# Kentucky – Round 3 – Emory BW vs Kansas HS

# 1AC

## 1AC

### Plan---1AC

#### Plan: The United States federal government should prohibit private sector business practices that violate an effective competition antitrust standard.

### Economy---1AC

#### The advantage is the economy:

#### Antitrust law is failing now---current market consolidation undermines innovation, slows growth, and suppresses productivity. Promoting competition solves.

Fiona M. Scott Morton 20. Theodore Nierenberg Professor of Economics at the Yale University School of Management. “Reforming U.S. antitrust enforcement and competition policy,” https://equitablegrowth.org/reforming-u-s-antitrust-enforcement-and-competition-policy/.

Evidence that antitrust laws are falling short is plentiful. Many cartels go undiscovered, and tacit collusion is probably even more prevalent because it is harder for antitrust enforcers to prosecute and deter.9 Anticompetitive horizontal mergers (between rivals) appear to be underdeterred.10 A variety of clever strategies used by incumbents to exclude entrants, either by purchasing them when they are nascent or using tactics to confine them to a less threatening niche or forcing them to exit have been successfully deployed in recent years, often when antitrust enforcement is late or absent.11

Each of these sources of concern can be critiqued, but together they make a compelling case. Some of the evidence may have benign explanations in part, such as the growing importance of fixed costs, for example, when creating software or pharmaceuticals that leads naturally to higher markups, or the increasing benefit of being on the same platform with other users (known as “network effects” in the case of a social media site). Firms in industries with high fixed costs or large network externalities may exhibit high profits and productivity and low labor shares, and may earn high profits because they had a good idea early and executed well, thereby getting adoption from many consumers.12 Nonetheless, the overall picture is clear that market power has been growing in the United States for decades. Moreover, even where the explanation for growing market power is benign, we must ensure that companies do not use anticompetitive tactics to protect their position.

Firms with market power need not compete aggressively to sell their products, so they tend to raise prices, reduce quality, and/or innovate less. Market power can also contribute to slowed economic growth by, for example, suppressing productivity increases.13 Theoretical and empirical economic studies convincingly show that innovation is harmed by anticompetitive conduct.14

This is why antitrust enforcement is such a terrific policy tool to strengthen competition—it does not come with an efficiency downside, as do most policies that redistribute income. Policies that enhance competition are unambiguously beneficial for efficiency, as well as inclusive prosperity, with minor qualifications.15 Other policies for addressing inequality, in particular, such as labor market and tax policies, may create disincentives or allocative efficiency losses that must be weighed against their distributional benefits. Policies to enhance competition, by contrast, offer what is close to a free lunch.16

#### The plan solves---and effective competition standard reinvigorates antitrust.

Marshall Steinbaum & Maurice E. Stucke 19. Assistant Professor of Economics, University of Utah. Douglas A. Blaze Distinguished Professor of Law, University of Tennessee College of Law. “The Effective Competition Standard: A New Standard for Antitrust.” <https://marshallsteinbaum.org/assets/steinbaum-and-stucke-2020-effective-competition-standard-uchicago-law-review-.pdf>.

America, as legal and economic scholars are increasingly noting, has a market power problem. The emerging evidence points to less competition, higher markups, greater concentration, and widening wealth and income inequality. The current state of competition law benefits the select few—at the expense of nearly everyone else.

Our antitrust laws are supposed to deal with concentrated economic power. The problem is that the laws have been hijacked in two ways. First, ideologues narrowed the substance of antitrust from addressing a variety of goals to focusing solely on the concept of consumer welfare—namely, that harm to competition within the legal meaning of the antitrust laws consists solely of harm to consumers and their welfare, as measured almost exclusively by price and quantity effects in output markets. Second, some courts and enforcers went even further, declining to find antitrust liability in conduct that harms consumers on the theory that it carries other benefits, like long-run economic growth. Recent US Supreme Court decisions, including Ohio v American Express Co, and the US District Court’s decision to allow the AT&T/Time Warner merger illustrate how antitrust, under the prevailing consumer welfare standard, has been weakened and distorted beyond all recognition. Courts have elevated the burden of proof on the government and other antitrust plaintiffs to such an extent that the Sherman and Clayton Antitrust Acts have become unenforceable for many anticompetitive practices, other than cartels.

If the United States continues with a light-if-any-touch antitrust review of mergers and turns a blind eye to abuses by dominant firms, concentration and crony capitalism will likely increase, competition and our well-being will decrease further, and power and profits will continue to fall into fewer hands. Startups, small and midsize firms, and Americans more broadly—as workers, consumers, and democratic citizens—will be left to the beneficence or spite of a few powerful, but arbitrary, corporations.

This trend is reversible if we restore antitrust as a guarantor of effective competition. To tackle today’s market power problem, we offer an effective competition antitrust standard to replace the prevailing consumer welfare standard, which courts and scholars have interpreted differently (and at times inconsistently). The effective competition standard restores the primary aim of the antitrust laws—namely, the dispersion and deconcentration of significant private power wherever in the economy it is to be found, including throughout supply chains and in the labor market.

#### It's enforceable and sufficient.

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The effective competition standard differs from both the consumer welfare standard and the total welfare standard in that it expressly departs from the partial-equilibrium analysis of a single market as the basis for antitrust analysis. The effective competition standard further differs from the consumer welfare standard in four important ways:

• First, a substantial lessening of competition suffices for liability. Enforcers and courts need not demonstrate how the lessening of competition harms consumers, nor balance the harms to one set of stakeholders against the supposed benefits for another. In this respect, the effective competition standard makes antitrust more enforceable.

• Second, it recognizes that competition needs competitors. Thus, it takes a tougher stance on monopolistic, predatory, and exclusionary practices, which often reduce the competitive opportunities for entrants and rivals.

• Third, unlike the consumer welfare standard, which considers the impact only on consumers, the effective competition standard protects market participants throughout the supply chain, including workers and sellers.

• Finally, by eliminating the precarious step of how the lessening of competition will harm consumers’ welfare, the effective competition standard restores the purpose of the Clayton Act to “arrest restraints of trade in their incipiency and before they develop into full-fledged restraints violative of the Sherman Act.” As Congress noted, “A requirement of certainty and actuality of injury to competition is incompatible with any effort to supplement the Sherman Act by reaching incipient restraints.”

To promote competition and innovation in our heavily concentrated markets, the effective competition standard would depart from today’s light-touch antitrust policies in the following areas.

#### Scenario 1 is Growth:

#### Sustained anti-competitive behavior is regressive and makes economic collapse inevitable.

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The direct cost of anti-competitive behavior is high. Many studies estimate this cost by implied price overcharge, typically stemming from identified cartels. A common approach to estimating the price overcharge consists in applying a difference-in-difference technique, that is, by comparing prices in a market before and after an infringement was identified (e.g., a cartel) to a “counterfactual” market in a different location or product market where no infringement was identified.3 The estimated price overcharges in advanced economies are found to be large on average, ranging from 15 to about 50 percent. Ivaldi et al. (2017) extends these estimationsto 20 developing economies, using a database of over 200 major cartel episodes over 1995–2013. They estimate that the harm to the economy in terms of excess profits resulting from price overcharges could reach about 4 percent of GDP, accounting for the probability of undetected cartels. The cost of cartels could extend to overcharges in intermediate goods, ultimately affecting finished products, as well as procurement of public goods, or it could also affect the economy through a reduction in output (World Bank-OECD 2017). Even without cartels, anti-competitive behavior would result in higher prices and lower production.

There is also growing evidence that the lack of competition not only affects more strongly the poorest countries but also hurts the poor more in each country. Higher market power in food, beverages and medicines was shown to be regressive, that is, they hurt more the poorest, as shown using Mexican data (Urzua 2013). Similar results exist in the context of advanced countries (e.g., Creedy and Dixon 1998 and 2000). There is also evidence that prices in sub-Saharan Africa are higher than in other developing regions, controlling for income and other factors. The extra cost of living in this region is negatively correlated with aggregate measures of competition (IMF 2019a). OECD (2017), using a calibrated model on a selected group of advanced countries, finds that market power could be responsible for a sizable increase in the wealth of the richest 10 percent and a large reduction in the income of the poorest 20 percent.

The decline in the labor share has also been interpreted as a sign of rising market power. Labor share has been decreasing in the U.S. and other advanced economies (IMF 2019b). This decline in labor share could be explained to a large extent as a result of the Information Technology (IT) revolution as argued by Aghion and others (2019). This revolution allowed superstar firms to expand into many sectors of the economy. As these firms have higher markups and lower labor shares than non-superstar firms, the decline in aggregate labor share and corresponding increase in aggregate markups reflect a “composition effect”. In other words, it is not the result of a within-firm increase in markup or a decline in labor share. Evidence of the predominance of a “between-firm” (or “composition”) effect over a “within-firm” effect is provided by De Locker and Eeckout (2019) and Baqaae and Farhi (2019). IMF (2019b) shows that the “reallocation” effect is pronounced in the U.S. but less so in other advanced countries. The long-term effect of this increasing hegemony of superstar firms has been to discourage innovation and entry by non-superstar firms, thereby leading to a decrease in aggregate productivity growth, broad-based growth, and business dynamism. This increasing hegemony, in turn, has been facilitated by an insufficient regulation of mergers and acquisitions, in other words by a competition policy, which has not adapted to the digital economy.

#### State-based market interventions are key to sustainable growth. The alternative to well-measured corrections is an unfettered and regressive free market.

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There is a positive correlation between long-term growth and poverty alleviation. More specifically, Lant Pritchett argues, based on cross-country patterns, that “broad-based growth, defined as the process that raises median income, is far and away the most important source of poverty reduction.”9 The sharp decline in poverty rates in China (about 800 million people escaped poverty) amid the two decades of break-neck growth is the starkest illustration. As discussed, innovation-based growth based on Schumpeterian creative destruction is key to productivity gains and sustained growth. The question is how to achieve broad-based, high and sustained growth which means to spur the emergence of good paying jobs. This is perhaps one of the most difficult and debated questions in economics.

The standard view shared by most economists over the last few decades is that “horizontal policies”, that is improvements in education, the quality of institutions, infrastructure, business environment, and regulations are key. Many of these policies tackle what is known as “government failures” as described in Rodrik (2005). In other words, state intervention should limit itself to providing public goods and the provision of a good environment while crucially ensuring an adequate level of competition. In this context, firms would have the incentive to invest and deploy efforts to be competitive through improvements in productivity and innovation to offer new and better-quality goods among others.

However, growth can be harmed by anti-competitive behaviors or distortive policies which can take different and subtle forms and are not always easy to gauge. Among these, imposing barriers to entry or helping non-performing firms remain in business, could have a substantial negative effect. Hsieh and Klenow (2009) emphasize the importance of input reallocation effects. They show that aggregate productivity differentials can be explained by differences in terms of the distribution of firms’ productivity. This means that relatively less productive firms have access to a considerable share of the resources. They argue that it is harder for a more productive firm to grow but also easier for a less productive firm to survive in India than in the U.S. for example. In the same vein, Aghion (2016) suggests that that there is more business dynamism in the U.S. than India, that is more firms enter and exit, which would explain input misallocation and differences in income per capita.

Compared to the U.S., potential constraints in developing economies such as India include more rigid capital markets and labor/product markets, the lower supply of skills, the poorer quality of infrastructure, and the lower quality of institutions to protect property rights and to enforce contracts. However, even if markets are perfectly competitive and an adequate environment is ensured, the economy may still not reach its full potential. This is because of “market failures,” which typically happen in the presence of externalities. They are at play when firms and workers do not fully internalize the effects of their decisions on the broader economy and their dynamic implications. Typically, they are learning externalities, coordination failures, or information asymmetries (Rodrik 2005).

As argued by many, (e.g., Arrow 1962) and Matsuyama 1992) some activities entail higher productivity gains, or more learning potential, for an economy compared to other traditional activities such as non-tradable services or agriculture. Firms may not be fully aware of these productivity gains, leading to lower output in high-productivity sectors and lower relative incomes over time. The coordination failure is based on the idea that a critical size of the modern sector is needed for a firm to enter it. It would be profitable for a firm to invest in a modern sector only if there are enough firms investing simultaneously in other modern sectors. If many firms invest together in modern sectors, described as the “big push,” economy reaches a higher level of productivity and development (Rosenstein-Rodan 1943, Murphy et al. 1989). Lastly, information asymmetries exist if there is imperfect information about new markets and products, and firms underinvest as a result (Hausman and Rodrik 2003). This is clearly seen in firms trying to export and penetrate new geographical markets with their products.

In theory, tackling these externalities would necessitate a state intervention, broadly defined as industrial policy. However, the scope, the tools and whether it could in practice be superior to a more “laissez-faire” approach, leaving the outcome to unfettered competition, is the object of an ongoing debate. At the heart of the debate lies the definition of what constitutes a “modern” sector, which is conducive to productivity gains and spillovers to the rest of the economy. While it is typically associated with manufacturing (Matsuyama 1992 and Krugman 1987) or related to the concept of sophistication (Hausman, Hwang and Rodrik 2007 and Cherif and Hasanov 2019), others argue that service sectors could also play a role (IMF 2018). More important for inclusive growth, if a sector is to be targeted, it should help achieve broad-based growth to contribute to poverty alleviation. In practice it means that it should also generate (directly or indirectly) enough employment, and the level of skills to fill those jobs should be realistically met over the medium term.

The other key question relates to how state intervention to tackle externalities could curtail or distort competition. Indeed, state interventions of the past typically followed the model of import-substitution policies. The main idea was to protect domestic producers from international competition by imposing barriers to trade, such as high tariffs. In many cases, the curtailment of competition went further and encompassed the domestic market as countries relied on one or very few “champions” to achieve import-substitution goals. The many past failed cases in Latin America and the Middle East imply that such policies may be counterproductive in general (Cherif and Hasanov 2019). The comparison of Malaysia’s foray into automotive industry in the 1970s with its champion Proton to the success of Korea’s Hyundai is a case in point (Cherif and Hasanov 2019b). After decades of support and protection from domestic and international competition, Proton depended on imports of critical inputs, including the engine. The high tariffs to protect it also meant that consumers had to pay higher prices for lower quality products. In comparison, although Hyundai benefitted from state support as well, it was also forced early on to compete both on the domestic and international markets. It could be argued that competition provided Hyundai with an incentive to innovate and take advantage of economies of scale.

Moreover, support for firms could be pursued without necessarily implying less competition. Aghion and others (2015) develop a simple model showing that targeted subsidies can be used to induce several firms to operate in the same sector, and that the more competitive the sector is, the more it will induce firms to innovate in order to “escape competition” (Aghion et. al. 2005). Of course, a lot depends upon the design of industrial policy. Such policy should target sectors, not particular firms (Aghion 2016). Using Chinese firm-level panel data, Aghion and others (2015) look at the interaction between state subsidies to a sector and the level of product market competition in that sector. They show that TFP, TFP growth, and product innovation (defined as the ratio between output value generated by new products to total output value) are all positively correlated with the interaction between state aid to the sector and market competition in the sector. In other words, the more competitive the recipient sector is, the more positive the effects of targeted state subsidies to that sector are. Infact, for sectors with low degree of competition the effects are negative, whereas the effects become positive in sectors with sufficiently high degree of competition. Finally, the interaction between state aid and product market competition in the sector is more positive when state aid is less concentrated.

Yet, there are externalities that can be tackled without curtailing competition with the potential to have a sizable contribution to broad-based growth and poverty alleviation. These are typically related to informational asymmetries. Bloom and Van Reenen (2010), f or example, show that interventions to improve management practices in Indian small firms can significantly improve productivity. So did the productivity missions of the Marshall Plan in Europe after the WWII (Giorcelli 2019). In the same vein, Atkin et al. (2017) showed that Egyptian rug producers can be helped to access export markets by tackling informational asymmetries and coordination failures. In other words, they showed that interventions such as export promotion agencies can help SMEs advertise their products in foreign markets and act as a communication channel between them and customers. They also showed that export activities helped small producers improve their quality and value added which confirms the importance of export orientation. This focus on SMEs can help increase productivity and tackle inequality at the same time.

The trade-off between the benefits and costs of state intervention suggests that the way the state intervenes in the economy is crucial. This intervention needs to be cognizant of exacerbating government failures such as rent-seeking and corruption. Moreover, even if these interventions are successful in the sense that they create competitive industries and contribute to growth, they should avoid creating “islands” of relatively advanced sectors. If these sectors are disconnected from the rest of the economy, broad-based growth may not be sustained, and it would exacerbate inequality. For example, thanks to interventions and targeted policies, Costa Rica managed to foster a high-tech sector in electronics and health instruments (Spar 1998). Although it led to higher growth and declining poverty as well as productivity improvements in agricultural sectors, high inequality persisted while growth policies for inclusiveness were missing (Ferreira, Fuentes, and Ferreira 2018).

#### COVID creates an economic brink---recovery is strong now because of effective monetary policy, but we’ve hit the zero-lower bound.

Christopher Rugaber 21. Associated Press. “Federal Reserve keeps key interest rate near zero, signals COVID-19 economic risks receding.” https://www.chicagotribune.com/business/ct-biz-fed-interest-rates-economy-20210428-bumyc3ynpza6ri4ygsntmdsmya-story.html.

WASHINGTON — The Federal Reserve is keeping its ultra-low interest rate policies in place, a sign that it wants to see more evidence of a strengthening economic recovery before it would consider easing its support.

In a statement Wednesday, the Fed expressed a brighter outlook, saying the economy has improved along with the job market. And while the policymakers noted that inflation has risen, they ascribed the increase to temporary factors.

The Fed also signaled its belief that the pandemic’s threat to the economy has diminished, a significant point given Chair Jerome Powell’s long-stated view that the recovery depends on the virus being brought under control. Last month, the Fed had cautioned that the virus posed “considerable risks to the economic outlook.” On Wednesday, it said only that “risks to the economic outlook remain” because of the pandemic.

The central bank left its benchmark short-term rate near zero, where it’s been since the pandemic erupted nearly a year ago, to help keep loan rates down to encourage borrowing and spending. It also said in a statement after its latest policy meeting that it would keep buying $120 billion in bonds each month to try to keep longer-term borrowing rates low.

The U.S. economy has been posting unexpectedly strong gains in recent weeks, with barometers of hiring, spending and manufacturing all surging. Most economists say they detect the early stages of what could be a robust and sustained recovery, with coronavirus case counts declining, vaccinations rising and Americans spending their stimulus-boosted savings.

#### Eroding financial resilience causes war---that overcomes traditional barriers to conflict.

Jomo Kwame Sundaram & Vladimir Popov 19. Former economics professor, was United Nations Assistant Secretary-General for Economic Development, and received the Wassily Leontief Prize for Advancing the Frontiers of Economic Thought in 2007. Former senior economics researcher in the Soviet Union, Russia and the United Nations Secretariat, is now Research Director at the Dialogue of Civilizations Research Institute in Berlin “Economic Crisis Can Trigger World War.” <http://www.ipsnews.net/2019/02/economic-crisis-can-trigger-world-war/>.

Economic recovery efforts since the 2008-2009 global financial crisis have mainly depended on unconventional monetary policies. As fears rise of yet another international financial crisis, there are growing concerns about the increased possibility of large-scale military conflict.

More worryingly, in the current political landscape, prolonged economic crisis, combined with rising economic inequality, chauvinistic ethno-populism as well as aggressive jingoist rhetoric, including threats, could easily spin out of control and ‘morph’ into military conflict, and worse, world war.

Crisis responses limited

The 2008-2009 global financial crisis almost ‘bankrupted’ governments and caused systemic collapse. Policymakers managed to pull the world economy from the brink, but soon switched from counter-cyclical fiscal efforts to unconventional monetary measures, primarily ‘quantitative easing’ and very low, if not negative real interest rates.

But while these monetary interventions averted realization of the worst fears at the time by turning the US economy around, they did little to address underlying economic weaknesses, largely due to the ascendance of finance in recent decades at the expense of the real economy. Since then, despite promising to do so, policymakers have not seriously pursued, let alone achieved, such needed reforms.

Instead, ostensible structural reformers have taken advantage of the crisis to pursue largely irrelevant efforts to further ‘casualize’ labour markets. This lack of structural reform has meant that the unprecedented liquidity central banks injected into economies has not been well allocated to stimulate resurgence of the real economy.

From bust to bubble

Instead, easy credit raised asset prices to levels even higher than those prevailing before 2008. US house prices are now 8% more than at the peak of the property bubble in 2006, while its price-to-earnings ratio in late 2018 was even higher than in 2008 and in 1929, when the Wall Street Crash precipitated the Great Depression.

As monetary tightening checks asset price bubbles, another economic crisis — possibly more severe than the last, as the economy has become less responsive to such blunt monetary interventions — is considered likely. A decade of such unconventional monetary policies, with very low interest rates, has greatly depleted their ability to revive the economy.

The implications beyond the economy of such developments and policy responses are already being seen. Prolonged economic distress has worsened public antipathy towards the culturally alien — not only abroad, but also within. Thus, another round of economic stress is deemed likely to foment unrest, conflict, even war as it is blamed on the foreign.

International trade shrank by two-thirds within half a decade after the US passed the Smoot-Hawley Tariff Act in 1930, at the start of the Great Depression, ostensibly to protect American workers and farmers from foreign competition!

Liberalization’s discontents

Rising economic insecurity, inequalities and deprivation are expected to strengthen ethno-populist and jingoistic nationalist sentiments, and increase social tensions and turmoil, especially among the growing precariat and others who feel vulnerable or threatened.

Thus, ethno-populist inspired chauvinistic nationalism may exacerbate tensions, leading to conflicts and tensions among countries, as in the 1930s. Opportunistic leaders have been blaming such misfortunes on outsiders and may seek to reverse policies associated with the perceived causes, such as ‘globalist’ economic liberalization.

Policies which successfully check such problems may reduce social tensions, as well as the likelihood of social turmoil and conflict, including among countries. However, these may also inadvertently exacerbate problems. The recent spread of anti-globalization sentiment appears correlated to slow, if not negative per capita income growth and increased economic inequality.

To be sure, globalization and liberalization are statistically associated with growing economic inequality and rising ethno-populism. Declining real incomes and growing economic insecurity have apparently strengthened ethno-populism and nationalistic chauvinism, threatening economic liberalization itself, both within and among countries.

Insecurity, populism, conflict

Thomas Piketty has argued that a sudden increase in income inequality is often followed by a great crisis. Although causality is difficult to prove, with wealth and income inequality now at historical highs, this should give cause for concern.

Of course, other factors also contribute to or exacerbate civil and international tensions, with some due to policies intended for other purposes. Nevertheless, even if unintended, such developments could inadvertently catalyse future crises and conflicts.

Publics often have good reason to be restless, if not angry, but the emotional appeals of ethno-populism and jingoistic nationalism are leading to chauvinistic policy measures which only make things worse.

At the international level, despite the world’s unprecedented and still growing interconnectedness, multilateralism is increasingly being eschewed as the US increasingly resorts to unilateral, sovereigntist policies without bothering to even build coalitions with its usual allies.

Avoiding Thucydides’ iceberg

Thus, protracted economic distress, economic conflicts or another financial crisis could lead to military confrontation by the protagonists, even if unintended. Less than a decade after the Great Depression started, the Second World War had begun as the Axis powers challenged the earlier entrenched colonial powers.

They patently ignored Thucydides’ warning, in chronicling the Peloponnesian wars over two millennia before, when the rise of Athens threatened the established dominance of Sparta!

Anticipating and addressing such possibilities may well serve to help avoid otherwise imminent disasters by undertaking pre-emptive collective action, as difficult as that may be.

#### Those wars draw-in great powers---that outweighs.

Lawrence H. Summers 17. US Secretary of the Treasury (1999-2001) and Director of the US National Economic Council (2009-2010), former president of Harvard University, where he is currently University Professor. “Will the Center Hold?” <https://www.project-syndicate.org/onpoint/recession-or-financial-crisis-political-fallout-by-lawrence-h--summers-2017-12?a_la=english&a_d=5a37edac78b6c709b8d260dd&a_m=&a_a=click&a_s=&a_p=%2Fsection%2Feconomics&a_li=recession-or-financial-crisis-political-fallout-by-lawrence-h--summers-2017-12&a_pa=section-commentaries&a_ps>=.

The risk from a purely economic point of view is that the traditional strategy for battling recession – a reduction of 500 basis points in the federal funds rate – will be unavailable this year, given the zero lower bound on interest rates. Nor is it clear that the will or the room for fiscal expansion will exist.

This means that the next recession, like the last, may well be protracted and deep, with severe global consequences. And the political capacity for a global response, like that on display at the London G-20 Summit in 2009, appears to be absent as well. Just compare the global visions of US President Barack Obama and UK Prime Minister Gordon Brown back then with those of Trump and Prime Minister Theresa May today.

I shudder to think what a serious recession will mean for politics and policy. It is hard to imagine avoiding a resurgence of protectionism, populism, and scapegoating. In such a scenario, as with another financial crisis, the center will not hold.

But the greatest risk in the next few years, I believe, is neither a market meltdown nor a recession. It is instead a political doom loop in which voters’ conclusion that government does not work effectively for them becomes a self-fulfilling prophecy. Candidates elected on platforms of resentment delegitimize the governments they lead, fueling further resentment and even more problematic new leaders. Cynicism pervades.

How else can one explain how the candidacy of Roy Moore for a US Senate seat? Moore, who was twice dismissed for cause from his post on the Alabama Supreme Court, and who is credibly charged with sexually assaulting teenage girls when he was in his 30s, could enter the US Senate as many of his colleagues look the other way.

If a country’s citizens lose confidence in their government’s ability to improve their lives, the government has an incentive to rally popular support by focusing attention on threats that only it can address. That is why in societies pervaded by anger and uncertainty about the future, the temptation to stigmatize minority groups increases. And it is why there is a tendency for officials to magnify foreign threats.

We are seeing this phenomenon all over the world. Russian President Vladimir Putin, Turkish President Recep Tayyip Erdoğan, and Chinese President Xi Jinping have all made nationalism a central part of their governing strategy. So, too, has Trump, who has explicitly rejected the international community in favor of the idea that there is only a ceaseless struggle among nation-states for competitive advantage.

When the world’s preeminent power, having upheld the idea of international community for nearly 75 years, rejects it in favor of ad hoc deal making, others have no choice but to follow suit. Countries that can no longer rely on the US feel pressure to provide for their own security. America’s adversaries inevitably will seek to fill the voids left behind as the US retrenches.

#### Even if growth is imperfect, the transition away fails.

Hubert Buch-Hansen 18. Associate Professor, Department of Business and Politics, Copenhagen Business School. “The Prerequisites for a Degrowth Paradigm Shift: Insights from Critical Political Economy.” *Ecological Economics* 146: 157-63. Emory Libraries.

Still, the degrowth project is nowhere near enjoying the degree and type of support it needs if its policies are to be implemented through democratic processes. The number of political parties, labour unions, business associations and international organisations that have so far embraced degrowth is modest to say the least. Economic and political elites, including social democratic parties and most of the trade union movement, are united in the belief that economic growth is necessary and desirable. This consensus finds support in the prevailing type of economic theory and underpins the main contenders in the neoliberal project, such as centre-left and nationalist projects. In spite of the world's multidimensional crisis, a pro-growth discourse in other words continues to be hegemonic: it is widely considered a matter of common sense that continued economic growth is required.

It is also noteworthy that economic and political elites, to a large extent, continue to support the neoliberal project, even in the face of its evident shortcomings. Indeed, the 2008 financial crisis did not result in the weakening of transnational financial capital that could have paved the way for a paradigm shift. Instead of coming to an end, neoliberal capitalism has arguably entered a more authoritarian phase (Bruff, 2014). The main reason the power of the pre-crisis coalition remains intact is that governments stepped in and saved the dominant fraction by means of massive bailouts. It is a foregone conclusion that this fraction and the wider coalition behind the neoliberal paradigm (transnational industrial capital, the middle classes and segments of organized labour) will consider the degrowth paradigm unattractive and that such social forces will vehemently oppose the implementation of degrowth policies (see also Rees, 2014: 97).

While degrowth advocates envision a future in which market forces play a less prominent role than they do today, degrowth is not an antimarket project. As such, it can attract support from certain types of market actors. In particular, it is worth noting that social enterprises, such as cooperatives (Restakis, 2010), play a major role in the degrowth vision. Such enterprises are defined by being ‘organisations involved at least to some extent in the market, with a clear social, cultural and/or environmental purpose, rooted in and serving primarily the local community and ideally having a local and/or democratic ownership structure’ (Johanisova et al., 2013: 11). Social enterprises currently exist at the margins of a system, in which the dominant type of business entity is profit-oriented, shareholder-owned corporations. The further dissemination of social enterprises, which is crucial to the transitions to degrowth societies, is – in many cases – blocked or delayed as a result of the centrifugal forces of global competition (Wigger and Buch-Hansen, 2013). Overall, social enterprises thus (still) constitute a social force with modest power.

Ougaard (2016: 467) notes that one of the major dividing lines in the contemporary transnational capitalist class is between capitalists who have a material interest in the carbon-based economy and capitalists who have a material interest in decarbonisation. The latter group, for instance, includes manufacturers of equipment for the production of renewable energy (ibid.: 467). As mentioned above, degrowth advocates have singled out renewable energy as one of the sectors that needs to grow in the future. As such, it seems likely that the owners of national and transnational companies operating in this sector would be more positively inclined towards the degrowth project than would capitalists with a stake in the carbon-based economy. Still, the prospect of the “green sector” emerging as a driving force behind degrowth currently appears meagre. Being under the control of transnational capital (Harris, 2010), such companies generally embrace the “green growth” discourse, which ‘is deeply embedded in neoliberal capitalism’ and indeed serves to adjust this form of capitalism ‘to crises arising from contradictions within itself’ (Wanner, 2015: 23).

In addition to support from the social forces engendered by the production process, a political project ‘also needs the political ability to mobilize majorities in parliamentary democracies, and a sufficient measure of at least passive consent’ (van Apeldoorn and Overbeek, 2012: 5–6) if it is to become hegemonic. As mentioned, degrowth enjoys little support in parliaments, and certainly the pro-growth discourse is hegemonic among parties in government.5 With capital accumulation being the most important driving force in capitalist societies, political decision-makers are generally eager to create conditions conducive to production and the accumulation of capital (Lindblom, 1977: 172). Capitalist states and international organisations are thus “programmed” to facilitate capital accumulation, and do as such constitute a strategically selective terrain that works to the disadvantage of the degrowth project.

The main advocates of the degrowth project are grassroots, small fractions of left-wing parties and labour unions as well as academics and other citizens who are concerned about social injustice and the environmentally unsustainable nature of societies in the rich parts of the world. The project is thus ideationally driven in the sense that support for it is not so much rooted in the material circumstances or short-term self-interests of specific groups or classes as it is rooted in the conviction that degrowth is necessary if current and future generations across the globe are to be able to lead a good life. While there is no shortage of enthusiasts and creative ideas in the degrowth movement, it has only modest resources compared to other political projects. To put it bluntly, the advocates of degrowth do not possess instruments that enable them to force political decision-makers to listen to – let alone comply with – their views. As such, they are in a weaker position than the labour union movement was in its heyday, and they are in a far weaker position than the owners and managers of large corporations are today (on the structural power of transnational corporations, see Gill and Law, 1989).

6. Consent

It is also safe to say that degrowth enjoys no “passive consent” from the majority of the population. For the time being, degrowth remains unknown to most people. Yet, if it were to become generally known, most people would probably not find the vision of a smaller economic system appealing. This is not just a matter of degrowth being ‘a missile word that backfires’ because it triggers negative feelings in people when they first hear it (Drews and Antal, 2016). It is also a matter of the actual content of the degrowth project.

Two issues in particular should be mentioned in this context. First, for many, the anti-capitalist sentiments embodied in the degrowth project will inevitably be a difficult pill to swallow. Today, the vast majority of people find it almost impossible to conceive of a world without capitalism. There is a ‘widespread sense that not only is capitalism the only viable political and economic system, but also that it is now impossible to even imagine a coherent alternative to it’ (Fisher, 2009: 2). As Jameson (2003) famously observed, it is, in a sense, easier to imagine the end of the world than it is to imagine the end of capitalism. However, not only is degrowth – like other anti-capitalist projects – up against the challenge that most people consider capitalism the only system that can function; it is also up against the additional challenge that it speaks against economic growth in a world where the desirability of growth is considered common sense.

Second, degrowth is incompatible with the lifestyles to which many of us who live in rich countries have become accustomed. Economic growth in the Western world is, to no small extent, premised on the existence of consumer societies and an associated consumer culture most of us find it difficult to completely escape. In this culture, social status, happiness, well-being and identity are linked to consumption (Jackson, 2009). Indeed, it is widely considered a natural right to lead an environmentally unsustainable lifestyle – a lifestyle that includes car ownership, air travel, spacious accommodations, fashionable clothing, an omnivorous diet and all sorts of electronic gadgets. This Western norm of consumption has increasingly been exported to other parts of the world, the result being that never before have so many people taken part in consumption patterns that used to be reserved for elites (Koch, 2012). If degrowth were to be institutionalised, many citizens in the rich countries would have to adapt to a materially lower standard of living. That is, while the basic needs of the global population can be met in a non-growing economy, not all wants and preferences can be fulfilled (Koch et al., 2017). Undoubtedly, many people in the rich countries would experience various limitations on their consumption opportunities as a violent encroachment on their personal freedom. Indeed, whereas many recognize that contemporary consumer societies are environmentally unsustainable, fewer are prepared to actually change their own lifestyles to reverse/address this.

At present, then, the degrowth project is in its “deconstructive phase”, i.e., the phase in which its advocates are able to present a powerful critique of the prevailing neoliberal project and point to alternative solutions to crisis. At this stage, not enough support has been mobilised behind the degrowth project for it to be elevated to the phases of “construction” and “consolidation”. It is conceivable that at some point, enough people will become sufficiently discontent with the existing economic system and push for something radically different. Reasons for doing so could be the failure of the system to satisfy human needs and/or its inability to resolve the multidimensional crisis confronting humanity. Yet, various material and ideational path-dependencies currently stand in the way of such a development, particularly in countries with large middle-classes. Even if it were to happen that the majority wanted a break with the current system, it is far from given that a system based on the ideas of degrowth is what they would demand.

#### Scenario 2 is Innovation:

#### Increased competition aligns innovation with profit motive and drives technological breakthroughs in every sector of the economy.

Giulio Federico 20. Head of the Unit at the Chief Economist Team (CET) of DG Competition, European Commission, et al., 2020. “Antitrust and Innovation: Welcoming and Protecting Disruption.” https://www.law.berkeley.edu/wp-content/uploads/2020/08/Shapiro-Carl-Antitrust-and-Innovation-Welcoming-and-Protecting-Disruption.pdf.

The goal of antitrust policy is to protect and promote a vigorous competitive process. Effective rivalry spurs firms to introduce new and innovative products, as they seek to capture profitable sales from their competitors and to protect their existing sales from future challengers. In this fundamental way, competition promotes innovation. We apply this basic insight to the antitrust treatment of horizontal mergers and of exclusionary conduct by dominant firms. A merger between rivals internalizes business-stealing effects arising from their parallel innovation efforts and thus tends to depress innovation incentives. Merger-specific synergies, such as the internalization of involuntary spillovers or an increase in the productivity of R&D, may offset the adverse effect of a merger on innovation. We describe the possible effects of a merger on innovation by developing a taxonomy of cases, with reference to recent US and EU examples. A dominant firm may engage in exclusionary conduct to eliminate the threat from disruptive firms. This suppresses innovation by foreclosing disruptive rivals and by reducing the pressure to innovative on the incumbent. We apply this broad principle to possible exclusionary strategies by dominant firms.

I. Introduction

We write in praise of market disrupters—firms that shake up the status quo, threaten incumbent firms, and sometimes transform entire industries. Through this process, which Joseph Schumpeter famously called “creative destruction,” disruptive firms promote economic growth and bring the benefits of new technologies and new business practices and business models to consumers.

We focus on the impact of antitrust policy—known globally as competition policy—on innovation.1 Competition policy seeks to protect and promote a vigorous competitive process by which new ideas are transformed into realized consumer benefits. In this fundamental way, competition spurs innovation. The productivity and growth literature teach us that innovation is the primary driver of rising standards of living over time, so promoting innovation through effective competition policy is likely to be very consequential for economic growth and welfare.

Disruptive firms drive a significant amount of innovation.2 They do not use the same technology or business model as incumbents. They offer consumers a distinct value proposition, not simply lower prices. By making its offer to customers attractive in a new way, a disruptive firm can destroy a great deal of incumbent profit while creating a large amount of consumer surplus. The resulting churn in products and market shares, as new products enter and old ones exit, and as newer business methods and business models supplant older ones, represents a healthy competitive process. If that competitive process is slowed or biased by mergers or by exclusionary conduct, innovation is lessened and consumers are harmed. This same competitive process promotes the development and diffusion of best practices, including what might be termed reductions in X-inefficiency. The trade and productivity literature both convincingly demonstrate that firms vary significantly in their productivity levels and that stiffer competition reallocates sales to more productive firms. The diffusion of best practices also is promoted if sales are contestable, going to the better-performing firms.

Competition policy seeks to protect the competitive process by which disruptive firms challenge the status quo. Competition policy is agnostic regarding the type of firm or the type of innovation involved. Start-ups that grow rapidly can certainly be disruptive. Uber and Airbnb are prominent recent examples. But large established firms can also be disruptive, especially when they attack adjacent markets. Think of Walmart entering local retail markets, Microsoft Bing challenging Google in search, or Netflix producing its own video content.

In contrast, the role played by successful incumbent firms in their own core markets is deeply conflicted. On the one hand, process innovations that lower costs can be most valuable at the largest firms, and market leaders often invest substantial sums to introduce new generations of products. Examples abound: Intel developing a new generation of technology and building new fabs to manufacture microprocessors; Boeing developing a new generation of large commercial aircraft; and Verizon investing to build its 5G wireless network. In many industries experiencing rapid technological change, the biggest firms are also some of the most impressive innovators, as Schumpeter observed 75 years ago.3 This should not be surprising, given the economies of scale associated with R&D, especially in industries where developing the next-generation product or process requires investments of hundreds of millions of dollars and/or extensive experience with the current technology.4 On the other hand, a successful incumbent firm that is profiting greatly from the status quo has a powerful incentive to preserve those profits, and this can mean slowing down or blocking disruptive threats. Successful incumbents also may find it very difficult organizationally to invest in disruptive technologies. 5 Competition valuably increases the diversity of approaches taken to the development of new technology.

We stress in this article that innovation is best promoted when market leaders are allowed to exploit their competitive advantages while also facing pressure to perform coming from both conventional rivals and from disruptive entrants. These labels depend on context: the same firm can be a market leader in one area and a disruptive upstart in another. Market leaders may face competitive pressures to innovate coming from (a) other large firms in the same market, (b) other large firms in adjacent spaces, or (c) smaller, pesky disruptive firms. Casual empiricism indicates that all of these sources of competition are important in different settings. All have historically been protected using competition policy.

The central theme animating our analysis is that a market leader is best motivated to innovate if it fears losing its leadership position to a disruptive rival.6 Even a dominant incumbent will feel pressure to innovate if the bulk of tomorrow’s sales will be won by the firm that is most innovative, be that the incumbent or a disruptive challenger, and if other firms are in a position to leapfrog the current incumbent. Once one properly understands the dynamic nature of the competitive process, it becomes clear that greater rivalry—meaning greater contestability of tomorrow’s sales—leads to more innovation.7 The critical role of competition policy is thus to prevent today’s market leaders from using their market power to disable disruptive threats, either by acquiring would-be rivals or by using anticompetitive tactics to exclude them. Sections II and III discuss the treatment of horizontal mergers that may harm innovation. Section IV discusses the antitrust limits on the business conduct of dominant incumbent firms.

#### Expanding antitrust is necessary to sustain creative destruction. Only that preserves innovation leadership.

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The goal underpinning U.S. antitrust law is to promote competition that leads to lower prices and enhanced consumer welfare.

For years, antitrust agencies have approached this goal by focusing on short-term, static competition, which emphasizes achieving low prices in the here and now.

This narrow focus, however, has resulted in unnecessary conflict between the static competitive analysis deployed by antitrust regulators and the dynamic issues raised by intellectual property.

Fortunately, over the last few decades, a growing recognition has emerged among economists that antitrust laws must be recalibrated to preserve the incentive to innovate and promote the U.S. innovation economy.

These economists are calling for an antitrust framework that prioritizes dynamic over static competition — placing less weight on market concentration in the assessment of market power and more weight on assessing technological opportunity, innovation-driven competition and appropriate enterprise-level capabilities.

At the heart of this movement is the foundational principle, dating back to Joseph Schumpeter and Nobel Laureate economist Robert Solow, that innovation is the main driver of economic growth.

Indeed, given the strong economic evidence that innovation drives productivity, sharpens competition and creates new products, a serious consumer-oriented antitrust policy, with an intermediate-to-long-term orientation, necessarily must focus primarily on supporting and advancing innovation.

However, although antitrust agencies routinely claim to favor both innovation and competition, this has not always been the case.

For instance, during the previous administration, some agency heads unnecessarily generated tension between static competitive analysis — with its undue emphasis on achieving low prices in the short term — and the dynamic issues implicated by intellectual property and associated royalty payments.

Royalties, in the short run, raise prices of licensed goods relative to the prices that would prevail absent payments.

However, payments to licensors also support innovation by helping innovators achieve the economic returns necessary to draw forth the critical investment dollars needed to support research and development (R&D) and continuing innovation.

This model produces a continuous cycle of innovation in which innovators are properly incentivized to invent and reinvest their royalties into more R&D, which leads to new innovations and restarts the cycle.

A prime example of the dynamic benefits flowing from such an innovation ecosystem is 5G. This revolutionary technology promises the ability to connect to and control cities, automobiles, objects and devices, transforming a broad range of industries in the process.

Thanks to its private-sector top performers, the United States currently leads the world in 5G — a distinction that comes with an extraordinary opportunity for massive economic growth and increased consumer welfare.

However, the rigid application of an antitrust framework focused on short-term pricing, rather than on innovation as a critical driver of competition, could cause the United States to forfeit its 5G leadership position.

This would not only reduce consumer welfare but would pose a clear risk to U.S. national security — a fact recognized by U.S. national defense agencies in prohibiting a foreign company from acquiring Qualcomm, a U.S. technology company, because the proposed transaction imperiled Qualcomm’s 5G leadership position.

Recently, the U.S. Department of Justice (DOJ) has indicated that a course correction may be underway. In a series of speeches, Assistant Attorney General Makan Delrahim, head of the DOJ’s Antitrust Division, signaled that the focus of a sound antitrust analysis must be less on short-term pricing and more on the innovation and growth that delivers value to consumers over the longer term.

For example, in his speech before the U.S. Embassy in Beijing, Delrahim invoked “promoting dynamic competition” as a normative goal of competition regulators.

He also declared that “competition law enforcers around the world must give careful consideration to the interests that drive innovation, including by allowing innovators to reap the full rewards of their investment in research and development.” It appears that Delrahim correctly recognizes that innovation is the critical driver of competition.

While Delrahim’s leadership on this issue is admirable, officials at the Federal Trade Commission (FTC) regrettably have yet to follow the DOJ’s lead. The FTC continues to endorse outdated modes of competition regulation and policies that are not properly calibrated to promote dynamic competition and advance innovation.

In order to truly enhance consumer welfare over the long term, I hope the FTC soon will join hands with the DOJ and help move the United States toward a pro-innovation policy founded upon a dynamic competition paradigm.

For over 30 years, a small group of economists has been calling for a pivot in antitrust in favor of dynamic over static competition. With Delrahim at the helm of the DOJ’s Antitrust Division, we may soon witness such a pivot.

U.S. antitrust policy needs to adopt a deeper understanding of innovation processes and competition over the long run, and there needs to be greater policy coherence among antitrust, industrial and technology policies.

The dynamic competition paradigm is both the easiest and the best intellectual paradigm for the competition agencies and the courts to employ to free antitrust from its current outmoded framework. Indeed, prioritizing dynamic competition over its weaker sibling will enhance not just consumer welfare, but economic welfare, too.

#### Regulated capitalism is key---alternative systems fail to innovate sufficiently.

Philippe Aghion, Céline Antonin, & Simon Bunel 21. Professor at the Collège de France, INSEAD, and the London School of Economics and Political Science and was previously Professor of Economics at Harvard. Senior Researcher at OFCE, the French Economic Observatory at Sciences Po in Paris, and Research Associate in the Innovation Lab at the Collège de France. Senior Economist at INSEE, the French National Institute of Statistics and Economic Studies, and at the Bank of France. “The Power of Creative Destruction: Economic Upheaval and the Wealth of Nations.” Harvard University Press.

Nonetheless, the abolition of capitalism is not the solution. The last century witnessed a large-scale experiment with an alternative system—a system of central planning in the Soviet Union and other communist countries of Central and Eastern Europe. This system failed to offer individuals the freedom and economic incentives necessary for frontier innovation, and so these nations were unable to get beyond an intermediate level of development. Henri Weber, a well-known figure of the French movement of May 1968, was a former Trotskyist leader in the 1960s and 1970s but later became a leader of the French Socialist Party and Socialist member of the European Parliament. He explained his personal conversion to the free market economy and social democracy, looking to the Scandinavian experience: “Having witnessed from a front-row seat the disaster of collectivization of agriculture and firms in the Soviet Union, the Scandinavian Socialists were the first to break with the dogma of socializing means of production and managing the economy by a central planning committee. To control and humanize the economy, it is altogether unnecessary to expropriate management, to nationalize firms, or to eradicate the market . . . altogether unnecessary to deprive society of the creativity, knowhow, and dynamism of entrepreneurs. Under certain conditions, entrepreneurial talent can be mobilized to serve the common good.” A market economy, because it induces creative destruction, is inherently disruptive. But historically it has proved to be a formidable engine of prosperity, hoisting our societies to levels of development unimaginable two centuries ago. Must we therefore resign ourselves to the serious pitfalls and defects of capitalism as the necessary price to pay to generate prosperity and overcome poverty?

In this book, we have sought to better understand how growth through creative destruction interacts with competition, inequality, the environment, finance, unemployment, health, happiness, and industrialization, and how poor countries catch up to rich ones. We have analyzed to what degree the state, with appropriate control of the executive, can stimulate the creation of wealth while at the same time tackling the problems mentioned above. We have seen how, by moving from laissez-faire capitalism, with market forces given free rein, to a form of capitalism in which the state and civil society play their full role, it is possible to stimulate social mobility and reduce inequality without discouraging innovation. We have also seen how appropriate competition policies can curb the decline of growth and how we can redirect innovation toward green technologies to combat global warming. We have seen that, without forgoing globalization, a country can improve its competitiveness through innovative investments and put in place effective safety nets to protect individuals who lose their jobs. Lastly, we have seen how, with the indispensable support of civil society, it is possible to prevent yesterday’s innovators, in collusion with public officials, from pulling up the ladder behind themselves to block the path of tomorrow’s innovators.

#### Failure to sustain innovation leadership makes a China war inevitable.

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The global economy has become more integrated, with China’s economy growing strongly—poised to soon take over the United States at market exchange rates and having already done so in terms of purchasing power parity. More importantly, China has become the top trading partner and creditor/investor for many countries. The size and penetration of the Chinese economy have rendered a strategy of containing China impractical and costly to all sides, and makes the US-China contention more protracted and difficult.

The West thus faces a dilemma: Efforts to decouple from China in order to limit its influence would hurt not only China but also Western countries and the global economy more broadly, but striking a trade deal with China to reduce tensions will likely help the Chinese economy perform better, making the strategic competition with Beijing more intractable.

The rivalry has slowly led to a bifurcation of the global economy, most discernible in high-tech areas such as the tension between digital authoritarianism and digital liberalism, artificial intelligence and surveillance technologies, satellite-based navigation for civilian and military uses, and 5G/6G telecommunications.

A balanced assessment

It’s important to remember that China has many weaknesses, including an aging population with a shrunken labor force, a secular decline in labor productivity, high levels of debt, environmental degradation, and social and economic inequalities. It is still an open question whether China can graduate from its old and trusted development model of mobilizing massive investment for exports to one driven by innovation—a model that tends not to thrive under political control.

However, it is equally important not to underestimate the domestic challenges facing the United States and several European countries. Confronted by aging populations and declining productivity, many affluent Western countries have been beset by populist backlashes against economic inequalities and social problems. Especially in the United States, the division has deepened to the extent that there is no shared perception of reality, let alone common ground for debate. This makes it difficult for the United States to build political consensus behind any sustained actions needed to deal with its challenges—even though the country has managed to overcome difficulties in the past and could do so again.

With or without the label “cold war,” the United States and China are locked in a protracted conflict over core national values, including economic and geopolitical interests. The fact that the Chinese economy is stronger than the Soviet Union’s decrepit economy, playing a key role in integrated global supply chains, while many Western countries suffer from internal divisions, makes the strategic competition more challenging for the West than the Cold War of the late twentieth century was. Of particular concern is the fact that the United States has suffered a steep fall in its Freedom House “Freedom in the World” score since 2010, denting much of its soft power. Consequently, the contestants in today’s conflict appear to be more evenly matched, making for a difficult struggle ahead—whatever you want to call it.

#### US-China competition isn’t defined by military strength, but relative innovation capacity. Outpacing China is the only way to prevent a war.

James Lewis 18. Senior vice president at the Center for Strategic and International Studies. “Technological Competition and China.” <https://www.csis.org/analysis/technological-competition-and-china>.

The United States and China are in a growing competition, perhaps verging on conflict, but it is not a nineteenth century competition between empires for control of territory and resources. Unlike great power competition in previous centuries, the focal point is not military strength or territorial expansion. This conflict is over control of the modern levers of power—global rules and institutions, standards, trade, and technology. The ability to create new technologies, particularly digital technologies (given their importance for politics, security, and economic growth) have become key factors in the U.S.-China relationship, which is marked by close commercial cooperation and deep governmental distrust. This disparity creates unavoidable tensions.

The link between technology, innovation, national security, and international power is now widely recognized. When Vladimir Putin says that the country that leads in artificial intelligence (AI) “will be the ruler of the world,” it is hyperbole, but hyperbole that confirms that political leaders recognize that the ability to innovate is a potent source of national power. In the digital age, national security and national power have different requirements shaped by technological change and cyberspace.

Innovation has become a central element of its international influence. This is not new—the U.S.-Soviet space race was a contest of the ability of different systems to produce new technologies, but those were unique government programs. Technological competition today is as much between companies as states. A country’s ability to innovate and produce advanced technologies provides economic strength, military power, and an intangible benefit of perceived leadership.

Both China and the United States have advantages and disadvantages in this contest, and while it is usual to focus on quantitative aspects—such as the number of engineers or patents and spending on research and development (R&D)—these are not the key determinants of technological competition between states. This competition is a contest of ideas on governance for investment, innovation, and the internet. The internet and global connectivity not only reshape the environment for competition but also create political and market forces that both nations find difficult to control.

#### That goes nuclear.

Graham Allison 17. American political scientist and professor at the John F. Kennedy School of Government at Harvard. “Destined for War: Can America and China Escape Thucydides's Trap?” Scribe Publications Pty Limited.

Two centuries ago, Napoleon warned, "Let China sleep; when she wakes, she will shake the world." Today China has awakened, and the world is beginning to shake. Yet many Americans are still in denial about what China's transfor- mation from agrarian backwater to "the biggest player in the history of the world" means for the United States. What is this book's Big Idea? In a phrase. Thucydidess Trap; When rising power threatens to displace a ruling power, alarm bells should sound: danger ahead. China and the United States are currently on a collision course for war-unless both parties take difficult and painful actions to avert it. As a rapidly ascending China challenges America's accustomed pre- dominance, these two nations risk falling into a deadly trap first identified the 'ancient' Greek historian Thucydides. Writing about a war that devastated the two leading city-states of classical Greece two and a half. millennia ago, he explained: "It was the rise of Athens and the fear that this instilled in Sparta that made war inevitable." That primal insight describes :1 perilous historical pattern. Reviewing the record of the past five hundred years, the Thucydides's Trap Project I direct at Harvard has found sixteen cases in which a major nation's rise has disrupted the position of a dominant state. In the most infamous example, an industrial Germany rattled Britain's established position at the top of the pecking order a century ago. The catastrophic outcome of their competition necessitated a new category of violent conflict: world war. Our research finds that twelve of these rivalries ended in war and four did not - not a comforting ratio for the twenty- first century's most important geopolitical contest. This is not a book about China. It is about the *impact* of a rising China on the US and the global order. For seven decades since World War II, a rules-based framework led by Washington has defined world order, producing an era without war among great powers. Most people now think of this as normal. Historians call it a rare "Long Peace." To- day, an increasingly powerful China is unraveling this order, throwing into question the peace generations have taken for granted. In 2015, the Atlantic published "The Thucydides Trap: Are the US and China headed for War?" In that essay I argued that this histori- cal metaphor provides the best lens available for illuminating relations between China and the US today. Since then, the concept has ignited considerable debate. Rather than face the evidence and reflect on the uncomfortable but necessary adjustments both sides might make, pol- icy wonlts and presidents alike have constructed a straw man around Thucydides's claim about "inevitability." They have then put a torch to it -arguing that war between Washington and Beijing is not predetermined. At their 2015 summit, Presidents Barack Obama and Xijinping discussed the Trap at length. Obama emphasized that despite the structural stress created by China's rise. "the two countries are capable of managing their disagreements." At the same time, they acknowledged that. in Xi's words. "should major countries time and again make the mistakes of strategic miscalculation, they might create such traps for themselves." I concur: war between the US and China is not inevitable. Indeed, Thucydides would agree that neither was war between Athens and Sparta. Read in context. it is clear that he meant his claim about inevitability as hyperbole: exaggeration for the purpose of emphasis. The point of Thucydides's Trap is neither fatalism nor pessimism. Instead. it points us beyond the headlines and regime rhetoric to recognize the tectonic structural stress that Beijing and Washington must master to construct a peaceful relationship. If Hollywood were making a movie pitting China against the United States on the path to war. central casting could not find two better leading actors than Xi jinping and Donald Trump. Each personifies his country's deep aspirations of national greatness. Much as Xi's appointment as leader (if China in 2012 accentuated the role of the rising power, America': election of Donald Trump in a campaign that vilified China promises a more vigorous response from the ruling power. As personalities, Trump and Xi could not be more different. As protagonists in a struggle to be number one. however, they share por- tentous similarities. Both - Are driven by .1 common ambition: to malte their nation great again. - Identify the nation ruled by the other as the principal obstacle to their dream. - Take pride in their own unique leadership capabilities. ' See themselves playing a central role in revitalizing their nation. ° Have announced daunting domestic agendas that call for radical changes. - Have fired up populist nationalist support to "drain the swamp" of corruption at home and confront attempts by each other to thwart their nation's historic mission. Will the impending clash between these two great nations lead to war? Will Presidents Trump and Xi, or their successors. follow in the tragic footsteps of the leaders of Athens and Sparta or Britain and Ger- many? Or will they find a way to avoid war as effectively as Britain and the US did a century ago or the US and the Soviet Union did through four decades of Cold War? Obviously, no one knows. We can be cer- tain, however, that the dynamic Thucydides identified will intensify in the years ahead. Denying Thucydides’s Trap does not make it less real. Recognizing it does not mean just accepting whatever happens. We owe it to future generations to face one of history’s most brutal tendencies head on and then do everything we can to defy the odds. h, if we only knew." That was the best the Gemian chancellor could offer. Even when a colleague pressed Theobald von Beth- mann Hollweg. he could not explain how his choices. and those of other European statesmen, had led to the most devastating war the world had seen to that point. By the time the slaughter of the Great War finally ended in 1918, the key players had lost all they fought for: the Austro-Hungarian Empire dissolved. the German kaiser ousted, the Russian tsar overthrown, France bled for a generation, and England shorn of its treasure and youth. And for what? If we only knew. Bethmann Hollweg's phrase haunted the president of the United States nearly half a century later. In 1962.]ohn F. Kennedy was forty- five years old and in his second year in oï¬‚ice, but still struggling to get his mind around his responsibilities commander in chief. He knew that his finger was on the button of a nuclear arsenal that could ltill hundreds of millions of human beings in a matter of minutes. But for what? A slogan at the time declared. "Better dead than red." Kennedy rejected that dichotomy as not just facile, but false. "Our goal," as he put it, had to be "not peace at the expense of freedom, but both peace and freedom." The question was how he and his administration could achieve both. As he vacationecl at the family compound on Cape Cod in the sum- mer of 1902, Kennedy found himself reading The Gun: q/'August, Bar- bara Tuchman's compelling account of the outbrealt of war in 1914. Tuclnnan traced the thoughts and actions of Germany's Kaiser Wil- helm and his chancellor Bethmann Hollweg. Britain's King George and his foreign secretary Edward Grey, Tsar Nicholas, Austro-Hungarian emperor Franz Joseph. and others as they sleepwalked into the abyss. Tuchman argued that none of these men understood the danger they faced. None wanted the war they got. Given the opportunity for a do- -mwm he made. Reflecting on his own responsibilities, Kennedy pledged that if he ever found himself facing his own responsibilities, Kennedy pledged that if ever found himself facing choices that could make the difference between catastrophic war and peace, he would be able to give history a better answer than Bethmann Holloweg’s. Kennedy had no inkling of what lay ahead. In October 1962, just two months after he read Tuchman's book, he faced off against Soviet leader Nikita Khrushchev in the most dangerous confrontation in hu- man history. The Cuban Missile Crisis began when the United States discovered the Soviets attempting to sneak nuclear-tipped missiles into Cuba, a mere ninety miles from Florida. The situation quickly esca- lated from diplomatic threats to an American blockade of the island, military mobilizations in both the US and USSR, and several high- stakes clashes. including the shooting down of an American U-2 spy plane over Cuba. At the height of the crisis, which lasted for a tense thirteen days. Kennedy confided to his brother Robert that he believed the chances it would end in nuclear war were "between one-in-three and even." Nothing historians have discovered since has lengthened ' those odds. Although he appreciated the dangers of his predicament. Kennedy repeatedly made choices he knew actually increased the risk of war, in- cluding nuclear war. He chose to confront Khrushchev publicly (rather than my to resolve the issue privately through diplomatic channels); to draw an unambiguous red line requiring the removal of Soviet missiles (rather than leave himself more wiggle room); to threaten air strikes to destroy the missiles (knowing this could trigger Soviet retaliation against Berlin); and finally, on the penultimate day of the crisis. to give Khrushchev a time-limited ultimatum (that. if rejected. would have re- quired the US to fire the first shot). In each of these choices, Kennedy understood that he was raising the risk that further events and choices by others beyond his control could lead to nuclear bombs destroying American cities. including Washing- ton, DC (where his family stayed throughout the ordeal). For example, when Kennedy elevated the alert level of the American nuclear arse- nal to Defcon II. he made US weapons less vulnerable to a preemptive Soviet attack but simultaneously relaxed a score of safety catches. At Defcon ll. German and Turkish pilots took their seats in NATO fighter bombers loaded with armed nuclear weapons less than two hours away from their targets in the Soviet Union. Since electronic locks on nu- clm weapons had not yet been invented, there was no physical or tech- nica barrier preventing a pilot from deciding to ï¬‚y to Moscow, drop a mic ar bomb, and start World War III. ith no way to wish away these "risks of the uncontrollable," Ken- ned ' and his secretary of defense, Robert McNamara, reached deeply into organizational procedures to minimize accidents or mistakes. De- spit those efforts, historians have identified more than a dozen close calls outside Kennedy's span of control that could have sparked a war. A US ntisubmarine campaign, For example, dropped explosives around Soviet submarines to force them to surface, leading a Soviet captain to believe he was under attack and almost fire his nuclear-armed torpe- does. In another incident, the pilot of a U-2 spy craft mistakenly ï¬‚ew over the Soviet Union, causing Khrushchev to fear that Washington was refining coordinates for a preemptive nuclear attack. If one of these actions had sparked a nuclear World War III. could\_]FK explain how his choices contributed to it? Could he give a better answer to an inquisi- tor's question than Bethmann Hollweg did? The complexity of causation in human affairs has vexed philoso- phers, jurists, and social scientists. In analyzing how wars break out, historians focus primarily on proximate or immediate causes. In the case of World War I, these include the assassination of the Hapsburg archduke Franz Ferdinand and the decision by Tsar Nicholas II to mo- bilize Russian forces against the Central Powers. If the Cuban Missile Crisis had resulted in war, the proximate causes could have been the Soviet submarine captain's decision to fire his torpedoes rather than al- low his submarine to sink, or a Turkish pilot's errant choice to fly his nuclear payload to Moscow. Proximate causes for war are undeniably important. But the founder of history believed that the most obvious causes for bloodshed mask even more significant ones. More import- ant than the sparks that lead to war, Thucydides teaches us, are the structural factors that lay its foundations: conditions in which other- wise manageable events can escalate with unforeseeable severity and produce unimaginable consequences. Tl-IUCYDIDES'S TRAP In the most frequently cited one-liner in the study of international re- lations, the ancient Greek historian Thucydides explained, "It was the rise of Athens and the fear that this instilled in Sparta that made war a} . I I .99 Tliucydides wrote about the Peloponnesian War, a conflict that en- gulfcd his homeland, the city-state of Athens, in the fifth century BCB, and which in time came to consume almost the entirety of ancient Greece. A former soldier. Thucydides watched as Athens challenged the dominant Greek power of the day, the martial city-state of Sparta. He observed the outbreak of armed hostilities between the two powers and detailed the fighting's horrific toll. He did not live to see its bitter end. when a weakened Sparta finally vanquished Athens. but it is just as well for him. While others identified an array of contributing causes of the Pelo- ponncsian War. Thucydides went to the heart of the matter. When he turned the spotlight on "the rise of Athens and the fear that this in- stilled in Sparta." he identified a primary driver at the root of some of history's most catastrophic and puzzling wars. Intentions aside, when a rising power threatens to displace a ruling power, the resulting structural stress makes a violent clash the rule, not the exception. It happened between Athens and Sparta in the fifth century ncia, between Germany and Britain a century ago. and almost led to war between the Soviet Union and the United States in the 1950s and 19605. Like so many others. Athens believed its advance to be benign. Over the half century that preceded the conï¬‚ict, it had emerged as a steeple of civilization. Philosophy, drama. architecture, democracy. history, and naval prowess-Athens had it all. beyond anything previously -s'eel'I'Imder the sun. Its rapid development began to threaten Sparta, which had grown accustomed to its position as the dominant power on the Peloponnese. As Athenian confidence and pride grew, so too did its demands for respect and expectations that arrangements be revised to reflect new realities of power. These were, Thucydides tells us, natural reactions to its changing station. How could Athenians not believe that their interests deserved more weight? How could Athenians not expect that they should have greater inï¬‚uence in resolving differences? But it was also natural. Thucydides explained. that Spartans should see the Athenian claims as unreasonable, and even ungrateful. Who, Spartans rightly asked. provided the security environment that allowed Athens to ï¬‚ourish? As Athens swelled with a growing sense of its own importance, and felt entitled to greater say and sway, Sparta reacted with insecurity. fear. and a determination to defend the status quo. Similar dynamics can be found in a host of other settings, indeed even in families. When a young man's adolescent surge poses the prospect that he will overshadow his older sibling (or even his father), what do we expect? Should the allocation of bedrooms. or closet space, or seat- ing be adjusted to reflect relative size as well as age? In alpha-dominated species like gorillas, as a potential successor grows larger and stronger, both the pack leader and the wannabe prepare for a showdown. In businesses, when disruptive technologies allow upstart companies like Apple. Google. or Uber to break quickly into new industries. the re- sult is often a bitter competition that forces established companies like : ifliiexpvlett-Packard, Microsoft. or taxi operators to adapt their business models -or perish. Thucydides's Trap refers to the natural, inevitable discombobulation that occurs when a rising power threatens to displace a ruling power. This can happen in any sphere. But its implications are most dangerous in international affairs. For just as the original instance of Thucydides's Trap resulted in a war that brought ancient Greece to its knees, this phenomenon has haunted diplomacy in the millennia since. Today it has set the world's two biggest powers on a path to a cataclysm nobody wants, bud which they may prove unable to avoid. ARE THE US AND CHINA DESTINED FOR WAR? The world has never seen anything like the rapid, tectonic shift in the global balance of power created by the rise of China. If the US were a corporation. it would have accounted for 50 percent of the global eco- nomic market in the years immediately after World War II. By 1980, that had declined to 22 percent. Three decades of double-digit Chi- nese growth has reduced that US share to 16 percent today. If current trends continue, the US share of global economic output will decline further over the next three decades to 'ust ll rcent. Over this same J P' criod, China's share of the global economy will have soared from 2 P 8 Y percent in 1980 to 18 percent in 2016, well on its way to 30 percent in 2040. China's economic development is transforming it into a formida- ble political and military competitor. During the Cold War. as the US mounted clumsy responses to Soviet provocations, a sign in the Penta- gon said: "lf we ever faced a real enemy, we would be in deep trouble." China is a serious potential enemy. The possibility that the United States and China could find them- selves at war appears as unlikely as it would be unwise. The centennials recalling World War l, however, have reminded us of man's capacity for folly. When we say that war is "inconceivable." is this a statement about what is possible in the world-or only about what our limited minds can conceive? As far ahead as the eye can see. the defining question about global order is whether China and the US can escape Thucydides's Trap. Most contests that fit this pattern have ended badly. Over the past five hun- drcd years, in sixteen cases a major rising power has threatened to dis- place a ruling power. In twelve of those, the result was war. The four cases that avoided this outcome did so only because of huge, painful adjustments in attitudes and actions on the part of challenger and chal- lenged alilte. The United States and China can likewise avoid war, but only if they can internalize two difficult truths. First. on the current trajectory. war between the US and China in the decades ahead is not just possible, but much more likely than currently recognized. Indeed. on the historical record. war lS IUOT? add to they h tainly major likely than not. By underestimating the danger, moreover, we the risk. If leaders in Beijing and Washington keep doing what ave done for the past decade. the US and China will almost cer- wind up at war. Second, war is not inevitable. History shows that ruling powers can manage relations with rivals. even those that threaten to overtake them, without triggering a war. The record of those successes, as well as the failures. offers many lessons for statesmen today. As George Santayana noted, only those who fail to study history are condemned to repeat it. The chapters that follow describe the origins of Thucydides's Trap, explore its dynamics. and explain its implications for the present con- test between the US and China. Part One provides a succinct summary of the rise of China. Everyone knows about China's growth but few have realized its magnitude or its consequences. To paraphrase former Czech president Vaclav Havel. it has happened so quickly that we have not yet had time to be astonished. Part Two locates recent developments in US-China relations on the broader canvas of history. This not only helps us understand current events. but also provides clues about where events are trending. Our review stretches back 2,500 years, to the time when the rapid growth of Athens shocked a dominant martial Sparta and led to the Pelopon- nesian War. Key examples from the past 500 years also provide insights into the ways in which the tension between rising and ruling powers can tilt the chessboard toward war. The closest analogue to the current standoff--Germany's challenge to Britain's ruling global empire be- fore World War I--should give us all pause. Part Three asks whether we should see current trends in America's relations with China as a gathering storm of similar proportions. Daily media reports of China's "aggressive" behavior and unwillingness to accept the "intemational rules-based order" established by the US af- -!El"W6l'l'd War I] describe incidents and accidents reminiscent of 1914. At the same time. a dose of self-awareness is due. If China were "just lilte us" when the US burst into the twentieth century brimming with confidence that the hundred years ahead would be an American era. the rivalry would be even more severe, and war even harder to avoid. If it actually followed in America's footsteps, we should expect to see Chi- nese troops enforcing Beijing's will from Mongolia to Australia, just as Theodore Roosevelt molded "our hemisphere" to his China is following a different trajectory than did the United States during its own surge to primacy. But in many aspects of China's rise, we can hear echoes. What does President Xi\_|inping's China want? In one line: to make China great again. The deepest aspiration of over a billion Chinese citizens is to make their nation not only rich, but also pow- erful. Indeed, their goal is a China so rich and so powerful that other nations will have no choice but to recognize its interests and give it the respect that it deserves. The sheer scale and ambition of this "China Dream" should disabuse us of any notion that the contest between (jliina and the United States will naturally subside as China becomes a "responsible stakeholder." This is especially so given what my former colleague Sam Huntington famously called a "clash of civilizations," a historical disjunction in which fundamentally different Chinese and American values and traditions make rapprochement between the two powers even more elusive. While resolution of the present rivalry may seem difficult to foresee. actual armed conflict appears distant. But is it? In truth, the paths to war are more varied and plausible (and even mundane) than we want to believe. From current confrontations in the South China Sea, the East China Sea, and cyberspace, to a trade conflict that spirals out of control, it is frighteningly easy to develop scenarios in which Ameri- can and Chinese soldiers are killing each other. Though none of these scenarios seem likely, when we recall the unintended consequences of the assassination of the Hapsburg archdulte or of l(hrushchev's nuclear adventure in Cuba, we are reminded of just how narrow the gap is be- tween "unlikely" and "impossible." Part Four explains why war is not inevitable. Most of the policy community and general public are naively complacent about the possi- bility of war. Fatalists. meanwhile, see an irresistible force rapidly ap- proaching an immovable object. Neither side has it right. If leaders in both societies will study the successes and failures of the past, they will find a rich source of clues from which to fashion a strategy that can meet each nation's essential interests without war. The return to prominence of a 5,000-year-old civilization with 1.4 billion people is not a problem to be fixed. It is a condin'on-a chronic condition that will have to be managed over a generation. Success will require not just a new slogan, more frequent presidential summits. or additional meetings of departmental working groups. Managing this relationship without war will demand sustained attention, week by Wcclc. at the highest levels in both governments. It will require a depth of mutual understanding not seen since the Henry Kissinger-Zhou En- lai conversations that reestablished US-China relations in the 19705. Most significant, it will mean more radical changes in attitudes and ac- tions by leaders and the public alilte than anyone has yet undertaken. To escape Thucydides's Trap. we must be willing to think the unthinkable -:md imagine the unimaginable. Avoiding Thucydides's Trap in this case will require nothing less than bending the arc of history.

#### Absent US leadership, China will fill-in the innovation vacuum---that causes an expansion of technology that undermines human rights, expands repression of minorities, and cements dangerous bioethics.

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Since the early days of the Cold War, the United States has led the world in technology. Over the course of the so-called American century, the country conquered space, spearheaded the Internet, and brought the world the iPhone. In recent years, however, China has undertaken an impressive effort to claim the mantle of technological leadership, investing hundreds of billions of dollars in robotics, artificial intelligence, microelectronics, green energy, and much more. Washington has tended to view Beijing’s massive technology investments primarily in military terms, but defense capabilities are merely one aspect of great-power competition today—little more than table stakes. Beijing is playing a more sophisticated game, using technological innovation as a way of advancing its goals without having to resort to war. Chinese companies are selling 5G wireless infrastructure around the world, harnessing synthetic biology to bolster food supplies, and racing to build smaller and faster microchips, all in a bid to grow China’s power.

In the face of China’s technological drive, U.S. policymakers have called for greater government action to protect the United States’ lead. Much of the conventional wisdom is sensible: boost R & D spending, ease visa restrictions and develop more domestic talent, and build new partnerships with industry at home and with friends and allies abroad. But the real problem for the United States is much deeper: a flawed understanding of which technologies matter and of how to foster their development. As national security assumes new dimensions and great-power competition moves into different domains, the government’s thinking and policies have not kept pace. Nor is the private sector on its own likely to meet every technological need that bears on the country’s security.

In such an environment, Washington needs to broaden its horizons and support a wider range of technologies. It needs to back not only those technologies that have obvious military applications, such as hypersonic flight, quantum computing, and artificial intelligence, but also those traditionally thought of as civilian in nature, such as microelectronics and biotechnology. Washington also needs to help vital nonmilitary technologies make the transition to commercial success, stepping in with financing where the private sector will not.

AMERICA’S INNOVATION CHALLENGE

In the early decades of the Cold War, the United States spent billions of dollars dramatically expanding its scientific infrastructure. The Atomic Energy Commission, formed in 1946, assumed responsibility for the wartime labs that had pioneered nuclear weapons, such as the Oak Ridge National Laboratory, the headquarters of the Manhattan Project, and went on to fund academic research centers, such as the Lawrence Livermore National Laboratory. The Department of Defense, founded in 1947, was given its own massive research budget, as was the National Science Foundation, established in 1950. After the Soviets launched the Sputnik satellite, in 1957, Washington created the National Aeronautics and Space Administration, or NASA, to win the space race, as well as what would become the Defense Advanced Research Projects Agency, which was tasked with preventing a future technological surprise. By 1964, research and development accounted for 17 percent of all discretionary federal spending.

Partnering closely with academia and companies, the government funded a large variety of basic research—that is, research without a specific end use in mind. The goal was to build a technological foundation, defined primarily as conventional and nuclear defense capabilities, to ensure the country’s security. The research proved astonishingly successful. Government investment spawned cutting-edge capabilities that undergirded the United States’ military superiority, from supersonic jets to nuclear-powered submarines to guided missiles. The private sector, for its part, got to capitalize on the underlying intellectual property, turning capabilities into products and products into companies. GPS-enabled technologies, airbags, lithium batteries, touchscreens, voice recognition—all got their start thanks to government investment.

Yet over time, the government lost its lead in innovation. In 1964, the U.S. government was spending 1.86 percent of GDP on R & D, but by 1994, that share had fallen to 0.83 percent. During that same period, U.S. corporate R & D investment as a percentage of GDP nearly doubled. The numbers tell only half the story. Whereas much of the government’s R & D investment was aimed at finding new, game-changing discoveries, corporate R & D was mostly devoted to incremental innovation. The formula for growing revenue, the private sector realized, was to expand on existing products, adding functionality or making something faster, smaller, or more energy efficient. Companies focused on nearer-term technologies with commercial promise, rather than broad areas of inquiry that might take decades to bear fruit.

Increasingly, the most innovative R & D was taking place not in the labs of large corporations but at nimbler, privately funded startups, where venture capital investors were willing to tolerate more risk. Modern venture capital firms—partnerships that invest in early-stage companies—first arose in the 1970s, leading to early successes such as Apple and Microsoft, but it wasn’t until the dot-com bubble of the 1990s that this style of investment really took off. If the first phase of R & D outsourcing was from government labs to corporate America, this was the second phase: away from big businesses and toward small startups. Large companies began to spend less on internal R & D and more on what they called “corporate development,” or acquiring smaller, venture-backed companies with promising technologies.

The rise of venture capitalism created a great deal of wealth, but it didn’t necessarily further U.S. interests. Venture capital firms were judged by their ability to generate outsize returns within a ten-year window. That made them less interested in things such as microelectronics, a capital-intensive sector where profitability arrives in decades more so than years, and more interested in software companies, which need less capital to get going. The problem is that the companies receiving the most venture capital funding have been less likely to pursue national security priorities. When the American venture capital firm Accel hit the jackpot by investing early in Rovio Entertainment, the Finnish video game company behind the mobile app Angry Birds, it may have been a triumph for the firm, but in no way did it further U.S. interests.

Meanwhile, government funding of research continued its decline relative both to GDP and to R & D spending in the private sector. The Department of Defense retained the single biggest pot of federal research funding, but there was less money overall, and it became more dispersed across various agencies and departments, each pursuing its own priorities in the absence of a national strategy. As the best researchers were lured to the private sector, the government’s in-house scientific expertise atrophied. Once close relationships between private companies and Washington also suffered, as the federal government was no longer a major customer for many of the most innovative firms. U.S. agencies were rarely the first to buy advanced technology, and smaller startups generally lacked the lobbyists and lawyers needed to sell it to them anyway.

Globalization also drove a wedge between corporations and the government. The American market came to look less dominant in an international context, with the huge Chinese consumer market exerting a particularly powerful pull. Corporations now had to think of how their actions might look to customers outside the United States. Apple, for example, famously refused to unlock iPhones for the FBI, a decision that probably enhanced its brand internationally.

Further complicating matters, innovation itself was upending the traditional understanding of national security technology. More and more, technology was becoming “dual use,” meaning that both the civilian and the military sectors relied on it. That created new vulnerabilities, such as concerns about the security of microelectronic supply chains and telecommunications networks. Yet even though civilian technologies were increasingly relevant for national security, the U.S. government wasn’t responsible for them. The private sector was, and it was innovating at a rapid clip with which the government could barely keep pace. Taken together, all these trends have led to a concerning state of affairs: the interests of the private sector and the government are further apart than ever.

THE CHINESE JUGGERNAUT

The changes in American innovation would matter less if the world had remained unipolar. Instead, they occurred alongside the rise of a geopolitical rival. Over the past two decades, China has evolved from a country that largely steals and imitates technology to one that now also improves and even pioneers it. This is no accident; it is the result of the state’s deliberate, long-term focus. China has invested massively in R & D, with its share of global technology spending growing from under five percent in 2000 to over 23 percent in 2020. If current trends continue, China is expected to overtake the United States in such spending by 2025.

Central to China’s drive has been a strategy of “military-civil fusion,” a coordinated effort to ensure cooperation between the private sector and the defense industry. At the national, provincial, and local levels, the state backs the efforts of military organizations, state-owned enterprises, and private companies and entrepreneurs. Support might come in the form of research grants, shared data, government-backed loans, or training programs. It might even be as simple as the provision of land or office space; the government is creating whole new cities dedicated solely to innovation.

China’s investment in 5G technology shows how the process works in practice. Equipment for 5G makes up the backbone of a country’s cellular network infrastructure, and the Chinese company Huawei has emerged as a world leader in engineering and selling it—offering high-quality products at a lower price than its Finnish and South Korean competitors. The company has been buoyed by massive state support—by The Wall Street Journal’s count, some $75 billion in tax breaks, grants, loans, and discounts on land. Huawei has also benefited from China’s Belt and Road Initiative, which provides generous loans to countries and Chinese companies to finance infrastructure construction.

Massive state investments in artificial intelligence have also paid off. Chinese researchers now publish more scientific papers in that field than American ones do. Part of this success is the result of funding, but something else plays a big role: access to enormous amounts of data. Beijing has fueled the rise of powerhouse companies that sweep up endless information about their users. These include Alibaba, an e-commerce giant; Tencent, which developed the all-purpose WeChat app; Baidu, which began as a search engine but now offers a range of online products; DJI, which dominates the consumer drone market; and SenseTime, which provides facial recognition technology for China’s video surveillance network and is said to be the world’s most valuable artificial intelligence company. As a matter of law, these companies are required to cooperate with the state for intelligence purposes, a broad mandate that is almost certainly used to force companies to share data for many other reasons.

That information increasingly involves people living outside China. Chinese companies have woven a global web of data-gathering apps that collect foreigners’ private information about their finances, their search history, their location, and more. Those who make a mobile payment through a Chinese app, for example, could have their personal data routed through Shanghai and added to China’s growing trove of knowledge about foreign nationals. Such information no doubt makes it easier for the Chinese government to track, say, an indebted Western bureaucrat who could be convinced to spy for Beijing or a Tibetan activist who has taken refuge abroad.

China’s hunger for data extends to some of the most personal information imaginable: our own DNA. Since the COVID-19 pandemic began, BGI—a Chinese genome-sequencing company that began as a government-funded research group—has broken ground on some 50 new laboratories abroad designed to help governments test for the virus. China has legitimate reasons to build these labs, but it also has an ugly record of forcibly collecting DNA data from Tibetans and Uighurs as part of its efforts to monitor these minorities. Given that BGI runs China’s national library of genomics data, it is conceivable that through BGI testing, foreigners’ biological data might end up in that repository.

Indeed, China has shown great interest in biotechnology, even if it has yet to catch up to the United States. Combined with massive computing power and artificial intelligence, innovations in biotechnology could help solve some of humanity’s most vexing challenges, from disease and famine to energy production and climate change. Researchers have mastered the gene-editing tool CRISPR, allowing them to grow wheat that resists disease, and have managed to encode video in the DNA of bacteria, raising the possibility of a new, cost-effective method of data storage. Specialists in synthetic biology have invented a new way of producing nylon—with genetically engineered microorganisms instead of petrochemicals. The economic implications of the coming biotechnology revolution are staggering: the McKinsey Global Institute has estimated the value of biotechnology’s many potential applications at up to $4 trillion over the next ten to 20 years.

Like all powerful technologies, however, biotechnology has a dark side. It is not inconceivable, for example, that some malicious actor could create a biological weapon that targeted a specific ethnic group. On controversial questions—such as how much manipulation of the human genome is acceptable—countries will accept different degrees of risk in the name of progress and take different ethical positions. The country that leads biotechnology’s development will be the one that most profoundly shapes the norms and standards around its use. And there is reason to worry if that country is China. In 2018, the Chinese scientist He Jiankui genetically engineered the DNA of twin babies, prompting an international uproar. Beijing portrayed him as a rogue researcher and punished him. Yet the Chinese government’s disdain for human rights, coupled with its quest for technological supremacy, suggests that it could embrace a lax, even dangerous approach to bioethics.

THINKING BIGGER

Washington has monitored China’s technological progress through a military lens, worrying about how it contributes to Chinese defense capabilities. But the challenge is much broader. China’s push for technological supremacy is not simply aimed at gaining a battlefield advantage; Beijing is changing the battlefield itself. Although commercial technologies such as 5G, artificial intelligence, quantum computing, and biotechnology will undoubtedly have military applications, China envisions a world of great-power competition in which no shots need to be fired. Technological supremacy promises the ability to dominate the civilian infrastructure on which others depend, providing enormous influence. That is a major motivation behind Beijing’s support for high-tech civilian infrastructure exports. The countries buying Chinese systems may think they are merely receiving electric grids, health-care technology, or online payment systems, but in reality, they may also be placing critical national infrastructure and citizens’ data in Beijing’s hands. Such exports are China’s Trojan horse.

Despite the changing nature of geopolitical competition, the United States still tends to equate security with traditional defense capabilities. Consider microelectronics. They are critical components not only for a range of commercial products but also for virtually every major defense system, from aircraft to warships. Because they will power advances in artificial intelligence, they will also shape the United States’ future economic competitiveness. Yet investment in microelectronics has fallen through the cracks. Neither the private sector nor the government is adequately funding innovation—the former due to the large capital requirements and long time horizons involved and the latter because it has focused more on securing current supplies than on innovating. Although China has had a hard time catching up to the United States in this area, it is only a matter of time before it moves up the microelectronics value chain.

Another casualty of the United States’ overly narrow conception of security and innovation is 5G technology. By dominating this market, China has built a global telecommunications network that can serve geopolitical purposes. One fear is that Beijing could help itself to data running on 5G networks. Another is the possibility that China might sabotage or disrupt adversaries’ communications networks in a crisis. Most U.S. policymakers failed to predict the threat posed by Chinese 5G infrastructure. It wasn’t until 2019 that Washington sounded the alarm about Huawei, but by then, there was little it could do. U.S. companies had never offered an end-to-end wireless network, instead focusing on manufacturing individual components, such as handsets and routers. Nor had any developed its own radio access network, a system for sending signals across network devices that is needed to build an end-to-end 5G system like that offered by Huawei and a few other companies. As a result, the United States found itself in an absurd situation: threatening to end intelligence cooperation if close allies adopted Huawei’s 5G technology without having an attractive alternative to offer.

Digital infrastructure may be today’s battle, but biotechnology will likely be the next. Unfortunately, it, too, is not considered a priority within the U.S. government. The Department of Defense has understandably shown little interest in it. Part of the explanation for that lies in the fact that the United States, like many other countries, has signed a treaty renouncing biological weapons. Still, biotechnology has other implications for the Pentagon, from changing manufacturing to improving the health of service personnel. More important, any comprehensive assessment of the national interest must recognize biotechnology’s implications for ethics, the economy, health, and planetary survival.

Because so many of the gaps in U.S. innovation can be traced back to a narrow view of the national interest and which technologies are needed to support it, the Biden administration’s first step should be to expand that understanding. Officials need to appreciate both the threats and the opportunities of the latest technologies: the havoc that could be wreaked by a paralyzed 5G network or unscrupulous genetic engineering, as well as the benefits that could come from sustainable energy sources and better and more efficient health care.

The Biden administration’s second step should be to create a process for aligning government investments with national priorities. Today, federal funding is skewed toward military capabilities. This reflects a political reality: the Pentagon is the rare part of the government that reliably receives bipartisan budgetary support. Fighter jets and missile defense, for example, are well funded, whereas pandemic preparedness and clean energy get short shrift. But setting the right national technological priorities raises questions that can be answered only by making judgments about the full range of national needs. What are the most important problems that technology can help solve? Which technologies have the power to solve only one problem, and which might solve multiple problems? Getting the answers to such questions right requires taking a truly national perspective. The current method doesn’t do so.

A properly run process would begin with what national security professionals call a “net assessment”—in this case, an analysis of the state of global technological progress and market trends to give policymakers the information necessary to work from a shared baseline. To be actionable, the process would establish a handful of near- and long-term priorities. A compelling candidate for long-term investment, for instance, might be microelectronics, which are foundations for both military and civilian innovation but have difficulty attracting private investment dollars. Another long-term priority might be biotechnology, given its importance for the economy and the future of humanity. As for short-term priorities, the U.S. government might consider launching an international effort to combat disinformation operations or to promote 5G innovation. Whatever the specific priorities chosen, the important thing is that they be deliberate and clear, guiding the United States’ decisions and signaling its aspirations.

A MARKET MINDSET

Supporting those priorities is another matter altogether. The current approach—with the government funding only limited research and the private sector taking care of commercializing the results—isn’t working. Too much government-funded research remains locked in the lab, unable to make the leap to commercial viability. Worse, when it manages to leave U.S. government labs, it often ends up in foreign hands, depriving the United States of taxpayer-financed intellectual property.

The U.S. government will need to take a more active role in helping research make it to the market. Many universities have created offices that focus on commercializing academic research, but most federal research institutions have not. That must change. In the same spirit, the U.S. government should develop so-called sandboxes—public-private research facilities where industry, the academy, and the government can work together. In 2014, Congress did just that when it established Manufacturing USA, a network of facilities that conduct research into advanced manufacturing technologies. A similar initiative for microelectronics has been proposed, and there is no reason not to create additional sandboxes in other areas, too.

The U.S. government could also help with commercialization by building national data sets for research purposes, along with improved privacy protections to reassure the people whose information ends up in them. Such data sets would be particularly useful in accelerating progress in the field of artificial intelligence, which feeds off massive quantities of data—something that only the government and a handful of big technology companies currently possess. Success in synthetic biology, along with wider medical research, will also depend on data. Thus, the U.S. government should increase the quantity and diversity of the data in the National Institutes of Health’s genome library and curate and label that information so that it can be used more easily.

All this help with commercialization will be for naught, however, if the startups with the most promising technologies for national security cannot attract enough capital. Some of them run into difficulties at the early and late stages of growth: in the beginning, they have a hard time courting investors willing to make high-risk bets, and later on, when they are ready to expand, they find it difficult to attract investors willing to write large checks. To fill the gaps at both stages, the U.S. government needs its own investment vehicles.

We work at the parent company of In-Q-Tel, which offers a promising model for early-stage investment. Created in 1999 by the CIA, In-Q-Tel is an independent, not-for-profit firm that invests in technology startups that serve the national interest. (One early recipient of In-Q-Tel’s investment was Keyhole, which became the platform for Google Earth.) Now also funded by the Department of Homeland Security, the Department of Defense, and other U.S. agencies, In-Q-Tel identifies and adapts innovative technologies for its government customers. Compared with a federal agency, a private, not-for-profit firm can more easily attract the investment and technology talent required to make informed investments. There is every reason to take this model and apply it to broader priorities. Even just $100 million to $500 million of early-stage funding per year—a drop in the bucket of the federal budget—could help fill the gap between what the private sector is providing and what the nation needs.

For the later stage, policymakers could draw inspiration from the U.S. International Development Finance Corporation, the federal agency responsible for investing in development projects abroad, which in 2018 was first authorized to make equity investments. A late-stage investment fund could be structured as an arm of that agency or as a fully independent, not-for-profit private entity funded by the government. Either way, it would provide badly needed capital to companies ready to scale up their operations. Compared with early-stage government support, late-stage government support would have to be greater, in the range of $1 billion to $5 billion annually. To expand the impact of this government investment, both the early- and the late-stage funds should encourage “sidecar” investments, which would allow profit-seeking firms and individuals to join the government in making, and potentially profiting from, technology bets.

Government-sponsored investment funds like these would not only fill critical gaps in private-sector investment; they would also allow taxpayers to share in the success of research their money has funded. Currently, most government funding for technology comes in the form of grants, such as the Small Business Innovation Research grants administered by the Small Business Administration; this is true even of some programs that are billed as investment funds. This means that taxpayers foot the bill for failures but cannot share in the success if a company makes it big. As the economist Mariana Mazzucato has pointed out in these pages, “governments have socialized risks but privatized rewards.”

Not-for-profit investment vehicles working on behalf of the government would have another benefit: they would allow the United States to play offense when it comes to technological competition. For too long, it has played defense. For example, it has banned the export of sensitive technology and restricted foreign investment that might pose a national security risk—even though these actions can harm U.S. businesses and do nothing to promote innovation. Supporting commercialization with government-sponsored equity investment will not be cheap, but some of the upfront costs would likely be regained and could be reinvested. There are also nonmonetary returns: investing in national priorities, including infrastructure that could be exported to U.S. allies, would enhance the United States’ soft power.

INNOVATION EVER AFTER

President Joe Biden has pledged to “build back better” and restore the United States’ global leadership. On the campaign trial, he laid out promising proposals to promote American innovation. He called for dramatically boosting federal R & D spending, including some $300 billion to be focused on breakthrough technologies to enhance U.S. competitiveness. That is a good start, but he could make this drive far more effective if he first created a rigorous process for identifying top technological priorities. Biden said he supports “a scaled-up version” of the Small Business Innovation Research grants and has backed “infrastructure for educational institutions and partners to expand research.” Even greater opportunity lies in filling the gaps in private-sector investment and undertaking a long-overdue expansion of government support for commercialization.

On innovation, if the United States opts for just more of the same, its economy, its security, and its citizens’ well-being will all suffer. The United States will thus further the end of its global leadership and the unfettered rise of China. Biden has the right instincts. Yet in order to sustain its technological dominance, the country will have to fundamentally reenvision the why and how of innovation. Biden will no doubt be consumed with addressing domestic challenges, but he has spent much of his career promoting the United States’ global leadership. By revamping American technological innovation, he could do both.

# 2AC

## Case

#### Big Tech produces inequality and reduced growth. That anti-competitive effect is most pronounced in big tech.

Philippe Aghion, Reda Cherif, & Fuad Hasanov 21. French economist who is a Professor at College de France, at INSEAD, and at the London School of Economics. Senior Economist at the International Monetary Fund (IMF). Senior Economist at the International Monetary Fund (IMF) and an Adjunct Professor of Economics at Georgetown University. “Competition, Innovation, and Inclusive Growth.” <https://www.elibrary.imf.org/view/journals/001/2021/080/article-A001-en.xml>.

The consequences of the rise of the giant platforms are multiple. The exclusive access to a large amount of data about users or suppliers in a network or platform can reinforce the market power of tech giants. The access to a large trove of personal data from a social network can help devise personalized advertisement methods, including in political campaigns, which is difficult to compete with without this access. Self-driving technology or personalized health services are other examples where the exclusive access to users’ data can give a critical advantage to a firm and create monopolies. For example, while Tesla has accumulated millions of hours of drivers’ data to develop its self-driving technology, other firms must rely on simulations to develop self-driving capabilities. Overall, this raises important questions about privacy, data ownership and portability.

More important, the platforms give rise to a new type of “monopsony” power. A large set of free-lance workers and suppliers must sell their goods and services through one or very few platforms to access their consumers. With a limited bargaining power for the suppliers, such a situation could lead to an increase in overall inequality although the price of the end-product or service could be competitive. For example, if the platform offers a luxury good or a service and it is mostly consumed by the upper middle-class or the rich, then a lower price would help their welfare. Meanwhile, small and medium-size suppliers and free-lance or gig workers, providing the good or service, could see their welfare decrease substantially with low prices as payments for their services would be relatively low as well. If these suppliers are relatively poor or in the lower middle-class, then the result is an increase in inequality. One could argue that the platforms offer an efficiency gain to the economy, but it could be a one-time increase in efficiency followed by monopoly rents. If the platform generates supernormal returns, there could be room to use the efficiency of the platform technology while limiting the erosion of the welfare of suppliers. Ride-sharing services are likely to fall in this category.

One could argue that the issue of Big Tech is mostly relevant to advanced and some emerging economies. However, the dominance of these firms extends beyond borders and encompasses most of developing countries in environments where local institutions have little capacity to negotiate or enforce regulations. Several of these tech giants have annual revenues exceeding the GDP of most low-income countries. Platforms such as ride-sharing services have been cloned in many developing economies, potentially creating local monopolies.

## T

#### Counter-interp---public sector is ANY.

Dimple Sunayna Johnson 20. West Chester University Of Pennsylvania, Usa. "Public Versus Private Employees: A Perspective on the Characteristics and Implications". SAGE Journals. 2-20-2020. https://journals.sagepub.com/doi/full/10.1177/2319714519901081

Public Sector Definition and Distinction

For the purposes of this article, the public and private sectors will be conceptualized using the works of Baarspul and Wilderom (2011). The public sector is defined as any entity that is publicly funded and owned, and entities that are controlled by rules and directives. The private sector is defined as any entity that is privately funded and dictated by the market forces. The ‘differences between “public” and “private” organizations parallel the debate as to whether or not individuals behave differently in public- and private-sector’ (Baarspul & Wilderom, 2011, p. 969). As existing research is explored, it is important to remember that the core of the government is unlike any other entity. ‘Government administration differs from other administrative work to a degree not even faintly realized outside, by virtue of its public nature, the way in which it is subject to public scrutiny and public outcry’ (Appleby, 1945, p. 125).

#### “Substantial” modifies how we change it---means our change just has to be important

Supreme Court of Virginia 17. “Ulka DESAI, Executrix of the Estate of Lakshmi Desai, and as the Successor Trustee of the Revocable Trust Agreement of Lakshmi Desai as Amended v. A. R. DESIGN GROUP, INC.”Record No. 160814. https://caselaw.findlaw.com/va-supreme-court/1862832.html

Code § 43-5 provides that a memorandum “shall be sufficient if substantially in form and effect as follows.” Code § 43-15 expressly provides that the lien will not be invalidated if the memorandum reasonably identifies the property by the description given and it “conforms substantially to the requirements of §§ 43-5, 43-8 and 43-10, respectively, and is not wilfully false.” We have held that the word “inaccurate,” as used in Code § 43-15, is defined as “ ‘not accurate:  as ․ containing a mistake or error:  incorrect, erroneous.’ ” Reliable Constructors v. CFJ Props., 263 Va. 279, 281-82, 559 S.E.2d 681, 682 (2002) (quoting Webster's Third New International Dictionary 1139 (1993)). We have not defined what constitutes “substantially in form and effect” or “substantial conformity” in this context. The word “substantial” simply means “something of moment:  an important or material matter, thing, or part.” Webster's Third, at 2280.2 We hold that a defect in a memorandum of mechanic's lien is substantial if it would prejudice a party or if it would thwart one of the purposes underlying the statute.3

#### Topic literature and ground---what is covered is the debate.

Anu Bradford et al. 18. Henry L. Moses Professor of Law and International Organization, Columbia Law School. Adam S. Chilton, Chris Megaw & Nathaniel Sokol, Competition Law Gone Global: Introducing the Comparative Competition Law and Enforcement Datasets, JOURNAL OF EMPIRICAL LEGAL STUDIES, VOL. 16, P. 411, 2019 (2018). Available at: https://scholarship.law.columbia.edu/faculty\_scholarship/2514

2. Limits in the Scope of Competition Laws

Countries commonly carve out certain industries or enterprise types from the scope of their competition law. Our data shows that between 1950 and 2010, roughly twothirds of jurisdictions (68%) had at least one exemption in their laws in a given year.17 These exemptions are not only prevalent but also significant, both in terms of their economic and political impact. Often, they tell an important story about the political economy underlying a law, indicating which companies or industries enjoy special privileges or protection by their governments. It is plausible, even likely, that countries use exemptions as a way to shield certain industries or enterprise types from competition law and hence give them an edge over their competitors in the marketplace. Alternatively, an exemption may reflect the government’s view that certain enterprise types should instead be subjected to sector-specific regulations, by which its idiosyncratic characteristics can be better addressed. Our dataset offers the opportunity to systematically examine the types of industries and firms that governments treat differently by exempting them from competition scrutiny, and study how those exemptions differ across time and jurisdiction.

## K

#### 3---Education----Focusing on implementation is good and key

Andrew SAYER 95, Reader in Social Theory and Political Economy at Lancaster University [*Radical Political Economy: A Critique*, 1995, p. 236-237]

It should be abundantly clear that the more or less implicit belief of critical social sciences, such as radical political economy, that contradictions and dilemmas could be successively eliminated without creating new ones, is untenable: it is a modernist myth. There are always going to be trade-offs, though not necessarily zero-sum games, and gloomy though this may sound, we stand more chance of success being aware of this than we do imagining that they don't exist. But there is a further problem with critical social science's confident view of emancipation. This is its assumption that emancipation comes about solely or largely through removal of obstacles - be they illusions held by people which help perpetuate oppressive social practices, relations of domination or material deprivation. Apparently, once we have eliminated these and people can relate to one another freely and as equals, people will be emancipated.

There are several problems with this. Firstly, as we saw in the analysis of markets, good and bad features of social practices may be interdependent rather than separable. Secondly, it is a peculiarly lopsided view of the good society which only considers it in terms of freedom from obstacles and ignores the question of responsibilities, or even renders responsibilities in wholly negative terms as inevitably, rather than contingently, oppressive. In this respect, critical social science is ironically complicit in one of the most fundamental problems of modern society - the concept of emancipation as- escape from responsibilities. The more libertarian philosophies, with their celebration of the free, unencumbered, implicitly male individual tend to imply this. Marxism emphasizes and applauds the social individual, but its silence regarding responsibilities and norms, coupled with the popular negative associations of responsibilities as burdens, means that it fails to oppose the notion of emancipation as freedom from responsibility for others. Of course, there are good grounds for the negative associations. Talk of [END PAGE 236] responsibilities should arouse suspicion: whose responsibilities do we mean? Support for the idea of responsibilities is often associated with conservative discourse, as a covert way of endorsing the currently unequal distribution of responsibilities, especially in relation to gender. But the acceptance of the concept of responsibilities does not have to have this conservative subtext, in fact it is a precondition for removing the inequalities relating to responsibilities. Responsibilities can't be eliminated without inducing social breakdown and they wont he borne more equally until they are taken seriously as a subject of moral and political discourse.

Thirdly, as a generalization of this last problem, critical social science gives the impression of the good society as a space cleared of illusions and oppressive relations, in which individuals or groups will naturally find liberation. This implicit view of emancipation is ironically reminiscent of the libertarian concept of negative freedom, i.e. as freedom from interference from others or from the state. But a positive conception of the social good is also needed. Even if the obstacles and relations of domination were removed there are many different forms which an alternative society could take, and there is little incentive for changing from our present society if we have no idea what an alternative society could be like. Moreover, in the event of the removal of existing oppressive relations and practices, specific structures and mechanisms are likely to be needed to prevent the re-emergence of various tyrannies and injustices. The removal of domination, illusions, obstacles and problems is not enough; alternative frameworks are needed. In Habermas's ideal speech situation, social relations are characterized by undistorted communication, power is equalized and the only force is the force of the better argument (Habermas, 1972). Aside from the problem of deciding what constitutes the latter, this still supports the image of the good society as an empty space in which people collectively and freely negotiate a just social order, as if such a situation would be proof against tyranny. The naivety of this reminds one of the graffiti: 'Blessed are the meek, for they shall inherit the earth - provided that's alright with everyone else.' Instead of addressing the inevitable opacity and cross- purposes of a catallaxy, and the advantages of impersonal social coordination via markets, it gives the impression that society - presumably an advanced one - could and should be made transparent and subject to ex ante control (Holton and Turner, 1989, p. 6). While Habermas criticizes Marxism's reduction of action to labour and its disregard of communicative interaction, he implicitly endorses its modernist, constructivist project of making the social world a product of design.

### AT: K Prior---2AC

#### Capitalism is a tool not morality. The only question is if the plan is effective.

Nathan Hunt interviewing Rebecca Henderson 21. Henderson, University Professors at Harvard, a research fellow at the National Bureau of Economic Research, and a fellow of both the British Academy and the American Academy of Arts and Sciences. “The Essential Podcast, Episode 32: The Moral Argument for Change — Reimagining Capitalism in a World on Fire”. https://www.spglobal.com/en/research-insights/articles/the-essential-podcast-episode-32-the-moral-argument-for-change-reimagining-capitalism-in-a-world-on-fire

Nathan Hunt: This goes to the heart of what I found both fascinating and challenging about your book, which is that so much seems to depend upon the actions of individuals. My concern is with the underlying structures that are inherent in the capitalist system. The core question I have for you is, do you think that capitalism itself is good or bad? Does it possess an inherent morality?

Rebecca Henderson: No, I do not think capitalism is inherently moral. If we think of capitalism broadly as reliance on free markets, open competition, and the individual ownership of assets. And we could argue, but if we think of it as roughly that set of forces, that coalition can create good things or bad things. Indeed, one of the central themes of the book is the idea that if you don't have anything to balance, the free market, a free market unchecked is a very dangerous, very dangerous thing. I mean, I sometimes use the image of tiger. Capitalism, completely unchecked and completely unbalanced, is voracious. If you tell people that there is no penalty for emitting greenhouse gases, you know, go ahead, burn all the coal burn, burn all the oil, oh yeah, thousands of people for hundreds of years will pay the cost of your doing that, but you know, that's not for you to worry about. People will do it. People will burn the oil and coal and caused the climate crisis. So, capitalism is not inherently good, but it's not inherently bad either. It's a tool. It's a tool for allocating resources for pulling people together to solve problems. And when it's aimed in the right direction and constrained by the right kinds of guardrails, it's unbelievably good. I mean, if you look at the lives we lead compared to our grandparents or our grandparents, parents. We've seen unimagined prosperity. I mean, the human race so much richer and better off than it was, you know, just 50 let alone a hundred years ago. The thing about capitalism, I think, is it has to be in balance with the rest of society, with government, with civil society and we have to remember that as a tool, its original purpose was the creation of prosperity and possibly individual freedom that before capitalism, we had feudalism, you know, you work for the local guy and that's your choice and they control most of economic life and in that context, capitalism is an incredible, both liberation of human potential and creation of real opportunity, when the rules are right. We say, hey, you know, I've said often in public, I'm a huge fan of capitalism and it's true. But I'm a huge fan of capitalism with the right construct and the original construct was creating freedom and prosperity. I mean, Charles Taylor was a Catholic scholar who invented the idea that capitalism was born in a cradle of Christianity, that it was assumed it would be constrained by real moral values and society with its own goals and aims. And that as we, as a society has become less overtly religious, those constraints have sort of crumbled away and we need to rebuild the kinds of constraints that will make capitalism a good tool for us.

#### Regulated capitalism solves war, environment, and quality of life---alternatives increase degradation and poverty. Prefer empirical and measurable indicators.

Mark Budolfson 21. PhD in Philosophy. Assistant Professor in the Department of Environmental and Occupational Health and Justice at the Rutgers School of Public Health and Center for Population–Level Bioethics "Arguments for Well-Regulated Capitalism, and Implications for Global Ethics, Food, Environment, Climate Change, and Beyond". Cambridge Core. 5-7-2021. https://www-cambridge-org.proxy.library.emory.edu/core/journals/ethics-and-international-affairs/article/arguments-for-wellregulated-capitalism-and-implications-for-global-ethics-food-environment-climate-change-and-beyond/96F422D04E171EECDEF77312266AE9DD

Discourse on food ethics often advocates the anti-capitalist idea that we need less capitalism, less growth, and less globalization if we want to make the world a better and more equitable place, with arguments focused on applications to food, globalization, and a just society. For example, arguments for this anti-capitalist view are at the core of some chapters in nearly every handbook and edited volume in the rapidly expanding subdiscipline of food ethics. None of these volumes (or any article published in this subdiscipline broadly construed) focuses on a defense of globalized capitalism.1

More generally, discourse on global ethics, environment, and political theory in much of academia—and in society—increasingly features this anti-capitalist idea as well.2 The idea is especially prominent in discourse surrounding the environment, climate, and global poverty, where we face a nexus of problems of which capitalism is a key driver, including climate change, air and water pollution, the challenge of feeding the world, ensuring sustainable development for the world's poorest, and other interrelated challenges.

It is therefore important to ask whether this anti-capitalist idea is justified by reason and evidence that is as strong as the degree of confidence placed in it by activists and many commentators on food ethics, global ethics, and political theory, more generally.

In fact, many experts argue that this anti-capitalist idea is not supported by reason and argument and is actually wrong. The main contribution of this essay is to explain the structure of the leading arguments against the anti-capitalist idea, and in favor of the opposite conclusion. I begin by focusing on the general argument in favor of well-regulated globalized capitalism as the key to a just, flourishing, and environmentally healthy world. This is the most important of all of the arguments in terms of its consequences for health, wellbeing, and justice, and it is endorsed by experts in the empirically minded disciplines best placed to analyze the issue, including experts in long-run global development, human health, wellbeing, economics, law, public policy, and other related disciplines. On the basis of the arguments outlined below, well-regulated capitalism has been endorsed by recent Democratic presidents of the United States such as Barack Obama, and by progressive Nobel laureates who have devoted their lives to human development and more equitable societies, as well as by a wide range of experts in government and leading nongovernmental organizations.

The goal of this essay is to make the structure and importance of these arguments clear, and thereby highlight that discourse on global ethics and political theory should engage carefully with them. The goal is not to endorse them as necessarily sound and correct. The essay will begin by examining general arguments for and against capitalism, and then turn to implications for food, the environment, climate change, and beyond.

Arguments for and against Forms of Capitalism

The Argument against Capitalism

Capitalism is often argued to be a key driver of many of society's ills: inequalities, pollution, land use changes, and incentives that cause people to live differently than in their ideal dreams. Capitalism can sometimes deepen injustices. These negative consequences are easy to see—resting, as they do, at the center of many of society's greatest challenges.3

And at the same time, it is often difficult to see the positive consequences of capitalism.4 What are the positive consequences of allowing private interests to clear-cut forests and plant crops, especially if those private interests are rich multinational corporations and the forests are in poor, developing countries whose citizens do not receive the profits from deforestation? Why give private companies the right to exploit resources at all, since exploitation almost always has some negative consequences such as those listed above? These are the right questions to ask, and they highlight genuine challenges to capitalism. And in light of these challenges, it is reasonable to consider the possibility that perhaps a different economic system altogether would be more equitable and beneficial to the global population.

The Argument for Well-Regulated Capitalism

However, things are more complicated than the arguments above would suggest, and the benefits of capitalism, especially for the world's poorest and most vulnerable people, are in fact myriad and significant. In addition, as we will see in this section, many experts argue that capitalism is not the fundamental cause of the previously described problems but rather an essential component of the best solutions to them and of the best methods for promoting our goals of health, well-being, and justice.

To see where the defenders of capitalism are coming from, consider an analogy involving a response to a pandemic: if a country administered a rushed and untested vaccine to its population that ended up killing people, we would not say that vaccines were the problem. Instead, the problem would be the flawed and sloppy policies of vaccine implementation. Vaccines might easily remain absolutely essential to the correct response to such a pandemic and could also be essential to promoting health and flourishing, more generally.

The argument is similar with capitalism according to the leading mainstream arguments in favor of it: Capitalism is an essential part of the best society we could have, just like vaccines are an essential part of the best response to a pandemic such as COVID-19. But of course both capitalism and vaccines can be implemented poorly, and can even do harm, especially when combined with other incorrect policy decisions. But that does not mean that we should turn against them—quite the opposite. Instead, we should embrace them as essential to the best and most just outcomes for society, and educate ourselves and others on their importance and on how they must be properly designed and implemented with other policies in order to best help us all. In fact, the argument in favor of capitalism is even more dramatic because it claims that much more is at stake than even what is at stake in response to a global pandemic—what is at stake with capitalism is nothing less than whether the world's poorest and most vulnerable billion people will remain in conditions of poverty and oppression, or if they will instead finally gain access to what is minimally necessary for basic health and wellbeing and become increasingly affluent and empowered. The argument in favor of capitalism proceeds as follows:

Premise 1. Development and the past. Over the course of recorded human history, the majority of historical increases in health, wellbeing, and justice have occurred in the last two centuries, largely as a result of societies adopting or moving toward capitalism. Capitalism is a relevant cause of these improvements, in the sense that they could not have happened to such a degree if it were not for capitalism and would not have happened to the same degree under any alternative noncapitalist approach to structuring society. The argument in support of this premise relies on observed relationships across societies and centuries between indicators of degree of capitalism, wealth, investments in public goods, and outcomes for health, wellbeing, and justice, together with econometric analysis in support of the conclusion that the best explanation of these correlations and the underlying mechanism is that large increases in health, wellbeing, and justice are largely driven by increasing investments in public goods. The scale of increased wealth necessary to maximize these investments requires capitalism. Thus, as capitalist societies have become dramatically wealthier over the past hundred years (and wealthier than societies with alternative systems), this has allowed larger investments in public goods, which simply has not been possible in a sustained way in societies without the greater wealth that capitalism makes possible. Important investments in public goods include investments in basic medical knowledge, in health and nutrition programs, and in the institutional capacity and know-how to regulate society and capitalism itself. As a result, capitalism is a primary driver of positive outcomes in health and wellbeing (such as increased life expectancy, lowered child and maternal mortality, adequate calories per day, minimized infectious disease rates, a lower percentage and number of people in poverty, and more reported happiness);5 and in justice (such as reduced deaths from war and homicide; higher rankings in human rights indices; the reduced prevalence of racist, sexist, homophobic opinions in surveys; and higher literacy rates).6 These quantifiable positive consequences of global capitalism dramatically outweigh the negative consequences (such as deaths from pollution in the course of development), with the result that the net benefits from capitalism in terms of health, wellbeing, and justice have been greater than they would have been under any known noncapitalist approach to structuring society.7

Premise 2. Economics, ethics, and policy. Although capitalism has often been ill-regulated and therefore failed to maximize net benefits for health, wellbeing, and justice, it can become well-regulated so that it maximizes these societal goals, by including mechanisms identified by economists and other policy experts that do the following:

* optimally8 regulate negative effects such as pollution and monopoly power, and invest in public goods such as education, basic healthcare, and fundamental research including biomedical knowledge (more generally, policies that correct the failures of free markets that economists have long recognized will arise from “externalities” in the absence of regulation);9
* ensure equity and distributive justice (for example, via wealth redistribution);10
* ensure basic rights, justice, and the rule of law independent of the market (for example, by an independent judiciary, bill of rights, property rights, and redistribution and other legislation to correct historical injustices due to colonialism, racism, and correct current and historical distortions that have prevented markets from being fair);11 and
* ensure that there is no alternative way of structuring society that is more efficient or better promotes the equity, justice, and fairness goals outlined above (by allowing free exchange given the regulations mentioned).12

To summarize the implication of the first two premises, well-regulated capitalism is essential to best achieving our ethical goals—which is true even though capitalism has certainly not always been well regulated historically. Society can still do much better and remove the large deficits in terms of health, wellbeing, and justice that exist under the current inferior and imperfect versions of capitalism.

Premise 3. Development and the future. If the global spread of capitalism is allowed to continue, desperate poverty can be essentially eliminated in our lifetimes. Furthermore, this can be accomplished faster and in a more just way via well-regulated global capitalism than by any alternatives. If we instead opt for less capitalism, less growth, and less globalization, then desperate poverty will continue to exist for a significant portion of the world's population into the further future, and the world will be a worse and less equitable place than it would have been with more capitalism. For example, in a world with less capitalism, there would be more overpopulation, food insecurity, air pollution, ill health, injustice, and other problems. In part, this is because of the factors identified by premise 1, which connect a turn away from capitalism with a turn away from continuing improvements in health, wellbeing, and justice, especially for the developing world. In addition, fertility declines are also a consequence of increased wealth, and the size of the population is a primary determinant of food demand and other environmental stressors.13 Finally, as discussed at length in the next section of the essay, capitalism can be naturally combined with optimal environmental regulations.14 Even bracketing anything like optimal regulation, it remains true that sufficiently wealthy nations reduce environmental degradation as they become wealthier, whereas developing nations that are nearing peak degradation will remain stuck at the worst levels of degradation if we stall growth, rather than allowing them to transition to less and less degradation in the future via capitalism and economic growth.15 In contrast, well-regulated capitalism is a key part of the best way of coping with these problems, as well as a key part of dealing with climate change, global food production, and other specific challenges, as argued at length in the next section. Here it is important to stress that we should favor well-regulated capitalism that includes correct investments in public goods over other capitalist systems such as the neoliberalism of the recent past that promoted inadequately regulated capitalism with inadequate concern for externalities, equity, and background distortions and injustices.16

Conclusion. Therefore, we should be in favor of capitalism over noncapitalism, and we should especially favor well-regulated capitalism, which is the ethically optimal economic system and is essential to any just basic structure for society.

This argument is impressive because, as stated earlier in the essay, it is based on evidence that is so striking that it leads a bipartisan range of open-minded thinkers and activists to endorse well-regulated capitalism, including many of those who were not initially attracted to the view because of a reasonable concern for the societal ills with which we began. To better understand why such a range of thinkers could agree that well-regulated capitalism is best, it may help to clarify some things that are not assumed or implied by the argument for it, which could be invoked by other bad arguments for capitalism.

One thing the argument above does not assume is that health, wellbeing, or justice are the same thing as wealth, because, in fact, they are not. Instead, the argument above relies on well-accepted, measurable indicators of health and wellbeing, such as increased lifespan; decreased early childhood mortality; adequate nutrition; and other empirically measurable leading indicators of health, wellbeing, and justice.17 Similarly, the argument that capitalism promotes justice, peace, freedom, human rights, and tolerance relies on empirical metrics for each of these.18

Furthermore, the argument does not assume that because these indicators of health, wellbeing, and justice are highly correlated with high degrees of capitalism, that therefore capitalism is the direct cause of these good outcomes. Rather, the analyses suggest instead that something other than capitalism is the direct cause of societal improvements (such as improvements in knowledge and technology, public infrastructure, and good governance), and that capitalism is simply a necessary condition for these improvements to happen.19 In other words, the richer a society is, the more it is able to invest in all of these and other things that are the direct causes of health, wellbeing, and justice. But, to maximize investment in these things societies need well-regulated capitalism.

As part of these analyses, it is often stressed that current forms of capitalism around the world are highly defective and must be reformed in the direction of well-regulated capitalism because they lack investments in public goods, such as basic knowledge, healthcare, nutrition, other safety nets, and good governance.20 In this way, an argument for a particular kind of progressive reformism is an essential part of the analyses that lead many to endorse the more general argument for well-regulated capitalism.

Although these analyses are nuanced, and appropriately so, it remains the case that the things that directly lead to health, wellbeing, and justice require resources, and the best path toward generating those resources is well-regulated capitalism. And on the flip side, according to the analyses behind premise 1 described above, an anti-capitalist system would not produce the resources that are needed, and would thus be a disaster, especially for the poorest billion people who are most desperately in need of the resources that capitalism can create and direct, to escape from extreme poverty.21

### Perm Do Both---2AC

#### Perm do both---capitalism is the mechanism for socialism.

Andrew Koppelman 21. John Paul Stevens Professor of Law at Northwestern University, is the author, most recently, of Gay Rights vs. Religious Liberty? The Unnecessary Conflict (Oxford University Press, 2020). "Socialists for Capitalism". Niskanen Center. https://www.niskanencenter.org/socialists-for-capitalism/

In sum: Socialism’s purpose is assuring everyone the resources to live a decent life. Because we should all want that, we should all be socialists. The most dependable means for delivering those resources, however, is a capitalist economy, supplemented (as, in America, it has not been lately) by an array of state interventions that assure everyone an adequate share of the wealth. So today’s socialists should also be capitalists. Confused? That is because the word “socialism” has too many meanings to be useful. Stop using it.

Sanders, the most prominent contemporary American socialist, envisions “an economy in which you have wealth being created by the private sector, but you have a fair distribution of that wealth, and you make sure the most vulnerable people in this country are doing well.” It is a powerfully attractive vision. The right kind of capitalism is the way to get there.

### Revolution Fails

#### Anti-state revolutions inevitably fail

Fredrik deBoer 16, 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.

#### Insurgency fails and is coopted by the state

Flaherty 5 USC BA in International Relations, researcher in political affairs, activist and organic farmer in New Zealand, <http://cryptogon.com/docs/pirate_insurgency.html>

[ACS = American Corporate State]

THE NATURE OF ARMED INSURGENCY AGAINST THE ACS Any violent insurgency against the ACS is sure to fail and will only serve to enhance the state's power. The major flaw of violent insurgencies, both cell based (Weathermen Underground, Black Panthers, Aryan Nations etc.) and leaderless (Earth Liberation Front, People for the Ethical Treatment of Animals, etc.) is that they are attempting to attack the system using the same tactics the ACS has already mastered: terror and psychological operations. The ACS attained primacy through the effective application of terror and psychological operations. Therefore, it has far more skill and experience in the use of these tactics than any upstart could ever hope to attain.4 This makes the ACS impervious to traditional insurgency tactics. - Political Activism and the ACS Counterinsurgency Apparatus The ACS employs a full time counterinsurgency infrastructure with resources that are unimaginable to most would be insurgents. Quite simply, violent insurgents have no idea of just how powerful the foe actually is. Violent insurgents typically start out as peaceful, idealistic, political activists. Whether or not political activists know it, even with very mundane levels of political activity, they are engaging in low intensity conflict with the ACS. The U.S. military classifies political activism as “low intensity conflict.” The scale of warfare (in terms of intensity) begins with individuals distributing anti-government handbills and public gatherings with anti-government/anti-corporate themes. In the middle of the conflict intensity scale are what the military refers to as Operations Other than War; an example would be the situation the U.S. is facing in Iraq. At the upper right hand side of the graph is global thermonuclear war. What is important to remember is that the military is concerned with ALL points along this scale because they represent different types of threats to the ACS. Making distinctions between civilian law enforcement and military forces, and foreign and domestic intelligence services is no longer necessary. After September 11, 2001, all national security assets would be brought to bear against any U.S. insurgency movement. Additionally, the U.S. military established NORTHCOM which designated the U.S. as an active military operational area. Crimes involving the loss of corporate profits will increasingly be treated as acts of terrorism and could garner anything from a local law enforcement response to activation of regular military forces. Most of what is commonly referred to as “political activism” is viewed by the corporate state's counterinsurgency apparatus as a useful and necessary component of political control. Letters-to-the-editor... Calls-to-elected-representatives... Waving banners... “Third” party political activities... Taking beatings, rubber bullets and tear gas from riot police in free speech zones... Political activism amounts to an utterly useless waste of time, in terms of tangible power, which is all the ACS understands. Political activism is a cruel guise that is sold to people who are dissatisfied, but who have no concept of the nature of tangible power. Counterinsurgency teams routinely monitor these activities, attend the meetings, join the groups and take on leadership roles in the organizations. It's only a matter of time before some individuals determine that political activism is a honeypot that accomplishes nothing and wastes their time. The corporate state knows that some small percentage of the peaceful, idealistic, political activists will eventually figure out the game. At this point, the clued-in activists will probably do one of two things; drop out or move to escalate the struggle in other ways. If the clued-in activist drops his or her political activities, the ACS wins. But what if the clued-in activist refuses to give up the struggle? Feeling powerless, desperation could set in and these individuals might become increasingly radicalized. Because the corporate state's counterinsurgency operatives have infiltrated most political activism groups, the radicalized members will be easily identified, monitored and eventually compromised/turned, arrested or executed. The ACS wins again.

#### Political action is key---boycotts don’t solve monopolies and are dangerous.

Joshua David Stein 20. “Assembling Tapas and Dismantling Monopolies With Zephyr Teachout” 08-24-20. [www.grubstreet.com/amp/2020/08/zephyr-teachout-monopolies-encounter.html](http://www.grubstreet.com/amp/2020/08/zephyr-teachout-monopolies-encounter.html)

Lunch is almost ready and the **question of what to do is still unsettled**. It seems unfathomable to free oneself from the reach of monopolies. **Google is air, Facebook is water, and Amazon is the earth.** Restaurants survive these days thanks to delivery services like Seamless and, if you don’t like Seamless, Grubhub. Except Grubhub is Seamless, Instagram is Facebook, What’sApp is also Facebook, Odwalla is Coca-Cola, Tom’s of Maine is Colgate, and on and on. Boycotting anything seems both futile and impossible, and what are you but a hypocrite if you rail against one monopoly while, at the same time, avail yourself of another’s cheap fruits by getting 20 percent off all deliveries with the promo code SUBWAY? Teachout has no time for shame or, for that matter, **boycotts**. “To be clear, boycotting Google and Facebook is **impossible**. Boycotts work if you have a decentralized economy,” she says. In fact, not only is a boycott impossible, it might be harmful. “Boycotts and ethical consumerism can be **dangerous** because they can **relieve people of their sense of political responsibility**.” As she writes in the book, “The very companies we are protesting are working to leverage feel-good leftism for profit and power.” Instead, boycotting needs to be paired, or even replaced, with **political action.** “The first thing you should do when you become aware of bad behavior,” says Teachout, “is to call Chuck Schumer or Kirsten Gillibrand. **We can’t fantasize we’ll fix structural problems without the law**.”

#### The aff is key to sustainability---locks in transition to sustainable capitalism.

David Blood and Al Gore 20. Senior partner of Generation Investment Management; Former Vice President of the United States and chairman of Generation Investment Management. "Capitalism After the Coronavirus." Wall Street Journal. 6-29-2020. https://www.wsj.com/articles/capitalism-after-the-coronavirus-11593470102

We wrote an op-ed for these pages in 2006 titled “For People and Planet,” in which we argued for a long-term, sustainable, multistakeholder approach to business. We said America’s corporate leaders should put environmental, social and governance factors at the heart of their decision-making.

Fourteen years later, the idea has become a proven model for business. The Business Roundtable and the British Academy have both strongly endorsed the multistakeholder approach in the past nine months. Why? Because sustainable capitalism is better suited than business as usual to the challenges we face.

Voluminous research has shown conclusively that businesses properly integrating ESG factors into their plans are typically more successful and profitable. As the value of this paradigm becomes widely recognized, investors who fail to take it into account may be at risk of violating their fiduciary duty to their clients.

As economies reopen around the country, it is essential that policy makers don’t default to pre-pandemic thinking. Covid-19 with all its unfolding tragedy presents a once-in-a-century obligation to rethink the relationships among business, markets, government and society. What is desperately needed, and what we must deliver, is a sustainable form of capitalism.

Investors have a critical role to play. All investments made today must factor in long-term climate and societal implications. Indeed, the shift to a zero-carbon, inclusive business model is already well under way. Entire sectors are beginning to be transformed: energy, agriculture and food, fishing and ocean protection, forestry, architecture and construction, mobility and transport, and other carbon-intensive sectors such as chemicals and heavy manufacturing. We believe this transition will be the most significant change in economic history. The opportunities are ready now. We need to invest in them with the same sense of urgency that people have demanded in mitigating the pandemic.

Already, the pandemic has revealed what companies are truly made of. Health-care firms have played vital and visible roles in sequencing the virus, testing, and delivering personal protective equipment. Companies in other sectors have also stepped up by helping restaurants pivot to digital ordering channels or directing small businesses to the financial support they need to get through the crisis.

Some companies have responded by adopting a responsible, long-term perspective on this challenge—absorbing costs where necessary to protect their employees. Major food retailers are sharing data, logistics infrastructure and even staff in a huge effort to maintain food security. This unprecedented cooperation is made possible by regulators waiving normal rules on competition.

CEOs must put the welfare of their employees first. People shouldn’t have to worry about getting hurt or getting sick when they come to work, and those who are working from home need support too. It goes without saying that those who do get sick will need time to recover and those who lose family members or friends will need space to grieve.

African-Americans are suffering from Covid-19 more than any other race, in part because their much higher exposure to air pollution increases the mortality rate from the virus. The mental-health challenges and financial pressures related to the pandemic are also affecting some populations more than others.

Companies making cuts in pay or staff numbers should lead from the top. The C-suites should be taking the largest cuts to total compensation, and we are pleased that many companies have adopted this approach. We also ask CEOs to focus on their companies’ long-term strengths. It is far wiser to prioritize capital allocation in ways that will produce results in 2021 or even several years hence, instead of chasing the next quarter’s numbers. For some companies, there may be opportunities to bring forward a long-term project or make a strategic acquisition.

Finally, we want CEOs to accelerate their efforts on climate action. For perspective, it is worth recalling the shocking wildfires that have struck Australia, California and the Amazon in recent years. There is an obvious, if uncomfortable, parallel between our still inadequate responses to the tragic suffering of Covid-19 and to the fast-growing consequences of the climate crisis. We ignored the warnings of respected epidemiologists and virologists about the likelihood of a deadly pandemic such as the one we are now struggling to vanquish. Similarly, climate scientists have warned us with ever greater urgency about the consequences of the climate crisis. There is still time to keep temperatures from rising to truly catastrophic levels, but a huge effort is needed to halve global emissions this decade. CEOs should set emissions reduction targets that are aligned with the goals of the Paris Agreement and work closely with their suppliers, customers and peers to help move the dial.

We believe the next decade will be the most important in our careers. Business and investors can and must do more. We must build back the economy better, together. That means a resilient, healthy, fair and zero-carbon economy. Our ability to meet the challenges of future pandemics, the climate crisis, and inequality depends on it.

### Tech

#### The ontology of technology isn’t static---its influenced by social/political change

Paul Rekret 19, Associate Professor of Politics at Richmond University, “Seeing Like a Cyborg? The Innocence of Posthuman Knowledge,” Chapter 6 in *Digital Objects, Digital Subjects: Interdisciplinary Perspectives on Capitalism, Labour and Politics in the Age of Big Data* Edited by David Chandler and Christian Fuchs, 2019, https://library.oapen.org/bitstream/handle/20.500.12657/25880/1004203.pdf?sequence=1

Despite the undeniably heterogeneous and complex research programmes that Haraway and Latour developed from these basic insights, our concern here is with the widespread adoption of the claim that we inhabit an age of hybridity. The view that the subject has been eroded in the current epoch is an ontological contention that increasingly shapes an expansive theoretical paradigm and is, moreover, often taken as self-evident. But it is worth remarking that this is an odd claim – at least where it implies a relation between ontology and history – for it insinuates that, in general, while existence itself is defined by hybridity, this only becomes self-evident in an epoch where technological change makes its manifestation undeniable. To twist a well-known phrase, history here becomes the midwife of ontology, where the hybrid entities that emerge from bioand enhancement technologies bear the weight of actualising the ontological assertion that the human never was an integral, autonomous being exercising control over itself or its surroundings in the first place. Yet such a claim so often denotes a move that seeks to rescue technological advancements – which are often the product of destructive capitalist compulsions, if not explicitly militarist impulses – for progressive theoretical ends. It follows that it falls upon the theorist’s ontological speculations to salvage and reimagine the technological for emancipatory purposes, a task which can only be accomplished where the deeper truths about existence which these processes harbour can be discerned. It is in this way that the posthumanist can be said to collapse ontological speculation into ethico-political argument, since it is the affirmation of hybridity and concordant critique of anthropocentrism that acts as the starting point for ethical and political thought in this context (Rekret 2016). Besides producing a peculiar oscillation between history and ontology, the critique of anthropocentrism can sometimes effect a sort of theoretical narcissism which places the theorist at the endpoint of an eschatology wherein the true nature of existence is only discernible from the historical instant at which they find themselves.

#### Their theory’s reductive, no structural systemic failure, and contingency’s best

Susen, 19—Reader in Sociology at the School of Arts and Social Sciences of City, University of London (Simon, “No escape from the technosystem?,” Philosophy & Social Criticism, October 9, 2019, dml)

A major irony of Feenberg’s book is the following contradiction: on several occasions, he criticizes, and distances himself from, technological determinism; key parts of his argument suggest, however, that he himself flirts with, if not subscribes to, technological determinism. He rightly maintains, and convincingly demonstrates, that ‘society and technology are inextricably imbricated’.240 This insight justifies the underlying assumption that there is no comprehensive study of society without a critical sociology of technology. Yet, to contend that ‘[s]ocial groups exist through the technologies that bind their members together’241 is misleading. For not all social groups are primarily defined by the technologies that enable their members to relate to, and to bond with, one another. Indeed, not all social relations, or social bonds, are based on, let alone determined by, technology.

Of course, Feenberg is right to argue that ‘technologically mediated groups influence technical design through their choices and protests’.242 Ultimately, though, the previous assertion is tautological. This becomes clear if, in the above sentence, we replace the word ‘technological(ly)’ with terms such as ‘cultural(ly)’, ‘linguistical(ly)’, ‘political(ly)’, ‘economic(ally)’, or indeed another sociological qualifier commonly used to characterize the specificity of a social relation. Hence, we may declare that ‘culturally, linguistically, politically, and economically mediated groups influence cultural, linguistic, political, and economic conventions through their choices and protests’. In saying so, we are stating the obvious. If, however, we aim to make a case for cultural, linguistic, political, or economic determinism, then this is problematic to the extent that we end up reducing the constitution of social arrangements to the product of one overriding causal set of forces (whether these be cultural, linguistic, political, economic, technological, or otherwise).

While declaring that he is a critic of technological determinism, Feenberg – in central passages of his book – gives the impression that he is one of its fiercest advocates. Feenberg’s techno-Marxist evolutionism is based on the premise that ‘progress is realized essentially through technosystem change’243 – that is, on the assumption that, effectively, human progress is reducible to technological development. Feenberg is right to stress that ‘[t]echnical progress is joined indissolubly to the democratic enlargement of access to its benefits and protection from its harms’.244 ‘Concretization’,245 understood in this way, conceives of progress as a ‘local, context-bound phenomenon uniting technical and normative dimensions’.246 We may add, however, that progress has not only technical (or technological) but also economic, cultural, and political dimensions, which contain objective, normative, and subjective facets. At times, the differentiation between these aspects is blurred, if not lost, in Feenberg’s account, given his tendency to overstate the power of technology at the expense of other crucial social forces. In other words, progress is not only ‘inextricably entangled with the technosystem’,247 but it is also indissolubly entwined with the economic, cultural, and political systems in which it unfolds and for (or against) which it exerts its objective, normative, and subjective power.

The preceding reflection takes us back to the problem of techno-reductionism:

The struggle over the technosystem began with the labor movement. Workers’ demands for health and safety on the job were public interventions into production technology.248

All struggles over social (sub)systems have not only a technological but also various other (notably economic, cultural, and political) dimensions. Demands made by particular subjects (defined by class, ethnicity, gender, age, or ability – or a combination of these sociological variables) are commonly expressed in public interventions not only into production technology, but also into economic, cultural, and political systems. In all social struggles (including class struggle), technology can be an important means to an end, but it is rarely an end in itself. Put differently, social struggles are partly – but seldom essentially, let alone exclusively – about technology.

### AT: Colonialism

#### Cap is good despite colonialism--- post-decolonization growth has curtailed decreased poverty.

Dylan Matthews 19. Senior Correspondent for Vox. "Bill Gates tweeted out a chart and sparked a huge debate about global poverty." Vox. 2-12-2019. https://www.vox.com/future-perfect/2019/2/12/18215534/bill-gates-global-poverty-chart

\*Chart from the original article omitted

Again, there’s no disputing that colonialism made conditions on the ground worse. But that doesn’t mean that precolonial living conditions were good. The agricultural revolution, which took hold in Africa, India, the Americas, and Europe alike, reduced food security and increased material need, according to many anthropologists. Until the Industrial Revolution made real, sustained economic growth possible, most of humanity was stuck in a Malthusian trap, where economic growth and poverty reduction only led to a population increase that could not be supported, leading to starvation. And, again, life expectancy was far lower, and literacy far less common.

If Hickel argues that $1.90 a day is too low a bar to set for poverty, I’d counter that a definition of poverty that doesn’t include Malthusian conditions before industrialization is inadequate as well. Conditions were not great — even if everyone concedes Europe spent a century or more doing its damnedest to make life for its victims even worse.

[Chart omitted]

And sure enough, if you look again at the chart that opens this post, you’ll see that extreme poverty fell by very, very meager amounts before about 1950, gains that were concentrated in rich European countries thriving off of extracting resources from the global South.

That’s consistent with the story’s Roser’s telling: All of humanity was poor, barred from breaking out of bare subsistence, until industrialization; colonization prevented the mass of humanity from benefiting from the economic growth that industrialization enabled in Europe and North America, and substantially worsened conditions for its victims; but global growth from 1950 onward led to a massive poverty reduction.

### AT: House of IR

#### 2. There is no monolithic IR---the field is reflexive and effective---its track record of prediction proves. AND, sweeping criticisms of a fragmented field of research don’t answer the specificity of our studies.

Dan Reiter 15. Professor of Political Science at Emory University. “Scholars Help Policymakers Know Their Tools.” War on the Rocks. 8-27-2015. <https://warontherocks.com/2015/08/scholars-help-policymakers-know-their-tools/>

This critique is both narrowly true and narrow in perspective. Context is of course important, but foreign policy choices are not sui generis, there are patterns across space and time that inform decision-making. Policymakers recognize this and routinely draw lessons from history when making foreign policy decisions. As noted below, policymakers in other areas such as development and public health routinely rely on broader, more general studies to craft policy. And, broader scholarship can improve foreign policy performance, as evidenced by the ability of IR academics to build on their own work to predict outcomes, including for example forecasting the lengths of the conventional and insurgency phases of the U.S.–Iraq conflict in the 2000s.

But, even if one were to accept the limits of general work, there is a growing body of academic work that evaluates foreign policy tools as applied to a specific country or region. These studies ask questions such as whether:

Development projects reduced insurgent violence in Afghanistan; Drone strikes reduced insurgent violence in Pakistan; Development programs increased civic participation and social capital in Sudan; Building cell phone towers in Iraq reduced insurgent violence; Attempts to reintegrate combatants into society in Burundi succeeded; Security sector reform in Liberia increased the legitimacy of the government there; Road projects in India reduced insurgent violence; We can understand peacekeeping’s failure in Congo; Israel’s targeted assassinations reduced violent attacks from militants.

This is not by any means a dismissal of professional intelligence work. Academics are not intelligence analysts: They do not have access to contemporary intelligence data, nor are they generally trained to do things like examine the latest satellite photos of North Korean nuclear activities and make judgments about North Korea’s current plutonium production. And certainly, academic IR work can never replace professional intelligence work. But the best policy decisions marry timely, specific intelligence with academic work that has a more general perspective.

A third critique is that much of this academic work on foreign policy tools is unusable by policymakers because it is too quantitative and technically complex. Here, echoing a point made by Erik Voeten, there is a danger in not appreciating the importance of rigorous research design, including sophisticated quantitative techniques, for crafting effective policy. Sophisticated research design is not the enemy of effective policy, it is critically necessary for it. Certainly, the current academic focus on building research designs that permit causal inference speaks exactly to what policymakers care about the most: if implementing a certain policy will cause the desired outcome.

Or, put differently, bad research designs make for bad public policy. A classic example is school busing. In the 1960s and early 1970s, some cities adopted voluntary integration programs for public schools, in which families could volunteer to bus their children to schools in neighborhoods with different racial majorities. Policymakers used the favorable results for the voluntary programs to make the improper inference that mandatory busing policies would also work. The result was bad public policy and violence in the streets.

Sophisticated technical methods can improve our ability to make causal inferences, and can help solve other empirical problems. Consider that the heart of successful counterinsurgency is, according to U.S. military doctrine, winning the support of the population. Assessing whether certain policies do win public support requires collecting opinion data. A conventional method for measuring popular opinion is the survey, but of course, individuals in insurgency-stricken areas may be unwilling to reveal their true opinions to a survey-taker out of fear for their personal safety. Methodologists have crafted sophisticated techniques for addressing this issue, improving our ability to measure public support for the government in these areas. These techniques have been used to assess better the determinants of public support in insurgency-affected countries such as Pakistan, Afghanistan, and India.

Going forward, we will continue to need advanced methodologies to address pressing policy questions. Consider the U.S. military’s commitment to gender integration. The implementation of this commitment will be best informed if it rests on rigorous social science that address outstanding questions. Is there a Sacagawea effect, in which mixed gender units engaged in counterinsurgency are more effective than male-only units? How might mixed gender affect small unit cohesion in combat? How might mixed gender units reduce the incidence of sexual assault, both within the military and of assault committed by troops against civilians?

Certainly, other areas of public policy understand the importance of rigorous research design. Economic and development policy communities read the work of and employ economics Ph.D.s. Policymakers incorporate the findings of sophisticated studies on policy areas such as microfinance, gender empowerment, and foreign aid, knowing the best policy decisions must incorporate these studies’ findings.

Or consider public health policy. Lives are literally on the line as decision-makers must make decisions about issues such as vaccinations, nutritional recommendations, and air quality. Policymakers know they must use sophisticated technical studies executed by epidemiologists and other public health academics to craft the best policies.

Critics will argue that some U.S. policymakers remain alienated from contemporary academic IR work, with the suggestion that if IR academics let go of an obsession with technique, they will then be better able to connect with policymakers and help them craft better policy. I agree that IR academics need to find ways to communicate their results in clear, non-technical language. But the technical components of the work need to be there. Stripping them out directly undermines the ability of the research to give the right kinds of policy recommendations.

Let me conclude by noting that I am sympathetic to the concern that IR academics should think about the big picture as well as smaller questions, the forest of grand strategy as well as the trees of foreign policy tools. IR academics have the potential to make real contributions to big picture debates, to think hard about the essence of grand strategy by assembling a framework that effectively integrates foreign policy means and ends. The nature of the IR subfield and its integration of political economy and security, and its ability to think about structure as well as units, make it especially well positioned to consider these broad questions. The ability of IR academics to contribute to contemporary foreign policy debates is one of many reasons why political science should retain the subfield of IR and resist the temptation to replace the traditional empirical subfields of IR, comparative, and American with new subfields of conflict, political economy, behavior, and institutions.

Like good carpenters, foreign policymakers need to know their tools. Rigorous IR research is the only way to evaluate them effectively.

### Sustainability---2AC

#### Neg sustainability claims are a Malthusian trap---innovation solves.

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In Chapter 2, we discussed the Malthusian trap: long-term growth is impossible in this model because every gain in productivity generates a demographic expansion that brings GDP per capita back to subsistence level. This paradigm may seem extreme but in reality many of our fellow citizens are Malthusians without realizing it, like Monsieur Jourdain of Molière’s Le Bourgeois gentilhomme [The Middle-Class Gentleman], who speaks in prose without knowing it. This is in any case true of those who advocate for “antigrowth” as the only possible response to the constraints of limited natural resources and the urgency of climate change. Their viewpoint can be expressed as follows.

Consider an economy whose growth comes entirely from capital accumulation, in which the final production of consumer goods (known as final production) requires both capital and the extraction of natural resources. The accumulation of capital—investment—is equal to savings, and savings represents part of final production, the remainder being devoted to consumption.3 Suppose that the stock of natural resources is limited. We can prove two propositions that remain valid whether returns to capital accumulation increase or decrease with the amount of accumulated capital. First, the economy is bound to stagnate in the very long term; second, a slowdown of growth in the short term will prolong the economy’s lifespan.

To prove that the economy is bound to stagnate in the very long term, one reasons by contradiction. Suppose that the economy were to continue to grow indefinitely at a positive rate. It follows that final production would not converge toward zero over time. For this to be the case, the flow extraction of natural resources must continue above a certain level. But then the stock of natural resources will end up being depleted in a finite time. Once the stock is depleted, final production falls to zero, which contradicts the initial assumption of ever-increasing final production. Therefore, the only possible rate of growth over the long term is zero.

The second proposition—that slowing growth in the short term prolongs the lifespan of the economy—results directly from the fact that any slowdown of the economy in the short run saves natural resources, thereby making it possible to extract those resources over a longer period, which prolongs the time during which final goods can be produced.

It was this very logical and persuasive reasoning that inspired the champions of zero growth in the 1970s. The same reasoning drives the advocates of antigrowth. Can we escape this logic? Just as in the case of the Malthusian trap, the answer can be summed up in a single word: innovation. Only innovation can push back the limits of what is possible. Only innovation has the potential to improve quality of life while using fewer and fewer of our natural resources and emitting less and less carbon dioxide. Only innovation will enable us to discover new and cleaner sources of energy. For example, the introduction of nuclear power plants enabled France to reduce its CO2 emissions, and the development of renewable energies amplified this movement.

Creative destruction is a very powerful engine of change. Not only does it enable a new technology to replace an older one, it can also open the path to a radical change in production processes. And environmental urgency calls for radical change in some fields; for example, modifying the mix of energy sources to rely more on renewables requires the entire energy industry to change models. A critical question is whether innovation will be directed spontaneously toward less polluting technologies or toward technologies that use fewer natural resources, or whether, on the contrary, governmental intervention is necessary. We now turn our attention to this question.

#### The aff provides a course correction to capitalism---unfettered free markets result in consolidation, but state intervention can promote creative destruction.

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Let’s face it: Capitalism has a bad reputation these days. While it is still seen as the “least awful” of alternatives, many accuse it of having led to exploding inequality, disastrous climate change and fractured societies. For some, these consequences are enough to advocate abandoning it altogether.

In The Power of Creative Destruction, economists Philippe Aghion, Céline Antonin and Simon Bunel argue that abolishing capitalism is not the solution. Historically, a market economy has proved to be a formidable engine of prosperity, enabling societies to develop in ways that were unimaginable even two centuries ago. However, market forces cannot be given free rein. The state and civil society both have a role to play in guiding the forces of disruptive innovation that underpin growth.

Creative destruction refers to the process by which innovations continually displace existing technologies and ways of doing things. New firms continually step up to the plate and new jobs replace obsoleted ones. In sum, the new destroys the old. This constant innovation is the driving force of capitalism and the catalyst of long-term growth. However, feats of innovation aren’t heaven-sent. They are achieved by entrepreneurs motivated by the prospect of dominating over a given market. The problem is that once they manage that, they often use their might to maintain the status quo and block the natural Darwinian process.

The originator of the notion of creative destruction, Joseph Schumpeter (1883-1950), was pessimistic about the future of capitalism. He believed that powerful incumbents – think conglomerates – would eventually dominate every sector. By stifling competition, they would kill innovation and growth softly. On the strength of about 30 years of global research that yielded the body of theory and empirical evidence that Schumpeter lacked, Aghion and his co-authors are unquestionably more upbeat. Advocating a fighting optimism, their book shows there are ways to reward growth-creating innovators and, at the same time, prevent them from entrenching themselves.

Revisiting the main enigmas of economic history

History has left us with some enigmas about economic growth. Among them: Why did economic growth suddenly pick up from 1820, after being negligible for close to 2000 years? Why do some countries start to converge to the standards of living of developed countries but sputter mid-way? And why have technological revolutions so far not brought about the mass unemployment feared by the Luddites in 19th-century England and by John Maynard Keynes in 1930? The body of knowledge accumulated around creative destruction helps us solve all these enigmas and more, as shown by the following three vignettes.

The 1820 starting point of growth: The world per capita GDP was the same in the year 1000 as in the year 1 CE. From there, the average rate of yearly growth barely reached one twentieth of 1 percent. But in 1820, in the United Kingdom and then in France, economic growth suddenly picked up, reaching about 0.5 percent per year for 50 years. Why? Because of the convergence of four factors: greater transfer of knowledge (e.g. the Encyclopaedists, the weakening of overprotective guilds), effective protection of property rights, healthy competition between European nations (inventors not welcome in one country could take their brilliance elsewhere) and the development of financial instruments that dynamised innovation and risk taking.

The middle-income trap: Developing countries must implement investment-focused policies to catch up initially, but at some point, they must switch to innovation-promoting policies to compete within the world of developed economies. A crisis can help with that painful transition to a more Darwinian setting. If not, the nation’s growth stalls as the well-fed incumbents guard their turf and block new competition.

Technology as the end of jobs: The fear that machines will destroy human jobs began long ago. When William Lee presented a stocking-knitting machine to Queen Elizabeth I in 1589 (in order to get a patent), she refused, declaring: “Consider what thy invention could do to my poor subjects. It would assuredly bring them ruin by depriving them of employment, thus making them beggars.” However, we now have data to show that the impact of automation on jobs is not only positive, but it also increases over time. A 1 percent increase in automation in a plant today increases employment by 0.25 percent after two years and by 0.4 percent after ten years. This effect holds even for unskilled manufacturing workers. Automation generates productivity gains that benefit employees, consumers (via lower prices) and firms (via increased sales).

Questioning some common bits of wisdom

Creative destruction also gives us a useful lens through which to assess policy prescriptions. For instance, some believe that taxation is the sole method of making growth more inclusive. Along the same line of thinking, some insist we should tax robots, especially since they will (allegedly) create mass unemployment. Others view a complete ban on growth as the best way to fight climate change.

Aghion and his co-authors believe these policies are misguided and explain why in the book. Taxation is but one economic tool; it is just as important for the state to promote innovation to boost social mobility and raise standards of living. The focus should be on investing in education and science. More recently, the state has emerged as an investor in innovation. This is a smart move.

Taxing robots, or any new technology for that matter, goes against innovation. The state should always preserve the free entry of goods and services in the market. Will some jobs be displaced in the process? Of course, and that is why creative destruction has an important caveat, or perhaps corollary: The state must insure employees against the potentially adverse consequences of job loss.

Zero or negative growth is not the best response to climate change. Green innovation is. However, a laissez-faire economy doesn’t move spontaneously towards green innovation. On the contrary, polluting firms will naturally prefer to innovate in the same polluting technologies. So, the state must provide incentives to redirect innovation efforts. Several levers can achieve this: a carbon tax, subsidies for green innovation, technology transfers to developing countries and carbon tariffs to discourage pollution havens. Civil society also has an important role to play to persuade firms to pursue green technologies.

Rethinking the future of capitalism

Lastly, the creative destruction paradigm helps us rethink capitalism. The Covid crisis has revealed the pitfalls of capitalism, which turn out to be very different across countries. The United States has a great model of innovation, but its social model is broken. Europe (broadly) offers social welfare, but its innovation model is inadequate. The book explains how we should work towards a model of capitalism that combines the dynamism of the US innovation with the social protections afforded by a country like Denmark.

Despite Schumpeter’s initial gloom, capitalism isn’t doomed. There are ways to overcome its apparent curse. But just like innovation isn’t heaven-sent, fixing capitalism will require coordinated action, based on a solid understanding of the determinants of economic growth and prosperity.

States should pursue two types of policies simultaneously: protecting intellectual property rights on innovation on the one hand and safeguarding competition on the other. Merger and acquisition policies should also take into account the impact on innovation. The entry of smaller, potentially more innovative players, cannot be left to the good will (or distraction) of the incumbents.

Optimal innovation policies will never please the firms that have already achieved market dominance. Proper separation of power, supported and enforced by a strong civil society, is required to ensure minimal collusion between behemoth firms and the executive power. Think of it as a “magic triangle” that includes the state, the market and civil society acting as a watchdog.

Does fixing capitalism somehow involve getting rid of the 1%? The short answer is no. While innovation does help the top 1% get richer, it doesn’t impact the Gini coefficient (an index of wealth inequality within a nation). This is because innovation lifts society as a whole through promoting social mobility. This contrasts with lobbying, which also helps the rich get richer, but does nothing for innovation on top of increasing the Gini coefficient. In sum, society can reward innovators, but should never leave them in charge of policymaking.

### AT: K of China Threat

#### It’s not a self-fulfilling prophecy---China is a threat

Blumenthal et al 11 Dan Blumenthal is a current commissioner and former vice chairman of the U.S.-China Economic and Security Review Commission, where he directs efforts to monitor, investigate, and provide recommendations on the national security implications of the economic relationship between the two countries. “Avoiding Armageddon with China” <http://shadow.foreignpolicy.com/posts/2011/09/06/avoiding_armageddon_with_china?wpisrc=obinsite>)

The balancing and hedging strategy should involve options to avoid what Traub rightfully describes as "Armageddon." We call for a myriad of conventional options short of striking the nuclear-armed PRC, in the hope that such a strategy enhances deterrence in the first place and avoids Armageddon should deterrence fail. The strategy aims to slow escalation rather than quicken it. The idea of a self-fulfilling prophecy -- of turning China into an enemy by treating it as one **-- is like a unicorn**; it is a make believe creature that still has its believers. The United States has done more than any other country to "turn China into a friend" by welcoming it into the international community. Alas**, China has not fulfilled this U.S. "prophesy of friendship**." Instead China has built what all credible observers call a destabilizing military that has changed the status quo by holding a gun to Taiwan's head even as Taiwan makes bold attempts at peace, by claiming ever more territory in the South China Sea, and by attempting to bully and intimidate Japan. Traub asks whether our allies and partners will be willing to participate in an "anti-Chinese coalition," as he describes it. As the paper says, all allies, partners, and potential partners are already modernizing their militaries in response to China. And they will continue to do so regardless of whether the U.S. pursues what Traub would see as an "anti-China" strategy. Even laid-back Australia has plans to double its submarine fleet -- it is not doing so to defend against Fiji. The paper argues that it is time for the United States to offer more serious assistance so that matters do not get out of hand. A strong U.S. presence and commitment to the region's security can help avoid a regional **nuclear arms race**, for example. The United States can be a force multiplier by providing the intelligence, surveillance, and reconnaissance that only Washington possesses, and by training, and equipping our allies and friends. This strategy is one way of beginning to put Asia back in balance as China changes the status quo. Not doing so, we fear, **would lead to Armageddon**.

#### Our threat discourse exists because of actions, not the other way around

**Jackson 15** May 19 [Van Jackson, Ph.D., is an associate professor at the Asia-Pacific Center for Security Studies and an adjunct senior fellow at the Center for a New American Security. He is the author of the forthcoming book Rival Reputations: Coercion and Credibility in US-North Korea Relations] The Truth About Anti-China Discourse in the United States There are some real problems with discourse analysis of this ilk. http://thediplomat.com/2015/05/the-truth-about-anti-china-discourse-in-the-united-states/

I’ve noticed a pattern of analysts and scholars who, being either sympathetic to Chinese government views or critical of U.S. Asia policy, point to an “anti-China” discourse in U.S. scholarly and policymaking circles. These discourse analyzers express concern that the United States is provoking China and, at the most logical extreme, threatening regional stability. **Their concerns are mostly misplaced**. Blaming U.S. discourse for Chinese assertiveness would be amusing were it not irresponsible; **it alleviates China of any accountability for its own actions**.

To the extent that there’s an “anti-China” discourse in U.S. circles, its roots **are not inherently with hawkish** propensities of U.S. policymakers but with regional and U.S. perceptions of Chinese word and deed.

In a recent Diplomat piece, Dingding Chen repeated an occasionally heard argument that U.S. discourse about China is worrying, not because it reflects an aggressive China, but because it reflects a potentially aggressive or reckless U.S. policy establishment; this is the subtext of such arguments. In 2013 Alastair Iain Johnston offered a similarly themed analysis, claiming there was an “assertive China” meme in U.S. discourse, and that it was not connected to any particularly assertive change in Chinese behavior. Indeed, a large body of work of uneven quality has tried to frame any friction in Sino-U.S. relations as the onus of the United States, declaring the latter should, among other things, stop reconnaissance mission in international waters and not deploy ballistic missile defense to protect allies.

**The logical error made** by discourse analysis of this ilk is not in pointing out that some in the United States routinely express concern about Chinese behavior; this is accurate. But **it does not** necessarily **follow that because an “anti-China” discourse exists** in the United States **that either U.S. perceptions are unfounded, or that U.S. behavior is to blame for Chinese behavior**. Both of these logical leaps require scrutinizing not primarily U.S. behavior and perceptions, but dyadic behavior and regional perceptions.

**Chinese discourse routinely calls for an end to U.S. alliances**, a return to multipolarity, **and a new regional architecture** in lieu of the post-Cold War liberal order. This is frequently written about, but was on display yet again during the Asan Plenum 2015, an international conference in which I recently participated in Seoul, South Korea. Unlike many conferences where these arguments are advanced, the Asan Plenum’s panel discussions involving Chinese friends making such statements are all available online here. **These** arguments are not only audience tone-deaf (telling a conference host they shouldn’t want or need a U.S. alliance); they also **constitute a Chinese discourse that is fundamentally revisionist** in the sense that it represents and seeks to foment deviations from an international status quo that has ironically accommodated China’s economic and military rise.

The Asan Plenum was not an isolated incident; attending international conferences with Chinese friends has often left me with the same impression, one summarized rather well by a loyal Diplomat reader: “I occasionally attend academic conferences in which there are Chinese participants. And usually some if not all of the theories about China — collapse, Asia for Asians, balancing, punishing– are discussed. One feature has been free wheeling, transparent discussions by all non-Chinese participants and only rigid presentations by the Chinese.” **Chinese discourse about China is crafted and controlled**; U.S. and Asian discourse about China explores all logical possibilities in open debate.

As a Pew Poll in 2014 evidenced, most **Asian countries are worried about China’s behavior** and intentions. This sentiment comes through even more compellingly in a survey of Asian policy elites conducted by the Center for Strategic and International Studies: while 83% of Chinese elites polled believed China’s impact on regional security was either “very positive” or “somewhat positive,” less than 20% of respondents from other countries on average shared that view. There is, in other words, a massive chasm between Chinese perceptions (and those who sympathize) and virtually everyone else.

These polls matter because they’re suggestive of regional perceptions, which is overwhelmingly concerned with Chinese intentions. Ignoring this ignores an important source of military modernization happening throughout the region. Worse still, **by focusing blame on the United States** rather than analyzing Chinese word and deed, **discourse analysts effectively give China a pass**; anything China does gets to be framed as defensive or reactive, and any friction can be blamed on U.S. provocativeness. Such framing also overlooks a great deal of contemporary research making both a logical and evidentiary case for contemporary Chinese assertiveness.

### Pragmatism---2AC

#### Problem-driven critique is key---attempting to simplify the world into monolithic structures brackets-off lived experience to abstract for the sake of abstraction which naturalizes inequality

Lois McNay, 2017. Professor of Theory of Politics and Fellow, Somerville College, University of Oxford. “Critical Exchange: Democracy, critique and the ontological turn.” *Contemporary Political Theory* 16.4 501-531.

It is commonplace to observe that political theorising of all kinds necessarily rests on ontological presuppositions in so far as to say anything of normative significance about the world, the theorist cannot avoid making certain simplifying assumptions about its basic nature and the constitutive features of social being. For the most part, these animating assumptions form the unarticulated backdrop to any given political paradigm but, in moments of theoretical challenge, they may become objects of intense scrutiny. In the hands of radical democrats, for instance, ontological thinking has been an especially effective tool for challenging dominant views of the world in so far as it exposes the partially theorised or latent foundational assumptions that naturalise a given mode of social being. Feminist and critical race theorists for example have repeatedly used an intellectual counter-strategy akin to what Sandra Bartky (1977) calls ‘ontological shock’, to contest the complacencies of liberal thought that flow from its uncritical reliance on a disembodied, disembedded conception of the subject. Likewise, the interest of contemporary radical democrats in ontology pursues a similar counterhegemonic agenda. Here the aim is to reinvigorate the democratic imagination by thinking about the political realm in isolation from other areas of social life in order to identify its quintessential logic. These political ontologies differ from experientially grounded forms of critique in that, rather than expanding accounts of embodied social being, they speculate instead on suppressed, primordial dynamics of indeterminacy (lack or abundance) that form the condition of possibility of social existence itself. The postulation of a foundational ‘undecidability’ exposes the constructed, incomplete character of entrenched social objectivity. Through this subversive denaturalisation – things could be otherwise – a space is cleared for alternative visions of emancipatory political practice (e.g. Mouffe 2013; Glynos and Howarth, 2007). Ontologies of radical contingency are felt, in short, to be an especially effective way of opening up accounts of democracy to the ever-present possibility of progressive social transformation beyond the confines of the neo-liberal imaginary. In this light, then, it is clear that the contemporary preoccupation with political ontology is not an idiosyncratic feature of our current epoch but stands in an established tradition of radical democratic reasoning. This endeavor to define a generative ontological logic has obvious intellectual precedents in the work of thinkers such as Carl Schmitt, Hannah Arendt and Sheldon Wolin, who in different ways sought to rescue political action from what they regarded as a defunct liberalism that had reduced politics to a depoliticized administration of social affairs. The ontological perspective is used by them to reaffirm the status of political action as the paramount site of human freedom and creativity. Today’s ontological thinking picks up many of these concerns but develops them, this time around, in relation to resisting the pathologies of neo-liberal governance. If anything, however, these contemporary formulations are potentially more radical in their entailments for democratic praxis because unlike, say, Arendt, they don’t insist on a rigid separation of properly political concerns from private or social ones. All social relations are, in principle, open to becoming sites of radical contestation and change. But despite its radical inheritance, there is a sense in which the political promise of current thought on ontology has been somewhat thwarted, and, in my view, this is to do with its tendency to lapse into a socially weightless mode of theorising that forecloses a developed account of social power (see McNay, 2014). This social weightlessness manifests itself in a variety of ways – for example, the widespread tendency to model politics on ‘thin’ notions of discourse for example – but is most apparent in the insufficient attention paid by ontological theorists to the patterns and particularities of the lived reality of oppression. In the ‘ontology-first’ approach, the space of experience is invariably interpreted as a symptom of a prior radical contingency and, in being reduced to a secondary phenomenon, is implicitly denied existential depth, complexity and independent significance. The characteristic trope of this ontological reduction upwards is an exaggerated emphasis on the mutable, fluid, agonist elements of embodied social experience and a corresponding underestimation of its entrenched, routinized, negative aspects. This is not to deny that, in some of its dimensions, social being is certainly characterised by a degree of openness but a one-sided emphasis on contingency as a political good in itself is fast becoming what Paipais (2017) terms an ‘ontological orthodoxy’. Put differently, it is important to grasp oppression not simply as a matter of external, material constraint but also as internal psychological constraint; objective structures of inequality are taken into the bodies of individuals and lived as seemingly natural, subjective dispositions. As Bourdieu famously puts it ‘the most personal is the most impersonal… many of the most intimate dramas, the deepest malaises, the most singular suffering that men and women can experience find their roots in the objective contradictions, constraints and double binds inscribed in the structures of the labour and housing markets’. (Bourdieu, 1992, p. 201) What the Bourdieusian formulation makes clear is that attentiveness to the lived reality of oppression does not mean some simple-minded immersion in a supposed phenomenal immediacy, what Norval terms an ‘unmediated’ recourse to ‘experiences of suffering’. Rather, experience is always mediated through power and this requires careful analysis of the generative dynamic between embodied reality and the material and symbolic relations that constitute it: what Bourdieu calls a phenomenology of social space. Moreover, it is precisely the dismissal of thought about the embodied experience of oppression as ‘essentialist’ or ‘miserabilist’ that is problematic in so far as it engenders an unwarranted presumption of agency, that is, that individuals are somehow ready-made, fully willing political actors. What is left out in abstract invocations of agency, qua ontological indeterminacy, is systematic reflection on the social conditions that need to be in place for individuals to become effective political actors in the first place. Unaccompanied by attentiveness to these incarnate, social dynamics, the assertion of radical contingency is ultimately too thin to be politically enlightening. As Ian Shapiro puts it: ‘although everything might in some ultimate sense be contingent … this may be a quite trivial truth. That no building will endure for ever tells us nothing about the relative merits of different kinds of construction…questions about this latter order, in the realm of the relatively enduring, should occupy us’ (Shapiro 1992, p. 14). The bracketing of sociality does not just mean that political ontologies rely on tendentious accounts of agency, but also that they tend to embody a peculiarly self-enclosed and irreflexive mode of theorising. Reflexivity, or the capacity for on-going critical self-scrutiny, is widely held to be an indispensable feature of radical democratic critique if it is to maintain its emancipatory relevance to those oppressed groups who are the principal object of its inquiry. A theory’s ability to scrutinise its own limitations and blind-spots is essential in guarding against the intellectual reification that produces doxastic and potentially exclusionary ways of viewing the world. It necessarily entails therefore building into theory some kind of practical responsiveness to the particularities and changing dynamics of social life. After all, reflexivity involves not merely formal recognition of the ‘other’ but the concerted effort to respond as fully as possible to the destabilising implications that this ‘cross-grained, opaque, unassimilated material’ may have for the inquirer’s previously settled view of the world (Adorno, 1974; see also Bohman, 2008). The problem with ontologically grounded theory is that this important capacity for critical self-reflection is curtailed by its neglect of the dynamics of embodied being. Its suspension of sociality serves to insulate it from precisely the kind of external standpoint that potentially delivers an epistemic ‘shock’ to its frictionless theoretical world-view. Consequently, its arguments are propelled more by the internal, purportedly ‘necessary’ logic of speculative ontology rather than by receptivity to social context. As Prozorov puts it here, political ontology ends up ‘studying its own message’. This epistemological closure blocks crucial questions about the politics of their own mode of inquiry. How do certain theoretical and conceptual schema blunt sensitivity to the lived aspects of oppression? In what ways does a particular scholastic withdrawal from the practical world influence the kind of thinking that is made possible? What kind of methodological self-scrutiny would help to guard against theoretical reification? In short, political ontologies often fail to enact in their own theoretical practice the historicising entailments that flow from their galvanising premise of radical contingency. The premise seems to necessarily imply the adoption of a practical, open-ended and dialogical approach to theoretical reasoning, what might be called praxeological inquiry. Instead, however, ontologically grounded theories too often remain closed, self-perpetuating paradigms or what Wolin (2000) terms ‘theoretic theory’, whose relation to the practical logic and concerns of social life is questionable. For radical democrats then what are the alternatives to political ontology? It seems to me that a power-first rather than ontology-first approach to political theorising continues to be of importance in a world of increasing precariousness, where entrenched structural inequalities are deepening and new vulnerabilities are emerging on a hitherto unthinkable scale. Another way of putting this is that the intellectual agendas of experientially grounded and other types of disclosing critique – feminism, post-colonialism, critical race theory – are still as important as they ever have been. There is no denying, however, that the current political moment appears to be alarmingly bleak and regressive; but it is important for the democratic theorist not to give up hope and succumb to slightly petulant denunciations of the current era as one of anti-politics or post-democracy, as one without progressive political alternatives.

Here Foucault’s words are salutary because, confounding a common view of him as a political nihilist, he did not entertain fatalism as a viable theoretical stance. As he put it ‘the task of [political] philosophy is to describe the nature of the present … with the proviso that we do not allow ourselves the facile, rather theatrical declaration that this moment in which we exist is one of total perdition, in the abyss of darkness … it is a time like any other, or rather, a time which is never quite like any other’ (Foucault, 1988, p. 36). It is important not to give up on the present moment as one of political potentiality because, in Foucault’s view, this is one of the enduring lessons of Enlightenment thought for our own era, namely that critique should endeavour to preserve a ‘disposition’ or commitment to uncovering possibilities for progressive change that cannot be forgotten (Foucault, 1988, p. 94). Foucault describes this disposition as ‘practical critique’, one that takes the form of a ‘possible crossing-over’. In places, as we know, he also called it an ontology, a ‘historical ontology’, an ‘ontology of the actual’ that poses the questions ‘What is our present? What is the present field of possible experiences’ (1984, pp. 49–50). But, it is an ontology that seeks to answer such questions, not by identifying the constitutive dynamics of political being, but by scrutinizing settled forms of social existence so as to dislodge their appearance as natural, given and inevitable and reveal their contingency by uncovering the submerged traces of power that accompanied their historical emergence. Put schematically, Foucault ends up in the same place as radical democrats in that he reveals a radical contingency underlying social existence, but he achieves this insight through a directly contrary method, that is, through an interrogation of the logic of sociality rather than its suspension. Foucault’s power-first approach inspires a view of critique as problem – rather than paradigm – driven, attentive to the complex dynamics of social experience and rooted in social theoretical, rather than ontological or philosophical, abstractions. Critique on this view is ‘theorising with practical intent’, praxeological inquiry that operates across different perspectives and has the aim of expanding interpretative and epistemic horizons, thereby opening up new possibilities for thought and action (see Young, 1997, p. 5). This account of critique problematizes the rather grandiose idea that seems to prevail in academia at the moment that the goal of theory should be the formulation of definitive, all-encompassing models of the political, whether they be ontologically, normatively or procedurally framed. It rests instead on an idea of the theorist as participant observer, as engaged social critic whose work, in tandem with activist concerns, chips away at certain problems to produce an account of society that has the practical aim of unmasking domination and contributing to the gradual actualisation of other ways of being. As Foucault puts it,’we must think that what exists is far from filling all possible spaces’ (Foucault, 1989, p. 206).

# 1AR

## Case

#### 3---Reputational incentives check---our authors have self-interest against data inflation.

Ravenal 9 – Distinguished Senior Fellow in Foreign Policy Studies at the Cato Institute

(Earl C., also professor emeritus of the Georgetown University School of Foreign Service, “What's Empire Got to Do with It? The Derivation of America's Foreign Policy.” Critical Review: An Interdisciplinary Journal of Politics and Society 21.1 (2009) 21-75)

The underlying notion of “the security bureaucracies . . . looking for new enemies” is a threadbare concept that has somehow taken hold across the political spectrum, from the radical left (viz. Michael Klare [1981], who refers to a “threat bank”), to the liberal center (viz. Robert H. Johnson [1997], who dismisses most alleged “threats” as “improbable dangers”), to libertarians (viz. Ted Galen Carpenter [1992], Vice President for Foreign and Defense Policy of the Cato Institute, who wrote a book entitled A Search for Enemies). What is missing from most analysts’ claims of “threat inflation,” however, is a convincing theory of why, say, the American government significantly (not merely in excusable rhetoric) might magnify and even invent threats (and, more seriously, act on such inflated threat estimates). In a few places, Eland (2004, 185) suggests that such behavior might stem from military or national security bureaucrats’ attempts to enhance their personal status and organizational budgets, or even from the influence and dominance of “the military-industrial complex”; viz.: “Maintaining the empire and retaliating for the blowback from that empire keeps what President Eisenhower called the military-industrial complex fat and happy.” Or, in the same section: In the nation’s capital, vested interests, such as the law enforcement bureaucracies . . . routinely take advantage of “crises”to satisfy parochial desires. Similarly, many corporations use crises to get pet projects— a.k.a. pork—funded by the government. And national security crises, because of people’s fears, are especially ripe opportunities to grab largesse. (Ibid., 182) Thus, “bureaucratic-politics” theory, which once made several reputa- tions (such as those of Richard Neustadt, Morton Halperin, and Graham Allison) in defense-intellectual circles, and spawned an entire sub-industry within the field of international relations,5 is put into the service of dismissing putative security threats as imaginary. So, too, can a surprisingly cognate theory, “public choice,”6 which can be considered the right-wing analog of the “bureaucratic-politics” model, and is a preferred interpretation of governmental decision- making among libertarian observers. As Eland (2004, 203) summarizes: Public-choice theory argues [that] the government itself can develop sepa- rate interests from its citizens. The government reflects the interests of powerful pressure groups and the interests of the bureaucracies and the bureaucrats in them. Although this problem occurs in both foreign and domestic policy, it may be more severe in foreign policy because citizens pay less attention to policies that affect them less directly. There is, in this statement of public-choice theory, a certain ambiguity, and a certain degree of contradiction: Bureaucrats are supposedly, at the same time, subservient to societal interest groups and autonomous from society in general. This journal has pioneered the argument that state autonomy is a likely consequence of the public’s ignorance of most areas of state activity (e.g., Somin 1998; DeCanio 2000a, 2000b, 2006, 2007; Ravenal 2000a). But state autonomy does not necessarily mean that bureaucrats substitute their own interests for those of what could be called the “national society” that they ostensibly serve. I have argued (Ravenal 2000a) that, precisely because of the public-ignorance and elite-expertise factors, and especially because the opportunities—at least for bureaucrats (a few notable post-government lobbyist cases nonwithstanding)—for lucrative self-dealing are stringently fewer in the defense and diplomatic areas of government than they are in some of the contract-dispensing and more under-the-radar-screen agencies of government, the “public-choice” imputation of self-dealing, rather than working toward the national interest (which, however may not be synonymous with the interests, perceived or expressed, of citizens!) is less likely to hold. In short, state autonomy is likely to mean, in the derivation of foreign policy, that “state elites” are using rational judgment, in insulation from self-promoting interest groups—about what strategies, forces, and weapons are required for national defense. Ironically, “public choice”—not even a species of economics, but rather a kind of political interpretation—is not even about “public” choice, since, like the bureaucratic-politics model, it repudiates the very notion that bureaucrats make truly “public” choices; rather, they are held, axiomatically, to exhibit “rent-seeking” behavior, wherein they abuse their public positions in order to amass private gains, or at least to build personal empires within their ostensibly official niches. Such sub- rational models actually explain very little of what they purport to observe. Of course, there is some truth in them, regarding the “behavior” of some people, at some times, in some circumstances, under some conditions of incentive and motivation. But the factors that they posit operate mostly as constraints on the otherwise rational optimization of objectives that, if for no other reason than the playing out of official roles, transcends merely personal or parochial imperatives. My treatment of “role” differs from that of the bureaucratic-politics theorists, whose model of the derivation of foreign policy depends heavily, and acknowledgedly, on a narrow and specific identification of the role- playing of organizationally situated individuals in a partly conflictual “pulling and hauling” process that “results in” some policy outcome. Even here, bureaucratic-politics theorists Graham Allison and Philip Zelikow (1999, 311) allow that “some players are not able to articulate [sic] the governmental politics game because their conception of their job does not legitimate such activity.” This is a crucial admission, and one that points— empirically—to the need for a broader and generic treatment of role. Roles (all theorists state) give rise to “expectations” of performance. My point is that virtually every governmental role, and especiallynational-security roles, and particularly the roles of the uniformed military, embody expectations of devotion to the “national interest”; rational- ity in the derivation of policy at every functional level; and objectivity in the treatment of parameters, especially external parameters such as “threats” and the power and capabilities of other nations. Sub-rational models (such as “public choice”) fail to take into account even a partial dedication to the “national” interest (or even the possibility that the national interest may be honestly misconceived in more paro- chial terms). In contrast, an official’s role connects the individual to the (state-level) process, and moderates the (perhaps otherwise) self-seeking impulses of the individual. Role-derived behavior tends to be formalized and codified; relatively transparent and at least peer-reviewed, so as to be consistent with expectations; surviving the particular individual and trans- mitted to successors and ancillaries; measured against a standard and thus corrigible; defined in terms of the performed function and therefore derived from the state function; and uncorrrupt, because personal cheating and even egregious aggrandizement are conspicuously discouraged. My own direct observation suggests that **defense decision-makers** attempt to **“frame”** the structure of the **problems** that they try to solve **on the basis of the** most accurate intelligence. **They** make it their business to know **where** the **threats come from**. Thus, **threats** are not “socially constructed” (even though, of course, some values are). A major reason for the rationality, and the objectivity, of the process is that much security planning is done, not in vaguely undefined circum- stances that offer scope for idiosyncratic, subjective behavior, but rather in structured and reviewed organizational frameworks. Non-rationalities (which are bad for understanding and prediction) tend to get filtered out. People are fired for presenting skewed analysis and for making bad predictions. This is **because something important is riding on the** causal analysis and the contingent **prediction.** For these reasons, “public choice” does not have the “feel” of reality to many critics who have participated in the structure of defense decision-making. In that structure, obvious, and even not-so-obvious,“**rent-seeking” would** not only be shameful; it would **present a** severe risk of career termination**.** And, as mentioned, the defense bureaucracy is hardly a productive place for truly talented rent-seekers to operatecompared to opportunities for personal profit in the commercial world. A bureaucrat’s very self-placement in these reaches of government testi- fies either to a sincere commitment to the national interest or to a lack of sufficient imagination to exploit opportunities for personal profit.

## T

### `XT---Includes Rule of Reason

#### Prohibited conduct can be evaluated under the rule of reason

FCC 18. Federal Communications Commission. Restoring Internet Freedom A Rule by the Federal Communications Commission on 02/22/2018 https://www.federalregister.gov/documents/2018/02/22/2018-03464/restoring-internet-freedom

124. Antitrust. The antitrust laws, particularly Sections 1 and 2 of the Sherman Act, as well as Section 5 of the FTC Act, protect competition in all sectors of the economy where the antitrust agencies have jurisdiction. When challenged as anticompetitive under the antitrust laws, the types of conduct and practices prohibited under the Title II Order would likely be evaluated under the “rule of reason,” which amounts to a consumer welfare test. The Communications Act includes an antitrust savings clause, so the antitrust laws apply with equal vigor to entities regulated by the Commission. Should the hypothetical anticompetitive harms that proponents of Title II imagine eventually come to pass, application of the antitrust laws would address those harms.

### `AT: Per Se---Beschle---NU

#### Their evidence says “per se” generates confusion not precision. [EMORY READS BLUE]

Donald L. Beschle 87, Associate Professor of Law, The John Marshall School of Law. B.A., 1973, Fordham University; J.D., 1976, New York University School of Law; LL.M., 1983, Temple University School of Law. March. CURRENT TOPIC IN ANTITRUST: "What, Never? Well, Hardly Ever": Strict Antitrust Scrutiny as an Alternative to Per Se Antitrust Illegality., 38 Hastings L.J. 471

In response to recent attacks on per se rules, courts have clung to the term and to its absolutism by steadily narrowing the definitions of the types of behavior subject to those rules. The result has been not only much confusion, with words being used to designate things far narrower than their commonly understood meanings, but also the application of permissive rule of reason treatment to some behavior which, while not meriting absolute prohibition, clearly deserves careful antitrust analysis.

The proper response to this confusion is to retain the valid insight of per se jurisprudence, that certain types of behavior should be treated as more suspect than others, while abandoning the indefensible absolutism of the term "per se." However, since terms carry with them not only precise meanings, but also more general attitudes, "per se" must be replaced with a term which does not carry the permissive connotations which have become associated with the "rule of reason."

The best available term for this new test is strict antitrust scrutiny. The use of such a term, and the type of analysis it suggests, is well known in constitutional law, where it by no means is associated with leniency. When faced with conduct which would traditionally be labelled per se illegal under the antitrust laws, courts should apply strict antitrust scrutiny. They should ask whether the defendant can carry the heavy burden of demonstrating that its conduct is narrowly tailored to achieve a procompetitive end. By replacing a system which places absolute prohibitions on types of conduct which can be defined so narrowly as to be irrelevant with a system which places, not absolute prohibitions, but heavy negative presumptions, on a larger set of behaviors, strict scrutiny should, on the whole, lead to more vigorous antitrust enforcement.

#### The thesis is abandon “per se”---its resolutionally impossible---either requires the aff to eliminate procompetitive activities or the qualification links to their offense.

Donald L. Beschle 87, Associate Professor of Law, The John Marshall School of Law. B.A., 1973, Fordham University; J.D., 1976, New York University School of Law; LL.M., 1983, Temple University School of Law. March. CURRENT TOPIC IN ANTITRUST: "What, Never? Well, Hardly Ever": Strict Antitrust Scrutiny as an Alternative to Per Se Antitrust Illegality., 38 Hastings L.J. 471 https://repository.uchastings.edu/cgi/viewcontent.cgi?article=2894&context=hastings\_law\_journal

This Article argues that the defenders of per se analysis have assigned themselves an impossible task. Arguing that types of activity can be identified as invariably anticompetitive is futile; counterexamples can almost always be put forward. Consequently, defenders of per se categorization are reduced to one of two unattractive alternatives. First, they can concede that per se categories may in some instances prohibit procompetitive activity, but argue that the overall benefits of per se categorization justify the result. Such an argument is unsatisfying because it explicitly sacrifices particular blameless defendants in order to search for an increase in general welfare. Second, per se defenders can narrow their categories to eliminate procompetitive counterexamples. This strategy, ,however, threatens to destroy those categories entirely. And if most of the once-condemned activity is returned to the realm of the rule of reason, the insight that certain types of behavior are particularly dangerous is lost.

The solution to this dilemma is to abandon the phrase "per se illegal," with its unrealistic connotations of absolute prohibition, yet retain a stringent test for particularly suspect activity. This new test must place a heavy burden of justification upon the defendant, yet not make justification impossible when the defendant's activity is clearly procompetitive. To abandon per se illegality with no alternative but rule of reason analysis would be to send an unwise message of government tolerance of practices threatening competition. But an alternative approach does exist.

#### Distorts literature, collapses aff ground and turns the topic to semantics---change the debate.

Donald L. Beschle 87, Associate Professor of Law, The John Marshall School of Law. B.A., 1973, Fordham University; J.D., 1976, New York University School of Law; LL.M., 1983, Temple University School of Law. March. CURRENT TOPIC IN ANTITRUST: "What, Never? Well, Hardly Ever": Strict Antitrust Scrutiny as an Alternative to Per Se Antitrust Illegality., 38 Hastings L.J. 471 <https://repository.uchastings.edu/cgi/viewcontent.cgi?article=2894&context=hastings_law_journal>

It is not surprising that defenders of the per se concept are losing ground, both in the academic literature and in the courts. This situation, however, is much less a reflection of any defect in the general position advocating vigorous antitrust enforcement than an indication of a fundamental flaw in the concept chosen to implement that position. From the earliest days of antitrust, advocates of vigorous enforcement have made strong and appealing arguments for listing certain types of conduct as clearly and invariably forbidden. 57 Not only would this categorization make enforcement of the antitrust laws quicker and more certain, it would also serve to deter far more anticompetitive behavior. Certainty and judicial economy are no doubt valid concerns, and vigorous enforcement of the antitrust laws is certainly consistent with the spirit of the public and the legislators who adopted them. 158

But the use of the concept of per se illegality has been unfortunate. To the extent that the term means what it says-that certain practices will invariably be illegal-it is difficult to defend. If a practice is to be classified as invariably illegal, it should be so designated only upon a showing that it will always (or at least almost always) cause harm outweighing any benefits which it may produce. Some courts have so held, stating that the per se label will be reserved for practices which will always, or almost always, fail the standard test of antitrust analysis, the rule of reason. 159

Absolutes, however, even when qualified with the word "almost," are hard to prove. In an area as complex as the effect of concerted business practices on coml3etition, numerous counterexamples, both hypothetical and actual, may be advanced to rebut the contention that any such practice invariably injures competition. To defend per se illegality, then, is to defend something almost inevitably indefensible. The only possible way to defend the concept effectively is to resort to the course currently being taken by the Supreme Court: to narrow the categories so far as to make the question of categorization almost as complex as full rule of reason analysis. At that point, the defense of the per se concept becomes merely an exercise in semantics.

If the concept of per se illegality is indefensible, except when so refined as to make it largely irrelevant, why continue to defend it at all? Why not simply abandon the field to the rule of reason? It seems clear that the battle over the per se rules is less a clash over those specific rules than a battle over basic attitudes toward antitrust enforcement. For better or worse, per se rules have become linked in most minds with vigorous enforcement; to favor one is to favor the other. The rule of reason, on the other hand, is associated with a tolerant attitude toward antitrust defendants. Rule of reason analysis often-perhaps usually-leads to a finding of no liability. Its complexity and uncertainty can deter plaintiffs from even attempting to challenge behavior which many would say should be challenged. Since, to so many, rule of reason analysis means a type of antitrust enforcement under which much anticompetitive activity will be permitted, per se analysis is defended, not so much for its own virtues, but rather because of fears of the permissive nature of its sole obvious rival.

An alternative system of antitrust analysis would ideally avoid the indefensible and ultimately self-defeating absolutes of per se analysis, yet also avoid such complexity and uncertainty that harmful or suspect business activities would go unchallenged. Once formulated, such an alternative should be embraced by advocates of vigorous antitrust enforcement. Although some may be reluctant to abandon a concept such as per se illegality which has been defended for so long, if its defense is clearly doomed to failure by inherent flaws in the concept, the battle lines should be drawn around a new perimeter not only capable of being defended, but also worth defending.

## K

#### Cap’s sustainable---solves resource scarcity and climate change – answers their arg about global south resource use – that’s going WAY DOWN cuz cap innovation – answers their foster

Rainer Zitelmann 21. German historian and author of “The Rich in Public Opinion.” "Consumption Presumption: Are Human Beings Destroying the World?" National Interest. 2-12-2021. https://nationalinterest.org/feature/consumption-presumption-are-human-beings-destroying-world-178114

Some people claim that we need to cut our consumption or there will be no hope for the planet. Such claims are based on the thesis that continued growth increases the rate at which the earth’s finite resources are consumed and, moreover, leads to irreversible climate change. And such warnings are by no means new. In 1970, for instance, the Club of Rome attracted a great deal of attention with the publication of The Limits to Growth. A Report for the Club of Rome’s Project on the Predicament of Mankind, which has to date sold more than thirty million copies in thirty languages. The book warned people to change their ways and had a clear message: the world’s raw materials, and in particular, oil would soon be used up. In twenty years, the scientists predicted, we would have used the very last drop of oil. Of course, the Club of Rome’s models for the depletion of oil—and almost all other major raw materials—were wrong. According to the scenarios presented in The Limits to Growth, we should now be living on a planet that has been devoid of natural gas, copper, lead, aluminum and tungsten for decades. And we were supposed to have run out of silver in 1985. Despite the bleak forecasts, as of January 2020, the United States Geological Survey estimated silver reserves worldwide at 560,000 tons.

More from Less

Employing an extensive array of data, the American scientist Andrew McAfee proves in his book More from Less that economic growth is no longer coupled to the consumption of raw materials. Data for the United States, for example, show that of seventy-two resources, from aluminum to zinc, only six are not yet post-peak. Nevertheless, despite the fact that the U.S. economy has grown strongly in recent years, consumption of many commodities is actually decreasing.

Back in 2015, the American environmental scientist Jesse Ausubel wrote an essay, “The Return of Nature: How Technology Liberates the Environment,” showing that Americans are consuming fewer and fewer raw materials per capita. Total consumption of steel, copper, fertilizer, wood and paper, which had previously always risen in line with economic growth, had plateaued and was now in constant decline.

Such across-the-board reductions in natural resource consumption are only possible because of much-maligned capitalism: companies are constantly developing more efficient production methods and reducing the amount of raw materials they consume. Of course, they are not doing this primarily to protect the environment but to cut costs.

What's more, a constant stream of innovations has promoted the trend of miniaturization or dematerialization. Just think of your smartphone. How many devices has your smartphone replaced and how many raw materials did they use to consume?

Calculator

Telephone

Video camera

Alarm clock

Voice recorder

Navigation system

Camera

CD-player/radio

Compass

Nowadays, many people no longer have a fax machine or street atlas because they have everything they need on their smartphone. Some even use their phones instead of a wristwatch. You used to need four separate microphones in your telephone, cassette recorder, Dictaphone and video camera, today you just need one—in your smartphone.

Fighting climate change with nuclear energy

The finite nature of the world’s natural resources is one argument against growth, climate change is another. Let’s take China as an example: China currently emits more CO2 than any other country in the world and is building a number of new nuclear power plants in order to achieve carbon neutrality by 2060. With the new build program well underway, China’s first new-generation nuclear power plant recently went into operation.

In the very near future, China intends to start exporting power plants. The latest generation of nuclear power plants is much safer than earlier models—and can play a pivotal role in the fight against climate change. In the United States, Joe Biden is already evaluating the advantages of small modular reactor (SMR) nuclear power plants. As the name suggests, SMRs are smaller than traditional nuclear fission reactors and offer a maximum capacity of three hundred megawatts. In the United Kingdom, for example, a consortium led by Rolls-Royce has announced plans to build up to sixteen SMR power plants.

So far, two reactors of this type are in operation, both onboard the floating nuclear power plant  “\Akademik Lomonosov, which supplies heat and electricity to the Siberian city of Pevec and its one hundred thousand inhabitants.

Anticapitalists blame capitalism for resource consumption and climate change. But political decisions—such as Germany’s decision to phase out nuclear energy—frequently have a negative impact on climate change.

Telling people to cut their consumption must seem like pure mockery to the hundreds of millions of people around the world who are still living in extreme poverty. What they need is more capitalism and economic growth. Just like in China, where the number of people living in extreme poverty has fallen from 88 percent in 1981 to less than 1 percent today. Andrew McAfee’s book has an optimistic message about how we don't have to turn back the clocks and cut our consumption: capitalism and technological progress are allowing us to steward the world’s resources, rather than stripping them bare.