic states were no longer protected by a U.S. security guarantee, it is conceivable that Russia would test the boundaries with gray-zone warfare. In East Asia, a U.S. withdrawal would force Japan to increase its defense capabilities and change its constitution to enable it to compete with China on its own, straining relations with South Korea. The second problem with retrenchment involves nuclear proliferation. If the United States pulled out of NATO or ended its alliance with Japan, as many realist advocates of retrenchment recommend, some of its allies, no longer protected by the U.S. nuclear umbrella, would be tempted to acquire nuclear weapons of their own. Unlike the progressives for retrenchment, the realists are comfortable with that result, since they see deterrence as a stabilizing force. Most Americans are not so sanguine, and rightly so. There are good reasons to worry about nuclear proliferation: nuclear materials could end up in the hands of terrorists, states with less experience might be more prone to nuclear accidents, and nuclear powers in close proximity have shorter response times and thus conflicts among them have a greater chance of spiraling into escalation. Third, retrenchment would heighten nationalism and xenophobia. In Europe, a U.S. withdrawal would send the message that every country must fend for itself. It would therefore empower the far-right groups already making this claim—such as the Alternative for Germany, the League in Italy, and the National Front in France—while undermining the centrist democratic leaders there who told their populations that they could rely on the United States and NATO. As a result, Washington would lose leverage over the domestic politics of individual allies, particularly younger and more fragile democracies such as Poland. And since these nationalist populist groups are almost always protectionist, retrenchment would damage U.S. economic interests, as well. Even more alarming, many of the right-wing nationalists that retrenchment would empower have called for greater accommodation of China and Russia. A fourth problem concerns regional stability after global retrenchment. The most likely end state is a spheres-of-influence system, whereby China and Russia dominate their neighbors, but such an order is inherently unstable. The lines of demarcation for such spheres tend to be unclear, and there is no guarantee that China and Russia will not seek to move them outward over time. Moreover, the United States cannot simply grant other major powers a sphere of influence—the countries that would fall into those realms have agency, too. If the United States ceded Taiwan to China, for example, the Taiwanese people could say no. The current U.S. policy toward the country is working and may be sustainable. Withdrawing support from Taiwan against its will would plunge cross-strait relations into chaos. The entire idea of letting regional powers have their own spheres of influence has an imperial air that is at odds with modern principles of sovereignty and international law. A fifth problem with retrenchment is that it lacks domestic support. The American people may favor greater burden sharing, but there is no evidence that they are onboard with a withdrawal from Europe and Asia. As a survey conducted in 2019 by the Chicago Council on Global Affairs found, seven out of ten Americans believe that maintaining military superiority makes the United States safer, and almost three-quarters think that alliances contribute to U.S. security. A 2019 Eurasia Group Foundation poll found that over 60 percent of Americans want to maintain or increase defense spending. As it became apparent that China and Russia would benefit from this shift toward retrenchment, and as the United States’ democratic allies objected to its withdrawal, the domestic political backlash would grow. One result could be a prolonged foreign policy debate that would cause the United States to oscillate between retrenchment and reengagement, creating uncertainty about its commitments and thus raising the risk of miscalculation by Washington, its allies, or its rivals. Realist and progressive retrenchers like to argue that the architects of the United States’ postwar foreign policy naively sought to remake the world in its image. But the real revisionists are those who argue for retrenchment, a geopolitical experiment of unprecedented scale in modern history. If this camp were to have its way, Europe and Asia—two stable, peaceful, and prosperous regions that form the two main pillars of the U.S.-led order—would be plunged into an era of uncertainty.

#### 3. Transition war. A Chinese authoritarian system will never receive acceptance and the US will fight to preserve its order.

Hass, PhD, 19

(Richard, President@CFR, <https://www.foreignaffairs.com/articles/2018-12-11/how-world-order-ends>, Jan/Feb)

Given these changes, resurrecting the old order will be impossible. It would also be insufficient, thanks to the emergence of new challenges. Once this is acknowledged, the long deterioration of the Concert of Europe should serve as a lesson and a warning. For the United States to heed that warning would mean strengthening certain aspects of the old order and supplementing them with measures that account for changing power dynamics and new global problems. The United States would have to shore up arms control and nonproliferation agreements; strengthen its alliances in Europe and Asia; bolster weak states that cannot contend with terrorists, cartels, and gangs; and counter authoritarian powers’ interference in the democratic process. Yet it should not give up trying to integrate China and Russia into regional and global aspects of the order. Such efforts will necessarily involve a mix of compromise, incentives, and pushback. The judgment that attempts to integrate China and Russia have mostly failed should not be grounds for rejecting future efforts, as the course of the twenty-first century will in no small part reflect how those efforts fare. The United States also needs to reach out to others to address problems of globalization, especially climate change, trade, and cyber-operations. These will require not resurrecting the old order but building a new one. Efforts to limit, and adapt to, climate change need to be more ambitious. The WTO must be amended to address the sorts of issues raised by China’s appropriation of technology, provision of subsidies to domestic firms, and use of nontariff barriers to trade. Rules of the road are needed to regulate cyberspace. Together, this is tantamount to a call for a modern-day concert. Such a call is ambitious but necessary. The United States must show restraint and recapture a degree of respect in order to regain its reputation as a benign actor. This will require some sharp departures from the way U.S. foreign policy has been practiced in recent years: to start, no longer carelessly invading other countries and no longer weaponizing U.S. economic policy through the overuse of sanctions and tariffs. But more than anything else, the current reflexive opposition to multilateralism needs to be rethought. It is one thing for a world order to unravel slowly; it is quite another for the country that had a large hand in building it to take the lead in dismantling it. All of this also requires that the United States get its own house in order—reducing government debt, rebuilding infrastructure, improving public education, investing more in the social safety net, adopting a smart immigration system that allows talented foreigners to come and stay, tackling political dysfunction by making it less difficult to vote, and undoing gerrymandering. The United States cannot effectively promote order abroad if it is divided at home, distracted by domestic problems, and lacking in resources. The major alternatives to a modernized world order supported by the United States appear unlikely, unappealing, or both. A Chinese-led order, for example, would be an illiberal one, characterized by authoritarian domestic political systems and statist economies that place a premium on maintaining domestic stability. There would be a return to spheres of influence, with China attempting to dominate its region, likely resulting in clashes with other regional powers, such as India, Japan, and Vietnam, which would probably build up their conventional or even nuclear forces. A new democratic, rules-based order fashioned and led by medium powers in Europe and Asia, as well as Canada, however attractive a concept, would simply lack the military capacity and domestic political will to get very far. A more likely alternative is a world with little order—a world of deeper disarray. Protectionism, nationalism, and populism would gain, and democracy would lose. Conflict within and across borders would become more common, and rivalry between great powers would increase. Cooperation on global challenges would be all but precluded. If this picture sounds familiar, that is because it increasingly corresponds to the world of today. The deterioration of a world order can set in motion trends that spell catastrophe. World War I broke out some 60 years after the Concert of Europe had for all intents and purposes broken down in Crimea. What we are seeing today resembles the mid-nineteenth century in important ways: the post–World War II, post–Cold War order cannot be restored, but the world is not yet on the edge of a systemic crisis. Now is the time to make sure one never materializes, be it from a breakdown in U.S.-Chinese relations, a clash with Russia, a conflagration in the Middle East, or the cumulative effects of climate change. The good news is that it is far from inevitable that the world will eventually arrive at a catastrophe; the bad news is that it

#### 4. US leadership is sustainable and institutionally locked in – proclaimed “shocks” aren’t a threat.

Mitrovich, PhD, 7-5-20

(Gregory ,Research Scholar at the Saltzman Institute of War and Peace Studies at Columbia University. His current book project is entitled Uncommon Challenger: The Epic Story of the Rise of the United States from the War of 1812 to the Second World War https://nationalinterest.org/feature/beware-declinism-america-remains-poised-greatness-163810?page=0%2C1)

There can be no doubting that America’s international standing has been undermined by ill-considered wars and the deadly failures of Trump’s pandemic response. However, the intrinsic strength of the United States will, like that of Britain a century ago, enable America to retain its dominance. However, late seventeenth-century Britain’s advanced banking and taxation system meant that it could afford to build a navy and merchant fleet that would dominate the world’s oceans and provide the financial support to continental allies that would time and again defeat French attempts to dominate Europe. During the nineteenth century, this same financial prowess helped Britain maintain a significant naval advantage over its French, German, and American rivals while its adoption of free trade vastly expanded its commercial activity around the world. By World War I, British merchant ships accounted for half the tonnage of the world’s merchant fleets, four times as much as Germany and ten times that of the United States. To maintain its dominance in global trade, Britain constructed a global network of ports and harbors that the whole world would soon come to depend on, particularly after the switch from sail to coal-burning steam engines. By the turn of the twentieth century, 80 percent of the world’s ships would burn British coal, widely recognized as the best in the world. In the mid-1800s, Britain would also lead a telecommunications revolution as it laid the undersea telegraph cables connecting the world. By World War I, the Earth’s navies and merchant fleets were powered by British coal supplied by British bases and communicated using British telegraph cables. Ironically, Britain would play a key role in America’s rise; British support was essential for a U.S. victory in the Spanish–American War, which marked America’s emergence as a world power. London warned off the French and Germans from entering the conflict in support of Spain, and then allowed the United States to use its imperial network to supply U.S. naval forces. Following the destruction of the USS Maine in Havana Harbor, then-Assistant Secretary of Navy Theodore Roosevelt ordered Commodore George Dewey to take the Asiatic Squadron to Hong Kong where it would refuel its reserves with as much British coal as possible. However, when the squadron reached Hong Kong, all of the city’s stores of coal had been purchased by European navies concerned that war might break out over China. Low on both coal and ammunition, Dewey needed to contact Washington to arrange for their delivery. The only means possible was through Britain’s cable network. Though knowing war with Spain was imminent, British authorities ignored neutrality laws and allowed Dewey to contact Washington, which then purchased a British collier to supply Dewey with coal and sent another ship with the needed munitions. Britain, as Japan did, could have closed its harbors to Dewey’s ships, refused his use of its telegraph lines, and declined to sell the needed coal to power Dewey’s ships. Dewey would have been stuck in Asia helpless, and the Battle of Manila Bay might never have happened. Whatever relative decline Britain’s rivals might have enjoyed was tempered by the realization that they traded, deployed their naval power, and communicated across the world only with Britain’s blessing. It would take far more than uneven economic growth rates to topple Britain’s global dominance. In fact, it took two world wars to exhaust the nation financially and force the United States to fully mobilize its resources to defeat the Third Reich. Britain began World War II a world power and finished nearly bankrupt, with its survival dependent on American largess in the form of Lend-Lease and later the Marshall Plan. TODAY, AMERICA enjoys even greater military and institutional advantages than did Great Britain a century before. America’s global military networks, power projection capabilities, and financial strengths are far beyond those of any of its current rivals, including China. America also has powerful, decades-long alliances with European and Asian powers that Britain never possessed, nor China can match. Furthermore, the global extent of America’s cultural penetration is unprecedented in history: nearly every corner of the globe is influenced by American social, cultural, and political ideals. These social and cultural networks weren’t built overnight, but were the result of decades of American efforts begun decades before it could even contemplate supplanting British power. Indeed, when Henry Luce first coined the term “American Century” in 1941, it was not a statement about America’s future, but a reflection on the growth and spread of American influence over the previous seventy years. With its rapid economic growth and increasing presence around the world, China has elicited concerns in the United States via its many international initiatives, including its Belt and Road Initiative, the promotion of Huawei’s 5G cellular system, and an undersea cable program. Nevertheless, given the entrenched power of the United States and the enormous effort required to overthrow a dominant power, it is wholly premature, short of a devastating major event, to claim that we are witnessing the end of America’s global dominance. This is especially true as Chinese growth forecasts are dropping significantly; prior to the COVID-19 pandemic, the financial news service Morningstar predicted a then-unheard-of 3 percent level of growth. Now, after a months-long economic shutdown, many analysts believe China’s economy to have sunk to depression-era levels. The pandemic only fuels controversy over Chinese statistics making predictions that China will one day control 40 percent of the global economy—such views seem exceedingly far-fetched. As it stands now, U.S. GDP remains significantly ahead of China’s, even factoring in GDP reductions due to the effects of COVID-19. Clearly, the nation that recovers most effectively from the crisis will have a greater claim to world leadership. That Nazi Germany and Imperial Japan recovered from the Great Depression faster than their democratic rivals convinced nations around the world of the superiority of their model. So far, the Chinese government has failed to exploit what would seem an insurmountable advantage: the incompetence of the Trump administration. China’s international response to the crisis has mixed contempt (in the form of worthless medical aid) with bullying (as when China threatened Australia and the European Union to halt efforts to study the virus’s origin), resulting in growing calls in the United States, Europe, and Asia to decouple from China, defeating what hopes they might have had of replacing the United States as the world’s leader. These failures only compound one of China’s longstanding foreign policy dilemmas: That it offers no vision of a new global order that appeals to anyone other than corrupt autocrats. In contrast, by the late nineteenth century, America’s political, economic, and cultural ideals had so penetrated the world that many felt the world was becoming “Americanized.” There can be no doubting that America’s international standing has been undermined by ill-considered wars and the deadly failures of Trump’s pandemic response. However, the intrinsic strength of the United States will, like that of Britain a century ago, enable America to retain its dominance. Like Britain, it will require a far more dramatic series of shocks than what it has recently experienced for Washington to lose its central position in the international system.

## Systemic Risk

## Disinformation

## AT: T

### 2AC – AT: T-Per Se

#### C/I – prohibitions can be categorical or limited –prohibitions include bans of “unreasonable” conduct.

Khan ’19 [Lina; Chairperson @ Federal Trade Commission, JD @ Yale Law School; “The Separations of Platforms and Commerce,” *Columbia Law Review* 119(4), p. 973-1098]

Notably, state and federal governments have issued line-of-business restrictions through a variety of legal tools: corporate charters, regulatory regimes, and antitrust law.227 In some cases, these limits prohibited firms from expanding into any distinct market; in others, they prohibited firms from entering only adjacent markets—namely, those markets that involve a successive stage of production or distribution. A categorical prohibition would, for example, ban a movie distributor from entering any nondistributor market, whereas a ban on integration would prohibit it from entering only the movie-production market or the movie-theater market. Since this Article examines the dual role that digital platforms play—as both marketplace operators and merchants in the marketplace—this Part primarily focuses on limits on entry into adjacent markets

## AT: T

### 2AC – AT: Private Sector

#### C/I – Private sector is anything that’s non-governmental.

Law Insider ‘ND [Law Insider; “Private Sector definition”; https://www.lawinsider.com/dictionary/private-sector; AS]

Private Sector means not of a Federal, State or Local government owned nor controlled enterprise.

#### The includes particulars

Random House 6 (Unabridged Dictionary, http://dictionary.reference.com/browse/the)

(used, esp. before a noun, with a specifying or particularizing effect, as opposed to the indefinite or generalizing force of the indefinite article *a* or *an*): the book you gave me; Come into the house

## AT: Racial Cap

### 2AC – AT: Cap K [L]

#### Perm do both – regulated capitalism best. Plan challenges market concentration and consumer welfare standard. Blanket critique totalizes.

Smith, PhD, 19

(Noah, https://www.bloomberg.com/opinion/articles/2019-03-08/letting-16-year-olds-vote-is-a-good-idea)

Depending on who you ask, the term "neoliberal" can apply to anyone from Ronald Reagan to Barack Obama. Some on social media have turned the term into a running joke, holding ironic Twitter polls to see who is the “chief neoliberal shill” (the winner last year was none other than yours truly). But at least one economist has articulated a coherent vision of neoliberalism -- Brad DeLong, a professor at the University of California-Berkeley who worked at the Treasury Department during the Bill Clinton administration. In 1999, DeLong wrote that a combination of market liberalization in developing countries and trade opening by rich nations would allow the poor countries of the world to end centuries of poverty. The plan seems to have worked. Market liberalization in countries such as India and China seems to have precipitated a shift to faster growth, while trade and investment links with rich countries have helped these and other developing countries tremendously: These changes helped pull a billion people out of desperate poverty, and billions more are on the way to becoming middle class. But there was a big hole in DeLong’s neoliberal plan. While the developing world surged forward, the U.S. began to encounter a host of economic problems. Wage stagnation, reduced mobility and rising inequality eroded the foundations of the New Deal society that had sustained the U.S.'s middle class during the second half of the 20th century. The U.S. resisted nationalizing its health-care system, resulting in a cumbersome public-private hybrid arrangement that allowed costs to mushroom while letting some people go uninsured. And financial deregulation led to a crisis and a huge, long recession throughout much of the developed world. Now, DeLong is ready to throw in the towel. In a recent interview, he declared that left-leaning advocates of neoliberal policies in the U.S. were mistaken in thinking they would find a political partner on the center-right. The plan was always to cushion the blow of international trade and easing of regulations on business using government programs, such as universal health care and a robust social safety net, to make sure the working class wasn’t left behind. But, DeLong argues, Republicans rejected that compromise, insisting that any neoliberalism be of the free-market-fundamentalist variety: Barack Obama rolls into office with Mitt Romney’s health care policy, with John McCain’s climate policy, with Bill Clinton’s tax policy…[but] John Boehner, Paul Ryan, and Mitch McConnell [were] the leaders of the Republican Party, and…decided on scorched earth[.] As a result, DeLong declared that old-line neoliberals need to pass the baton to the political left. Others aren’t ready to let DeLong off so easily. In the Boston Review, a panel of economists writes that neoliberalism got the policy wrong as well as the politics. Their various suggestions for post-neoliberal policies include increasing labor’s power with greater unionization and wage boards, tighter regulation of the finance industry and restriction on trade in order to protect U.S. workers. Mike Konczal of the Roosevelt Institute echoes their assessment. Many of these are good ideas. But in rejecting neoliberalism as a concept, the critics go too far. First, progress in the developing world has been impressive -- something for which neoliberalism probably deserves a lot of credit -- but it is far from complete; most of South Asia is still very poor, and much of Africa is just beginning to industrialize. To curb the flows of trade and investment with these countries would be a grave abdication of the U.S.’s international and humanitarian responsibilities. Second, neoliberal policies might have led to faster productivity growth in the 1990s and early 2000s: Tech Boom or Something More? Total factor productivity\* Source: Federal Reserve Bank of St. Louis \* Index 2011 = 1 Contrary to popular belief, wages also increased during that period. The spurt of growth is commonly attributed to the information-technology boom, but that boom might not have been possible if the U.S. had more strictly regulated emerging industries in order to protect favored incumbents. It’s worth noting that West Europe and Japan, whose policies were somewhat less neoliberal than the U.S.’s, ended up producing relatively few big new tech companies, and have failed to catch up to U.S. levels of per capita income in the years since 1990. Finally, although economic blunders have come from the political right in the U.S. in recent decades, it’s also possible for the left to make big mistakes -- not just in poor countries, but in rich ones too. Germany suffered high unemployment in the 1980s and 1990s, thanks to its rigid labor market regulations; eventually, it eased those restrictions, which substantially lowered the unemployment rate. Sweden had a very progressive tax system, but scaled back redistribution in the 1990s in order to speed growth. France, too, has sometimes been forced to curb its ambitions for redistribution and regulation when these produced economic instability and slow growth. The U.S. needs a neoliberal contingent to help insure against missteps like these. So neoliberals’ ideas are still needed. A move toward social democracy should help correct much of the inequality that has arisen in the U.S., while fixing dysfunctional industries like health care and finance. But left-leaning neoliberals like DeLong will still be needed in order to restrain social democrats’ more ambitious impulses, to protect the U.S. economy’s entrepreneurial private sector, and to make sure that technological progress and international trade don’t get forgotten.

#### Alternative causes backlash, fails to resolve environmental challenges, and causes transition wars – growth solves.

Karlsson 21 – (Rasmus, "Learning in the Anthropocene" Soc. Sci. 10, no. 6: 233. https://doi.org/10.3390/socsci10060233 18 June 2021)// gcd

Unpacking this argument, it is perhaps useful to first recognize that, stable as the Holocene may have seemed from a human perspective, life was always vulnerable to a number of cosmic risks, such as bolide collisions, risks that only advanced technologies can mitigate. Similarly, the Black Death of the 14th century should serve as a powerful reminder of the extreme vulnerability of pre-industrial societies at a microbiological level. Nevertheless, it is reasonable to think of the Holocene as providing a relatively stable baseline against which the ecological effects of technological interventions could hypothetically be evaluated. With most human activities being distinctively local, nature would for the most part “bounce back” (even if the deforestation of the Mediterranean basin during the Roman period is an example of that not always being the case) while larger geophysical processes, such as the carbon cycle, remained entirely beyond human intentional control. Even if there has been some debate about what influence human activities had on the preindustrial climate (Ruddiman 2007), anthropogenic forcing was in any case both marginal and gradual. All this changed with the onset of the Great Acceleration by which humans came to overwhelm the great forces of nature, causing untold damage to fragile ecosystems and habitats everywhere, forever altering the trajectory of life on the planet (Steffen et al. 2011b). In a grander perspective, humanity may one day become an interplanetary species and thus instrumental in safeguarding the long-term existence of biological life, but for the moment, its impact is ethically dubious at best as the glaciers melt, the oceans fill up with plastics, and vast number of species are driven to extinction. Faced with these grim realities, it is of course not surprising that the first impulse is to seek to restore some kind primordial harmony and restrain human activities. Yet, it is important to acknowledge that, even if their aggregate impact may have been within the pattern of Holocene variability, pre-modern Western agricultural societies were hardly “sustainable” in any meaningful sense. Experiencing permanent scarcity, violent conflict was endemic (Gat 2013), and as much as some contemporary academics like to attribute all evils to “capitalism” (Malm 2016), pre-capitalist societies exhibited no shortage of religious intolerance and other forms of social domination. It is thus not surprising that some have argued the need to reverse the civilizational arc further yet and return to a preliterate hunter-gather existence (Zerzan 2008) even if this, obviously, has very little to do with existing political realities and social formations. Under Holocene conditions, the short-term human tragedy may have been the same, but it did not undermine the long-term ability of the planet to support life. In a world of eight billion people, already accumulated emissions in the atmosphere have committed the planet to significant warming under the coming centuries, with an increasing probability that committed warming already exceeds the 1.5-degree target of the Paris Agreement even if all fossil-fuel emissions were to stop today (Mauritsen and Pincus 2017). This means that sustained negative emissions, presumably in combination with SRM, will most likely be needed just to stabilize global temperatures, not to mentioning countering the flow of future emissions. According to the Intergovernmental Panel on Climate Change (IPCC), assuming that all the pledges submitted under the Paris Agreement are fulfilled, limiting warming to 1.5 degrees will still require negative emissions in the range of 100—1000 gigatons of CO2 (Hilaire et al. 2019, p. 190). The removal of carbon dioxide at gigaton scales from the atmosphere will presumably require the existence of an advanced industrial society since low-tech options, such as afforestation, will be of limited use (Gundersen et al. 2021; Seddon et al. 2020), especially in a future of competing land-uses. It is against this backdrop of worsening climate harms that the limits of “precaution”, at least as conventionally understood, become apparent. While degrowth advocates tend to insist that behavioral change, even explicitly betting on a “social miracle” (Kallis 2019, p. 195), is always preferable to any technological risk-taking (Heikkurinen 2018), that overlooks both the scope of the sustainability challenge and the lack of public consent to any sufficiently radical political project (Buch-Hansen 2018). While there may be growing willingness to pay for, say, an electric vehicle (Hulshof and Mulder 2020), giving up private automobile use altogether is obviously a different animal, to say nothing about a more fundamental rematerialization of the economy (Hausknost 2020). Again, the problem is one in which change either (a) remains marginal yet ecologically insufficient or (b) becomes sufficiently radical yet provokes a strong political counterreaction. A similar dynamic can be expected to play out at the international level where countries that remain committed to growth would quickly gain a military advantage. To make matters worse, there is also a temporal element to this dynamic since any regime of frugality and localism would have to be policed indefinitely in order to prevent new unsustainable patterns of development from re-emerging later on. All this begs the obvious question, if the political and economic enforcement of the planetary boundaries are fraught with such political and social difficulties, would it not be better to instead try to transcend them through technological innovation? Surprisingly, any high-energy future would most likely be subject to many of the same motivational and psychological constraints that hinder a low-energy future. While history shows that existing nuclear technologies could in theory displace all fossil fuels and meet the most stringent climate targets (Qvist and Brook 2015), it seems extremely unlikely, to put it mildly, that thousands of new reactors will be built over the course of the coming decades in response to climate change. Outside the world of abstract computer modelling, real world psychological and cultural inertia tends to ensure that political decision-making, at least for the most part, gravitates to what is considered “reasonable” and “common sense”—such as medium emissions electricity grids in which wind and solar are backed by biomass and gas—rather than what any utilitarian optimization scenario may suggest. Even if the global benefits of climate stabilization would be immense, the standards by which local nuclear risks are assessed, as clearly illustrated by the Fukushima accident which led to a worldwide retreat from nuclear energy despite only causing one confirmed death (which, though obviously regrettable, has to be put in relation to the hundred and thousands of people dying every year from the use of fossil fuels), underscores the uneven distribution of perceived local risks versus global benefits and the associated problem of socio-political learning across spatial scales. Almost two decades ago, Ingolfur Blühdorn identified “simulative eco-politics” as a key strategy by which liberal democracies reconcile an ever-heightened rhetoric of environmental crisis with their simultaneous defense of the core principles of consumer capitalism (Blühdorn 2007). Since then, declarations that we only have “ten years to save the planet” have proliferated, and so have seemingly bold investments in renewable energy, most recently in the form of US President Joseph Biden’s USD 2.25 trillion climate and infrastructure plan. Still, without a meaningful commitment to either radical innovation or effective degrowth, it is difficult to see how the deployment of yet more wind turbines or the building of new highways will in any way be qualitatively different from what Blühdorn pertinently described as sustaining “what is known to be unsustainable” (Blühdorn 2007, p. 253). However, all is not lost in lieu of more authentic forms of eco-politics. Independent of political interventions, accelerating technological change, in particular with regard to computing and intelligent machine labor, may one day make large-scale precision manipulation of the physical world possible in ways that may solve many problems that today seem intractable (Dorr 2016). Similarly, breakthroughs in synthetic biology may hold the key to environmentally benign biofuels and carbon utilization technologies. Yet, all such progress remains hypothetical and uncertain for now. Given what is at stake, there is an obvious danger in submitting to naïve technological optimism. What is less commonly recognized is that naïve optimism with regard to the prospects of behavioral change may be equally dangerous. While late-capitalist affluence has enabled many postmaterial identities and behaviors, such as bicycling, hobby farming, and other forms of emancipatory self-expression, a collapsing economy could quickly lead to a reversal back to survivalist values, traditional hierarchical forms of domination, and violence (Quilley 2011, p. 77). As such, it is far from obvious what actions would actually take the world as a whole closer to long-term sustainability. If sustainability could be achieved by a relatively modest reduction in consumption rates or behavioral changes, such as a ban on all leisure flights, then there would be a strong moral case for embracing degrowth. Yet, recognizing how farreaching measures in terms of population control and consumption restrictions that would be needed, the case quickly becomes more ambiguous. While traditional environmentalism may suggest that retreating from the global economy and adopting a low-tech lifestyle would increase resilience (Alexander and Yacoumis 2018), it may do very much the opposite by further fragmenting global efforts and slowing the pace of technological innovation. Without an orderly and functioning world trade system, local resources scarcities would be exacerbated, as seen most recently with the different disruptions to vaccine supply chains. In essence, given the lack of a stable Holocene baseline to revert to, it becomes more difficult to distinguish proactionary “risk-taking” from “precaution”, especially as many ecosystems have already been damaged beyond natural recovery. In this context, it is noteworthy that many of the technologies that can be expected to be most crucial for managing a period of prolonged overshoot (such as next-generation nuclear, engineering biology, large-scale carbon capture and SRM) are also ones that traditional environmentalism is most strongly opposed to. 3. Finding Indicators From the vantage point of the far-future, at least the kind depicted in the fictional universe of Star Trek, human evolution is a fairly straightforward affair along an Enlightenment trajectory by which ever greater instrumental capacity is matched by similar leaps in psychological maturity and expanding circles of moral concern. With the risk of sounding Panglossian, one may argue that the waning of interstate war in general and the fact that there has not been any major nuclear exchange in particular, does vindicate such an optimistic reading of history. While there will always be ups and downs, as long as the most disastrous outcomes are avoided, there will still be room for learning and gradual political accommodation. Taking such a longer view, it would nevertheless be strange if development was simply linear, that former oppressors would just accept moral responsibility or that calls for gender or racial justice would not lead to self-reinforcing cycles of conservative backlash and increasingly polarizing claims. Still, over the last couple of centuries, there is little doubt that human civilization has advanced significantly, both technologically and ethically (Pinker 2011), at least from a liberal and secular perspective. However, unless one subscribes to teleology, there is nothing inexorable with this development and, it may be that the ecological, social, and political obstacles are simply too great to ever allow for the creation of a Wellsian borderless world (Pedersen 2015) that would allow everyone to live a life free from material want and political domination. On the other hand, much environmental discourse tends to rush ahead in the opposite direction and treat the c limate crisis as ultimate evidence of humanity’s fallen nature when the counter-factual case, that it would be possible for a technological civilization to emerge without at some point endangering its biophysical foundations, would presumably be much less plausible. From an astrobiological perspective, it is easy to imagine how the atmospheric chemistry of a different planet would be more volatile and thus more vulnerable to the effects of industrial processes (Haqq-Misra and Baum 2009), leaving a shorter time window for mitigation. Nick Bostrom has explored this possibility of greater climate sensitivity further in his “vulnerable world hypothesis” (Bostrom 2019) and it begs to reason that mitigation efforts would be more focused in such a world. However, since climate response times are longer and sensitivity less pronounced, climate mitigation policies have become mired in culture and media politics (Newman et al. 2018) but also a statist logic (Karlsson 2018) by which it has become more important for states to focus on their own marginal emission reductions in the present rather than asking what technologies would be needed to stabilize the climate in a future where all people can live a modern life.

#### Crisis narratives are wrong – peak growth and absolute decoupling are coming – only crisis causes overconsumption.

Nordhaus 20 – founder and executive director of the Breakthrough Institute. (Ted, “Must Growth Doom the Planet?,” The New Atlantis, Number 61, Winter 2020, pp. 76-86)//gcd

But the solution, such as it is, turns out to be right in front of us. Mainstream economic theory may posit that endless economic growth is desirable and possible, but what most macroeconomists actually fret about today is stagnation. The growth rate of developed economies has been falling for decades. This is due not to biophysical limits to consumption, but rather to the simple mathematical reality that the richer an economy becomes, the more wealth it needs to gain each year to maintain the same growth rate. Economic growth in wealthy post-industrial economies, in other words, appears to be inexorably slowing without the need for eco-austerity.

Each additional increment of growth in advanced economies also typically becomes less material-intensive, as sectors like manufacturing, mining, and refining account for a smaller share of total economic output, and knowledge and service sectors account for a larger share.

Population growth is slowing even faster than economic growth, as fertility rates typically fall as incomes and education rise — a dynamic that has been as robust a feature of global modernity as rising consumption. Japan, now 126 million people, could see its population fall by as much as half, to less than 60 million by 2100. The European Union, currently about 500 million, could shrink to as low as 300 million by 2100. Projections vary about when exactly global population will peak and begin to decline, but all major demographic forecasts project population growth trending in the same direction. Absent a radical change in the demography of a rapidly modernizing and urbanizing planet, global population is likely to peak and begin to decline late in this century or early in the next.

Taken together, declining fertility, slowing per capita economic growth, the changing composition of economic activity, and continuing improvements in technology and resource productivity are likely, toward the end of this century, to bring a peak and decline in the consumption of most important resources, and in impacts upon the environment. In fact, for absolute material demands upon the natural environment not to decline over the long term, one of these three robust trends would need to reverse itself. Global fertility trends would need to start rising again. Long-term slowing of growth rates in industrialized economies would need to reverse. Or a broad swath of food, energy, and resource technologies would need to start to become less resource-efficient.

Smil, like a number of other environmental scholars, contests this notion. Instead, he argues that increases in resource productivity will not be put toward lower resource demands but toward more consumption and faster economic growth. Increasingly efficient steam engines in the nineteenth century famously did not result in a reduction in the use of coal but the opposite. One hundred fifty years of improving lighting efficiency hasn’t resulted in lower use of energy for lighting but rather has inspired us to light up many more things. Much of the long-term improvement in the efficiency of internal combustion engines, Smil notes, has gone toward creating larger and more powerful vehicles. As long as there is pent up demand for more consumption, some portion of productivity gains will be put toward more consumption rather than less resource use.

But the claim that these “rebound” effects assure the endless growth of material consumption assumes that demand for them will never saturate. For that to be true, it must also be the case that the wealthier we get, the more material consumption we will demand, forever. Thirty-six-ounce steaks must become 72-ounce steaks, SUVs must become eighteen-wheelers, 2,000-square-foot split-level ranch homes must become 4,000-square-foot McMansions, and so on.

There is really not much evidence for that proposition. Despite our affinity for supersizing our homes, our automobiles, and our portions, the U.S. economy has nonetheless been following the same basic trajectory as all other developed economies: toward slower national and per capita income growth and consumption of material goods and services. Rockefeller University’s Jesse Ausubel has studied one hundred key resources in the United States over the past century, such as cropland, water, electricity, nickel, and petroleum. Over a third of them are past peak consumption. Similarly, the United States and much of the European Union have seen falling greenhouse gas emissions over the last decade or more, even accounting for the outsourcing of industrial production to places like China.

Globally, by contrast, resource use and carbon emissions continue to rise, despite long-term and ongoing improvements in resource productivity. This is the reason that Smil characterizes claims that economic growth might decouple from material and energy inputs as “highly misleading.” But the fact that overall demand for material goods and services has risen during the postwar period, when the global population has tripled and billions of people have moved from deep agrarian poverty to urban and industrial living arrangements provides no strong basis for Smil’s argument.

As both population and economic growth rates flatten out over the course of this century, it is likely that resource-productivity gains will overtake global economic growth rates, resulting in falling global demand for material resources over the long term. As a 2019 Breakthrough Institute report showed, global pasture land, the largest single human use of land, peaked in 2000 and continues to decline even as global beef production continues to rise. In a 2013 paper, Ausubel and colleagues argued that global cropland too appears close to peaking, even as global crop production continues to rise.

As with all growth curves, peak consumption of various material resources is not guaranteed to last. These trends could represent the top of a bell curve, the bottom of a new S-curve, or just a long plateau. But what they do demonstrate is that absolute decoupling of resources from economic growth is possible, even given a global economy today that still features robust population and income growth.

Smil’s case for establishing limits to growth depends upon a further claim: that preserving economic growth while reducing environmental impacts can’t happen soon enough to avoid surpassing key biophysical boundaries, which would lead to catastrophe for human societies. But Smil is too aware of the many failed proclamations of environmental scientists to make any strong or specific claim about what those biophysical limits might be. “Forecasting the state of modern civilization for generations or centuries to come remains an impossible exercise,” he acknowledges.

Elsewhere — for example in his 2010 book Energy Myths and Realities — Smil has been less than catastrophic about global warming, the environmental risk most commonly thought to threaten the long-term survival of human societies. Nor does he worry that we will run out of resources. Instead, he invokes poorly defined challenges having to do with arable land, soil erosion, depleted aquifers, and crop productivity, combined with a changing climate. He is quite certain, though, that none of it can be sustained. “Pursuit of the highest possible economic growth rates, extending the culture of excessive consumption to additional billions of people, and treating the biosphere as a mere assembly of goods and services to be exploited (and used as a dumping ground) with impunity,” he argues, “must change in radical ways.”

In the end, Smil does offer a prediction of sorts, if not a very strong one. By the end of this century, he argues, human societies will need to impose limits upon economic growth in order to sustain human wellbeing for the long term. But as prophecy, Smil’s prediction is less provocative than it might first appear. By the end of this century, global population will likely be approaching zero growth anyway and a much more industrialized global economy will likely be struggling with the same headwinds to sustained rates of per capita growth that developed economies have been struggling with for decades.

In this regard, Smil’s prognostication, should it come to pass, would follow a similar pattern to many other environmental laws and regulations. Environmental restrictions have often lagged, not led, the peaking of pollution and other environmental impacts. We “saved” the whales only after we had hunted many global populations to extirpation, and developed better substitutes for most of the resources we depended upon them for. Forests have returned across many parts of the United States, Europe, and Latin America after we no longer needed those lands to grow food. One 2005 study found that 76 percent of protected areas across Latin America and the Caribbean was under little threat of human development without protection, a dynamic that appears to be the case globally as well. We reached a global agreement to protect the ozone only after DuPont had developed a cheap substitute for chlorofluorocarbons.

In answer to modern environmentalism’s tautology, Smil offers redundancy. Human societies will need to impose global limits to growth, he suggests, around the time that growth, or at least growing demands upon resources, will likely be coming to an end anyway.

Given how much damage two centuries of unprecedented growth and economic development have done to the biosphere, many imagine, understandably, that the end of growth might be a panacea for the natural world. But we should not be so quick to assume that a smaller and less affluent human population will necessarily bring lower demands upon natural resources.

History is replete with episodes where much smaller human populations accounted for environmental destruction at large scales. Early North Americans in the paleolithic era cleared most of the continent’s forests and hunted mammoths and other megafauna into extinction. Across human history, roughly three-quarters of deforestation in temperate forests occurred before the Industrial Revolution, when the human population was less than a billion people, almost all of whom lived in deep poverty compared to today’s industrial standards.

More recently, economic crises in relatively developed regions, such as Southeast Asia, the former Soviet Union, and Greece have led to serious environmental consequences, as economically struggling populations turned to forests for firewood and to illegal hunting and fishing for food, to devastating effect.

For this reason, degrowth offers no guarantee that environmental impacts will decline. This is all the more so as calls for degrowth are frequently coupled with demands for a return to simpler, less technological, and non-synthetic systems for the provision of food and energy and for production of material goods and services. Less affluent economies more dependent upon production systems that use less technology would substantially increase the resource demands associated with consumption, and would erode or even entirely offset the benefits of lower levels of consumption.

#### No environment impact and it’s self-correcting.

Kareiva ’18 [Peter, Ecology PhD; Valerie Carranza; Institute of the Environment and Sustainability, University of California, Los Angeles; “Existential Risk Due to Ecosystem Collapse: Nature Strikes Back.” *Futures* 102, p. 39-50]

The interesting question is whether any of the planetary thresholds other than CO2 could also portend existential risks. Here the answer is not clear. One boundary often mentioned as a concern for the fate of global civilization is biodiversity (Ehrlich & Ehrlich, 2012), with the proposed safety threshold being a loss of greater than .001% per year (Rockström et al., 2009). There is little evidence that this particular .001% annual loss is a threshold—and it is hard to imagine any data that would allow one to identify where the threshold was (Brook et al., 2013; Lenton & Williams, 2013). A better question is whether one can imagine any scenario by which the loss of too many species leads to the collapse of societies and environmental disasters, even though one cannot know the absolute number of extinctions that would be required to create this dystopia. While there are data that relate local reductions in species richness to altered ecosystem function, these results do not point to substantial existential risks. The data are small-scale experiments in which plant productivity, or nutrient retention is reduced as species number declines locally (Vellend, 2017), or are local observations of increased variability in fisheries yield when stock diversity is lost (Schindler et al., 2010). Those are not existential risks. To make the link even more tenuous, there is little evidence that biodiversity is even declining at local scales (Vellend et al 2017; Vellend et al., 2013). Total planetary biodiversity may be in decline, but local and regional biodiversity is often staying the same because species from elsewhere replace local losses, albeit homogenizing the world in the process. Although the majority of conservation scientists are likely to flinch at this conclusion, there is growing skepticism regarding the strength of evidence linking trends in biodiversity loss to an existential risk for humans (Maier, 2012; Vellend, 2014). Obviously if all biodiversity disappeared civilization would end—but no one is forecasting the loss of all species. It seems plausible that the loss of 90% of the world’s species could also be apocalyptic, but not one is predicting that degree of biodiversity loss either. Tragic, but plausible is the possibility our planet suffering a loss of as many as half of its species. If global biodiversity were halved, but at the same time locally the number of species stayed relatively stable, what would be the mechanism for an end-of-civilization or even end of human prosperity scenario? Extinctions and biodiversity loss are ethical and spiritual losses, but perhaps not an existential risk. What about the remaining eight planetary boundaries? Stratospheric ozone depletion is one—but thanks to the Montreal Protocol ozone depletion is being reversed (Hand, 2016). Disruptions of the nitrogen cycle and of the phosphorous cycle have also been proposed as representing potential planetary boundaries (one boundary for nitrogen and one boundary for phosphorous). There are compelling data linking excesses in these nutrients to environmental damage. For example, over-application of fertilizer in Midwestern USA has led to dead zones in the Gulf of Mexico. Similarly, excessive nitrogen has polluted groundwater in California to such an extent that it is unsuitable for drinking and some rural communities are forced to drink bottled water. However, these impacts are local. At the same time that there is too much N loading in the US, there is a need for more N in Africa as a way of increasing agricultural yields (Mueller et al., 2012). While the disruption of nitrogen and phosphorous cycles clearly perturb local ecosystems, end-of-the-world scenarios seem a bit far-fetched. Another hypothesized planetary boundary entails the conversion of natural habitats to agricultural land. The mechanism by which too much agricultural land could cause a crisis is unclear—unless it is because land conversion causes so much biodiversity loss that is species extinctions that are the proximate cause of an eco-catastrophe. Excessive chemical pollution and excessive atmospheric aerosol loading have each been suggested as planetary boundaries as well. In the case of these pollution boundaries, there are well-documented mechanisms by which surpassing some concentration of a pollutant inflicts severe human health hazards. There is abundant evidence linking chemical and aerosol pollution to higher mortality and lower reproductive success in humans, which in turn could cause a major die-off. It is perhaps appropriate then that when Hollywood envisions an unlivable world, it often invokes a story of humans poisoning themselves. That said, it is doubtful that we will poison ourselves towards extinction. Data show that as nations develop and increase their wealth, they tend to clean up their air and water and reduce environmental pollution (Flörke et al., 2013; Hao & Wang, 2005). In addition, as economies become more circular (see Mathews & Tan, 2016), environmental damage due to waste products is likely to decline. The key point is that the pollutants associated with the planetary boundaries are so widely recognized, and the consequences of local toxic events are so immediate, that it is reasonable to expect national governments to act before we suffer a planetary ecocatastrophe.

#### Radical economic kritiks *must* provide specific alternatives to existing economic methods. Failure to specifically explain an alternative crushes hope for transition.

Andrew **SAYER** Reader in Political Economy @ Lancaster **’95** *Radical Political Economy: A Critique* p. 7-8

Radical political economy is of course a critical social science, both explaining and criticizing the practices it studies, with the explicit aim of reducing illusion and freeing people from domination and unwanted forces. But it can only hope to have an emancipatory effect if it considers its own critical standpoints and the alternative social arrangements they imply. Unfortunately it rarely does this, with the result that its stand- points and implicit alternatives are often contradictory, infeasible, or undesirable even if they are feasible. Marxist-influenced work still bears the traces of the tension between the standpoints of a socialist or communist society which has pre-industrial communitarian qualities and one in which the forces of production are developed beyond current levels of industrialization. More generally, there is a strong modernist tendency in which it is assumed that problems can be progressively unravelled without creating new ones at the same time, as if eventually all trade-offs or dilemmas could be overcome through a triumph of reason. We shall argue through substantive examples that such optimism is not only misplaced but likely to be counterproductive, limiting progress. There are always likely to be 'dilemmas of development' (Toye, 1987. The problem of critical standpoints has become more acute in recent years, indeed it is central to the crisis of the Left. There is no longer asingle standpoint or alternative (socialism/communism) counterposed to a single, overarching target (capitalism). Now there are many targets -patriarchy, racism, homophobia, militarism, industrialism - and corre- spondingly many critical standpoints with complex relations between them. That critical social science is no longer seen as synonymous with a socialist perspective is a sign of considerable progress, and cause for optimism too, as failure on the traditional front of class politics is compensated by progress on other, newer fronts such as the politics of gender. But it is also a source of heightened uncertainty. While there was always a problem of inconsistencies between critical standpoints, it has deepened and widened with the rise of 'green' concerns, for they bring into question the feasibility and desirability of non-capitalist as well as capitalist industrial societies. Is the problem capitalism, industrial society in general, or modernity?; and what are the alterna- tives? Equally, increasing awareness of problems of ethnocentrism and value pluralism throws doubt over the familiar, implicit critical stand- points of Western radical social science. How do we decide what is a problem? What if we cannot reach a consensus on this? Until recently, it seemed that the problems or targets of critical social science could be relied upon to emerge from the investigation of existing practices, where one would encounter the felt needs, frustrations and suffering of actors, and in discovering the sources of these problems, work out what changes would lead towards emancipation (e.g. Fay, 1975, 1987; Collier, 1994h(. This was coupled with an implicit view that emancipation was a form of escape from domination, illusion and unwanted constraints, with little or no acknowledgement that it depended on the construction of superior, alternative, progressive frameworks which could replace the old ones. But it is now increasingly apparent that normative questions of possible alternatives and what is good or bad about them cannot be evaded. How, without addressing such questions, could one decide what constitutes a superior alternative? Should there be a presumption in favour of community as a basis of social organiz- ation over other forms? Does liberalism provide the best framework for multicultural societies? What should be people's rights and responsibili- ties? What are our responsibilities to distant others, future generations, and to other species? There is little hope of achieving the goal of an emancipatory social science if it shuns normative discussions of issues such as these.

#### Revolutionary politics generates atrocities – history of 20th century revolutions proves we should choose liberal reformism.

Fred **HALLIDAY** IR @ London School of Economics **‘3** “Finding the Revolutionary in Revolution” in *The Future of Revolutions* ed. John Foran p 306-309

A second issue central to discussion of revolution today is that of the historic legacy of revolutions. Writers on revolution like to invoke Marx's observation about the weight of past generations lying on the minds of the present; it has been often stated that all revolutions invoke symbols and claims derived from the past, real or imagined. The revolutionaries of the twentieth century all looked, in some degree, backwards: Lenin and Trotsky to 1789, Mao and Ho to I9I7, Castro to the 1890s, Khomeini to the seventh century. The present discussion of revolution seems, at first sight, not to do this. Political sociologists do look at earlier revolutions, but this is without practical import. Discussion of the possibility of change, particularly that linked to the anti-globalization movement, seems to be curiously ahistorical. The price of this is, however, that not only is inspiration from the past muted but, equally, lessons are not learnt. Here something curious seems to have happened since the collapse of communism: the amnesia of neoliberal discussion, which consigns all that was associated with the communist experiment to the dustbin, seems to be replicated in the case of the radical movements of today. But to do this is questionable. In this latter respect, there are dangers, of an amnesia that is long on enthusiasm but short on responsibility and realism. For the fact is that the history of revolution in modern times is one not only of resistance, heroism and idealism, but also of terrible suffering and human disaster, of chaos and incompetence under the guise of revolutionary transformation, of the distortion of the finest ideals by corrupt and murderous leaders, and of the creation of societies that are far more oppressive and inefficient than those they seek to overthrow. The anti-globalization movement makes much of revolutionary internationalism: tills is not some benign panacea, but a complex, often abused, transnational practice (Halliday I999). All of this entails confronting something that revolutionaries have always assumed but too often failed to discuss: the ethics of revolution. Denunciation of the given and invocations of an ideal other are not enough (Geras 1989). To grasp this involves a shift beyond the political sociology of revolutions, an academic pursuit that focuses in large measure on the incidence of revolutions, to an analysis of the consequences and longerterm records of revolutionary states. In the course of recent years, in writing my own work on revolutions, I have had reason to visit a number of cities that had served as the centers of world revolution and, if not revolution, anti-imperialist radicalism: Beijing, Havana, Tripoli, Tehran. These were the culminations of upheavals that had produced revolutionary regimes by some strange numerical consistency in, respectively, I949, I959, I969, I979· In every case, one could still discern the outlines of the original revolutionary project: a rejection of exploitation, foreign and domestic, a comnlitment to the transformation of society, internationalist support in rhetoric and deed for those resisting oppression elsewhere. But in the 1990S this had all faded: these were not the wave of the future. Whatever else, it could not be said that the initial revolutionary project was in good shape: few in these countries now believed in the ideological project that had initiated the revolution; corruption and inefficiency were widespread; there was a pervasive desire for change, towards a more open, liberal, society; the initial internationalist appeals had faded. Revolution had, in effect, become tired. It was indeed capitalism, not revolutionary socialism and third-worldism, which in the 1990S formed the global vision of the future. This haphazard and impressionistic response has, however, to be compounded by a reflection on the overall legacy of the century of revolutions: neither form of amnesia - counterrevolutionary or revolutionary - is acceptable. Indeed, amnesia invites the repetition of another common saying with regard to revolutions, that those who ignore history are doomed to repeat it. Here perhaps is one of the most worrying aspects of the contemporary radical movement, be it in its national or internationalist forms: the failure to reflect, critically, on the past record of revolutionary movements. This pertains to models of alternative political and social orders. It pertains to the dangers inherent in any utopian, radicalized, mass movement that lacks clear forms of authority and decision-making. It also involves the espousal, spirited but onlinous, of alternative social orders that could work only if imposed by an authoritarian state**.** A pertinent contemporary example is that of radical environmentalism: the program of de-industrialization, and restricted consumption and travel, entailed by such ideas could only be established, and maintained, by a coercive state. In the international sphere, the simple invocation of solidarity may too often conceal interests of power, and manipulation. In the days of authoritarian Communist Parties, but equally in that of national and communal movements today, unconditional solidarity with repressive organizations may be at odds with any commitment to emancipatory values. Such a critical reflection has to apply, too, to the individuals often invoked for contemporary purposes: Lenin was a visionary, but also a cruel, pompous bigot; Che was a man of heroism and solidarity, but his econonlic programs were a disaster and his austere romanticism at times led to cruelty; Mao freed a quarter of mankind from imperialism, but also repeatedly plunged his society into barbarous conflict and socialexperimentation; Khomeini overthrew the Shah, but his social and political program was reactionary and repressive. A similar pause in romanticization might be applicable to some of the supposed components of the anti-globalization front today: few might defend Saddam Hussein, Kim Jong-il or Ayatollah Khamenei, but there is perhaps too little questioning of the commitment to emancipatory values of the PKK in Turkey, Sendero Luminoso, the FARC in Colombia, the Chechen rebels, to name but some. The Zapatista movement has become for many an icon of hope: but, as contributors to this volume make clear, it is not always itself a model of democratic practice. More importantly, one has to ask if this is the most important experience in the Latin America of the I990S to study: it is part of, but only one part of, a broader crisis of the authoritarian PRI regime that beset Mexico and resulted in the rise on the one hand of the PRD and on the other of the election of Fox in 2000. An open assessment of challenges to authoritarian, and neoliberal, policies in Latin America in the I990S would also examine democratization in Brazil and Chile, and the experience of social movements, be they of women, workers or indigenous peoples, who engaged with reformist states. This need for a critical retrospective on the historical legacy of revolutions is, however, linked to another, perhaps even more pressing, issue, one that pervades the pages of this book, namely the relation of revolution to liberal democracy as a whole. Several contributors point out that where liberal democracy is established revolution is off the agenda. But this reflection may be taken further to ask the question of whether, faced with the alternative, one or other outcome is preferable. The implication of much 'revolutionary' writing over the past century has been that liberal democracy is to be denounced, and those who engage with and in it are reformists, dupes, or, in older language, 'class traitors'. Such a view lives on, in some of the contributions to this book, as in parts of the left. Yet this contrast of reform with revolution is not some eternal polarity. It too needs to be set in historical context, and seen for what it is, a product of the particular context of the twentieth century, starting with the split between the moderate and revolutionary factions of the socialist movement in I9I4. The costs of this division are evident enough, and it would be desirable, in the aftermath of the collapse of the revolutionary socialist models, to re-examine it (Therborn I989). Part of this re-examination would involve a questioning of the automatic antinomy of reform and revolution present in much contemporary and recent writing, and of the assumed contradictory relation of revolutionary ideas to those of another critical, and internationalist, trend produced by modernity: liberalism. This has immediate implications for the discussion in this book. In particular, it relates to an issue that is widely present in contemporary academic and political discussion, but that writers on revolution tend to avoid, namely the question of rights. The language of rights was long denounced by the left, and its revolutionary part, as a bourgeois myth, except where it was for tactical reasons deemed pertinent to use it, as with regard to workers' rights, or the right of nations to selfdetermination. The record of the revolutionary tradition, once it came to power, is a very mixed one: a strong commitment to certain social and economic rights, whose abolition by neoliberal policies many in the former Communist states regret; and a sustained, cruel and dogmatic denial of political rights, collective and individual. Yet the program of rights embodied in national, regional and international codes is, as much as any flamboyant radicalism, both a critique and a program that confronts the contemporary world. Faced with the record of the Communist tradition on rights on the one hand, and the aspirations of liberalism on the other, this disdain for rights, and the related adherence to a denunciation of reformism and liberalism, should be questioned. Invocations of a romanticized I968, of the nicer cases of armed struggle, or of Seattle may be fine for mobilization: they are not a serious answer to the problems of the contemporary world.

#### The military cracks down on the alt.

deBoer 16 (Fredrik, Limited-Term Lecturer, Introductory Composition at Purdue Program, 3/15/16, “c’mon, guys,” http://fredrikdeboer.com/2016/03/15/cmon-guys/)

I could be wrong about the short-term dangers, and the stakes are incredibly high. But in the end we’re left with the same old question: what tactics will **actually work to secure a better world?**

In a sharp, sober piece about the meaning of left-wing political violence in the 1970s, Tim Barker writes “If you can’t acknowledge radical violence, radicals are reduced to mere victims of repression, rather than political actors who made definite tactical choices under given political circumstances.” **The problem**, as Barker goes on to imply, is those tactical choices: in today’s America they will essentially **never break on the side of armed opposition against the state**. The government knows everything about you, I’m sorry to say, your movements and your associations and the books you read and the things you buy and what you’re saying to the people you communicate with. That’s simply on the level of information, before we even get to the state’s incredible capacity to inflict violence.

Look, **the world has changed**. The relative military capacity of regular people compared to establishment governments has changed, especially in fully developed, technology-enabled countries like the United States. The Czar had his armies, yes, but the Czar’s armies depended on manpower above and beyond everything else. The fighting was still mostly different groups of people with rifles shooting at each other. If tomorrow you could rally as many people as the Bolsheviks had at their revolutionary peak, you’re still left **in a world of F-15s, drones, and cluster bombs**. And that’s to say nothing of the fact that establishment governments in the developed world can rely on the **numbing agents of capitalist luxuries** and the American dream to damper revolutionary enthusiasm even among the many millions who have been marginalized and impoverished. **This just isn’t 1950s Cuba**, guys. **It’s just not**. In a very real way, modern technology effectively lowers the odds of armed political revolution in a country like the United States **to zero**, and so much the worse for us.

**This isn’t fatalism**. It doesn’t mean there’s no hope. It means that there is **little alternative to organization**, to changing minds through **committed political action** and using the available nonviolent means to create change: a concert of grassroots organizing, labor tactics, and **partisan politics**. Those things aren’t exactly likely to work, either, but they’re a **hell of a lot more plausible than us dweebs taking the Pentagon**. Bernie Sanders isn’t really a socialist, but he’s a social democrat that moves the conversation to the left, and if people are **dedicated and committed to organizing**, the local, state, and national candidates he inspires will **move it further to the left still**. You got any better suggestions?

Listen, commie nerds. My people. I love you guys. I really do. And I want to build a better world. **Not incrementally, either**, but with the kind of **sweeping and transformative change** that is required to fix a world of such deep injustice. But **seriously**: none of us are ever going to take to the barricades. And it’s a good thing, too, because we’d probably find a way to shoot in the wrong direction. I can’t dribble a basketball without falling down. American socialism is largely made up of bookish dreamers. I love those people but they’re not for fighting. And even if you have a particular talent for combat, you’re looking at fighting the combined forces of Google, Goldman Sachs, and the defense industry. Violence is hard. Soldiering is hard. In an era of the NSA and military robots, it’s really, really hard. **“Should we condone revolutionary violence?” is dorm room, pass-the-bong conversation fodder**, of **precisely the moral and intellectual weight** of “should we torture a guy if we know there’s a bomb and we know he knows where it is and we know we can stop it if we do?” It’s built on **absurd hypotheticals**, propped up by the power of anxious machismo, and undertaken to **no practical political end**. It’s understandable. I get it, I really do. But it’s got nothing to do with us. The only way forward is the **grubby, unsexy work of building coalitions** and asking people to climb on board

#### Cap is good for global quality of life and reducing structural violence – they’re reductionist.

Lacono 16 (Corey, A student at the University of Rhode Island studying Pharmaceutical Science and Economics, “How Capitalism and Globalization Have Made the World a Better Place,” Quillette, January 16, 2016, http://quillette.com/2016/01/16/how-capitalism-and-globalization-have-made-the-world-a-better-place)

Just kidding, that’s not what happened at all. In fact, as the world has become more capitalist and more globalized, the quality of life for the average person, and especially for the average poor person, has increased substantially. In 1990, 37% of the global population lived on less than $1.90 per day. By 2012, that number had been reduced to 12.8%, and in 2015 it was under 10%. The source of this progress isn’t a massive wealth redistribution program; it’s massive wealth creation — that is, economic growth. Economists David Dollar and Aart Kraay found that, in a global sample of over 100 countries, changes in the income growth of the bottom 40% of the world’s income earners are highly correlated with economic growth rates. On the other hand, changes in inequality contributed relatively little to changes in social welfare of the poor over the last few decades. There is good reason to believe that the expansion of free trade, facilitated by international organizations like the World Trade Organization (WTO) and its predecessor, the General Agreement on Tariffs and Trade (GATT), have had a considerable impact in accelerating the economic development of developing countries. In the 1990s GATT facilitated reforms which moved 125 countries towards freer trade by reducing the burden of government imposed trade barriers like tariffs. This was the first serious attempt at trade reform for most developing countries at the time, and arguably presents a unique natural experiment on the economic effects of trade reform. In fact, a paper published by the National Bureau of Economic Research (NBER), specifically examined how trade reforms facilitated by GATT affected the economic development of the reforming countries. In the paper, the authors compared the trends in economic growth before and after trade reform in the reforming countries. Then they compared those results to trends in economic growth of a control group of countries which didn’t undergo trade reform. What they found was very encouraging for proponents of free trade. Prior to reform, the economic development of reformers and non-reformers was practically identical, but after reform, the economic development of reforming countries accelerated while non-reforming countries saw their economies stagnate and decline. The results suggest that the reforms towards freer trade lead to an increase in income per capita of around 20% in the long-run, an effect so large that it almost certainly had a positive and non-trivial impact on poverty reduction. Similarly, other research has shown that more free market trade policies result in lower rates of extreme poverty and child mortality in developing countries. There are other benefits as well. One study on trade reform in Indonesia found that reductions of import tariffs led to an increase in disposable income among poor households, which allowed them to pull their children out of the labor force, leading to “a strong decline” in the incidence of child labor. Unfortunately, many activists have reflexively taken up the cause of opposing the expansion of global capitalism, for a number of reasons. Western anti-sweatshop activists, for example, will often argue in favor of government imposed barriers to trade with poor countries because their working conditions are terrible in comparison to those in developed Western nations. In their view, western consumers should not be promoting a cycle of capitalist exploitation by buying products made in Vietnamese sweat-shops. But satisfactory working conditions aren’t the natural state of mankind; they are a consequence of decades of economic development. Erecting barriers to trade with poor countries is surely a large impediment to their development, in fact, research suggests that existing developed world tariffs depress economic growth rates in the developing world by 0.6 to 1.6 percent per person, a considerably large effect. Moreover, the sweat-shops which produce clothing for Westerners are often much better than alternative forms of domestic employment. In poor countries like Bangladesh, China, and Vietnam, the apparel industry consistently pays more than most other domestic industries. According to research by economist Ben Powell, in poor countries “most sweatshop jobs provide an above average standard of living for their workers.” Notably, a paper published in the Journal of Development Economics found that the expansion of the garments industry in Bangladesh lead to an increase in employment and income among young women, giving them the means to finance their own education. Remarkably the authors found that, “the demand for education generated through manufacturing growth appears to have a much larger effect on female educational attainment compared to a large-scale government conditional cash transfer program to encourage female schooling.” Foreign investment is also more desirable than opponents of capitalism and globalization give it credit for. The conventional wisdom among activists in wealthy countries is that multinational corporations exploit poor workers in third world countries for cheap labor, profiting off people working in sweatshop conditions. It should come as a surprise to the individuals who hold this view to learn that 85% of people in developing countries believe that foreign companies building factories in their countries is a good thing, according to Pew Research. In fact, for all the talk of exploitative multinational corporations, research shows that, in general, these corporations provide higher wages and better working conditions than domestic employers in developing countries. Additionally, when multinational corporations build factories in poor countries, it raises the demand for low-skilled workers, resulting in higher wages for local workers. Consistent with this fact, recent empirical evidence demonstrates that investment by foreign companies in developing countries reduces both poverty and income inequality by raising the incomes of low-skilled workers. Foreign investment can also make people in relatively low-income countries better off by providing better or more inexpensive products. A recent analysis published by the NBER found that foreign retailers like Wal-Mart greatly reduce the cost of living for both the rich and poor in Mexico, making everyone along the income distribution better off. Global capitalism is by no means a perfect phenomenon. Many businesses do have questionable labor practices that are worthy of contempt. And free market policies may in many instances lead to socially undesirable outcomes, sometimes on a large scale. However, the one-dimensional, automatic denunciation of capitalism and the accompanying refusal to give it any credit for its successes — as social media activists have done — reflects an uncompromising, and quite frankly ignorant worldview. It is one in which capitalism is always bad, no matter what the evidence tells us.

#### Liberal democracy is good – alt causes authoriatarniasm

Strunz and Bartkowski 18 – Sebastian Strunz is a professor at the Helmholtz Center for the Environment. Bartosz Bartkowski works at the Department of Economics of the Helmholtz Centre for Environmental Research (UFZ) in Leipzig, Germany. He has a PhD degree in economics from Martin Luther University. (Degrowth, the project of modernity, and liberal democracy, Journal of Cleaner Production (2018), doi: 10.1016/j.jclepro. 2018.06.148)//gcd

Given the co-evolution of technological and social structures, it seems straightforward that a strong overall disenchantment with modernity often aligns with a rejection of existing liberal democracies. To be sure, most of the radical critiques presumably aim to preserve and nurture liberal values such as free speech, freedom of religion and sexual orientation. Yet, we would like to point out a crucial risk here: the value foundation of liberal democracy cannot be taken for granted – doing so might rather endanger these values. In this sense, radical approaches to degrowth run the risk of undermining and eventually losing in their quest for “true”, “unalienated”, “reembedded”, free, democratic society those freedom-guaranteeing institutions that are already in place. Indeed, it has been argued that modern mindsets, institutions and technologies are inextricably linked: “capitalism, psychological individuation and liberalism emerged together, remain interwoven and mutually dependent in complex ways, and depend absolutely on a continually expanding throughput of energy” (Quilley 2013: 263). By implication, it would be “highly questionable” whether liberal “social and institutional forms would survive the transition to a low-energy regime” (279; see also Bailey 2015). This points to the risk of inadvertently sacrificing liberal values. Note that argumentative patterns such as “true democracy”, “real democracy” vs. “technofascism” and “so-called democratic countries” where people live “at the mercy of immense and impersonal powers” share a structural affinity (i.e. not necessarily substantial conceptual agreement) with some of the more radical modernity critiques sketched in Section 2 (e.g. Heidegger’s juxtaposition of authenticity as opposed to modern life’s in-authenticity). The problem is that if existentialist vocabulary (truth, authenticity) enters the political domain, this jeopardizes political freedoms. Such vocabulary lends itself to engender disdain for all existing institutions and, in consequence, to justify violent means in order to overthrow democracies-in-name-only. In fact, the basic values of liberal democracy have been explicitly questioned in the name of preventing ecological disaster (Heilbroner 1974, Ophuls 1977; see also the critical analysis of eco-authoritarianism in Shahar 2015). Finally, consider that someone as Illich, who clearly championed an anti-authoritarian position, nevertheless proposed Maoist China as a possible example of a society that could be restructured along convivial lines (Illich 1975: 29). Thus he spectre of authoritarianism creeping in through the back door should not be lightly dismissed. Again, we presume that the core values of liberal democracy are cherished by a majority of degrowthists. We just point to the fundamental risk that these liberal values be unintentionally abandoned. Imagine this scenario: disappointment with existing institutions leads to welcoming institutional breakdown in the hope of rebuilding a more just society out of the debris, whereupon “true democracy” fails to materialize and the values of liberal cosmopolitanism are sacrificed somewhere along the way.

#### antitrust policy remedies structural inequalities. Corporate consolidation denies small business access to capital and solidifies racial disparities.

Klobuchar ’21 [Amy; US Senator @ Minnesota, JD @ UChicago; *Antitrust: Taking on Monopoly Power from the Gilded Age to the Digital Age*, Knopf; AS]

HE HAVES AND HAVE-NOTS: HOW GOVERNMENT POLICY, INCLUDING STRONG ANTITRUST LAWS, CAN REDUCE INCOME INEQUALITY AND RACIAL DISPARITIES

America’s democracy—and America’s economy—should work for everyone, not just the privileged few. This is an economy that works extremely well for the wealthy but leaves so many American families and working people behind, causing anger and resentment that is dividing our country. In an article titled “A Rigged Economy,” Joseph Stiglitz—a winner of the Nobel Prize in economics, a Columbia University professor, and the chief economist at the Roosevelt Institute—explained in November 2018, reviewing the past forty years of American history, “The U.S. has the highest level of economic inequality among developed countries….Whereas the income share of the top 0.1 percent has more than quadrupled and that of the top 1 percent has almost doubled, that of the bottom 90 percent has declined. Wages at the bottom, adjusted for inflation, are about the same as they were some 60 years ago!”

According to the Economic Policy Institute, income inequality has risen in every American state since the 1970s, with the top 1 percent, in 2015, receiving 26.3 times as much income as families in the bottom 99 percent. And the divide has only worsened in recent decades. According to the AFL-CIO’s new Executive Paywatch database, a CEO of a Fortune 500 company hauled in, on average, $13.94 million in 2017—an average that was 361 times the compensation of the average American worker. “When adjusted for inflation,” the AFL-CIO notes of production and nonsupervisory workers, “the average wage has remained stagnant for more than 50 years.”

And it isn’t just urban and suburban workers who have been affected by the nation’s economic policies. For farmers in rural America, net income has dropped nearly 50 percent over the past five years. Most people are actually surprised by this one: the poverty rate for kids in rural areas is more than four percentage points higher than in urban areas. And in many parts of our country, both in inner-city and in rural communities, living in poverty is an intergenerational problem. This poverty involves more than a lower income level, it also means a lack of quality schools, health care, and jobs. Poverty is clustered in specific regions and in specific rural, suburban, and city neighborhoods.

Communities of color have been particularly impacted by low wages, persistent poverty, lack of access to capital, and lax antitrust enforcement. In a 2017 article published in Washington Monthly, Brian Feldman traced the decline of Black-owned businesses in the era of corporate consolidation. “The decline of black-owned independent businesses traces to many causes,” he explains, “but a major one that has been little noted was the decline in the enforcement of anti-monopoly and fair trade laws

marked

beginning in the late 1970s.” In 1985, there were sixty Black-owned banks. By 2017, that number had fallen to twenty-three. While there were, in the 1980s, fifty Blackowned insurance companies, that number has plummeted to just two companies. The country saw an uptick in Blackowned businesses after the Great Recession, but the number of minority-owned start-ups and companies should be much higher, with access to capital being a major issue. The pandemic has hit minority-owned businesses particularly hard. “The number of active Black-owned businesses in the U.S.,” a columnist for the Chicago Tribune reported in mid-July 2020, citing research done at the University of California, Santa Cruz, “plummeted 41 percent during the early months of the pandemic from February to April, more than twice the 17 percent level of white-owned businesses.”

Twelve percent of the U.S. population is Black, yet statistics show that just 3.3 percent of new businesses— that is, those less than two years old—are Black-owned. This is especially troubling for our democracy, because business ownership is tied to economic and political power. Yet the nation’s history of racism has made it very hard for Black businesses to succeed. One horrific example? In what became known as the Tulsa Race Riot of 1921, a prosperous African American community, Greenwood, known as Black Wall Street and full of churches, homes, schools, and an array of Black-owned businesses, was tragically destroyed by a white mob, with hundreds of people killed in the violence. Yet Black entrepreneurs, through the decades, have built—or had to rebuild— valuable businesses. Minority-owned businesses, in fact, played a significant role in the success of the civil rights movement, including in the Montgomery bus boycott, so ensuring that minority-owned businesses remain vibrant— and continue to be able to compete effectively in today’s marketplace—is critical to social and economic justice and to keeping American communities strong.

The growing inequalities of wealth in America need to be remedied, and concrete actions must be taken to drive this change. In addition to changes to the nation’s antitrust laws and enforcement, we need tax reform and other changes that would ask our wealthiest citizens to pay their fair share of taxes and that would strengthen labor unions and the American economy. For example, I’ve been a big supporter of Representative Jim Clyburn’s legislation to fight persistent poverty. House majority whip Jim Clyburn has urged Congress to adopt a “10|20|30 formula” that would direct that at least 10 percent of federal investments be made in persistent poverty communities where 20 percent or more of the population has lived below the poverty line for the last 30 years. “In the United States,” Clyburn notes, “there are 485 counties where 20 percent or more of the population has been living below the poverty line for the last 30 years.” Representative Clyburn and I have also introduced comprehensive broadband infrastructure legislation to expand access to affordable high-speed internet in an effort to combat the digital divide.

While the COVID-19 pandemic shed a gigantic spotlight on income and racial disparities, these disparities have been with us for a long time. To reduce income and racial disparities, there are, in fact, all kinds of additional tax, education, health-care, and wage policies that we must champion, including to make the tax system more fair. For example, we need to roll back the excesses of the 2017 Trump tax bill and raise the corporate tax rate from 21 to 25 percent so that we can fund and rebuild American infrastructure and create good-paying jobs. The wealthiest members of our society, as well as big corporations, need to pay their fair share of taxes so that we can make necessary investments in education, infrastructure, and health care and in people and communities in need.

We need to make one- and two-year community college degrees and training certifications free for those who pursue them so that we can incentivize people to go into fields where there are or will be job openings. We need to make four-year college degrees more affordable and help with student debt. We need to fix our roads and bridges and rail and expand broadband. We need to expand access to health care and make prescription drugs and medical treatments more affordable, and we need to get to universal health care as a moral imperative. After all, health care is a right, not a privilege. We also need to invest in impoverished communities and in quality child care, protect people’s retirements, raise the minimum wage to $15 an hour, and pass the Paycheck Fairness Act to ensure the payment of living wages and to help eliminate gender and racial pay disparities.

But to truly ensure that the gains of competition and free enterprise go to entrepreneurs and workers (as opposed to the monopolists who seek to stifle competition), we must also focus on our competition policy and thus even the playing field for small businesses and workers. Today, many Americans are saddled with credit card debt and are working long hours to keep up with paying their bills, while some Americans need to work two—or even three or more —jobs just to get by. During the Great Recession, more than 5 percent of Americans held multiple jobs, with the rate of multiple job holding declining just slightly, to 4.9 percent, as of 2017. Many people started “side hustles” such as driving for Uber or Lyft to supplement their income or added another job as a waitress or independent contractor.

To help American workers, in addition to all of the tax, education, and social services changes that rightfully dominate economic discussions, we must also zero in on a new competition policy for America. As with all things, to truly make it better for workers, this issue of antitrust enforcement and reform must be pushed to the center and included up front in political debates and discussions, in party platforms, and in candidate stump speeches. We can make change, but only if we push for it.

# 1AR

## Dynamism

### 1AR – AT: Status

#### Status seeking theory wrong.

Ward ’17 (Steven Michael; Assistant Professor of Government and the Associate Director of the Judith Reppy Institute for Peace and Conflict Studies at Cornell University, PhD from Georgetown University’s Department of Government; December 2017; “Lost in Translation: Social Identity Theory and the Study of Status in World Politics”; <https://academic.oup.com/isq/article-abstract/61/4/821/4658792>; International Studies Quarterly, Volume 61, Issue 4; accessed 2/2/20; TV)

Geopolitical Conflict in the “Flattened” SIT Framework As they lay out the workings of the flattened SIT framework, users of the model do little to develop the logics or describe the mechanisms that lead from changes in social conditions to strategic choices. Rather, they rely heavily on appeals to the insights of social psychologists to justify their claims (Larson and Shevchenko 2010, 70–76; 2014a, 38–43; Lee 2016, 32–33). But the theoretical relationship at the heart of the flattened framework—between elite club impermeability and status-driven conflict—has no foundation in the social-psychological version of SIT. The flattened model’s account of geopolitical conflict centers on a redefined version of the concept of impermeability. In the social-psychological version of SIT, impermeability denotes an obstacle to individual disidentification and re-identification. The flattened model redefines impermeability as an obstacle that prevents a state from joining an elite status club: used in this context, the term refers to the persistent denial of a state’s status claim. The flattened model then reformulates the impermeability hypothesis: the experience of persistent international status denial is supposed to cause states to pursue geopolitically competitive forms of status-seeking (Larson and Shevchenko 2010, 72, 75; 2014a, 39, 56–57; Wolf 2014a, 218; Lee 2016, 33). This version of the impermeability hypothesis is not supported by the theory and empirical results to which it appeals for authority. In the social-psychological version of SIT, impermeability does not denote an obstacle to the improvement of a group’s status, and it does not cause intergroup conflict. It merely forces individuals to manage unsatisfactory group status collectively, through either creativity or competition. The social-psychological version of the impermeability hypothesis only influences whether or not human beings can manage status dissatisfaction by abandoning the subordinate identity. It has no bearing on the form collective status-seeking takes. Experimental findings from the SIT research program support only this version of the impermeability hypothesis: they merely show that individuals who cannot leave their own group care more about that group’s status. This means that the theoretical centerpiece of the flattened framework lacks a firm foundation. Neither SIT’s logic nor its experimental findings provide a warrant to claim a causal relationship between status-club impermeability and competition for military and economic power.

Assessing the “Flattened” SIT Framework The critique developed above is significant apart from any empirical analysis. Conceptual frameworks and theoretical claims should be based on sound foundations, and the flattened translation of SIT is built on shaky ones. Yet its conceptual and theoretical problems do imply that the flattened model should not perform well when tested against evidence. Demonstrating that this is true should help validate the argument developed above and usefully highlight some of the framework’s practical shortcomings. In the remainder of this article, I investigate the empirical validity of the flattened framework’s core claim: that persistent, apparently permanent status denial causes status-seekers to abandon peaceful strategies in favor of geopolitical competition. I rely for evidence on a close examination of two prominent cases of international status-seeking. To allay concerns about generalizability, I analyze cases in which the model should function well. If it fails, then it is reasonable to conclude that the problem lies with the model, rather than with the case selection.13 Suitable cases should have three characteristics. First, they should involve a dissatisfied power seeking membership in an identifiable status club. Second, there should be variation in the perceived permeability of the boundaries of the status club the state seeks to join. Third, these should ideally be cases that developers and users of the flattened framework agree are likely to be explained well by the model. Two such cases stand out: Wilhelmine Germany in the decades prior to 1914 and Imperial Japan between the Meiji restoration and the outbreak of the Pacific War in the 1930s. Both states were concerned with their respective places in the global status hierarchy, and both faced apparent elite club impermeability at some point during these time periods. Both cases have also been invoked for illustrative purposes by users of the flattened framework. Larson and Shevchenko (2010, 72; 2014a, 39) point to the Wilhelmine Germany case as an instance of social competition in both of their prominent articulations of the model. Similarly, Wolf (2014a, 218) has invoked this case to warn against denying contemporary China’s ambitions, lest Beijing turn to social competition. Larson and Shevchenko (2003, 90; 2010, 72) also explicitly invokes the Japanese case as an example of the consequences of elite club impermeability. Lee (2016, 33) echoes this interpretation of post-Meiji Japanese foreign policy, again for purposes of illustration. The repeated use of these cases to illustrate the central element of the flattened SIT framework suggests that they are considered well-known historical episodes in which the smooth operation of the theoretical apparatus being articulated is self-evident. They should be easy cases for the flattened model. But was Germany’s turn to Weltpolitik actually driven by elite club impermeability? Did Japan turn to social competition—in the form of imperialism—in response to having been denied great power status? The answer to both of these questions, I argue, is no. The records of both cases lend more support to the social-psychological version of SIT’s account of status-based conflict than to the flattened version’s alternative.

Weltpolitik and Impermeability in German Foreign Policy There is no doubt that under Kaiser Wilhelm II an ambition for higher standing shaped Germany’s approach to the world. The collection of policies known as Weltpolitik cannot be understood apart from Berlin’s status concerns. Weltpolitik—“world power”—denotes both the status to which Germany aspired and the means through which it sought that status. The objective was to join Great Britain in the world power club. To do so, Germany had to convince London to recognize that Berlin deserved that status. In more concrete terms, this meant getting the British to treat Germany as if it had the rights of a world power. Two rights were central. The first was to compensation when other powers made territorial gains abroad. This accounts for German sensitivity to, for instance, the consolidation of French control in Morocco during the early twentieth century. The second was to naval equality with Great Britain, concern for which was behind much of the rancor that developed between London and Berlin during their naval race.14 What status-seeking strategies did Berlin employ to achieve world power status? Larson and Shevchenko and other users of the flattened SIT framework treat Weltpolitik as a paradigmatic example of social competition. This is reasonable, regardless of whether one defines the latter in terms of geopolitical competition or the accumulation of consensually valued characteristics. Weltpolitik centered on naval arms racing and empire building. Colonies and battleships are geopolitically significant resources, and both were understood by early twentieth century Europeans as markers of status in world politics. Thus, to the extent that Berlin’s pursuit of these was motivated by a desire to be recognized as London’s equal, Weltpolitik fits both definitions of social competition. It is worth noting that Weltpolitik also fits the flattened framework’s definition of mobility, which illustrates the conceptual ambiguity at the framework’s core. Battleship construction and imperialism can be understood as emulation of British naval and imperial practices in order to qualify for world power status. Only the arbitrary separation of conflictual from peaceful emulation prevents an observer from coding Weltpolitik as an instance of what the flattened framework understands as mobility. The more significant issue involves the role of elite club impermeability in the story of Germany’s pursuit of status before World War I. Assessing the validity of the impermeability hypothesis requires answering two questions: First, what prompted the turn to Weltpolitik? Second, when did perceptions of impermeability emerge, and with what consequences? Weltpolitik originated in the mid-1890s. Before the new Kaiser Wilhelm II dismissed Otto von Bismarck as chancellor in 1890, German foreign policy had eschewed the quest for status markers in favor of a focus on maintaining favorable alliance constellations in Europe (Geiss 1976, 48–49; Mommsen 1995, 80). Bismarck’s departure increased the Kaiser’s influence on foreign policy and led to the rise of two leaders who shared his concern with Germany’s status: foreign minister Bernhard von Bulow and chief of the naval staff Alfred von Tirpitz. In 1897, Bulow announced the inauguration of Weltpolitik by proclaiming in front of the Reichstag that Germany would seek to secure “a place for ourselves in the sun” (Holmes 2004, 27). The policy, according to Mommsen (1995, 81), aimed to demonstrate that “the German Empire really was a world power in its own right and therefore fully entitled to have its say in international affairs.” In 1898, Germany began a massive naval construction effort that consisted, initially, of a plan to build nineteen battleships by 1904. 1898 also inaugurated a flurry of overseas expansion: Berlin negotiated a lease for Kiaochow in China and an agreement to split Portugal’s territory; the Kaiser visited Damascus and laid the groundwork for a project to build a railroad connecting Berlin and Baghdad. The following year, Germany acquired part of Samoa and bought the Caroline and Marianas Islands (Geiss 1976, 89–90). At this stage, impermeability played no role. It cannot have: prior to 1897, Germany had not sought the status of a world power. Before the initiation of the naval race, relations with the British—eventually the primary obstacle to German status ambitions—had not yet deteriorated to the point of antagonism (see Kennedy 1980, 184–222). Weltpolitik was not a response to being kept out of the world power club. Rather, it was Germany’s first attempt to join. The more compelling explanation for Weltpolitik’s initiation involves the dramatic leadership change that rocked Berlin between 1888—when the pragmatic Kaiser Wilhelm I died—and 1897, which brought to power leaders who valued status more highly than had those of Bismarck’s generation, and who were more optimistic about Germany’s ability to achieve it. This new concern for and optimism about German status may have reflected the rapid growth of German power and wealth or the emergence of a political and economic crisis that seemed soluble through the pursuit of Weltpolitik. What it did not reflect was a reaction to elite club impermeability.15 Yet elite club impermeability did play some role in this case. Many German leaders and other elites eventually came to believe that world power status was out of Germany’s reach because of British obstructionism. These beliefs emerged in the decade and a half after Weltpolitik’s inauguration as a reaction to London’s attempts to negotiate an end to Germany’s battleship building, as well as British interventions in the Franco-German crises of 1905 and 1911. The Kaiser developed a strong animosity toward London based on the belief that the British were disposed against treating Germany fairly—a manifestation of the notion that Germany faced elite club impermeability.16 Others came, by 1912, to share that view. Hew Strachan (2001, 56) notes a growing “frustration” at Weltpolitik’s “failure to gain for Germany the status its power warranted.” Paul Kennedy (1980, 447) suggests that one of the 1911 Morocco crisis’s most important consequences was “the identification of Britain as the chief obstacle to German aims.” The leader of the Conservative Party in the Reichstag announced that “the German people now knows that if it wants to spread in the world, if it wants to find its place in the sun to which it is entitled by right and by destiny—now it knows who it is who claims the right to decide whether to allow this or not” (quoted in Fischer 1961, 91). Popular nationalist author Friedrich von Bernhardi (1914, 157) states that British foreign policy had proven “that England has not the slightest intention of coming to a peaceful agreement with Germany, treating Germany as an equal.” What was the consequence of this realization? It was not, as the flattened SIT framework implies it should have been, intensified social competition. Instead, Berlin abandoned important elements of Weltpolitik. The naval race effectively ended in 1913, when the Kaiser (pressured by advisors concerned about the security implications of Russia’s rise) approved increases in spending on the army for the first time in two decades (Röhl 2014, 913–15). The Reich’s foreign policy turned toward what Volker Berghahn (1973, 131–55) calls Kontinentalpolitik, which aimed more at preparing for a potential European war than at acquiring the colonial and naval markers of world power status. In important ways, Germany’s response to elite club impermeability was to give up on the possibility of achieving world power status through social competition. The objective itself may not have lost importance, but the effort to acquire world power status by competing for symbolic resources effectively ended in the year before the First World War. The trajectory of Weltpolitik’s development is contrary to the flattened SIT framework’s expectations. Though the policy fits the definition of social competition, elite club impermeability played no role in its inauguration. Beliefs about elite club impermeability became prominent only after Berlin had begun to pursue world power status through empire building and naval racing, and the rise of impermeability coincided with the end of Weltpolitik.

Status and Impermeability in Japanese Foreign Policy Japanese foreign policy between the Meiji restoration and the 1930s constitutes another paradigmatic example of status-seeking in world politics. Japan sought acceptance as a member of an elite club—the great powers—and oriented its foreign policy toward achieving that objective during the decades leading up to World War II. This case is even more critical than the German case for the impermeability hypothesis. Users of the flattened framework clearly and explicitly invoke the trajectory of Japanese status-seeking as an illustration of the consequences of elite club impermeability. The account that Larson and Shevchenko and others give is that Tokyo pursued two distinct status-seeking strategies between Japan’s emergence from isolation in the late nineteenth century and the beginning of World War II. First, Japan sought to join the great power club through the emulation of Western institutional and social practices—in other words, through the flattened framework’s conception of social mobility. In the 1930s, Japanese foreign policy shifted toward social competition— in the form of imperial expansion—in response to the realization that Japan would not be allowed into the great power club (Larson and Shevchenko 2010, 72; Lee 2016, 33). Assessing this interpretation involves answering two questions. First, does it describe the trajectory of Japanese foreign policy accurately? Did Japanese status-seeking really transform from peaceful, emulative social mobility before 1930 to geopolitically conflictual social competition after? Second, what role did elite club impermeability play in changing the trajectory of Japanese status-seeking? The emulation of Western institutions and norms undoubtedly constituted an important element of Japanese foreign policy during the decades following the Meiji restoration. This was clearly aimed at boosting Japan’s standing in the eyes of Western great powers. Beginning in the 1870s, Tokyo implemented reforms intended to convince Western powers to reverse the humiliating “unequal” treaties they had imposed after Commodore Perry’s arrival. Tokyo changed its legal and political system, instituted Western dress at the Imperial Court, began hosting Western-style diplomatic balls, and attempted to ban both mixed-gender bathhouses and art that Victorian-era Westerners would find pornographic. According to Beasley (1963, 138–39), these changes were intended to “achieve respectability in Western eyes, this being a step on the road to full equality.”17 At the same time, Japan emulated the military practices of the Western powers. Most significantly, Japan’s attempt to build an empire in East Asia began not in the 1930s but no later than 1895, when Tokyo went to war with China over dominance in the Korean peninsula. Ten years later, war with Russia resulted in a Japanese sphere of influence in Manchuria, and five years after that, Tokyo formally annexed Korea and Taiwan. By 1910, Japan had already been engaged in an empire-building project for at least a decade and a half. This early expansion was clearly linked to Japan’s status ambitions. Japanese were humiliated by their treatment at the hands of the Western great powers and responded by seeking to raise Japan’s esteem in the eyes of the West. This meant that they needed to acquire consensually valued characteristics—they had to raise their status by excelling along dimensions of comparison valued by Westerners. Japan started this process in a position of acknowledged inferiority. As writer Yukichi Fukuzawa wrote in 1875, “If we compare the knowledge of the Japanese and Westerners, in letters, in techniques, in commerce, or in industry, from the largest to the smallest matter…there is not one thing in which we excel…. In Japan’s present condition there is nothing in which we may take pride vis a vis the West. All that Japan has to be proud of…is its scenery” (quoted in Craig 1968, 120–21). Joining the great power club meant becoming and behaving like a great power—acquiring its trappings and engaging in its practices. One of these was imperialism. Fukuzawa, for instance, suggested that Japan could raise its esteem in the eyes of Western powers if it behaved like a Western power by imposing unequal treaties on the less “civilized” states of China and Korea (Narsimhan 1999, 207). Reactions to Japan’s victories in the First Sino-Japanese War and the Russo-Japanese War show that the Japanese viewed these as achievements along the road to membership in the great power club. After the victory over China, Soho Tokutomi ¯ wrote, “We are no longer ashamed to stand before the world as Japanese…. Before, we did not know ourselves, and the world did not yet know us. But now that we have tested our strength, we know ourselves and we are known by the world. Moreover, we know that we are known by the world!” (quoted in de Bary, Gluck, and Tiedemann 2005, 805). In 1910, following the Russo-Japanese War and the annexation of Korea, future diplomat Inazo Nitobe wrote, “Our ¯ nation has become more of a Great Power than many European countries…. Japan of a month ago and Japan of today are completely different” (quoted in Dudden 1975, 135–36). Geopolitical competition for status—in the form of imperialism—proceeded simultaneously with and was part of the same policy project as the effort to become more in stitutionally and culturally Western. Both strands of policy emulated the Western great powers in order to become a member of the club. As Suzuki (2005, 139) puts it, “On the one hand, to gain ‘civilized’ status the Japanese sought cordial relations with the European states by adhering to international law and engaging in European-style diplomacy. On the other hand, the Japanese saw the adoption of coercive policies towards ‘uncivilized’ states as an inherent part of a ‘civilized’ state’s identity, and sought to attain such status in imperialist behavior towards its Asian neighbors.” This nicely illustrates the conceptual ambiguity inherent to the flattened translation of SIT. Banning pornographic art or adopting Western norms about gender and political participation, for instance, counts as mobility because these are peaceful moves. Going to war over Korea and Manchuria should count as competition because it was not. Yet, insofar as all of these policies were intended to raise Japan’s status, they functioned identically: by making Japan more like a Western great power. They are all as easily described using the language of consensually valued attributes as that of emulation. Again, the more important question concerns the role of elite club impermeability: how did the notion that Japan would not be granted membership in the Western great power club influence Japanese foreign policy? The previous discussion suggests that elite club impermeability cannot have caused the inauguration of Japanese imperialism. After all, Japanese imperialism began not in the 1930s but in the 1890s. Like Germany’s adoption of Weltpolitik, it was not a response to being unjustly kept out of a club, but part of an initial attempt to join a club that required the performance of geopolitically competitive practices for membership. Beliefs about the impermeability of the Western great power club developed among Japanese elites from the 1910s to the early 1930s. These beliefs emerged, in large part, as a result of the notion that the Western powers were racially discriminatory. Fears about racial discrimination were present from the late nineteenth century, but became politically prominent due to conflicts over immigration in the first decades of the twentieth.18 This prompted Japanese leaders to push for the inclusion of a racial equality clause in the League of Nations Covenant. This effort’s failure only exacerbated Tokyo’s concerns.19 The American Alien Immigration Act of 1924 reinforced fears about a racial obstacle to great power status, but the final straw was the Western response to the Mukden Crisis.20 The United States and the League of Nations condemned Tokyo’s 1931 invasion of Manchuria on the grounds that it had not been justified by legitimate concerns about the security of Japan’s economic interests. Many Japanese observers interpreted this as confirmation of a discriminatory attitude toward Japan in Western capitals since Western great powers seemed to customarily intervene in their own spheres of influence without facing international condemnation (Ward 2013). Thus, proponents of the flattened framework are on solid ground to claim that Japan by the early 1930s appeared to face a condition of elite club impermeability. But the response was not a turn to imperialism. Again, Japanese imperialism—which was clearly linked to status ambitions— began during the 1890s, and the drive to expand and consolidate control over Manchuria persisted through the 1920s. It is true that Japanese foreign policy grew bolder beginning in 1931, but it is a stretch to interpret this as a renewed turn to geopolitical competition for status. The crisis that led to the invasion of Manchuria was set off by a rogue group of military officers. The Sino-Japanese War of 1937 began because of an incident involving Chinese nationalist and Japanese troops in Peking, and it continued because military and civilian leaders in Tokyo felt they could not end it without undermining Japan’s position on the continent. And the drive into southeast Asia was motivated by economic and security concerns, not by the notion that these moves would finally bring Japan acceptance as a great power.21 Elite club impermeability did have consequences for Japanese foreign policy, but not the ones predicted by the flattened framework. In fact, Tokyo seems to have become significantly less concerned with securing Western recognition of Japan’s place in the global status hierarchy, and thus significantly less restrained by the need to play by the rules of the Western order. The clearest response to the apparent impermeability of the great power club was Japan’s withdrawal from the set of institutions that constituted the interwar order. In the spring of 1933, for instance, Japan left the League of Nations. Moderate civilian leaders opposed this controversial move because they worried it would alienate Japan from the West. Indeed, Japanese moderates had argued in favor of joining the League at the beginning of the previous decade, in part because they saw membership as a step toward equality of status along with the Western powers. Leaving the League now, they argued, would be a setback because it would lead to isolation.22 Japanese militarists disagreed. They believed the Western order was stacked against Japan and promoted withdrawal from the order for reasons related to Japanese and Asian dignity (Aydin 2007, 113–63; Hotta 2007, 21–63). After 1931, these arguments gained traction. Once the League had condemned Japan for its role in the Mukden Incident, remaining a member would have amounted to participating in the perpetuation of an unjust order. This was a humiliating proposition. The nationalists won the argument, and Japan withdrew from the League. A year later, Japanese militarists made a similar argument about Japanese participation in naval arms treaties with Western powers. They again managed to silence moderates who worried about alienating and threatening Western powers, and Japan announced its intention not to renew the London Naval Treaty. Both moves contributed to an increase in Japanese militarism, but only indirectly, by invalidating arguments in favor of moderation that were based on respecting the rules of international order (Ward 2017, chapter 4). Is it possible to salvage the flattened framework by interpreting Japan’s withdrawal from the Western interwar order as social competition? This would require an unproductive conceptual stretch. Japan’s withdrawals from the League and from naval arms treaty negotiations were not aimed at securing recognition of higher status from Washington and European capitals. Moderates opposed both moves because of their potential to alienate the Western powers. The same can be said of the more tangibly provocative moves that they 21 On the Mukden crisis, see Ogata (1964); on the origins of the 1937 SinoJapanese War and Japanese expansion leading up to the attack on Pearl Harbor, see Barnhart (1987), especially chapters 4–9, and Copeland (2014), chapter 4. 22 See, for instance, foreign minister Kijuro Shidehara reaction in ¯ Takemoto (1978, 126–27); Prime Minister Reijiro Wakatsuki in ¯ Harada (1978, 77), Prime Minister Tsuyoshi Inukai in Ogata (1964, 121), and genro¯ Kinmochi Saionji in Harada (1978, 522). preceded and facilitated (Pelz 1974, chapters 3 and 4). This stands in stark contrast to pre–World War I Japanese expansion. Building an empire in East Asia between the 1890s and 1920 seemed to mark Japan as a state that deserved the same status and rights as Great Britain, France, Russia, and the United States. Expansion during this period fits Larson and Shevchenko’s definition of social competition reasonably well. Japanese foreign policy during the 1930s does not. It was not aimed at status-seeking. On the contrary, it was more assertive, in part because it was less sensitive to the desire for Western recognition of Japan’s place in that hierarchy. Like the German case, the Japanese case illustrates the serious problems that plague the flattened framework. Like German battleship building, Japanese imperialism should fit cleanly into the category of social competition. But understanding it as an attempt to emulate the values and practices of existing great powers makes just as much sense. This latter description fits the flattened framework’s definition of mobility and highlights the conceptual ambiguity at the core of the model. This is not merely a function of the ubiquitous problems that face scholars who deploy abstract concepts to understand the real world. It is baked into the framework due to the transformation SIT underwent on its way from social psychology into international relations. Also like the German case, evidence from the Japanese case undermines the framework’s central theoretical claim: that elite club impermeability causes states to adopt geopolitically competitive forms of status-seeking. In both cases, geopolitically competitive status-seeking preceded the emergence of elite club impermeability, and in neither case did the emergence of elite club impermeability have the consequences anticipated by the flattened framework.

SIT and the Study of Status in World Politics Scholarship on status in international relations should not discard SIT. Nor should it attempt to redefine the socialpsychological concepts at its core or restructure its theoretical framework in ways that seem to make the model easier to apply to an international relations context. Instead, we should acknowledge the framework’s limitations and look for ways to supplement its analytical foundation in order to conceptualize and explain differences in the ways that states seek status. The most fundamental limitation is that SIT only contains two distinct strategic logics that are relevant for interstate status politics: first, the acquisition of consensually valued resources and characteristics (competition) and, second, the reinterpretation of some element of the comparative situation (creativity). Within—and beyond—these broader strategic categories, we find significant variation. For instance, some forms of status competition—like Germany’s Flottenpolitik or Japanese imperialism—are conflictual and some—like Japanese emulation of Western cultural practices or competition for Olympic medals—are not. The SIT framework cannot adequately capture or explain this difference. The SIT framework also fails to capture differences between status-driven efforts to improve standing within a particular international order—like pre–World War I Japanese imperialism or German Weltpolitik—and efforts to protest or overthrow the order—like post-1931 Japanese foreign policy or Germany’s post-1911 turn to Kontinentalpolitik. The category of creativity also contains significant variation—among efforts to eradicate particular characteristics as markers of status, efforts to promote new characteristics as markers of status, and efforts to change the reference group against which comparisons are made. The analysis above also raises questions about the place of the strategy of mobility—as defined by social psychologists—in the study of status in international politics. One position holds that mobility has no relevance for international relations. The strength and salience of national identity might typically prevent individual disidentification as a feasible response to unsatisfactory state status in large enough numbers to have a significant effect on foreign policy or international political outcomes. In other words, people are usually stuck within their national identity categories. They are thus forced to choose between some manifestation of the logic of competition or creativity as a way of addressing national status dissatisfaction. A second position defends the possibility that mobility can be pursued by states—understood, perhaps, as “individuals.” This position requires identifying some alternative conceptual boundary between mobility and competition. But doing so is fraught with difficulty. Any boundary besides the individualistic versus collective distinction would be inconsistent with how SIT distinguishes the strategies from one another and would fundamentally alter the framework’s theoretical apparatus. It may be possible to scale the entire SIT framework up. This would involve treating states as individuals and treating status categories as social groups. We would then understand the difference between mobility and competition as the distinction between a state leaving one status category— like the middle powers—for another—like the great powers—and a state working for the collective advancement of an entire status category. It remains unclear how this formulation improves markedly on an untranslated version of SIT: the scaled-up conception of mobility is the same as the un-scaled-up conception of competition. For example, leaving the middle powers to become a great power involves acquiring consensually valued attributes in order to secure recognition of higher standing. The scaled-up conception of competition involves collective action in order to enhance the status of an entire category of states. While intriguing, this does not describe a phenomenon that commands much interest among analysts of international relations. The most promising approach is investigating the distinction between mobility and competition as an individual-level difference in responses to variation in beliefs about national status. This requires a renewed emphasis among analysts of status on the attitudes and behaviors of human beings. Taking this view points toward understanding the primary difference between mobility and competition in the same way that social psychologists do: as the distinction between an individual responding to unsatisfactory national status by disidentifying from the state versus working to raise the state’s status. This orientation, in turn, implies exploring the conditions that cause variation in levels of national identification and support for different approaches to foreign policy. Some promising work already adopts this approach. Building on research by Sambanis and Shayo (2013) that connects SIT to ethnic conflict, as well as earlier work by Shayo (2009) on attitudes toward economic redistribution, Sambanis et al. (2015) argue that victory in war increases the status of the state and thus the likelihood that individuals will identify with it more strongly than with substate groups. This, in turn, strengthens the state’s extractive capacity. This argument tracks with the social-psychological framework and the experimental findings of SIT. It also neatly links a psychological mechanism with a state-level outcome without stretching SIT beyond its limits. Understanding SIT as a theory about how the social world influences individual attitudes and behaviors—rather than as a psychological theory that can be scaled up to explain world politics—opens up a range of other potentially productive ways to attack questions about status in international relations. For example, SIT also suggests that threats to a group’s status may make individuals more likely to identify with the group. This implies that status threats might produce higher levels of nationalism and support for expensive policies aimed at shoring up the state’s position. Another possibility is that preferences for different statusseeking strategies vary across individuals within states: some may prefer competitive approaches aimed at acquiring consensually valued attributes, while others may prefer creative approaches. The logic of SIT itself offers only limited insight for explaining this sort of variation. It highlights the role of perceived feasibility: individuals who are more optimistic about the state’s ability to acquire the consensually valued attributes necessary for achieving membership in a higher status category should prefer competition, while those who are more pessimistic should prefer some form of creativity. But we need more work to understand what conditions make individuals more likely to believe that the state with which they identify has access to some manifestation of the strategy of competition and what conditions make them see competition as infeasible. One part of this story likely involves variation in beliefs about material capabilities and calculations about the probable strategic consequences of competing for status in different ways. These sorts of concerns explain why some German elites objected to the focus on battleship construction in the decades leading up to the First World War. But variation in perceived social context—beliefs about the nature of status markers, as well as collective understandings about what kinds of actors are eligible to engage in different kinds of status-seeking behavior—also likely matters. For example, some kinds of status markers are less amenable to emulation or acquisition than are others. “Whiteness” was clearly understood by many Japanese elites as a marker of great power status during the late nineteenth and early twentieth centuries. Unlike battleships, colonies, or Western-style political institutions, “whiteness” seemed like an unobtainable characteristic. This militated against efforts to compete for status by emulating Western powers. It first prompted an effort to eradicate race as a barrier to entry into the great power club, and later pressure for policies that protested and aimed to overthrow status quo institutions. Future research should thus combine the insights of SIT with those from other theoretical traditions in order to develop an account of variation in elite preferences over policy responses—both between and within SIT’s strategic logics— to unsatisfactory national status. Stories about variation in elite or mass responses to status anxiety should then be linked to models of domestic political contestation to produce a richer account of the influence of social identity on foreign policy.23 My analysis also raises doubts about the clearest policy implications that flow from the flattened application of SIT: first, that the status ambitions of rising or reemerging powers produce geopolitically competitive behavior because of persistent status denial and, second, that accommodating their outstanding status claims will prevent—or reverse— this behavior. These claims implicate the academic literature on appeasement in international relations, as well as policy debates over the proper grand strategic approach to status-seekers like China and Russia.24 In particular, the flattened framework appears to provide theoretical and empirical support for arguments that appeasement—or accommodation—provides a viable strategy for preventing conflict with rising or dissatisfied powers. Along similar lines, it lends itself to interpretations of Russo- and SinoAmerican relations that see recent turns toward belligerence as consequences of Washington’s failure to accommodate Russian and Chinese claims to great power status.25 But the central behavioral claim at the core of the flattened framework—that geopolitically competitive behavior results from persistent status denial—lacks a basis in SIT and much in the way of empirical support. And if persistent status denial is not causally related to geopolitically competitive behavior, then the flattened framework will lead to misdiagnoses of the causes of Russian and Chinese aggression and to inappropriate or counterproductive policy prescriptions. For instance, the social-psychological version of the SIT framework implies that accommodating Chinese and Russian status claims may prove a less effective way of responding to geopolitically competitive behavior than trying to convince Beijing and Moscow of the futility, or steep costs, of competing for status. This is precisely the opposite of the prescription that flows from the flattened framework.26

## Systemic Risk

### 1AR – AT: Finance

#### Financialization’s sustainable — criticism’s unwarranted reductionism

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Critics of neoliberal capitalism rarely recognize the productive power of speculation. If there is one theme that unites the various critiques of contemporary finance, it is the emphasis on its speculative character. Financial growth is said to be driven not by the logic of efficient markets, but rather by irrational sentiment, “animal spirits” that do not respect fundamental values. Emphasizing the role of volatility in contemporary capitalism (evident at the time of writing, as the stock market is experiencing a downturn) is important as an antidote to notions of market efficiency and equilibrium. But it is a mistake to think that it provides a sufficient basis for effective critique. Predictions regarding the limits or collapse of neoliberal finance have simply not enjoyed a good track record. Over and over, the contemporary financial system has proven capable of sustaining higher levels of speculative activity than anticipated. This has certainly been true of the past decade. Capital and Time: For a New Critique of Neoliberal Reason is my attempt to make sense of this—that is, to understand what might be wrong or missing in the existing heterodox critique of speculation, and to advance a more accurate understanding of the role of uncertainty, risk, and speculation in contemporary capitalism. At the heart of the critique of speculation we find a distinction between real and fictitious forms of value. Although “essentialist” (or “foundationalist”) modes of explanation have been under fire across the social sciences for several decades now, when it comes to the critique of finance they have had considerable staying-power: without a notion of real value, it often seems, we lose any objective standard against which to assess the speculative gyrations of capitalist markets. Capital and Time asks what kind of critical theory we might develop if we bracket the anxious attachment to a notion of fundamental value. To that end, it turns to the work of economist Hyman Minsky. Although Minsky has been popularized precisely as a critic of speculation, he in fact insisted that almost all value judgments and investments were to some degree speculative—their success or failure would be determined in an unknown future. For him, the key economic question is how order emerges in a world that offers no guarantees, how more or less stable standards and norms arise amidst uncertainty. Of course, the “endogenous” origin of financial standards is a well-rehearsed theme in heterodox economics—indeed, it is a staple of the “post-Keynesian” literature that claims Minsky’s legacy. But such perspectives have never been able to break with the idea that financial stability is at its core dependent on external interventions that suppress speculative impulses. For Minsky, however, this is to miss the point about endogeneity. To his mind, there was no clear dividing line between financial practices and their governance: central banks and other public authorities are no more able to see into the future and to transcend uncertainty than private investors are. Minsky was therefore highly skeptical about official claims of discretionary precision management: financial governance is always embroiled in the very risk logic that it is charged with managing. That also means that financial policy can appear quite ordinary, even banal: at the heart of capitalist financial management is a logic of backstopping and bailout that responds to the possibility that the failure of an institution may take down wider financial structures. The stability of the post-New Deal financial system is often attributed to the Glass-Steagall separation of the stock market and commercial banking. But Minsky tended to view Glass-Steagall as one of several measures to direct bank credit away from the stock market towards other, no less speculative ends, notably consumer and mortgage financing. To his mind, the stability of the post-war period derived rather from the creation of an extensive financial safety net (which included, for instance, deposit insurance, which removed the rationale behind bank runs) that served to socialize risk. This institutional arrangement turned out to have a significant drawback: a pattern of chronic inflation emerged that, by the late 1970s, was widely perceived as a major problem. Minsky’s lack of faith in the possibility of cleanly staged external interventions led him to feel that that there was no real way out of this predicament. Monetarist doctrines, ascendant during the 1970s under the influence of Milton Friedman, relied on exactly the belief in an arbitrarily defined monetary standard that Minsky rejected as naïve. Muddling through, it seemed, was the price of avoiding another financial crash and depression. The Volcker shock of 1979 changed this dynamic in a way that Minsky had not foreseen but that is comprehensible when seen through the lens he provided us with. Paul Volcker looked to monetarism not as a means to enforce an external limit or standard on the financial system, but as a politically expedient way to break with accommodating policies and to proactively engage the endogenous dynamics of finance. The consequences of the Volcker shock were predictable (which is exactly why the Federal Reserve had been reluctant to pursue similar policies in previous years): inflation gave way to instability and crisis. Inflation was conquered as jobs were lost and wages stagnated. And, far from money being returned to its neutral exchange function, opportunities for speculation multiplied. The American state was never going to sit idly by as the financial system returned to dynamics of boom and bust: when instability took the form of systemic threats, authorities would bail out the institutions that had overextended themselves. Of course, Volcker would not have been able to predict the specific features of the too-big-to-fail regime as it emerged during the 1980s and evolved subsequently; but the very point of the neoliberal turn in financial management that he had overseen was to create a context where risk could be socialized in ways that were more selective and therefore did not entail generalized inflation. The inflation of asset values that has been such a marked feature of the past four decades has always been premised centrally on the willingness of authorities to view the “moral hazard” of the too-big-to-fail logic as a policy instrument—even if they may have decried it officially as a regrettable corruption of market principles. Spectacular bailouts, mundane policies to protect the key nodes of the payment systems, the “Greenspan put”, the different iterations of quantitative easing—these are all variations on that basic too-important-to-fail logic. Existing critical perspectives tend to view crisis and the need for bank bailouts as manifesting the essential incoherence of neoliberal finance, its lack of solid foundations and the irrationality of speculation. Capital and Time breaks with such moralistic assessments. The way deepening inequality and the speculative growth of asset values continue to feed off each other is troubling for any number of reasons, but there is nothing inherently “unsustainable” about it—the process does not have a natural or objective limit. At this point in time, the critique of speculation does little more than lend credibility to official discourses that present crises as preventable and bailouts as one-off, never-to-be-repeated interventions. In that way, it prevents us from critically relating to a neoliberal reality that has been shaped to its core by the speculative exploitation of risk and uncertainty, and in which regressive risk socialization serves as the everyday logic of financial governance.

## K

### 1AR – Extinction

#### Prioritize existential risks

Bostrom, Philosophy PhD, 12 (Nick, Professor of Philosophy at Oxford, directs Oxford's Future of Humanity Institute and winner of the Gannon Award, Interview with Ross Andersen, correspondent at The Atlantic, 3/6, “We're Underestimating the Risk of Human Extinction”, http://www.theatlantic.com/technology/archive/2012/03/were-underestimating-the-risk-of-human-extinction/253821)

Bostrom, who directs Oxford's Future of Humanity Institute, has argued over the course of several papers that human extinction risks are poorly understood and, worse still, severely underestimated by society. Some of these existential risks are fairly well known, especially the natural ones. But others are obscure or even exotic. Most worrying to Bostrom is the subset of existential risks that arise from human technology, a subset that he expects to grow in number and potency over the next century.

Despite his concerns about the risks posed to humans by technological progress, Bostrom is no luddite. In fact, he is a longtime advocate of transhumanism---the effort to improve the human condition, and even human nature itself, through technological means. In the long run he sees technology as a bridge, a bridge we humans must cross with great care, in order to reach new and better modes of being. In his work, Bostrom uses the tools of philosophy and mathematics, in particular probability theory, to try and determine how we as a species might achieve this safe passage. What follows is my conversation with Bostrom about some of the most interesting and worrying existential risks that humanity might encounter in the decades and centuries to come, and about what we can do to make sure we outlast them.

Some have argued that we ought to be directing our resources toward humanity's existing problems, rather than future existential risks, because many of the latter are highly improbable. You have responded by suggesting that existential risk mitigation may in fact be a dominant moral priority over the alleviation of present suffering. Can you explain why?

Bostrom: Well suppose you have a moral view that counts future people as being worth as much as present people. You might say that fundamentally it doesn't matter whether someone exists at the current time or at some future time, just as many people think that from a fundamental moral point of view, it doesn't matter where somebody is spatially---somebody isn't automatically worth less because you move them to the moon or to Africa or something. A human life is a human life. If you have that moral point of view that future generations matter in proportion to their population numbers, then you get this very stark implication that existential risk mitigation has a much higher utility than pretty much anything else that you could do. There are so many people that could come into existence in the future if humanity survives this critical period of time---we might live for billions of years, our descendants might colonize billions of solar systems, and there could be a billion and billions times more people than exist currently. Therefore, even a very small reduction in the probability of realizing this enormous good will tend to outweigh even immense benefits like eliminating poverty or curing malaria, which would be tremendous under ordinary standards.

### 1AR – Growth Sustainable

#### Studies across countries prove decoupling works.

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Prior to comment on the results, their consistency has to be examined. This can be done by checking whether the sum of correlations and the average correlation have the same sign in Table 8. This is true for both lags and leads in both correlations, which means that the overall changes in the per capita income induce a consistent pattern of changes in the ecological deficit and in the GHG emissions. Concerning the association GDPpc&EDF, Table 8 shows that the average lag cross-correlations, CCEtGt (k0 is positive and the average lead crosscorrelations, CCEtGt (k>0) >0 is positive and the average lead crosscorrelations, CCEtGt (k>0)>0 is negative. The latter implies that while an increase in the per capita income has increased the ecological deficit in past, this will change in the future. The incidence of growth will reduce the pressure on the natural resources. The latter may be the joint product attributed to two distinct processes. First, such an event could be the result of a rise in the “eco-efficiency” which means that a unit of GDP is produced now with less environmental resources York et al. [30]. Beyond that, there might be a change in the consumption patterns, which involve substitution of environmentally harmful with less harmful goods and services. Very often, eco-efficiency and substitution are mentioned as requirements for the economy’s dematerialization [84]. Some advocate that the link between dematerialization and the resulting decoupling is a matter of society’s choice since it depends on the “appropriate” policy measures that mobilize technology and put forward incentives to reduce human pressure on the environment [85]. Notwithstanding, the whole issue is far from settled, see Bithas and Kalimeris [86] and Fletcher and Rammelt [87] for a critique. Gómez-Baggethun [88] refers to the resource efficiency and the policy induced substitution as technological and political utopias that cannot be sustained ad infinitum. By contrast, Table 8 shows that both the average lag and lead cross-correlations for the link GDPpc&GHG are negative. That means that the past reduction of GHG emissions as a result of growth will continue to exist in the future. Put it in the EKC jargon, Poland has reached a position, where the composition and technological effects dominates the scale effect. Hence, growth reduces the environmental impacts. Narayan et al. [82] have identified similar pattern for Poland’s CO2 emissions as well as for Germany, Czech Republic, Iraq, Slovak Republic and Sweden among others. The positive role of the eco-efficiency and substitution, discussed above, applies here as well. To recapitulate, the likely policy implications of the decoupling indices are examined by the cross correlation analysis. The analysis tried to investigate whether economic growth determines the changes in the ecological deficit and in the level of GHG emissions. The results provide evidence that economic growth in Poland will bring about a decline in the ecological deficit. Likewise, economic growth has reduced GHG emissions and will continue to do so in the future. The previous argument seems to echo a Parsonian modernization postulate, in the sense that economic growth is treated as a crucial determinant (“evolutionary universal”) of society’s change (implicitly through its impact on democracy, institutions and organizational capacity) [89]. This line of argument is not new, and the criticism raised is sound and fair [90, 91]. Notwithstanding, such a hypothesis prevails the EKC literature [92]. To cut a long story short, it seems that modernization theory, albeit severely criticized, is not dead. Various revivals and modifications have been put forward in the scholarly literature. Just to name a few: ecological modernization [93], reflexive modernization [94], re-modernization [95], global modernity [96]. Conclusions The paper applied the most appropriate decoupling indices in order to map the development trajectory of Polish economy. In the period between 1990 and 2016, Poland has achieved remarkable things. Primarily, growth seems that did not deteriorate the quality of the environment, since the human pressure on the environment, as captured by the resource and impact decoupling indices, was not associated with growth. Furthermore, from the cross-correlation analysis has emerged some rather interesting observations with profound policy implications. Poland has been a successful paradigm in terms of the ecological modernization theory. Growth seems to unfold without imposing significant pressure on the natural resources (a captured by the ecological deficit) and without causing environmental degradation (as captured by the GHG emissions).

#### Affluence ensures sustainability

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Over that same span, an unexpected and encouraging pattern has emerged: The world's richest countries have learned how to reduce their footprint on Earth. They're polluting less, using less land and water, consuming smaller amounts of important natural resources, and doing better in many other ways. Some of these trends are also now visible in less affluent countries.

However, many in the degrowth movement seem to have trouble taking yes for an answer. The claims I just made are widely resisted or ignored. Some say they’ve been debunked. Of course, debate over empirical claims like these is normal and healthy. Our impact on our planet is hugely important. But something less healthy is at work here. As Upton Sinclair put it, “It is difficult to get a man to understand something when his salary depends upon his not understanding it.” Some voices in the conversation about the environment seem wedded to the idea that degrowth is necessary, and they are unwilling or unable to walk away from it, no matter the evidence.

But evidence remains a powerful way to persuade the persuadable. The one thing everyone agrees on is that the last 50 years have been a period of growth, not degrowth. In fact, growth has never been faster, except for the 25-year rebuilding period after World War II. The population and economic growth rates of the past half-century are remarkably fast by historical standards. Between 1800 and 1945, for example, the world’s economy grew less than 1.5 percent per year, on average. Between 1970 and 2019, that average increased to almost 3.5 percent.

It's natural to assume that, as this growth continued, every nation’s planetary footprint would only increase. After all, as people become more numerous and prosperous they consume more, and producing all the goods and services they consume uses up resources, takes over ecosystems, and generates pollution. The logic seems ironclad that our gains have to be the environment’s losses.

Easing Pollution, Not Exporting It

In some important areas, however, a very different pattern emerged after 1970: Growth continued, but environmental harm decreased. This decoupling occurred first with pollution, and first in the rich world. In the US, for example, [aggregate levels of six common air pollutants](https://www.epa.gov/sites/production/files/2020-05/2019_baby_graphic_1970.png) have declined by 77 percent, even as gross domestic product increased by 285 percent and population by 60 percent. In the UK, [annual tonnage of particulate emissions](https://ourworldindata.org/grapher/emissions-of-particulate-matter?time=1970..2016) dropped by more than 75 percent between 1970 and 2016, and of the [main polluting chemicals](https://ourworldindata.org/grapher/air-pollutant-emissions?time=1970..2016) by about 85 percent. Similar gains are common across the highest-income countries.

How were these reductions achieved? The two possibilities are cleanup and offshoring. Either rich countries figured out how to reduce their “air pollution per dollar” so much that overall pollution went down even as their economies grew, or they sent so much of their dirty production overseas that the air at home got cleaner. The first of these paths reduces the total burden of human-caused pollution; the second just rearranges it.

The evidence is overwhelming that rich countries cleaned up their air pollution much more than they outsourced it. For one, a great deal of air pollution comes from highway vehicles and power plants, and rich countries haven’t outsourced driving and generating electricity to low-income ones. In fact, high-income countries haven't even offshored most of their industry. The [US](https://fred.stlouisfed.org/series/INDPRO) and [UK](https://fred.stlouisfed.org/series/GBRPROMANMISMEI) both manufacture more than they did 50 years ago (at least until the Covid-19 pandemic sharply reduced output), and Germany has been [a net exporter](https://www.macrotrends.net/countries/DEU/germany/trade-balance-deficit#:~:text=Germany%20trade%20balance%20for%202019,a%200.45%25%20increase%20from%202015.) since 2000 while continuing to [drive down air pollution](https://iir-de-2014.wikidot.com/explanation-of-key-trends) The rest of the world has been exporting its manufacturing pollution to Germany (to use degrowthers’ phrasing), yet Germans are breathing cleaner air than they were 20 years ago..

Rich countries have reduced their air pollution not by embracing degrowth or offshoring, but instead by enacting and enforcing smart regulation. As economists Joseph Shapiro and Reed Walker concluded in a [2018 study](https://www.aeaweb.org/articles?id=10.1257/aer.20151272) about the US, “changes in environmental regulation, rather than changes in productivity and trade, account for most of the emissions reductions.” Research about the [cleanup of US waters](https://academic.oup.com/qje/article/134/1/349/5092609) also concludes that well-designed and enforced regulations have successfully reduced pollution.

It is true that the US and other rich countries now import lots of products from China and other nations with higher pollution levels. But if there were no international trade at all, and rich countries had to rely exclusively on their domestic industries to make everything they consume, they’d still have much cleaner air and water than they did 50 years ago. As a [2004 Advances in Economic Analysis and Policy study](https://www.researchgate.net/publication/4748469_Trade_Liberalization_and_Pollution_Havens) summarized: “We find no evidence that domestic production of pollution-intensive goods in the US is being replaced by imports from overseas.”

The rich world’s success at decoupling growth from pollution is an inconvenient fact for degrowthers. Even more inconvenient is China's recent success at doing the same. China’s export-led, manufacturing-heavy economy has been growing at meteoric rates, but between 2013 and 2017 [air pollution in densely populated areas declined by more than 30 percent](https://news.uchicago.edu/story/chinas-war-against-pollution-shows-promising-results-study-finds). Here again the government mandated and monitored pollution declines and so decoupled growth from an important category of environmental harm.

Prosperity Bends the Curve

China's progress with air pollution is heartening, but it's not surprising to most economists. It's a clear example of the environmental Kuznets curve (EKC) in action. Named for the economist Simon Kuznets, EKC posits a relationship between a country's affluence and the condition of its environment. As GDP per capita rises from an initial low level, so too does environmental damage; but as affluence continues to increase, the harms level off and then start to decline. The EKC is clearly visible in the pollution histories of today's rich countries, and it's now taking shape in China and elsewhere.

Also consider air pollution death rates around the world. As the invaluable website Our World in Data [puts it](https://ourworldindata.org/outdoor-air-pollution), “Rates have typically fallen across high-income countries: almost everywhere in Europe, but also in Canada, the United States, Australia, New Zealand, Japan, Israel and South Korea and other countries. But rates have also fallen across upper-middle income countries too, including China and Brazil. In low and lower-middle income countries, rates have increased over this period.”

The EKC is a direct refutation of a core idea of degrowth: that environmental harms must always rise as populations and economies do. It's not surprising that today's degrowth advocates rarely discuss the large reductions in air and water pollution that have accompanied higher prosperity in so many places around the world. Instead, degrowthers now focus heavily on one kind of pollution: greenhouse gas emissions.

The claims made are familiar ones: that any apparent reductions in greenhouse gas emissions in rich countries are due to offshoring rather than actual decarbonization. Thanks to the [Global Carbon Project](https://www.globalcarbonproject.org/), we can see if this is the case. GCP has calculated “consumption-based emissions” for many countries going back to 1990, taking into account imports and exports, yielding the greenhouse gas emissions embodied in all the goods and services consumed in each country each year.

For several of the world's richest countries, including Germany, Italy, France, the UK, and the US, graphs of consumption-based carbon emissions follow the familiar EKC. The US, for example, has 22[reduced its total (not per capita) consumption-based CO2 emissions](https://ourworldindata.org/consumption-based-co2) by more than 13 percent since 2007.

These reductions are not mainly due to enhanced regulation. Instead, they've come about because of a combination of tech progress and market forces. Solar and wind power have become much cheaper in recent years and have displaced coal for electricity generation. Natural gas, which when burned emits fewer greenhouse gases per unit of energy than does coal (even after [taking methane leakage into account](https://thebreakthrough.org/issues/energy/howarth-natural-gas)), has also become much cheaper and more abundant in the US as a result of the fracking revolution.

To ensure that these greenhouse gas declines continue to spread and accelerate, we should apply the lessons we've learned from previous pollution reduction success. In particular, we should make it expensive to emit carbon, then watch the emitters work hard to reduce this expense. The best way to do this is with a carbon dividend, which is a tax on carbon emissions where the revenues are not kept by the government but instead are rebated to people as a dividend. William Nordhaus won the 2018 Nobel Prize in economics in part for his work on the carbon dividend, and [an open letter](https://clcouncil.org/economists-statement/) advocating its implementation in the US has been signed by more than 3,500 economists. It's an idea whose time has come.

How We Learned to Lighten Up

Tech progress and price pressure aren't just leading to the demise of coal. They're also causing us to exploit the planet less in many other important ways, even as growth continues. In other words, EKCs are not just about pollution any more.

A good place to start examining this broad phenomenon of getting more from less is US agriculture, where we have decades of [data](https://docs.google.com/spreadsheets/d/1K2hDd1jGxznxIWJXvtkW0vVyxLDBkVZSlZmtDMVFvHQ/edit#gid=1111912651) on both outputs—crop tonnage—and the key inputs of cropland, water, and fertilizer. Domestic crop tonnage has risen steadily over the years and in 2015 was more than 55 percent higher than in 1980. Over that same period, though, total water used for irrigation declined by 18 percent, total cropland by more than 7 percent. That is, over that 35-year period, US crop agriculture increased its output by more than half while giving an area of land larger than Indiana back to nature and eventually using a Lake Champlain less water each year. This was not accomplished by increasing fertilizer use; total US fertilizer consumption in 2014 (the most recent year for which data are available) was within 2 percent of its 1980 level.

The three main fertilizers of nitrogen, potassium, and phosphorus (NKP) are an interesting case study. Their [total US consumption](https://docs.google.com/spreadsheets/d/1NXenB6ngIrezPVHypZcP8e-D7-gvEBix3maurDZGRX0/edit#gid=1409598042) (once other uses in addition to agriculture are taken into account) has declined by 23 percent since 1980, according to the United States Geological Survey. Yet some within the degrowth movement find ways to argue that these declines are also an illusion. These materials thus serve to clearly illustrate the differences in methodology, evidence, and worldview between ecomodernists like myself and degrowthers.

The USGS tracks annual domestic production, imports, and exports of NKP and uses these figures to calculate “apparent consumption” each year. Consumption of each of the three resources has declined by 16 percent or more from their peaks, which occurred no later than 1998. This seems like a clear and convincing example of dematerialization—getting more output from fewer material inputs.

As I argue in my book More From Less, dematerialization doesn’t happen for any complicated or idiosyncratic reason. It happens because resources cost money that companies would rather not spend, and tech progress keeps opening up new ways to produce more output (like crops) while spending less on material inputs (like fertilizers). Modern digital technologies are so good at helping producers get more from less that they're now allowing the US and other technologically sophisticated countries to use less in total of important materials like NKP.