# R1 Cards

## 1ac

### Inequality---1AC

#### Advantage 1 is Inequality.

#### Labor monopsony causes rising income inequality---revising antitrust doctrine to account for labor market power solves.

Eric A. Posner 8/13/21. Kirkland & Ellis Distinguished Service Professor at University of Chicago. How Antitrust Failed Workers. Oxford University Press, 2021.

In the United States, and much of the Western world, economic growth has slowed, inequality has risen, and wages have stagnated. Academic research has identified several possible causes, ranging from structural shifts in the economy to public policy failure. One possible cause that has received increasing attention from economists is labor market power, the ability of employers to set wages below workers’ marginal revenue product.1 New evidence suggests that many labor markets around the country are not competitive but instead exhibit considerable market power enjoyed by employers, who use their market power to suppress wages. This phenomenon—the power of employers to suppress wages below the competitive rate—is known among economists as labor monopsony, or simply labor market power. Wage suppression enhances income inequality because it creates a wedge between the incomes of people who work in concentrated and competitive labor markets. Wage suppression also reduces the incomes of workers relative to those of people who live off capital, and the latter are almost uniformly wealthier than the former. Wage suppression also interferes with economic growth since it results in underemployment of labor and, while it may seem to raise the return on capital, actually depresses it, as capital must lie idle to take advantage of monopsony power. With wages artificially suppressed, qualified workers decline to take jobs, and workers may underinvest in skills and schooling. Many workers exit the workforce and rely on government benefits, including disability benefits that have become a hidden welfare system.2 This in turn costs the government both in lost taxes and in greater expenditures. One estimate finds that monopsony power in the U.S. economy reduces overall output and employment by 13% and labor’s share of national output by 22%.3 The claim that labor market power raises inequality and reduces growth mirrors another claim that has received attention lately—that the product market power of firms has contributed to rising inequality and faltering growth.4 A product market is a collection of products defined by frequent consumer substitution. When a small number of sellers or one seller of these products exist, we say that each seller has product market power, which enables it to charge a price higher than marginal cost, or the price that would prevail in a competitive market. When a small number of employers hire from a pool of workers of a certain skill level within the geographic area in which workers commute, the employers have labor market power. One major source of market power in both types of markets is thus concentration, where only a few firms operate in a given market. Imagine, for example, a small town with only a few gas stations. Each gas station sets the price of gas to compete with the prices of the other gas stations. When a gas station lowers its price, it may obtain greater market share from the other gas stations—which increases profits—but it also receives less revenue per sale. If only a single gas station exists, it will maximize profits by charging a high (“monopoly”) price because the gains from buyers willing to pay the price exceed the lost revenue from buyers who stay away. If only a few gas stations exist, they might illegally enter a cartel in which they charge an above-market price and divide the profits, or they might informally coordinate, which is generally not illegal, though the social harm is the same. In contrast, if many gas stations compete, prices will be bargained down to the efficient level—the marginal cost—resulting in low prices for consumers and high aggregate output of gasoline. Labor market concentration creates monopsony (or, if more than one employer, oligopsony, but I use these terms interchangeably) where labor market power is exercised by the buyer rather than (as in the example of gas stations) the seller. Employers are buyers of labor who operate within a labor market. A labor market is a group of jobs (e.g., computer programmers, lawyers, or unskilled workers) within a geographic area where the holders of those jobs could with relative ease switch among the jobs. The geographic area is usually defined by the commuting distance of workers. A labor market is concentrated if only one or a few employers hire from this pool of workers. For example, imagine the gas stations employ specialist maintenance workers who monitor the gas-pumping equipment. If only a few gas stations exist in that area, and no other firms (e.g., oil refineries) hire from this pool of workers, then the labor market is concentrated, and the employers have market power in the labor market. To minimize labor costs, the employers will hold wages down below what the workers would be paid in a competitive labor market—their marginal revenue product. Faced with these low wages, some people qualified to work will refuse to. But the employers gain more from wage savings than they lose in lost output because of the small workforce they employ. Antitrust law does not distinguish monopoly and monopsony (including labor monopsony): firms that achieve monopolies or monopsonies through anticompetitive behavior violate antitrust law. But product market concentration has received a huge amount of attention by courts, researchers, and regulators, while labor market concentration has received hardly any attention at all.5 The Department of Justice (DOJ) and Federal Trade Commission’s (FTC) Horizontal Merger Guidelines, which are used to screen potential mergers for antitrust violations, provide an elaborate analytic framework for evaluating the product market effects of mergers. Yet, while the Merger Guidelines state that there is no distinction between seller and buyer power,6 they say nothing about the possible adverse labor market effects of mergers. Similarly, while there are thousands of reported cases involving allegations that firms have illegally cartelized product markets, there are few cases involving allegations of illegally cartelized labor markets.7 This historic imbalance between what I will call product market antitrust and labor market antitrust has no basis in economic theory. From an economic standpoint, the dangers to public welfare posed by product market power and labor market power are the same. As Adam Smith recognized, businesses gain in the same way by exploiting product market power and labor market power—enabling them to increase profits by raising prices (in the first case) or by lowering costs (in the second case).8 For that reason, businesses have the same incentive to obtain product market power and labor market power. Hence the need—in both cases—for an antitrust regime to prevent businesses from obtaining product and labor market power except when there are offsetting social gains.

#### Current antitrust law is the largest factor.

Sandeep Vaheesan 18. Legal director at the Open Markets Institute. “How Contemporary Antitrust Robs Workers of Power” LPE Project. 07-19-18. <https://lpeproject.org/blog/how-contemporary-antitrust-robs-workers-of-power/>

The political economist Albert Hirschman developed the idea that members of an organization can exercise power in two ways—through exit and voice. Market activity is associated with exit: consumers unhappy with the price or quality of service of their current wireless carrier can switch to a rival carrier offering lower rates or better service. Elections exemplify voice: voters can replace a corrupt or ineffective incumbent officeholder with a challenger promising to make the government work for ordinary people. For workers, both exit (joining a new employer) and voice (making demands of a current employer) are important. Despite the pro-worker aims of the framers of the Sherman and Clayton Acts, **antitrust law** today is an **enemy of both exit and voice for workers.** For more than a generation, antitrust enforcers have permitted **labor markets to** **become highly concentrated** and have also **interfered with the efforts** of a large segment of workers to build collective power. Through their labor market actions, the Department of Justice (DOJ) and Federal Trade Commission (FTC) reinforce, rather than tame, corporate power. To create a progressive, pro-worker antitrust, legislators and policymakers must adopt a radically different vision for the field. Tens of millions of American workers **wield little or no power** in their place of work. In many parts of the country, workers lack meaningful exit. They **face concentrated local labor markets** in which only a handful of employers compete (at least theoretically) for their services. In some labor markets, employees have only one actual or prospective employer. In other words, many Americans, at least in their capacity as workers, may experience what we often think of as a relic of a bygone era—the company town. As recent studies have shown, employer-side concentration is **associated with significantly lower wages**. And other research has found that concentration at one level of a supply chain can **depress wages further upstream.** In addition to concentrated markets, approximately **30 million workers** are subject to **non-compete clauses**, which prevent them from accepting a new job or starting a business in the same line of work. Non-compete clauses, regardless of whether they are enforced, can signal to workers that their choice is **either stay at their current job or suffer extended unemployment.** Along with possessing few exit options, most workers cannot assert effective voice in the workplace. Big business’s legal and political war on labor’s power has severely weakened unions. In contrast to the 1950s when roughly a third of wage and salary workers were unionized, only a small percentage of workers are members of labor unions today—around one in ten among all workers, and one in sixteen among workers in the private sector. This decline in union density **explains a significant fraction of the forty-year stagnation in wages and increase in income inequality**. Moreover, even if wage gains had kept pace with productivity, the collapse of organized labor means that workers lost say over numerous workplace issues. While employees can speak up as individuals, this type of voice is no substitute for the collective voice that comes from a democratic union. Given that most individual workers are dispensable and replaceable for their employers, a lone voicing of grievance often can easily be ignored or even invite retaliation from an employer. And, beyond the site of employment, unorganized workers are less able to exercise voice in electoral politics and check the dominant influence of corporations. Antitrust enforcers have allowed labor markets to grow more concentrated across the country. Just as labor law has been rewritten to cripple labor organizing, the executive branch and courts have remade antitrust to be much friendlier to capital over the past four decades. Influenced by the writings of Robert Bork, the Supreme Court has held that the **antitrust laws are a “consumer welfare prescription.”** Although the Supreme Court and the antitrust agencies counterintuitively state that consumer welfare accounts for harms to workers and other sellers of services, the DOJ and the FTC focus their enforcement on mergers and practices harmful to consumers. In developing enforcement priorities, the federal antitrust agencies have relied on simplistic economic theory. Instead of directing their economists to study the structure of labor markets, the DOJ and the FTC have adopted an Econ 101 view of the world and assumed that labor markets are generally competitive on the employer side. Embracing this fiction, the agencies have never stopped a merger on labor market grounds. **Due to antitrust inaction** (and other factors), labor market **concentration has increased** since the late 1970s.

#### Inequality undermines US international engagements---it’s the biggest threat.

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Much has been written about the domestic consequences of growing income inequality in the United States — how **inequality depresses growth**, puts downward pressure on the middle class, accentuates wage stagnation and creates added difficulty paying for a college education and buying a home — but much less has been said about how inequality will affect America’s role in the world. How will the social science experiment of allowing wealth to settle so unequally between the top 1 percent and rest of the United States impact the foundations and contours of U.S. foreign policy? In fact, there are likely to be subtle and **direct consequences of growing inequality** both for the United States’ **international standing** and its activism. In most critical respects, the **United States has helped to create and underwrite the global operating system** since the end of World War II. This required a citizen’s sense of external responsibility and belief that the United States had **something unique** and valuable to confer to the world. Americans over these generations have regularly demonstrated in word and deed that they were prepared to bear burdens and advance ideas. Coinciding with this era was a general sense of overarching optimism that reinforced a post-World War II period of unprecedented American activism on the global scene. It is likely that as a **growing segment of the population strains just to get by**, it will increasingly view foreign policy — foreign assistance and military spending alike — as a kind of **luxury ripe for cuts** and a reduction in ambition. It is possible to see early indicators of these sentiments on the right and left, in the form of both tea party isolationism and Occupy Wall Street suspicion that corporate interests drive America’s foreign entanglements. It is also the case that other countries have long emulated aspects of the American Way in designing their own development models. Having access to higher education, **creating conditions that support innovation and allowing for greater upward mobility** have all been deeply attractive qualities to many nations. But it is the construction of a **durable U.S. middle class** that has been perhaps **most compelling** to highly stratified societies across Latin America, Asia and Africa. Now, however, the United States is moving in the other direction, toward an **unstable society divided between astronomically rich elites** and everyone else. This **undermines a critical component of U.S. soft power** and is a model for societal engineering that few would choose to emulate. It is also the case that the most recent era of U.S. exertion on the global stage has involved nearly 15 years of conflict in the Middle East and South Asia. The most important features of these largely military engagements have involved refinements in counterinsurgency technique and adaptations in military technology. A different 1 percent of the U.S. population has been primarily involved in this struggle: the U.S. military and others associated with the defense establishment. Aside from clapping when a uniformed military member greets an emotional family at an airport homecoming, the vast majority of the population has been largely unaffected by these conflicts. They neither paid for nor fought these wars. The next phase of intense global engagement is likely to demand much more from a larger share of the population. The lion’s share of 21st-century history will play out in Asia, with its thriving and **acquisitive middle classes driving innovation, nationalist competitions, military ambitions, struggles over history and identity, and simple pursuit of power.** The United States is in the midst of a **major reorientation** of its foreign policy and commercial priorities that will draw it more closely to Asia in the decades ahead. The competition for power and prestige there rests on comprehensive aspects of national power — as much to our product and service offerings, the strength of our educational system and the health and vitality of our national infrastructure as to the quality of U.S. military capabilities. Each of these efforts require **substantial and sustained longer-term investments**; all face funding shortfalls due to myriad challenges. A corresponding **consequence of growing inequality has been a reduction** in support for these building blocks for comprehensive and sustained **international engagement.** The worrisome dimensions of income inequality on the quality of domestic American life should be enough to cause us to **consider enacting remedies**. However, the potential negative implications on U.S. performance internationally can only add to the case. Ultimately, a sustained and purposeful American internationalism is inextricably linked to the health of our domestic life, to which **gaping inequality is the biggest threat.**

#### Collapsing worker welfare causes neo-isolationist nativism---recovery future-proofs internationalism.

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U.S. President Joe Biden has declared that under his leadership, “America is back” and once again “ready to lead the world.” Biden wants to return the country to its traditional role of catalyzing international cooperation and staunchly defending liberal values abroad. His challenge, however, is primarily one of politics, not policy. Despite Biden’s victory in last year’s presidential election, his internationalist vision faces a deeply skeptical American public. The political foundations of U.S. internationalism have collapsed. The domestic consensus that long supported U.S. engagement abroad has come apart in the face of mounting partisan discord and a deepening rift between urban and rural Americans. An inward turn has accompanied these growing divides. President Donald Trump’s unilateralism, neo-isolationism, protectionism, and nativism were anathema to most of the U.S. foreign policy establishment. But Trump’s approach to statecraft tapped into public misgivings about American overreach, contributing to his victory in 2016 and helping him win the backing of 74 million voters in 2020. An “America first” approach to the world sells well when many Americans experience economic insecurity and feel that they have been on the losing end of globalization. A recent survey by the Pew Research Center revealed that roughly half the U.S. public believes that the country should pay less attention to problems overseas and concentrate more on fixing problems at home. Redressing the hardships facing many working Americans is essential to inoculating the country against “America first” and Trump’s illiberal politics of grievance. That task begins with economic renewal. Restoring popular support for the country’s internationalist calling will entail sustained investment in pandemic recovery, health care, infrastructure, green technology and jobs, and other domestic programs. Those steps will require structural political reforms to ease gridlock and ensure that U.S. foreign policy serves the interests of working Americans. What Biden needs is an “inside out” approach that will link imperatives at home to objectives abroad. Much will depend on his willingness and ability to take bold action to rebuild broad popular support for internationalism from the ground up. Success would significantly reduce the chances that the president who follows Biden, even if he or she is a Republican, would return to Trump’s self-defeating foreign policy. Such future-proofing is critical to restoring international confidence in the United States. In light of the dysfunction and polarization plaguing U.S. politics, leaders and people around the world are justifiably questioning whether Biden represents a new normal or just a fleeting reprieve from “America first.”

#### Soft power solves global existential risks.

Joseph S. Nye Jr. 20. Harvard University Distinguished Service Professor, Emeritus. "COVID-19’s Painful Lesson About Strategy and Power". War on the Rocks. 3-26-2020. https://warontherocks.com/2020/03/covid-19s-painful-lesson-about-strategy-and-power/

In 2017, President Donald Trump announced a new National Security Strategy that focused on great-power competition with China and Russia. While the plans also note the role of alliances and cooperation, the implementation has not. Today, COVID-19 shows that the strategy is inadequate. Competition and an “America First” approach is not enough to protect the United States. Close cooperation with both allies and adversaries is also essential for American security. Under the influence of the information revolution and globalization, world politics is changing dramatically. Even if the United States prevails in the traditional great-power competition, it cannot protect its security acting alone. COVID-19 is not the only example. Global financial stability is vital to U.S. prosperity, but Americans need the cooperation of others to ensure it. And while trade wars have set back economic globalization, there is no stopping the environmental globalization represented by pandemics and climate change. In a world where borders are becoming more porous to everything from drugs to infectious diseases to cyber terrorism, the United States must use its soft power of attraction to develop networks and institutions that address these new threats. For example, this administration proposed halving the U.S. contribution to the World Health Organization’s budget — now we need it more than ever. A successful national security strategy should start with the fact that “America First” means America has to lead efforts at cooperation. A classic problem with public goods (like clean air, which all can share and from which none can be excluded) is that if the largest consumer does not take the lead, others will free-ride and the public goods will not be produced. As the technology expert Richard Danzig summarizes the problem: Twenty-first century technologies are global not just in their distribution, but also in their consequences. Pathogens, AI systems, computer viruses, and radiation that others may accidentally release could become as much our problem as theirs. Agreed reporting systems, shared controls, common contingency plans, norms and treaties must be pursued as a means of moderating our numerous mutual risks. Tariffs and border walls cannot solve these problems. While American leadership is essential because of the country’s global influence, success will require the cooperation of others. On transnational issues like COVID-19 and climate change, power becomes a positive-sum game. It is not enough to think of American power over others. We must also think in terms of power to accomplish joint goals, which involves power with others. On many transnational issues, empowering others helps us to accomplish our own goals. The United States benefits if China improves its energy efficiency and emits less carbon dioxide, or improves its public health systems. In this world, institutional networks and connectedness are an important source of information and of national power, and the most connected states are the most powerful. Washington has some sixty treaty allies while China has few. Unfortunately, as Mira Rapp-Hooper recently argued, the United States is squandering that power resource. In the past, the openness of the United States enhanced its capacity to build networks, maintain institutions, and sustain alliances. But will that openness and willingness to engage with the rest of the world prove sustainable in the current populist mood of American domestic politics? Even if the United States possesses more hard military and economic power than any other country, it may fail to convert those resources into effective influence on the global scene. Between the two world wars, America did not and the result was disastrous.

#### A worker welfare standard would protect workers and reduce labor market concentration.

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Most of the principles naturally carry over, in suitably modified form, to the analysis of merger effects on labor markets, though a few subtle issues arise. Many of the same factors that could act as efficiencies on the product side are also efficiencies on the labor side. By analogy to the “consumer welfare” standard, we believe that **mergers that trigger scrutiny by reducing** **labor market competition** should be subject to a “**worker welfare” standard**.213 The fact that the merger might raise firm profits more than it harms workers **should not be sufficient to excuse the merger**. Instead, the merger would be permitted if the merger sufficiently increases worker productivity (workers’ marginal revenue product) in a way that will not fully be absorbed by lower prices or increased employer profits. Thus, harms from reduced competition are more than fully offset, and **therefore workers’ wages, benefits, or conditions will improve because of the merger.** This is not to say that mergers that harm workers should never be approved. The losses to workers could be offset by gains elsewhere in the economy. Indeed, the merger of two firms that operate in a frictionless labor market should not greatly harm workers even if it does result in significant layoffs, because in a competitive labor market **the laid-off workers can easily find equally good jobs.**214 In contrast, a merger that does create competitive concern should not be excused simply on the basis that it **allows the firm to cut costs by destroying jobs**. In such cases, antitrust doctrine does not allow efficiency gains in other markets to offset losses in one market.215 Thus, typically, **the worker-surplus implications of a merger will indicate its competitive effects**, just as in product markets consumer surplus is a strong but not perfect proxy for competitive effects. In some cases, a merger may **prove overall competitively harmful in labor markets** (thus **reducing worker welfare**) and beneficial in product markets (thus increasing consumer welfare). Such cases should be treated roughly like ones where competitive harm occurs in one product market but there are competitive benefits in another product market. To the extent possible, antitrust authorities should try to find remedies that address the competitive harms while preserving the benefits, such as requiring the spinning off of critical units that would allow an increase in market power. However, **the frequency of such cases should not be exaggerated**; mergers that increase labor market power and thus raise effective costs will not usually bring lower prices to consumers, and mergers increasing product market power and thus reducing sales will not typically create great jobs. As we noted in section I.A.3, enforcers should **not believe** the canard that the monopsonist’s lower labor costs are **passed on to consumers as lower prices**.216 Monopsony power raises the effective marginal cost a firm faces and thus should almost always lead to increased prices. Similar analysis applies to the merger-specificity of the efficiency gains: productivity gains that could be achieved absent the anticompetitive effects of the merger should not play a role in merger analysis.

### Modeling---1AC

#### Advantage 2 is Modeling.

#### Competition standards around the world focus on consumer welfare.

Marianela Lopez-Galdos 17. “Antitrust in 60 Seconds: Is the Consumer Welfare Standard Appropriate?” Disruptive Competition Project. 11-17-17. https://www.project-disco.org/competition/111717-antitrust-in-60-seconds-is-the-consumer-welfare-standard-appropriate/

In the rest of the world, including the European Union, most competition systems were put in place in the post-war periods. As such, the pursuit of pluralistic goals guided by public interest concerns through the competition system was a method by which these toddling democracies sought to boost and defend their nascent democratic process. That being said, competition systems have evolved, and mature ones have **narrowed the antitrust analysis to focus on consumer welfare.** In this context, it is noteworthy that the UN and OECD have **separately concluded** that many competition systems **pursue consumer welfare as the primary competition goal.** In 1995, UNCTAD concluded that “There has in fact been an increasing convergence in the provisions or the application of competition laws over the laws two decades. Competition systems in many countries are now placing relatively greater emphasis upon the protection of competition, as well as **upon efficiency and competitiveness criteria**, rather than upon other public interest goals”.

**Replacing the federal consumer welfare standard solves.**

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After World War II, the United States engaged in a historic effort to rebuild Europe and Japan through the Marshall Plan. While the story of the Marshall Plan is well known, what is less commonly understood is that the United States exported aggressive antitrust laws to Europe during those post-war years. The Marshall Plan antitrust advisors believed that the **massive consolidation in the German economy facilitated** and sustained **fascism**, and they argued that a **democratic society required a democratic economy**.26 Today, in the context of increasing concentration, rising authoritarianism, and foreign governments commingling state and markets through state-owned enterprises and state capitalism, **promoting economic democracy** abroad should be an **essential foreign policy objective**. And yet, the text of the Trans-Pacific Partnership, a trade agreement designed by the Obama Administration, established the objectives of competition policy as “economic **efficiency and consumer welfare**,” a narrowly drawn and ideological conception of the purposes of **antitrust** law that has no basis in U.S. statutory law.27 Presidents and their administrations should **abandon these cramped views of antitrust** and instead encourage the adoption of more aggressive antitrust laws **abroad**.

#### Global use of the consumer welfare standard fuels populism.

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Other competition legal scholars have called attention to the fact **the socioeconomic social contract is breaking down.** For example, Gal (2019) argues that: A growing number of citizens believe that the promises of the competition based market system, which form an important part of the implicit social contract, are not fulfilled and that capitalistic markets are no longer working in their favour. Indeed, statistics indicate that social mobility is low; that wealth is aggregated disproportionately in the hands of the already well-off; that **wealth inequality keeps rising**; that several large firms dominate the digital economy, thereby blocking at least some of the promises that technological changes were thought to bring about; that technological changes such as robotics create significant disruption effects and have negative implications on the labor market; or that education and social security **do not create viable solutions** for workers in order to ensure that wide geographic areas or demographic groups are not significantly and irreparably harmed. If one recognises the fact that the unfairness of the result of competition may be one of the **sources of populism** and that a **rebalancing of the benefits of the competitive process** is in order to make economic competition tolerable, the question is how to achieve it. Because the redistributive tools we have **do not seem to be adequate**, some of the hotly debated issues are whether we should be more cautious about entering into trade agreements with countries having widely different social and economic environments or rules and, at the domestic level, whether **antitrust** or competition law enforcement should **concern itself with the fairness of the competitive process.** Concerning antitrust or competition law enforcement three main arguments have been put forward against the inclusion of fairness considerations in the enforcement of anti- trust and competition law. First, the concept of fairness is vague; second, taking into consideration fairness would entail a social cost in terms of efficiency; and third, competition authorities are not equipped to trade fairness against efficiency considerations. Trebilcock and Ducci (2017) consider the vagueness of the notion of fairness and the necessity to specify the notions of fairness which could be relevant for competition. They usefully distinguish different notions of fairness that are pertinent to domestic markets: vertical fairness (between producers and consumers); horizontal fairness on the demand side (between consumers); horizontal fairness on the supply side (between producers); and procedural fairness (due process and private enforcement). One can **easily show** that antitrust is congruent with fairness with respect to horizontal fairness among suppliers in the sense that competition or antitrust law enforcement aims at **eliminating the barriers to entry or to development**, which prevent competitors from entering new markets or competing on the merits with established firms. This dimension of competition does not seem particularly problematic from the standpoint of fairness. One can also mention the fact that competition law, to the extent that it aims at eliminating discriminatory practices (as in the European competition law where article 102 prohibits firms with market power from directly or indirectly imposing unfair purchase or selling prices or other unfair trading conditions, or from applying dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage), goes some way toward meeting the horizontal fairness condition for consumers. The question of whether the way in which competition laws are implemented meet vertical fairness criteria is more complex. Some, like Trebilcock and Ducci, argue that **the goal of protecting consumer welfare assigned in most countries** to competition law is a somewhat **clumsy attempt to bring into competition law fairness issues** which are alien to what which competition law should be concerned with. For example, they write: Despite being usually justified by a distributive justice rationale, we believe that the consumer welfare standard **does not vindicate distributional equity concerns for consumers** vis-a-vis producers, and we believe that such choice of welfare standard does not represent an optimal tool for redistributive goals. On the contrary, we view the consumer welfare standard as resulting from a mix of poorly defined distributive concerns and more political economy-oriented explanations. Under the latter perspective, the ascendance of the consumer welfare standard may be interpreted as a political bargain between self-interested groups of producers (primarily large firms defending the efficiency benefits of economies of scale) and consumers (including final consumers, small buyers, farmers), where the concept of ‘consumer welfare’ can be seen as a more acceptable form of welfare standard for non-specialist audiences, which would politically allow the advancement of economic goals in the competition policy domain.

#### Populism causes extinction.

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The international system is at a **historical inflection point.** As Asia continues its economic ascent, two centuries of Western domination of the world, first under Pax Britannica and then under Pax Americana, are coming to an end. The West is losing not only its material dominance but also its ideological sway. Around the world, democracies are **falling prey** to illiberalism and **populist dissension** while a rising China, assisted by a pugnacious Russia, seeks to challenge the West’s authority and republican approaches to both domestic and international governance. U.S. President Joe Biden is committed to refurbishing American democracy, restoring U.S. leadership in the world, and taming a pandemic that has had devastating human and economic consequences. But Biden’s victory was a close call;on neither side of the Atlantic will **angry populism or illiberal temptations readily abate**. Moreover, even if Western democracies overcome polarization, beat back illiberalism, and pull off an economic rebound, they will not forestall the arrival of a world that is both multipolar and ideologically diverse. History makes clear that such **periods of tumultuous** **change** come with **great peril**. Indeed, **great-power** **contests** over hierarchy and ideology regularly lead to **major wars**. Averting this outcome requires soberly acknowledging that the Western-led liberal order that emerged after World War II cannot anchor global stability in the twenty-first century. The search is on for a viable and effective way forward. The best vehicle for promoting stability in the twenty-first century is a global concert of major powers. As the history of the nineteenth-century Concert of Europe demonstrated—its members were the United Kingdom, France, Russia, Prussia, and Austria—a steering group of leading countries can curb the geopolitical and ideological competition that usually accompanies multipolarity. Concerts have two characteristics that make them well suited to the emerging global landscape: political inclusivity and procedural informality. A concert’s inclusivity means that it puts at the table the geopolitically influential and powerful states that need to be there, regardless of their regime type. In so doing, it largely separates ideological differences over domestic governance from matters of international cooperation. A concert’s informality means that it eschews binding and enforceable procedures and agreements, clearly distinguishing it from the UN Security Council. The UNSC serves too often as a public forum for grandstanding and is regularly paralyzed by disputes among its veto-wielding permanent members. In contrast, a concert offers a private venue that combines consensus building with cajoling and jockeying—a must since major powers will have both common and competing interests. By providing a vehicle for genuine and sustained strategic dialogue, a global concert can realistically mute and manage inescapable geopolitical and ideological differences. A global concert would be a consultative, not a decision-making, body. It would address emerging crises yet ensure that urgent issues would not crowd out important ones, and it would deliberate on reforms to existing norms and institutions. This steering group would help fashion new rules of the road and build support for collective initiatives but leave operational matters, such as deploying peacekeeping missions, delivering pandemic relief, and concluding new climate deals, to the UN and other existing bodies. The concert would thus tee up decisions that could then be taken and implemented elsewhere. It would sit atop and backstop, not supplant, the current international architecture by maintaining a dialogue that does not now exist. The UN is too big, too bureaucratic, and too formalistic. Fly-in, fly-out G-7 or G-20 summits can be useful but even at their best are woefully inadequate, in part because so much effort goes toward haggling over detailed, but often anodyne, communiqués. Phone calls between heads of state, foreign ministers, and national security advisers are too episodic and often narrow in scope. Fashioning major-power consensus on the international norms that guide statecraft, accepting both liberal and illiberal governments as legitimate and authoritative, advancing shared approaches to crises—the Concert of Europe relied on these important innovations to preserve peace in a multipolar world. By drawing on lessons from its nineteenth-century forebearer, a twenty-first-century global concert can do the same. Concerts do lack the certitude, predictability, and enforceability of alliances and other formalized pacts. But in designing mechanisms to preserve peace amid geopolitical flux, policymakers should strive for the workable and the attainable, not the desirable but impossible. A GLOBAL CONCERT FOR THE TWENTY-FIRST CENTURY A global concert would have six members: China, the European Union, India, Japan, Russia, and the United States. Democracies and nondemocracies would have equal standing, and inclusion would be a function of power and influence, not values or regime type. The concert’s members would collectively represent roughly 70 percent of both global GDP and global military spending. Including these six heavyweights in the concert’s ranks would give it geopolitical clout while preventing it from becoming an unwieldy talk shop. Members would send permanent representatives of the highest diplomatic rank to the global concert’s standing headquarters. Although they would not be formal members of the concert, four regional organizations—the African Union, Arab League, Association of Southeast Asian Nations (ASEAN), and Organization of American States (OAS)—would maintain permanent delegations at the concert’s headquarters. These organizations would provide their regions with representation and the ability to help shape the concert’s agenda. When discussing issues affecting these regions, concert members would invite delegates from these bodies as well as select member states to join meetings. For example, were concert members to address a dispute in the Middle East, they could request the participation of the Arab League, its relevant members, and other involved parties, such as Iran, Israel, and Turkey. A global concert would shun codified rules, instead relying on dialogue to build consensus. Like the Concert of Europe, it would privilege the territorial status quo and a view of sovereignty that precludes, except in the case of international consensus, using military force or other coercive tools to alter existing borders or topple regimes. This relatively conservative baseline would encourage buy-in from all members. At the same time, the concert would provide an ideal venue for discussing globalization’s impact on sovereignty and the potential need to deny sovereign immunity to nations that engage in certain egregious activities. Those activities might include committing genocide, harboring or sponsoring terrorists, or severely exacerbating climate change by destroying rainforests. Policymakers should strive for the workable and the attainable, not the desirable but impossible. A global concert would thus put a premium on dialogue and consensus. The steering group would also acknowledge, however, that great powers in a multipolar world will be driven by realist concerns about hierarchy, security, and regime continuity, making discord inescapable. Members would reserve the right to take unilateral action, alone or through coalitions, when they deem their vital interests to be at stake. Direct strategic dialogue would, though, make surprise moves less common and, ideally, unilateral action less frequent. Regular and open consultation between Moscow and Washington, for example, might have produced less friction over NATO enlargement. China and the United States are better off directly communicating with each other over Taiwan than sidestepping the issue and risking a military mishap in the Taiwan Strait or provocations that could escalate tensions. A global concert could also make unilateral moves less disruptive. Conflicts of interest would hardly disappear, but a new vehicle devoted exclusively to great-power diplomacy would help make those conflicts more manageable. Although members would, in principle, endorse a norm-governed international order, they would also embrace realistic expectations about the limits of cooperation and compartmentalize their differences. During the nineteenth-century concert, its members frequently confronted stubborn disagreements over, for instance, how to respond to liberal revolts in Greece, Naples, and Spain. But they kept their differences at bay through dialogue and compromise, returning to the battlefield in the Crimean War in 1853 only after the revolutions of 1848 spawned destabilizing currents of nationalism. A global concert would give its members wide leeway when it comes to domestic governance. They would effectively agree to disagree on questions of democracy and political rights, ensuring that such differences do not hinder international cooperation. The United States and its democratic allies would not cease criticizing illiberalism in China, Russia, or anywhere else, and neither would they abandon their effort to spread democratic values and practices. On the contrary, they would continue to raise their voices and wield their influence to defend universal political and human rights. At the same time, China and Russia would be free to criticize the domestic policies of the concert’s democratic members and publicly promote their own vision of governance. But the concert would also work toward a shared understanding of what constitutes unacceptable interference in other countries’ domestic affairs and, as a result, are to be avoided. OUR BEST HOPE Establishing a global concert would admittedly constitute a setback to the liberalizing project launched by the world’s democracies after World War II. The proposed steering group’s aspirations set a modest bar compared with the West’s long-standing aim of spreading republican governance and globalizing a liberal international order. Nonetheless, this scaling back of expectations is unavoidable given the twenty-first century’s geopolitical realities. The international system, for one, will exhibit characteristics of both bipolarity and multipolarity. There will be two peer competitors—the United States and China. Unlike during the Cold War, however, ideological and geopolitical competition between them will not encompass the world. On the contrary, the EU, Russia, and India, as well as other large states such as Brazil, Indonesia, Nigeria, Turkey, and South Africa, will likely play the two superpowers off each other and seek to preserve a significant measure of autonomy. Both China and the United States will also likely limit their involvement in unstable zones of less strategic interest, leaving it to others—or no one—to manage potential conflicts. China has long been smart enough to keep its political distance from far-off conflict zones, while the United States, which is currently pulling back from the Middle East and Africa, has learned that the hard way. The international system of the twenty-first century will therefore resemble that of nineteenth-century Europe, which had two major powers—the United Kingdom and Russia—and three powers of lesser rank—France, Prussia, and Austria. The Concert of Europe’s primary objective was to preserve peace among its members through a mutual commitment to upholding the territorial settlement reached at the Congress of Vienna in 1815. The pact rested on good faith and a shared sense of obligation, not contractual agreement. Any actions required to enforce their mutual commitments, according to a British memorandum, “have been deliberately left to arise out of the circumstances of the time and of the case.” Concert members recognized their competing interests, especially when it came to Europe’s periphery, but sought to manage their differences and prevent them from jeopardizing group solidarity. The United Kingdom, for example, opposed Austria’s proposed intervention to reverse a liberal revolt that took place in Naples in 1820. Nonetheless, British Foreign Secretary Lord Castlereagh eventually assented to Austria’s plans provided that “they were ready to give every reasonable assurance that their views were not directed to purposes of aggrandizement subversive of the Territorial System of Europe.” A global concert would give its members wide leeway when it comes to domestic governance. A global concert, like the Concert of Europe, is well suited to promoting stability amid multipolarity. Concerts limit their membership to a manageable size. Their informality allows them to adapt to changing circumstances and prevents them from scaring off powers averse to binding commitments. Under conditions of rising populism and nationalism, widespread during the nineteenth century and again today, powerful countries prefer looser groupings and diplomatic flexibility to fixed formats and obligations. It is no accident that major states have already been turning to concert-like groupings or so-called contact groups to tackle tough challenges; examples include the six-party talks that addressed North Korea’s nuclear program, the P5+1 coalition that negotiated the 2015 Iran nuclear deal, and the Normandy grouping that has been seeking a diplomatic resolution to the conflict in eastern Ukraine. The concert can be understood as a standing contact group with a global purview. Separately, the twenty-first century will be politically and ideologically diverse. Depending on the trajectory of the populist revolts afflicting the West, liberal democracies may well be able to hold their own. But so too will illiberal regimes. Moscow and Beijing are tightening their grip at home, not opening up. Stable democracy is **hard to find** in the Middle East and Africa. Indeed, **democracy is receding,** not advancing, worldwide—a trend that could well continue. The international order that comes next must make room for ideological diversity. A concert has the necessary informality and flexibility to do so; it separates issues of domestic rule from those of international teamwork. During the nineteenth century, it was precisely this hands-off approach to regime type that enabled two liberalizing powers—the United Kingdom and France—to work with Russia, Prussia, and Austria, three countries determined to defend absolute monarchy. Finally, the inadequacies of the current international architecture underscore the need for a global concert. The rivalry between the United States and China is heating up fast, the **world is suffering** through a devastating pandemic, climate change is advancing, and the evolution of cyberspace poses new threats. These and other challenges mean that clinging to the status quo and banking on existing international norms and institutions would be dangerously naive. The Concert of Europe was formed in 1815 owing to the years of devastation wrought by the Napoleonic Wars. But the lack of great-power war today should not be cause for complacency. And even though the world has passed through previous eras of multipolarity, the advance of globalization increases the demand for and importance of new approaches to global governance. Globalization unfolded during Pax Britannica, with London overseeing it until World War I. After a dark interwar hiatus, the United States took up the mantle of global leadership from World War II into the twenty-first century. But Pax Americana is now running on fumes. The United States and its traditional democratic partners have neither the capability nor the will to anchor an interdependent international system and universalize the liberal order that they erected after World War II. The absence of U.S. leadership during the COVID-19 crisis was striking; each country was on its own. President Biden is guiding the United States back to being a team player, but the nation’s pressing domestic priorities and the onset of multipolarity will deny Washington the outsize influence it once enjoyed. Allowing the world to slide toward regional blocs or a two-bloc structure similar to that of the Cold War is a nonstarter. The United States, China, and the rest of the globe cannot fully uncouple when national economies, financial markets, and supply chains are irreversibly tethered together. A great-power steering group is the best option for managing an integrated world no longer overseen by a hegemon. A global concert fits the bill.

#### Specifically, the Philippines mirrors the consumer welfare standard after US law, but it must consider the AFF’s standard to promote development.

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The complexities of modern government have often led Congress- whether by actual or perceived necessity-to legislate broad policy goals and general statutory standards, leaving the specific policy options to the discretion of an administrative body. 2 In this regard, the Philippine Competition Commission ("PCC")-the administrative body mandated to implement the Philippine Competition Act -has taken great strides in **advancing the policy objectives of economic efficiency and consumer welfare**. That the two policy objectives figure greatly in the exercise of the PCC's mandate is evident from its regulatory issuances and participation in relevant proceedings. A. Regulatory Issuances In its Implementing Rules and Regulations ("IRR"), the PCC adopts the "substantial lessening of competition" ("SLC") test,4 a Jurisprudential standard crafted and **developed by foreign jurisdictions to weigh the anticompetitive effects of certain transactions.** By assessing market indicators such as firm rivalry, prices, quality, and availability of goods and services, the SLC test filters out agreements that reduce competitive pressure among firms and disincentivize them from becoming more efficient and innovative.5 The IRR also allows the PCC to forbear-or desist from applying the provisions of the PCA-when, among other considerations, forbearance is consistent with the benefit and welfare of the consumers. 6 Economic efficiency and **consumer welfare also take center stage** in the PCC's Rules on Enforcement Procedure ("Enforcement Rules"), the rules and regulations governing hearings, investigation, and other proceedings on anti-competitive agreements, abuse of dominant market position, and other violations of the PCA.7 Preliminary inquiries-the PCC proceedings that parallel the prosecutor's preliminary investigation in criminal cases-are to be conducted with due regard to consumer welfare.8 Interim measures may be issued against entities when their acts would result in a material and adverse effect on consumers or competition in the market.9 Upon termination of enforcement proceedings, the PCC will determine the propriety of imposing conclusive remedies with the aim of maintaining, enhancing, or restoring competition in the market.10 Similar to the IRR, the PCC's Rules on Merger Procedure ("Merger Rules") employs the SLC test in determining whether a proposed merger or acquisition will, post-transaction, **reduce economic efficiency or impair consumer welfare**; in determining the appropriateness of imposing interim measures; 12 or in considering whether, before clearing a merger or acquisition, the parties must abide by certain conditions to remedy, prevent, or mitigate competitive harm. 13 In addition, pursuant to its market surveillance function, the PCC is empowered to motu proprio conduct a review of mergers that are reasonably foreseen to breach the SLC test. 14 Intervening by way of an amicus curiae brief, the PCC apprised the Supreme Court of the competition issue intertwined with the legal question in a pending case that assailed, as an ultra vires expansion of statutory language, the regulation issued by the Philippine Contractors Accreditation Board that created a nationality restriction that was unsupported by the governing statutory text.15 The PCC supported striking down the regulation, arguing that, on the basis of economic literature and empirical data, the nationality restriction constituted a regulatory barrier to entry that unduly favored domestic contractors to the detriment of foreign contractors. In its argument that the regulation inordinately restricts market competition, the PCC enunciated the following principles: Consumer welfare, which in this case refers to the welfare of both households and other businesses, is maximized when competition allows consumers to access and choose the most efficient producers, regardless of the service provider's nationality. Indeed, it is a settled principle in economics that if there are many players in the market, healthy competition will ensue. The competitors will try to outdo each other in terms of quality and price in order to survive and profit. Competition therefore results in better quality products and competitive prices, which redound to the benefit of the public.16 In its recent bid to take its legal scuffle with Globe and PLDT17 to the Supreme Court,18 the PCC donned its mantle "to level the playing field across all markets; to review the competitive implications of large transactions; and to actively investigate, prosecute, and sanction cases of cartelistic behaviors that prevent, restrict, or lessen market competition." 19 These mandates would be carried out to "[encourage] innovation among market players, [reward] their efficient and productive use of resources, and ultimately [redound] to the benefit of consumers by lowering prices and enhancing their right of choice over goods and services offered in the market. 20 Significantly, the general public has acquiesced to the perception that the PCC champions economic efficiency and consumer welfare. News reports have consistently adverted to the PCA as a landmark piece of legislation that will enhance and promote these two policy objectives. Even lawmakers have acknowledged the PCC's critical role in improving market competition. Senator Juan Miguel Zubiri, addressing PCC's representative, Commissioner Johannes Bernabe, in a legislative hearing concerning the telecommunications sector, stated: "I'm really one with you [...] So you guys have to help us out [...] We are fighting giants. But as I said, the least that can happen is [that they] shape up and give us better service[,] or the best is that more players can come in and give us the best service[.]"21 But are such policy objectives all there is to the PCA? Or does the statutory text, alone or in conjunction with related legal materials, admit of other governing principles? Addressing such questions is crucial as the PCA may also cover other goals that have not been explicitly recognized. The law, after all, admits of different interpretations. 22 This then requires stakeholders and other government bodies to defer to the "sound discretion of the government agency entrusted with the regulation of activities coming under [its] special and technical training and knowledge[.]" 23 In such case, the PCC might be **undercutting its own potential to make even greater strides in other aspects of national development.** Recognizing these **other objectives** will greatly influence the PCC's exercise of its mandate and, more importantly, could **translate to better gains in national development.** By no means does this Note claim that the PCC is severely limiting the exercise of its functions-whether consciously or subconsciously. Rather, it simply articulates other equally **important antitrust considerations** which can be construed from the statutory text-considerations which the PCC **must also devote attention** to, and which the public, considering the incipient but technical field of competition law, 24 must appreciate.

#### The current standard results in economic injury.

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Enjoyment of the foregoing advantages should not, however, serve as vices that hinder the PCC from pursuing other policy objectives **beyond economic efficiency and consumer welfare.** The two virtues are, after all, **not without their shortcomings**-a strong admonition against the PCC from exclusively limiting its mandate to said virtues. Moreover, "with the growing complexity of modern life, the multiplication of the subjects of governmental regulations, and the increased difficulty of administering the laws," Congress has **vested "a larger amount of discretion in administrative and executive officials**, not only in the execution of the laws, but also in the promulgation of certain rules and regulations calculated to promote public interest." 9 0 To begin with, economics may not be as impartial a science as one might paint it to be, while economic efficiency and consumer welfare may not be as dispassionate. Economics, after all, is a tool that can be harnessed to suit any end. As incisively expressed in one article: Despite the laborious techniques and scientific pretention, most brands of economics are covertly ideological. Marxian economics, with its labor theory of value, assumes the inevitability of class conflict, and hence, the necessity of class struggle. Keynesianism, with its conviction that industrial capitalism is systematically unstable, offers an equally "scientific" rationale for government intervention. Neoclassical economics, with its reliance on the efficiency of markets, is a lavishly 9 Although legal analysis can now be expressed in terms of graphs, functions, equations and charts, this does not mean that competition agencies automatically possess the "cold neutrality of an impartial judge[.]" 92 **Antitrust and competition policy**, no different from the application of any other law, is **not an autarchic field** but is instead responsive to the warp and woof of other civil, political, and social dimensions. More alarmingly, employing the standards of economic efficiency and consumer welfare-more so when done to the **exclusion** of other goals-have, in some instances, **perversely led to economic injury.** Efficiency or welfare analysis has been criticized as ascribing to distinct goods and services the same social utility. Such a one-dimensional take fails to account for the harm certain goods-for instance, tobacco and guns- inflict on society. Since efficiency and welfare are primarily concerned with delivering the most competitive prices to consumers, **regulators end up making harmful goods more accessible to the consuming public.** 93 Furthermore, in a regime that adopts efficiency and/or welfare to the exclusion of other standards, "conduct that did not impair efficiency would be permitted, **regardless of the effects competitors, or the political economy at large**." 4 From a broader perspective, efficiency and consumer welfare are but two aspirations in the entire universe of objectives that antitrust may pursue. The United States case of Brown Shoe v. United States95 is instructive on this matter: Congress provided no definite quantitative or qualitative tests by which enforcement agencies were to gauge the effects of a given merger, but rather that Congress intended that a variety of economic and other factors be considered in determining whether the merger was consistent with maintaining competition in the industry in which the merging 96 The PCC shall inevitably encounter cases that will entail the application of other considerations since going by the economic efficiency or consumer welfare approach alone would be a dereliction of the duties to address various issues and promote other equally important values. As more complex variables factor into the agency's calculus, the PCC would risk undercutting its mandate if it were to limit its goals. In such case, **the ultimate loser would be society.**

#### Equitable growth in the Philippines prevents piracy.

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The Sulu-Celebes Sea is one of the major shipping routes of Southeast Asia.64 Annually, US$40 billion worth of goods pass through the Sulu-Celebes Sea, creating great economic opportunities for inhabitants of the region in logistics management, ship maintenance, and other complementary sectors.65 Moreover, its marine biodiversity66 generates economic opportunities for eco-tourism67, fish farming, and reef-sourced biomedical products.68 However, the threats arising from crime, piracy and terrorism have significantly impacted investors’ confidence in that region. Notwithstanding these opportunities, the labour force participation rate of the Bangsamoro Autonomous Region of Muslim Mindanao (BARMM) is only 62.3 percent for individuals who are above 15 years old, signalling a high unemployment figure despite the reported 3.8 percent unemployment rate. 69 More critically, low levels of formal education in the BARMM have led to limits on workforce development.70 Non-Governmental Organisations have identified coastal **poverty71** **and relative economic depression72** as the **key factors** that may induce grievances and lead to a sense of relative deprivation and injustice for which affected individuals feel the need to rebel against. This then drives **individuals into engaging in illicit activities and political violence.**73 While comprehensive data on the youth unemployment rates in the region is unavailable, the high intensity of conflict and low formal education attainment reduces economic opportunities among youth. Based on the youth bulge theory, spaces with high youth population and high youth unemployment are more prone to civil conflict.74 The poor economic outlook, coupled with existing political grievances, facilitates the continuous recruitment of disgruntled youth **into militancy**.75 The coasts of the Sulu-Celebes Seas has observed high proportion of youth participating in Abu Sayyaf activities. This includes the infamous Ajang Ajang unit, which comprised sons of deceased Abu Sayyaf members. Much of the Abu Sayyaf militant strength is derived from its youth. Notable leaders like Isnilon Hapilon (49 years old when killed), leader of the Islamic State’s East Asian Wilayah, participated in militancy since he was 17.76 Amin Baco (35 years old when killed), who was touted to succeed Hapilon, participated in Islamist insurgencies since he was 16.77 Nonetheless, more research onto this topic is required to investigate the relationship between the high youth recruitment and economic deprivation at the region. The COVID-19 pandemic has decimated the economies of the TCA member states. Youth unemployment for the Philippines, Indonesia, and Malaysia has risen significantly as a result of measures to curtail the spread of the virus.78 This trend **worsens the existing socio-political grievances** of the population, thereby **increasing** youth **participation in regional militancy**.79 Ultimately, governments must adopt both hard and soft power to build lasting peace in the region.

#### Goes nuclear---terrorist-piracy nexus guarantees escalation.

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The terrorism-piracy nexus and port security In assessing the nature of maritime terrorist activity in Asia, it is important to study the terrorism-piracy nexus – not least because pirates have in the past financed terrorist activity.[59]Evidence of a linkage between the terrorists and pirates first emerged in May 2003, when the M/V Pen rider, a Malaysian-registered oil tanker, was attacked off the coast of Malaysia, and three crew members were taken hostage.[60] After ship owners paid $100,000 to free the crew, it emerged that the attackers were associated with the Free Aceh Movement, an insurgent group operating in Indonesia. The receipt of a ransom of $1.2 million by the Somali pirates to free a Spanish fishing vessel and 26 hostages in 2008 provided more proof of a possible link between terrorists and pirates; reportedly, the Al-Shabaab had received a five-percent cut. A year later, when the terror group hired pirates to smuggle in members of Al Qaeda to Somalia, the terror-piracy linkage seemed virtually certain.[61] In recent years, terrorists and pirates have appeared to draw closer, even if the exact nature of their collaboration is not clear. Somali pirates and terrorists are said to have worked together in arms trafficking, and Al-Shabaab is said to have even have trained pirates for ‘duties’ at sea.[62]An investigation by the United Nations (UN) in 2017 found evidence of collusion between pirates and the Al Shabaab, including the possibility that pirates helped the latter smuggle weapons and ammunition into Somalia.[63] As discussed earlier, in Southeast Asia, the Abu Sayaff’s turn to piracy has resulted in millions earned via ransom payments.[64] Its cadres have used the revenue earned for pirate activity to expand the radical organisation’s presence in Southeast Asia. The terror-piracy linkage is important because it highlights the causal mechanism behind rising violence at sea. The task of maritime security agencies becomes harder, however, when the lines between terrorism and piracy begin blurring, particularly in Southeast Asia, where the Abu Sayyaf has alternated between piracy and terrorism. Today’s pirates are trained fighters onboard speedboats, armed not only with automatic weapons, hand-held missiles and grenades but also and global positioning systems; professional mercenaries that loop effortlessly between rent-seeking and violent acts. Their objectives are as much ideological, as they are material. ISPS code and littoral security While most discussions around maritime terrorism presume a threat to sea-borne assets, port security constitutes the bigger challenge. Terrorists have long had seaports on their crosshairs, because of the latter’s role in trade and economic development. In recent years, there has been a significant increase in freight traffic, with key ports in Asia transformed into global trading hubs. In keeping with the growing importance of port-enabled trade, regional governments have taken better measures to protect ships and onshore facilities. In many ports, authorities have increased guards, gates, and security cameras, even introducing identification card programs to screen those with access to critical port infrastructure. The installation of radiation detectors has been particularly helpful in screening critical cargo and identifying suspicious shipments. Yet, not even the best ports in Asia are able to track and monitor large containers comprehensively. With a rising quantum of cargo to be handled every day, port authorities find it impractical to scan each and every container being offloaded from cargo ships.[65]Container scanning in many ports is in fact a largely random exercise, with authorities insisting that shippers provide manifests of what is contained in cargo bins.[66] The lack of effective checks on ports brings up the possibility of the use of containers as weapons to smuggle in arms, explosive materials or the terrorists themselves. While terrorists would not possibly target cargo ships directly, the latter could be used to transport weapons or to sabotage commercial operations. A dirty-bomb in an illicit cargo container of a cargo ship could cause a port shutdown and huge commercial disruption.[67] Even a failed attempt to smuggle a device into a major transshipment hub would significantly impact port operations. After the 9/11 incident in the United States, the International Maritime Organization (IMO) had established the International Ship and Port Facility Security (ISPS) Code—a set of maritime regulations designed to help detect and deter threats to international shipping. The code subjects ships to a system of survey, verification, certification and control to ensure that the security measures prescribed by the IMO are implemented by member countries. It also provides a standardised, consistent framework for evaluating risk and gauging vulnerabilities of ships and ports facilities, laying down principles and guidelines for governments, port authorities and shipping companies, making compliance mandatory.[68] The code, however, has not been effective in a way originally intended.[69]Firstly, the code is based on the experience of 9/11 and early piracy activity off Somalia. No amendments or revisions have been made with regard to new types of security threats encountered in recent years. The exclusion of vessels less than 500 tonnes, and all fishing vessels regardless of their size, is a further impediment in the code’s implementation, as terrorists have sought to use smaller boats to smuggle weapons and ammunition rarely subject to regulation.[70] Another shortcoming is that the code does not include official monitoring procedures for security matters. Unlike the International Safety Management Code (ISM) that prescribes office audits by internal and external sources, the ISPS enumerates general guidelines and precautions—a standardised template for evaluating risks on many different types, sizes and categories of vessels and facilities.[71] The code also does not specify ways to strengthen capability to protect against new forms of terrorism, such as drone attacks.[72] With no legal obligation to implement regulations, port authorities are unwilling to make necessary investments in security measures. The lack of national legislation/guidelines is another hurdle in the code’s implementation. Regional governments have neither enacted necessary domestic legislation to fight terrorists nor allotted resources to implement security measures.[73] In India, for instance, there is no comprehensive maritime security policy for protection of the commercial maritime infrastructure and supply chains.[74]A new Merchant Shipping Bill[75] in 2016 improved transparency and effective delivery of services, but has failed to address security concerns. Given the complicated mix of variables contributing to port security, a study of security measures adopted by the civil aviation industry might offer some useful pointers. The latter’s efforts to prevent hijackings of commercial aircraft over the past four decades has been widely hailed as a success. Developed in the late 1960s, the international legal regime governing civilian flight operations was significantly upgraded after the attacks of 11 September 2001. The United States’ efforts to bring in legislation to regulate foreign airlines and flights from foreign airports have been particularly helpful. In concert with other international conventions drafted by the UN International Civil Aviation Organization (ICAO), the regulatory regime has deterred terrorists and criminals from targeting aircraft.[76] This may hold important lessons for port security; in particular, approaches used in the international legal regime governing civil aviation to eliminate safe havens for pirates and terrorists by ensuring legal accountability. A study of security in the aviation sector could offer important tips on how port security systems could be mobilised to encourage best management practices; the importance of freezing assets of those who fund piracy enterprises; and the utility of enhancing communication and coordination among the various stakeholders relevant to the fight against piracy and terrorism.[77] A next terrorist attack: Gauging the odds To design policies that help combat maritime terrorism it is important to assess the likely nature of future attacks and their probable targets. Future terrorist attacks could be directed against four kinds of targets: warships, supertankers, passenger ships and port facilities. The most vulnerable and attractive targets remain tankers out at sea. The recent attacks on tankers in the Persian Gulf revealed that the threat is evolving and could now include unmanned vehicles.[78] More damaging would be the seizure and sinking of an oil-carrying tanker in a congested space, crippling the flow of maritime traffic. To get a sense of the extent of damage such an attack would cause, the Limburg incident in 2002 caused a massive spillage of oil (almost 90,000 tonnes) that took many weeks to clear.[79] Another kind of attack could be on cruise ships out at sea. Big cruise ships are a lucrative target since they are lightly defended and relatively easily accessible.[80]An enquiry into the Achille Lauro incident in October 1984 highlighted fundamental deficiencies in safety procedures. Apparently, checks on passengers in the run-up to that fateful incident had not been foolproof. Despite acting nervously and even displaying anti-social behaviour, the Palestinian hijackers did not arouse the suspicions of passengers and crew.[81] While safety procedures have since improved, security procedures at ports and aboard cruise ships (with certain exceptions) are far from immaculate. During the Super Ferry incident in the Philippines in 2004, Abu Sayyaf operatives disguised as tourists smuggled 20 sticks of explosives that were stored inside an emptied out TV set.[82] There is some evidence that cruise shipping companies in Asia and Africa continue with the same lax approach that enabled that devastating attack. The most likely venue of a future terrorist strike, however, might be inside a port facility, and it could possibly involve a ‘lone wolf’ with a loose affiliation to a bigger terrorist group. Ports are an attractive target because many of the tactical problems that terrorists face in orchestrating attacks on ships in the high seas do not apply to harbors, ports, or shore-based maritime facilities. Terrorists realise that the containerised supply chain is complex, and creates many opportunities for isolated acts of terrorism. An ineffective point of check, for instance, could allow a jihadi inside a container to detonate a vast quantity of explosives or a low-grade nuclear device; inadequate surveillance in a vessel could lead a jihadi diver to plant an explosives improvised explosive device (IED). While many ports have installed radiation detectors to combat the threat of IED, the pace of installation has been slow, and smaller ports remain vulnerable.

#### Extinction---retal.

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The escalating threats between North Korea and the United States make it easy to forget the “nuclear nightmare,” as former US Secretary of Defense William J. Perry put it, that could result even from the use of just a single terrorist nuclear bomb in the heart of a major city. At the risk of repeating the vast literature on the tragedies of Hiroshima and Nagasaki—and the substantial literature surrounding nuclear tests and simulations since then—we attempt to spell out here the likely consequences of the explosion of a single terrorist nuclear bomb on a major city, and its subsequent ripple effects on the rest of the planet. Depending on where and when it was detonated, the blast, fire, initial radiation, and long-term radioactive fallout from such a bomb could leave the heart of a major city a smoldering radioactive ruin, killing tens or hundreds of thousands of people and wounding hundreds of thousands more. Vast areas would have to be evacuated and might be uninhabitable for years. Economic, political, and social aftershocks would ripple throughout the world. A single terrorist nuclear bomb would change history. The country attacked—and the world—would never be the same. The idea of terrorists accomplishing such a thing is, unfortunately, not out of the question; it is far easier to make a crude, unsafe, unreliable nuclear explosive that might fit in the back of a truck than it is to make a safe, reliable weapon of known yield that can be delivered by missile or combat aircraft. Numerous government studies have concluded that it is plausible that a sophisticated terrorist group could make a crude bomb if they got the needed nuclear material. And in the last quarter century, there have been some 20 seizures of stolen, weapons-usable nuclear material, and at least two terrorist groups have made significant efforts to acquire nuclear bombs. Terrorist use of an actual nuclear bomb is a low-probability event—but the immensity of the consequences means that even a small chance is enough to justify an intensive effort to reduce the risk. Fortunately, since the early 1990s, countries around the world have significantly reduced the danger—but it remains very real, and there is more to do to ensure this nightmare never becomes reality. Brighter than a thousand suns. Imagine a crude terrorist nuclear bomb—containing a chunk of highly enriched uranium just under the size of a regulation bowling ball, or a much smaller chunk of plutonium—suddenly detonating inside a delivery van parked in the heart of a major city. Such a terrorist bomb would release as much as 10 kilotons of explosive energy, or the equivalent of 10,000 tons of conventional explosives, a volume of explosives large enough to fill all the cars of a mile-long train. In a millionth of a second, all of that energy would be released inside that small ball of nuclear material, creating temperatures and pressures as high as those at the center of the sun. That furious energy would explode outward, releasing its energy in three main ways: a powerful blast wave; intense heat; and deadly radiation. The ball would expand almost instantly into a fireball the width of four football fields, incinerating essentially everything and everyone within. The heated fireball would rise, sucking in air from below and expanding above, creating the mushroom cloud that has become the symbol of the terror of the nuclear age. The ionized plasma in the fireball would create a localized electromagnetic pulse more powerful than lightning, shorting out communications and electronics nearby—though most would be destroyed by the bomb’s other effects in any case. (Estimates of heat, blast, and radiation effects in this article are drawn primarily from Alex Wellerstein’s “Nukemap,” which itself comes from declassified US government data, such as the 660-page government textbook The Effects of Nuclear Weapons.) At the instant of its detonation, the bomb would also release an intense burst of gamma and neutron radiation which would be lethal for nearly everyone directly exposed within about two-thirds of a mile from the center of the blast. (Those who happened to be shielded by being inside, or having buildings between them and the bomb, would be partly protected—in some cases, reducing their doses by ten times or more.) The nuclear flash from the heat of the fireball would radiate in both visible light and the infrared; it would be “brighter than a thousand suns,” in the words of the title of a book describing the development of nuclear weapons—adapting a phrase from the Hindu epic the Bhagavad-Gita. Anyone who looked directly at the blast would be blinded. The heat from the fireball would ignite fires and horribly burn everyone exposed outside at distances of nearly a mile away. (In the Nagasaki Atomic Bomb Museum, visitors gaze in horror at the bones of a human hand embedded in glass melted by the bomb.) No one has burned a city on that scale in the decades since World War II, so it is difficult to predict the full extent of the fire damage that would occur from the explosion of a nuclear bomb in one of today’s cities. Modern glass, steel, and concrete buildings would presumably be less flammable than the wood-and-rice-paper housing of Hiroshima or Nagasaki in the 1940s—but many questions remain, including exactly how thousands of broken gas lines might contribute to fire damage (as they did in Dresden during World War II). On 9/11, the buildings of the World Trade Center proved to be much more vulnerable to fire damage than had been expected. Ultimately, even a crude terrorist nuclear bomb would carry the possibility that the countless fires touched off by the explosion would coalesce into a devastating firestorm, as occurred at Hiroshima. In a firestorm, the rising column of hot air from the massive fire sucks in the air from all around, creating hurricane-force winds; everything flammable and everything alive within the firestorm would be consumed. The fires and the dust from the blast would make it extremely difficult for either rescuers or survivors to see. The explosion would create a powerful blast wave rushing out in every direction. For more than a quarter-mile all around the blast, the pulse of pressure would be over 20 pounds per square inch above atmospheric pressure (known as “overpressure”), destroying or severely damaging even sturdy buildings. The combination of blast, heat, and radiation would kill virtually everyone in this zone. The blast would be accompanied by winds of many hundreds of miles per hour. The damage from the explosion would extend far beyond this inner zone of almost total death. Out to more than half a mile, the blast would be strong enough to collapse most residential buildings and create a serious danger that office buildings would topple over, killing those inside and those in the path of the rubble. (On the other hand, the office towers of a modern city would tend to block the blast wave in some areas, providing partial protection from the blast, as well as from the heat and radiation.) In that zone, almost anything made of wood would be destroyed: Roofs would cave in, windows would shatter, gas lines would rupture. Telephone poles, street lamps, and utility lines would be severely damaged. Many roads would be blocked by mountains of wreckage. In this zone, many people would be killed or injured in building collapses, or trapped under the rubble; many more would be burned, blinded, or injured by flying debris. In many cases, their charred skin would become ragged and fall off in sheets. The effects of the detonation would act in deadly synergy. The smashed materials of buildings broken by the blast would be far easier for the fires to ignite than intact structures. The effects of radiation would make it far more difficult for burned and injured people to recover. The combination of burns, radiation, and physical injuries would cause far more death and suffering than any one of them would alone. The silent killer. The bomb’s immediate effects would be followed by a slow, lingering killer: radioactive fallout. A bomb detonated at ground level would dig a huge crater, hurling tons of earth and debris thousands of feet into the sky. Sucked into the rising fireball, these particles would mix with the radioactive remainders of the bomb, and over the next few hours or days, the debris would rain down for miles downwind. Depending on weather and wind patterns, the fallout could actually be deadlier and make a far larger area unusable than the blast itself. Acute radiation sickness from the initial radiation pulse and the fallout would likely affect tens of thousands of people. Depending on the dose, they might suffer from vomiting, watery diarrhea, fever, sores, loss of hair, and bone marrow depletion. Some would survive; some would die within days; some would take months to die. Cancer rates among the survivors would rise. Women would be more vulnerable than men—children and infants especially so. Much of the radiation from a nuclear blast is short-lived; radiation levels even a few days after the blast would be far below those in the first hours. For those not killed or terribly wounded by the initial explosion, the best advice would be to take shelter in a basement for at least several days. But many would be too terrified to stay. Thousands of panic-stricken people might receive deadly doses of radiation as they fled from their homes. Some of the radiation will be longer-lived; areas most severely affected would have to be abandoned for many years after the attack. The combination of radioactive fallout and the devastation of nearly all life-sustaining infrastructure over a vast area would mean that hundreds of thousands of people would have to evacuate. Ambulances to nowhere. The explosion would also destroy much of the city’s ability to respond. Hospitals would be leveled, doctors and nurses killed and wounded, ambulances destroyed. (In Hiroshima, 42 of 45 hospitals were destroyed or severely damaged, and 270 of 300 doctors were killed.) Resources that survived outside the zone of destruction would be utterly overwhelmed. Hospitals have no ability to cope with tens or hundreds of thousands of terribly burned and injured people all at once; the United States, for example, has 1,760 burn beds in hospitals nationwide, of which a third are available on any given day. And the problem would not be limited to hospitals; firefighters, for example, would have little ability to cope with thousands of fires raging out of control at once. Fire stations and equipment would be destroyed in the affected area, and firemen killed, along with police and other emergency responders. Some of the first responders may become casualties themselves, from radioactive fallout, fire, and collapsing buildings. Over much of the affected area, communications would be destroyed, by both the physical effects and the electromagnetic pulse from the explosion. Better preparation for such a disaster could save thousands of lives—but ultimately, there is no way any city can genuinely be prepared for a catastrophe on such a historic scale, occurring in a flash, with zero warning. Rescue and recovery attempts would be impeded by the destruction of most of the needed personnel and equipment, and by fire, debris, radiation, fear, lack of communications, and the immense scale of the disaster. The US military and the national guard could provide critically important capabilities—but federal plans assume that “no significant federal response” would be available for 24-to-72 hours. Many of those burned and injured would wait in vain for help, food, or water, perhaps for days. The scale of death and suffering. How many would die in such an event, and how many would be terribly wounded, would depend on where and when the bomb was detonated, what the weather conditions were at the time, how successful the response was in helping the wounded survivors, and more. Many estimates of casualties are based on census data, which reflect where people sleep at night; if the attack occurred in the middle of a workday, the numbers of people crowded into the office towers at the heart of many modern cities would be far higher. The daytime population of Manhattan, for example, is roughly twice its nighttime population; in Midtown on a typical workday, there are an estimated 980,000 people per square mile. A 10-kiloton weapon detonated there might well kill half a million people—not counting those who might die of radiation sickness from the fallout. (These effects were analyzed in great detail in the Rand Corporation’s Considering the Effects of a Catastrophic Terrorist Attack and the British Medical Journal’s “Nuclear terrorism.”) On a typical day, the wind would blow the fallout north, seriously contaminating virtually all of Manhattan above Gramercy Park; people living as far away as Stamford, Connecticut would likely have to evacuate. Seriously injured survivors would greatly outnumber the dead, their suffering magnified by the complete inadequacy of available help. The psychological and social effects—overwhelming sadness, depression, post-traumatic stress disorder, myriad forms of anxiety—would be profound and long-lasting. The scenario we have been describing is a groundburst. An airburst—such as might occur, for example, if terrorists put their bomb in a small aircraft they had purchased or rented—would extend the blast and fire effects over a wider area, killing and injuring even larger numbers of people immediately. But an airburst would not have the same lingering effects from fallout as a groundburst, because the rock and dirt would not be sucked up into the fireball and contaminated. The 10-kiloton blast we have been discussing is likely toward the high end of what terrorists could plausibly achieve with a crude, improvised bomb, but even a 1-kiloton blast would be a catastrophic event, having a deadly radius between one-third and one-half that of a 10-kiloton blast. These hundreds of thousands of people would not be mere statistics, but countless individual stories of loss—parents, children, entire families; all religions; rich and poor alike—killed or horribly mutilated. Human suffering and tragedy on this scale does not have to be imagined; it can be remembered through the stories of the survivors of the US atomic bombings of Hiroshima and Nagasaki, the only times in history when nuclear weapons have been used intentionally against human beings. The pain and suffering caused by those bombings are almost beyond human comprehension; the eloquent testimony of the Hibakusha—the survivors who passed through the atomic fire—should stand as an eternal reminder of the need to prevent nuclear weapons from ever being used in anger again. Global economic disaster. The economic impact of such an attack would be enormous. The effects would reverberate for so far and so long that they are difficult to estimate in all their complexity. Hundreds of thousands of people would be too injured or sick to work for weeks or months. Hundreds of thousands more would evacuate to locations far from their jobs. Many places of employment would have to be abandoned because of the radioactive fallout. Insurance companies would reel under the losses; but at the same time, many insurance policies exclude the effects of nuclear attacks—an item insurers considered beyond their ability to cover—so the owners of thousands of buildings would not have the insurance payments needed to cover the cost of fixing them, thousands of companies would go bankrupt, and banks would be left holding an immense number of mortgages that would never be repaid. Consumer and investor confidence would likely be dramatically affected, as worried people slowed their spending. Enormous new homeland security and military investments would be very likely. If the bomb had come in a shipping container, the targeted country—and possibly others—might stop all containers from entering until it could devise a system for ensuring they could never again be used for such a purpose, throwing a wrench into the gears of global trade for an extended period. (And this might well occur even if a shipping container had not been the means of delivery.) Even the far smaller 9/11 attacks are estimated to have caused economic aftershocks costing almost $1 trillion even excluding the multi-trillion-dollar costs of the wars that ensued. The cost of a terrorist nuclear attack in a major city would likely be many times higher. The most severe effects would be local, but the effects of trade disruptions, reduced economic activity, and more would reverberate around the world. Consequently, while some countries may feel that nuclear terrorism is only a concern for the countries most likely to be targeted—such as the United States—in reality it is a threat to everyone, everywhere. In 2005, then-UN Secretary-General Kofi Annan warned that these global effects would push “tens of millions of people into dire poverty,” creating “a second death toll throughout the developing world.” One recent estimate suggested that a nuclear attack in an urban area would cause a global recession, cutting global Gross Domestic Product by some two percent, and pushing an additional 30 million people in the developing world into extreme poverty. Desperate dilemmas. In short, an act of nuclear terrorism could rip the heart out of a major city, and cause ripple effects throughout the world. The government of the country attacked would face desperate decisions: How to help the city attacked? How to prevent further attacks? How to respond or retaliate? Terrorists—either those who committed the attack or others—would probably claim they had more bombs already hidden in other cities (whether they did or not), and threaten to detonate them unless their demands were met. The fear that this might be true could lead people to flee major cities in a large-scale, uncontrolled evacuation. There is very little ability to support the population of major cities in the surrounding countryside. The potential for widespread havoc and economic chaos is very real. If the detonation took place in the capital of the nation attacked, much of the government might be destroyed. A bomb in Washington, D.C., for example, might kill the President, the Vice President, and many of the members of Congress and the Supreme Court. (Having some plausible national leader survive is a key reason why one cabinet member is always elsewhere on the night of the State of the Union address.) Elaborate, classified plans for “continuity of government” have already been drawn up in a number of countries, but the potential for chaos and confusion—if almost all of a country’s top leaders were killed—would still be enormous. Who, for example, could address the public on what the government would do, and what the public should do, to respond? Could anyone honestly assure the public there would be no further attacks? If they did, who would believe them? In the United States, given the practical impossibility of passing major legislation with Congress in ruins and most of its members dead or seriously injured, some have argued for passing legislation in advance giving the government emergency powers to act—and creating procedures, for example, for legitimately replacing most of the House of Representatives. But to date, no such legislative preparations have been made. In what would inevitably be a desperate effort to prevent further attacks, traditional standards of civil liberties might be jettisoned, at least for a time—particularly when people realized that the fuel for the bomb that had done such damage would easily have fit in a suitcase. Old rules limiting search and surveillance could be among the first to go. The government might well impose martial law as it sought to control the situation, hunt for the perpetrators, and find any additional weapons or nuclear materials they might have. Even the far smaller attacks of 9/11 saw the US government authorizing torture of prisoners and mass electronic surveillance. And what standards of international order and law would still hold sway? The country attacked might well lash out militarily at whatever countries it thought might bear a portion of responsibility. (A terrifying description of the kinds of discussions that might occur appeared in Brian Jenkins’ book, Will Terrorists Go Nuclear?) With the nuclear threshold already crossed in this scenario—at least by terrorists—it is conceivable that some of the resulting conflicts might escalate to nuclear use. International politics could become more brutish and violent, with powerful states taking unilateral action, by force if necessary, in an effort to ensure their security. After 9/11, the United States led the invasions of two sovereign nations, in wars that have since cost hundreds of thousands of lives and trillions of dollars, while plunging a region into chaos. Would the reaction after a far more devastating nuclear attack be any less?

#### The plan solves---US antitrust law is modeled---the stakes are huge.

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The “shot in the dark” that was the **U.S. antitrust law system** is today no longer solely a domestic field of law. It is now also a **critically important component of global economic policy!** The system that U.S. judges had evolved to deal with purely domestic problems and that relied on little more than confidence in the capacity of courts to develop reasonable responses to conflicts has been transformed into the central player in efforts to respond effectively to economic and other forms of globalization. It is now a U.S. export product, and the **stakes are enormous.** What directions and forms will the **rules of competition** take? Treatment of these issues will be a **factor in the future of many countries**, including the U.S., and for more than two decades Chicago-Kent has brought transnational competition law to our students, and Chicago-Kent faculty have contributed to the international discussion of these issues. A. Foreign Interactions and Perceptions **U.S. antitrust now plays on a global stage**, and much will depend on how foreign experts, lawyers, government officials and business leaders **see U.S. antitrust**. They will make **decisions about what to do in their own countries** and on the international level. This means that their perspectives on the U.S. system are critical to its roles both at home and abroad, and foreign images of U.S. antitrust have changed radically. Prior to the Second World War, those in Europe who knew anything about U.S. antitrust law (and they were few) generally considered it a mistake. They tended to see it as a failure that actually created more harm than good by forcing companies to merge rather than cooperate. This view predominated in large measure until after the Second World War. The Europeans were developing a different concept of competition law that emphasized administrative control of dominant firms. This conception of competition was spreading rapidly in Europe in the 1920s, but depression and war led to its virtual abandonment. After that war ended, however, U.S. antitrust law became associated with U.S. economic dominance in the “free world.” The real and imagined connections between economic concentration and military expansion in both Germany and Japan convinced many that **U.S.-style antitrust law should be used** to combat such concentrations. U.S. occupation forces in Germany and Japan imposed U.S. antitrust ideas during the occupation period, and the U.S. insisted that both countries either enact or maintain competition law after the occupation. This increased awareness of these ideas abroad. Perhaps more important, however, was the **perception that antitrust was a source of strength for the U.S. economy** and thus a potential spur to growth that other countries could employ. U.S.-style antitrust did not, however, always fit well with European legal traditions and institutions, and in most European countries skepticism toward the U.S. model limited progress in protecting competition. In Germany, however, a separate set of ideas about how to protect competition developed in the 1930s and 1940s in the underground, and after the war it became the basis for German antitrust law. From here it spread to the European level and became part of the process of Euro- pean integration. The basic idea of U.S. antitrust law—i.e., protecting the competitive process from restraints—was part of this model of competition law, but the model itself was conceptually and institutionally quite distinct. European scholars and officials in these areas often looked to U.S. antitrust for comparisons and insights into problems, but there was relatively little interaction between U.S. and European forms of competition law until the 1990s. In the 1990s these relationships became far closer and more important for both the U.S. and Europeans. Moreover, the fall of the Soviet Union precipitated widespread interest in market-based approaches around the world and revived the messianic tenor of the U.S. antitrust law community. Many countries that had socialist or other command-based approaches to the organization of economic activity now introduced antitrust laws or significantly increased their investment in the enforcement of such laws. Often they looked to U.S. antitrust officials, lawyers and scholars for help in implementing or evaluating their new activities.

### Democracy---1AC

#### Advantage 3 is Democracy.

#### Congressional inaction shifts power to less democratic institutions.

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It is disappointing that the U.S. Congress has more often focused on the minutiae of competition law and policy or conducted hearings on high profile mergers that, by design, cannot affect the eventual enforcement actions of the agencies. 160 There have been no major amendments of the antitrust laws since the 1970s. 16 1 Criminal penalties have been increased, but the private treble damage remedies as a whole have been largely left unchanged. 162 Exemptions and immunities have been expanded and contracted at the margins. 16 3 Budgets have been increased and lowered depending on the era and the overall political zeitgeist.

Unfortunately, much of Congressional attention to competition law has involved minor issues and outright petty matters. For example, Congress effectively killed a proposal that would have rationalized cooperation between the Antitrust Division and the FTC because it affected which Congressional committee had "jurisdiction" over the work of these agencies. 164 Even more petty was the unsuccessful effort of one Congressman to force the FTC to vacate its headquarters for an expansion of the national art museum.165

The opportunity costs for each hearing on such marginal issues, for example, whether professional baseball should continue to enjoy a partial exemption from the antitrust laws or grandstanding for constituents over the fate of a particular merger with a pronounced local effect, is high. Congress sacrifices time, money, and attention better used to study more important, broader issues of competition law and policy. Stated enforcement policy over unilateral conduct and merger policy have changed substantially between administrations and over time. Important guidelines and stated enforcement priorities have changed as well with little substantive Congressional involvement. 16 6 Critical decisions by the United States Supreme Court have changed the law in dramatic and subtle ways without significant Congressional input either before or after the decisions. 167

Perhaps Congress simply does not care about, or actually approves of, the continued evolution of United States antitrust law and policy in all its complexity. However, this silence or indifference has important consequences. It shifts power from the most democratic elected institutions to the more distant, less democratic institutions of agencies and courts to craft fundamental economic policy free from all but the most macro-level interventions or corrections.

#### That collapses court legitimacy and constitutional separation of powers.

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White’s announcement of the rule of reason was not without its critics on the Court. Justice John Marshall Harlan, author of the Court’s opinion in the Northern Securities case, delivered a passionate dissent which, in the period immediately following announcement of the Court’s ruling in the Standard Oil case, was more widely covered in the press than White’s majority opinion. For Harlan, the real issue of the case was whether or not the Court would resist the temptation to amend the Sherman Act by a process of judicial legislation.28 Harlan places the decision in the context of the failed arguments of defendants in the Trans-Missouri and Joint Traffic arguments, who twice attempted to persuade the Court to amend or interpret the text of Sherman §1 prohibition of all agreements in restraint of trade to read all agreements ‘in unreasonable restraint of trade,’ and twice failed to do so.29 Given such precedents, Harlan found White’s decision now to incorporate the standard of reasonableness into the Court’s interpretation of the statute troubling not only because this would seem to **raise constitutional concerns** about judicial legislation, but also because it seemed to show such **blatant disregard** for stare decisis, and would thus help to **weaken** an important source of **institutional power** for the judiciary over time. 30 Finally, Harlan explained that he was worried that White’s adoption of a rule of reason would have **profound constitutional implications in future generations**, particularly the danger of judicial encroachment on the legislative power, and the danger that the Court, by something so small as inserting the word ‘reasonable’ into the Sherman Act’s prohibition of restraints of trade, might eventually come to **erect itself into a superlegislature**, just as Brutus and the Anti-Federalists had feared. Emphasizing the three “separate, equal and coordinate departments” erected by the Constitution, Harlan stresses the danger posed to our institutions should any one branch of the federal government begin to usurp the powers of another, and that this danger was all the more **prevalent and pernicious** in cases involving attempts to transcend constitutional powers in the name of the common good. Harlan closes with a passionate exhortation to resist this temptation to pursue the public good or further the legislative intent of Congress by surpassing the powers granted the Court in Article III. After many years of public service at the National Capital, and after a somewhat close observation of the conduct of public affairs, I am impelled to say that there is abroad in our land a most harmful tendency to bring about the amending of constitutions and legislative enactments by means alone of judicial construction. As a public policy has been declared by the legislative department in respect of interstate commerce, over which Congress has entire control, under the Constitution, all concerned must patiently submit to what has been lawfully done until the People of the United States—the source of all National power—shall, in their own time, upon reflection and through the legislative department of the Government, require a change of that policy.31 Though Harlan’s warning tends to be lightly dismissed by later critics, it must be remembered that at the time, federal involvement in regulation of the economy was minimal, and therefore the Court tended to defer to the political branches. Harlan’s reluctance to accept a court-made rule of reason was in part, then, an attempt to protect the Court from the political backlash that would likely result from being positioned at the vanguard of Progressive reforms. The Sherman Act was controversial enough as a statement of national economic policy without the Court adding to it an additional layer of discretionary power for the judiciary.

#### Rule of law is essential to stave off societal collapse.

Stephen Breyer 18. An associate justice of the Supreme Court of the United States. “AMERICA’S COURTS CAN’T IGNORE THE WORLD” The Atlantic. October 2018. <https://www.theatlantic.com/magazine/archive/2018/10/stephen-breyer-supreme-court-world/568360/>

Third, and finally, my legal examples suggest the importance of looking to approaches and solutions that themselves **embody a rule of law**. To achieve and maintain a rule of law is more difficult than many people believe. The effort is ancient, stretching back to King John and the Magna Carta, and still earlier. And the effort does not always succeed. I often describe to judges from other countries how, in the 1830s, a president of the United States, Andrew Jackson, when faced with a Supreme Court decision holding that northern Georgia (where gold had been found) belonged to the Cherokee Nation, is said to have remarked, “John Marshall [the chief justice] has made his decision, now let him enforce it.” Jackson sent troops to Georgia, but not to enforce the law. Instead they evicted the tribe members, sending them along the Trail of Tears to Oklahoma, where their descendants live to this day. Not for more than a century, a period that included the Civil War and decades of racial segregation, would the Supreme Court hold, in Brown v. Board of Education, in 1954, that racial segregation violated the Constitution. Yet the country did not abolish segregation the next year or the year after that. When, in 1957, a judge in Little Rock, Arkansas, ordered Central High School desegregated, the local White Citizens’ Council, supported by the governor, rallied in front of the school, letting no black child enter. It took more than judicial decisions to end segregation. It took a president’s decision to send 1,000 paratroopers to Arkansas. It took Martin Luther King Jr., and the Freedom Riders, and the words and deeds of countless Americans who were not lawyers or judges. Today the public has come to accept the rule of law. When the Court decided Bush v. Gore, a case that was unpopular among many, and was (as I wrote in dissent) wrongly decided, the nation accepted the decision without rioting in the streets. That is a major asset for a nation with a highly diverse population of 320 million citizens. We do not have to convince judges or lawyers that maintaining the rule of law is necessary—they are already convinced. Instead we must convince ordinary citizens, those who are not lawyers or judges, that they sometimes must accept decisions that affect them adversely, and that may well be wrong. If they are willing to do so, the rule of law has a chance. And as soon as one considers the alternatives, the need to work within the rule of law is obvious. The **rule of law** is the opposite of the arbitrary, which, as the dictionary specifies, includes the **unreasonable, the capricious, the authoritarian, the despotic, and the tyrannical.** Turn on the television and look at what happens in nations that use other means to resolve their citizens’ differences. For my generation, the need for law in its many forms was perhaps best described by Albert Camus in The Plague. He writes of a disease that strikes Oran, Algeria, which is his parable for the Nazis who occupied France and for the evil that inhabits some part of every man and woman. He writes of the behavior of those who lived there, some good, some bad. He writes of the doctors who help others without relying upon a moral theory—who simply act. At the end of the book, Camus writes that the germ of the plague never dies nor does it ever disappear. It waits patiently in our bedrooms, our cellars, our suitcases, our handkerchiefs, our file cabinets. And one day, perhaps, to the misfortune or for the education of men, the plague germ will reemerge, reawaken the rats, and send them forth to die in a once-happy city. The struggle against that germ continues. And the rule of law is one **weapon that civilization has used to fight it.** **The rule of law is the** **keystone of the effort to build a civilized, humane, and just society.** At a time when facing facts, understanding the local and global challenges that they offer, and working to meet those challenges cooperatively is **particularly urgent**, we must continue to construct such a society—a **society of laws**—together.

#### Judicial activism collapses democracy.

James Muffett 14. Founder & President of Student Statesmanship Institute and President of Citizens for Traditional Values. “The Danger Of Judicial Activism”. Michigan All Rise. 9-8-14. <https://michiganallrise.org/resources/the-danger-of-judicial-activism/>

There is a battle in our nation between those who believe that judges should follow the law as intended by the legislature, and those who think judges have latitude to interpret the law according to their view of what the law ought to be. The latter are referred to as, “activist judges.” When judges insert their own personal bias, they usurp the role of the legislators whom the citizens elect to represent them in deciding disputed, difficult policy issues. Thus, judicial activism **undermines the very basis of our representative democracy.** It can be argued that activist judges have done more damage to traditional, Judeo-Christian values than the other branches of government combined. The areas of greatest damage include free enterprise, human life, marriage, personal freedoms, property rights and religious liberty. Judges who usurp the authority of the people are **not merely incorrect; they are themselves unconstitutiona**l. And they are unjust. In fact, Justice White in his Roe v. Wade dissent opinion, wrote that the court had acted “**not in constitutional interpretation**, but in the unrestrained imposition of its own, **extra-constitutional value preferences**.” In addition to short-circuiting the democratic process, this judicial approach creates an environment of unpredictability which ultimately leads to **destabilization and more litigation.** When judges exercising the power of judicial review are guided by the text, logic, structure, and original understanding of the Constitution and the law, they deserve our respect and gratitude. By operating with this type of judicial oversight, they are playing their part to make constitutional republican government a reality. But where judges usurp democratic legislative authority by imposing on the people their moral and political preferences, under the guise of fairness or empathy, they should be severely criticized and resolutely opposed. It is time for all citizens to wake up to this **crisis** and work to elect “Rule of Law” judges who exercise constitutional authority only to enforce the law as written and ensure that laws apply to everyone equally.

#### Antitrust is key to democratic legitimacy---sets a precedent.

Daniel A. Crane 21. Frederick Paul Furth, Sr. Professor of Law, University of Michigan. "Antitrust Antitextualism " Notre Dame Law Review. 1-28-2021. https://scholarship.law.nd.edu/cgi/viewcontent.cgi?article=4952&context=ndlr

3. Implications for Interpretation

The phenomenon of antitrust antitextualism is important for understanding the U.S. antitrust system, its history, and the possibilities for its reform, but it also has significance for more general understandings of how statutes are written and how their interpretation functions or should function. Scholars have argued that Congress sometimes means statutory language to be purely expressive, indeed that it means for the courts not to give that language legal effect.262 But the story of antitrust antitextualism goes far beyond judicial excision of stray words or phrases from the antitrust statutes. In important instances, particularly with respect to the FTC and Robinson-Patman Acts, the courts have entirely rewritten the textual meaning and legislative purpose of the statute.263 Through a chronic cycle of legislative enactment, judicial disregard, and implicit legislative acquiescence, Congress and the courts have constituted the common-law system that judges and scholars across the political spectrum now consider normalized and perhaps even inevitable.

This pattern of judicial/legislative engagement (with the executive playing an enabling role) raises both analytical and normative questions for the jurisprudence of statutory interpretation. Analytically and descriptively, is antitrust law sui generis, or do other statutory domains exhibit a similar, but perhaps unrecognized, dynamic? Do the antitrust laws idiosyncratically operate in a space of equipoise between Jeffersonian idealism and Hamiltonian pragmatism, with Congress implicitly assigning itself the role of idealist orator while acquiescing as the courts provide pragmatic counterbalance? Or is this yin and yang phenomenon, disguised in the interpretive rhetoric of broad delegations and common-law method, a more general one, in maybe unappreciated ways? Once a pattern is observed in one legal domain, it tends to be observed soon in others as well. Finding a recurrence of the antitrust pattern elsewhere could provide new insights on statutory interpretation, separation of powers, and the de facto institutional roles of the legislative and judicial branches.

Normatively, there is much to question about the democratic legitimacy of the implicit system of legislative declaration and judicial reformation described in this Article. There seems little in it that either a committed textualist or a committed purposivist could defend, since the system entails the courts honoring neither what Congress wrote nor what it meant. To rehabilitate the system’s democratic legitimacy, a subtle purposivist might say that what Congress actually meant—in a deep sense—must be gathered from the norms of the system itself rather than from conventional evidence such as floor statements by members of Congress, committee reports, or other contemporaneous sources of public meaning. Perhaps members of Congress legislate against a backdrop of expectation that the courts will continue to read down new statutes to accommodate pragmatic efficiency interests, and consenting to this implicit system, the members feel liberated to express more in the statute than they actually mean as prescriptive. But if that is wholesome democratic practice, that case is yet to be made.

#### Democratic backsliding in the US spills over.

Larry Diamond 21. Senior Fellow at the Hoover Institution and the Freeman Spogli Institute for International Studies at Stanford University. "A World Without American Democracy?". Foreign Affairs. 7-2-2021. https://www.foreignaffairs.com/articles/americas/2021-07-02/world-without-american-democracy?utm\_medium=referral&utm\_source=www-foreignaffairs-com.cdn.ampproject.org&utm\_campaign=amp\_kickers

Aprolonged global democratic recession has, in recent years, morphed into something even more troubling: the **“third reverse wave” of democratic breakdowns** that the political scientist Samuel Huntington warned could follow the remarkable burst of “third wave” democratic progress in the 1980s and the 1990s. Every year for the past 15 years, according to Freedom House, significantly more countries have seen declines in political rights and civil liberties than have seen gains. But since 2015, that already ominous trend has turned sharply worse: 2015–19 was the first five-year period since the beginning of the third wave in 1974 when more countries **abandoned democracy**—twelve—than transitioned to it—seven. And **the trend continues.** Illiberal populist leaders are **degrading democracy** in countries including Brazil, India, Mexico, and Poland, and **creeping authoritarianism** has already moved Hungary, the Philippines, Turkey, and Venezuela out of the category of democracies altogether. In Georgia, the dominance of the Georgian Dream Party has led to the steady decline of electoral processes and a breakdown in the rule of law. In Myanmar, the military overthrew the elected government of Aung San Suu Kyi, ending an experiment in partial democracy. In El Salvador, president Nayib Bukele staged an executive coup by removing the attorney general and Supreme Court justices who were obstacles to his consolidation of power. In Peru, democracy hangs from a thread as the right-wing autocrat Keiko Fujimori advances vague claims of election fraud in a bid to overturn her narrow electoral defeat to left-wing opponent Pedro Castillo. What is especially striking about this last case is that Fujimori’s gambit bears a grim resemblance to the lie perpetuated by former U.S. President Donald Trump and his followers about the 2020 presidential election. This is no coincidence. As the journalist and historian Anne Applebaum has observed, fictitious claims of fraud and “stop the steal” tactics are becoming a common means by which autocratic populists try to obstruct democracy. Such tactics have long been a source of instability in countries struggling to develop democracy. But the fact that the most recent iteration of the antidemocrat’s playbook draws heavily on precedents in the **world’s most important and powerful democracy** marks the start of a **dangerous new era.** Today, the United States confronts a **growing antidemocratic movement**, not just from the ranks of fringe extremists but also from a substantial group of officeholders—a movement that is challenging the very foundations of electoral democracy. Should this effort succeed, the United States could become the first ever advanced industrial democracy to fail—that is, to no longer meet the minimum conditions for free and fair elections as political scientists and other scholars of democracy define them. The **failure of American democracy would be catastrophic** not only for the United States; it would also have **profound global consequences** at a time when freedom and democracy are already **under siege**. As Huntington noted, the diffusion of democratic movements and ideas from one country to another has helped drive positive democratic change. Antidemocratic norms and practices can **spread in a similar fashion**—especially when they emanate from powerful countries. That is why the acceleration of a democratic recession into a democratic depression happened largely on Trump’s watch. And it is why no development would **more gravely damage the global democratic cause** than the democratic backsliding of its **most important champion.**

#### Democracy solves great power war.

Larry Diamond 19. PhD in Sociology, professor of Sociology and Political Science at Stanford University. “Ill Winds: Saving Democracy from Russian Rage, Chinese Ambition and American Complacency,” Kindle Edition

In such a near future, my fellow experts would no longer talk of “democratic erosion.” We would be spiraling downward into a time of democratic despair, recalling Daniel Patrick Moynihan’s grim observation from the 1970s that liberal democracy “is where the world was, not where it is going.” 5 The world pulled out of that downward spiral—but it took new, more purposeful American leadership. The planet was not so lucky in the 1930s, when the global implosion of democracy led to a catastrophic world war, between a rising axis of emboldened dictatorships and a shaken and economically depressed collection of selfdoubting democracies. These are the stakes. Expanding democracy—with its liberal norms and constitutional commitments—is a crucial foundation for world peace and security. Knock that away, and our most basic hopes and assumptions will be imperiled. The problem is not just that the ground is slipping. It is that we are perched on a global precipice. That ledge has been gradually giving way for a decade. If the erosion continues, we may well reach a tipping point where democracy goes bankrupt suddenly—plunging the world into depths of oppression and aggression that we have not seen since the end of World War II. As a political scientist, I know that our theories and tools are not nearly good enough to tell us just how close we are getting to that point—until it happens.

#### It’s an impact filter---democracies are comparatively more stable than autocracies.

Kroenig 20 Matt. 4/3. Professor of government and foreign service at Georgetown University – you know who he is. “Why the U.S. Will Outcompete China” <https://www.theatlantic.com/ideas/archive/2020/04/why-china-ill-equipped-great-power-rivalry/609364/>) 1/20/2021

National-security analysts see China as one of the greatest threats facing the United States and its allies. According to an emerging conventional wisdom, China has the leg up on the U.S. in part because its authoritarian government can strategically plan for the long term, unencumbered by competing branches of government, regular elections, and public opinion. Yet this faith in autocratic ascendance and democratic decline is contrary to historical fact. China may be able to put forth big, bold plans—the kinds of projects that analysts think of as long term—but the visionary projects of autocrats don’t usually pan out. Watch White Noise, the inside story of the alt-right The Atlantic’s first feature documentary ventures into the underbelly of the far-right movement to explore the seductive power of extremism. Stream Now Yes, democratic governments are obligated to answer to their citizens on regular intervals and are sensitive to public opinion—that’s actually democracies’ greatest source of strength. Democratic leaders have a harder time advancing big, bold agendas, but the upside of that difficulty is that the plans that do make it through the system have been carefully considered and enjoy domestic support. Historically speaking, once a democracy comes up with a successful strategy, it sticks with the plan, even through a succession of leadership. Washington has arguably followed the same basic, three-step geopolitical plan since 1945. First, the United States built the current, rules-based international system by providing security in important geopolitical regions, constructing international institutions, and promoting free markets and democratic politics within its sphere of influence. Second, it welcomed into the club any country that played by the rules, even former adversaries, like Germany and Japan. And, third, the U.S. worked with its allies to defend the system from those countries or groups that would challenge it, including competitors such as Russia and China, rogue states such as Iran and North Korea, and terrorist networks. America can pursue long-term strategy in part because it enjoys domestic political stability. While new politicians seek to improve on their predecessor’s policies, the United States is unlikely to see the drastic shifts in strategy that come from the fall of one political system and the rise of another. Democratic elections may be messy, but they’re not as messy as coups or civil wars. Daniel Blumenthal: The Unpredictable Rise of China Open societies have many other advantages as well. They facilitate innovation, trust in financial markets, and economic growth. Because democracies tend to be more reliable partners, they are typically skillful alliance builders, and they can accumulate resources without frightening their neighbors. They tend to make thoughtful, informed decisions on matters of war and peace, and to focus their security forces on external enemies, not their own populations. Autocratic systems simply cannot match this impressive array of economic, diplomatic, and military attributes. David Leonhardt recently wrote in The New York Times, “Chinese leaders stretching back to Deng Xiaoping have often thought in terms of decades.” Commonly cited examples of that long-term thinking include the Belt and Road Initiative, a program that invests in infrastructure overseas; Made in China 2025, an effort to subsidize China’s giant tech companies to become world leaders in 21st-century technologies, such as artificial intelligence; and Beijing’s promise to be a global superpower by 2049. Since putting in place sound economic reforms in the 1970s, China has seen its economy expand at eye-popping rates, to become the world’s second largest. Many economists predict that China could even surpass the United States within the decade, and some have suggested that China’s model of state-led capitalism will prove more successful, in terms of economic growth, than the U.S. template of free markets and open politics. I doubt these predictions. Because autocratic leaders are unconstrained and do not have to contend with a legislature or courts, they have an easier time taking their countries in new and radically different directions. Then, when the dictator changes his mind, he can do it again. Mao’s autocratic China ricocheted from one failed policy to another: the Great Leap Forward, then the Hundred Flowers Campaign, then the Cultural Revolution. Mao aligned with the Soviet Union in 1950 only to nearly fight a nuclear war with Moscow in the next decade. Beginning in the time of Deng Xiaoping, China pursued a fairly constant strategy of liberalizing its economy at home and “hiding its capabilities and biding its time” abroad. But President Xi Jinping abandoned these dictums when he took over. As the most powerful leader since Mao—he has changed China’s constitution to set himself up as dictator for life—he could once again jerk China in several new directions, according to his whims, and back again. According to the Asia Society, he has stalled or reversed course on eight of 10 categories of economic reform promised by the Chinese Communist Party (CCP) itself. Moreover, Xi is baring China’s teeth militarily, taking contested territory from neighbors in the South China Sea and conducting military exercises with Russia in Europe. The problem for Beijing is that stalled reforms will stymie its economic potential and its confrontational policies are provoking an international coalition to contain them. The 2017 U.S. National Security Strategy declared great-power competition with China the foremost security threat to the U.S.; the European Union labeled China a “systemic rival”; and Japan, Australia, India, and the United States have formed a new “quad” of powers to balance China in the Pacific. Furthermore, the plans often cited as evidence of China’s farsighted vision, the Belt and Road Initiative and Made in China 2025, were announced by Xi only in 2013 and 2015, respectively. Both are way too recent to be celebrated as brilliant examples of successful, long-term strategic planning. A certain level of domestic political stability is a prerequisite for charting a steady strategic course in foreign and domestic affairs. But autocratic regimes are notoriously brittle. While institutionalized political successions in democracies typically lead to changes of policy, political successions in autocracies are likely to result in regime collapse and war. China’s “5,000 years of history” were pockmarked by rebellion, revolution, and new dynasties. Fearing internal threats to domestic political stability—consider the protests this year in Hong Kong and Xinjiang—the CCP spends more on domestic security than on its national defense. If you follow the money, the CCP is demonstrating that the government is more afraid of its own people than of the Pentagon. This domestic fragility will frustrate China’s efforts to design and execute farsighted plans. If threats to Chinese domestic stability were to materialize and the CCP were to collapse tomorrow, for example, Chinese grand strategy could undergo another seismic shift, including possibly opting out of competition with the United States altogether. Shadi Hamid: China Is Avoiding Blame by Trolling the World Autocracies have other vulnerabilities as well. State-led planning has never produced high rates of economic growth over the long term. Autocrats are poor alliance builders who fight with their supposed allies more than with their enemies. And the highest priority of autocratic security forces is repressing their own people, not defending the country. The world has undergone drastic changes in just the past few years, but these enduring patterns of international affairs have not. Some fear that Trump’s nationalist tendencies will erode the U.S. position, but the momentum of America’s successful grand strategy has kept the country on a fairly steady course. Despite Trump’s criticism of NATO, for example, two new countries have joined the alliance on his watch, including North Macedonia this week. The coronavirus has upended a sense of security in the U.S., leading many people into the familiar trap of lauding autocratic China’s firm response in contrast to the halting and patchwork measures in the United States. But there is good reason to believe that this assessment will be updated in America’s favor with the benefit of hindsight. Already we are seeing evidence that conditions are much worse in China than CCP officials are letting on and that China’s attempts at international “disaster diplomacy” are backfiring. It has been revealed that the CCP has continually misrepresented the numbers of COVID-19 infections and deaths in China, and European nations have rejected and returned faulty Chinese coronavirus testing kits.

#### The plan is key to reverse erroneous court judgement that distorted the purpose of antitrust law.

Daniel Hanley 21. A policy analyst at the Open Markets Institute. "Slate - How Antitrust Lost Its Bite" Open Markets Institute. 4-21-2021. https://www.openmarketsinstitute.org/publications/slate-how-antitrust-lost-its-bite

Antitrust is about determining and allocating the rights, privileges, and duties of all economic actors. When Congress originally enacted the Sherman Act, the law was intended to protect consumers, workers, and democracy from excessive concentrations of corporate power. Because of this reality, it is an inherently political area of law. The shift toward rooting it in economics, and making its application substantially more obscure than a bright-line rule, is effectively a means by the judiciary to strip the historical foundations of antitrust from the record and instead substitute its own judgment on what the priorities are for the economy and how it should be structured.

When combined with the rule of reason, the judiciary’s consumer welfare framework effectively erases Congress’ intent for the antitrust laws to operate as a “comprehensive charter of economic liberty” that “does not confine its protection to consumers, or to purchasers, or to competitors, or to sellers.” Such values are best determined by members of the elected legislature rather than unelected judges, a point ironically acknowledged by the Supreme Court in 1972.

Lower federal courts today continue to push the consumer welfare standard even further by, in violation of controlling Supreme Court precedent, weighing the competitive harms of a dominant firm’s conduct against one group to the benefits provided to another group. In ongoing litigation against the NCAA that was heard by the Supreme Court last week, the district court judge ruled that the NCAA’s compact with universities to set a ceiling on the amount of compensation that student-athletes can receive is legal because of the reputed benefit consumers derive from watching athletes knowing there is a cap on their compensation. The court employed the rule of reason to arrive at this result. In an alternative enforcement regime, the NCAA would be a per se illegal employer cartel that is suppressing workers’ wages.

Comprehensive empirical analysis has revealed that the rule of reason has been a rubber stamp for even the most egregious antitrust conduct. A 2009 analysis revealed that 97 percent of cases analyzed under the rule of reason result in victories for defendants. That means corporations are effectively shielded from most antitrust violations.

Part of the reason for such a skewed result in favor of antitrust defendants is that dominant firms have access to high-salaried economists that are able to manipulate analyses to mask the corporation’s conduct to look like it is operationally efficient instead of engaging in predatory practices. Such a situation also deters antitrust litigation because a plaintiff will also have to incur the cost of an economist—which can cost several thousand dollars and, in some cases, several hundred thousand dollars. Thus, the battle over the legality of a business tactic under a consumer welfare framework and rule of reason legal analysis depends on access to immense financial capital and judicial appeasement of policies that favor corporate integration rather than common notions of fairness, equity, and deconcentrated markets—which was the original purpose of the antitrust laws.

Despite controlling Supreme Court precedent prohibiting the use of economics in certain antitrust violations, courts now routinely use it to justify corporate consolidation. For example, in the context of merger analysis, the economization of antitrust has led courts to believe and depend on theoretical assumptions on how mergers are beneficial for society and consumers. In the case of AT&T and its pursuit of acquiring Time Warner in 2018, the corporation stated its merger would produce efficiencies and save customers money. District Court Judge Richard Leon was persuaded by AT&T’s statements holding that vertical integration is able to shrink its costs and will “lead to lower prices for consumers.” But such assumptions have been categorically repudiated by researchers. In one example, the economist John Kwoka found that 80 percent of studied mergers led to high prices and even reduced output. Other studies have found equivalent results. In the context of AT&T, subsequent evidence showed that AT&T did raise prices on consumers.

As Congress considers enacting new legislation, it must start by reclaiming control over antitrust by enacting laws with clear rules that could deter exclusionary conduct and greatly simplify the litigation process for plaintiffs. Moreover, instead of just restoring many of the historical bright-line rules that the judiciary has eroded over the last 60 years, new laws should go further to ensure that markets remain deconcentrated and to promote economic fairness. For example, Congress could enact strict prohibitions on firms entering certain lines of business, such as AT&T being prohibited from entering the computer industry in 1956, or ban the use of specific competitive practices outright, such as noncompetes that restrict the mobility of workers. Rules like these ensure the markets are structured by publicly accountable institutions to incentivize socially beneficial corporate conduct, such as investments in research and development and product quality.

Importantly, rules-based laws would also ensure the judiciary is adhering to Congress’ directive to keep markets deconcentrated and acknowledge that the judiciary is not a reliable safeguard for smaller independent firms and workers who often do not have access to significant amounts of capital to litigate an antitrust lawsuit. In fact, in commonly applied rules for how judges interpret Congress’ laws, the judiciary views ambiguity as an opportunity to fill any legal gaps with its interpretation and ideology.

History has consistently shown that only bright-line rules will lead to an effective and vigorous enforcement environment, as they do in other areas of law, and prevent the judiciary from favoring dominant economic enterprises and distorting the antitrust laws to preference increased concentration. The Supreme Court’s original development of the rule of reason and its subsequent gutting of the enforcement of the Clayton Act in the 1930s is particularly illustrative of why bright-line rules are necessary.

### Plan---1AC

#### The United States Federal Government should prohibit private sector business practices that violate an antitrust worker welfare standard.

### Solvency---1AC

#### Contention 4 is Solvency.

#### Replacing consumer welfare with worker considerations lets labor win---alternatives legalize exploitation and ban collective bargaining.

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Introduction

This paper offers a critical investigation of the law and economics of competition law enforcement in conflicts between workers and employers in the European Union (hereinafter EU) and the US. In such cases competition law comes into direct conflict with the principle of worker solidarity: according to the principle of market competition individuals are expected to take independent economic decisions and actions, whereas workers need to take collective economic actions and decisions to protect their interests. This conflict is particularly obvious in the context of the so-called gig economy,1 in which employers keep casualised workers at legal arms’ length to reduce labour and regulatory costs.2 If gig workers take collective action against their working conditions, they might face attack from competition law, because legally they might be considered independent service providers, rather than workers.3

The legal conundrum facing gig workers has become an increasingly popular subject in the law and economics literature.4 Nevertheless, the more fundamental question of how the enforcement of competition rules affects the overall position of workers beyond the limited case of the gig economy remains largely unexplored. This paper aims to investigate this broader and more fundamental question. In order to provide a sufficiently global answer, the paper focuses on the legal positions of the EU and US, as the leading competition law jurisdictions and primary competition policy exporters.5 The EU–US comparison shows that despite the slightly different legal tests applied in these polities, competition rules constitute nearly equally disciplining mechanisms against collective worker action on either side of the Atlantic.

This paper also makes an original contribution to the emerging debate on whether and how competition law can contribute to wealth equality between citizens in the post-2008 crisis economy. The existing debate on the competition law–equality relationship takes the ‘consumer welfare’ standard as its main reference point: it focuses exclusively on the distribution of wealth between consumers and producers; as a result, it overlooks the production process that takes place before consumers meet products and services, and the position of workers within it.6 This is a natural result of competition law's reliance on a limited area of neoclassical economics called ‘equilibrium economics’ that understands efficiency exclusively as a market mechanism in which the price manifests itself where supply meets demand.7 Departing from the mainstream competition law and economics methodology, this paper builds its investigation on a holistic theoretical foundation, looking beyond equilibrium economics at labour exploitation theory as established in neoclassical as well as Marxian models. This analysis shows that despite standing at opposing ends of the political spectrum and whilst having some fundamental differences, Marxist and neoclassical models agree that collective worker action is economically beneficial and socially necessary. As a result, a critical analysis of the current legal situation on both sides of the Atlantic in light of this holistic framework illustrates how competition law's hostility towards collective worker action is not only unjust but also economically unsound.

This paper demonstrates that the key problem in competition law's treatment of labour stems from the application of the consumer welfare standard in cases involving the competition–solidarity conflict without paying any attention to the idiosyncratic qualities of labour that render it naturally open to exploitation. Similarly, the consumer welfare standard overlooks the fact that consumers and workers are essentially the same group of people and one's welfare cannot be increased or decreased without affecting the other's.8 Even if worker exploitation could result in reduced labour costs and decreased prices, this cannot be deemed efficient as it reduces the workers’ welfare and results in broader negative socio-economic effects. Similarly, collective worker action resulting in higher labour costs and potentially higher prices cannot automatically be deemed inefficient, because although this might increase the prices consumers pay, they benefit from higher wages and better working conditions in their position as workers. As a result of this critical analysis, the paper proposes an original and more inclusive ‘citizen welfare’ standard that takes into account the economic effects of anti-competitive behaviour on workers as well as consumers. The citizen welfare standard could also potentially be applied in other contexts to solve long-standing conflicts between competition and other policy objectives, such as industrial, environmental and social policy objectives,9 although this paper primarily focuses on the application of citizen welfare to the competition–solidarity conflict.

The structure of the paper is as follows: the next section provides an opening discussion of competition law, consumer welfare and equality. This is followed by a discussion of the economic theory of labour exploitation. Then, the paper investigates how competition law approaches the competition–solidarity conflict in the EU and the US. The fourth section critically discusses the EU and US legal positions in light of economic theory. This section also develops the citizen welfare approach as an alternative to consumer welfare for the resolution of the competition–solidarity conflict. This is finally followed with conclusions. Regarding terminology, this paper uses the term ‘worker’ (rather than employee) as a non-legal, generic term encompassing all individuals who make a living by providing labour power as a production factor in the production process of goods and services. Similarly, the term ‘labour’ is used to refer to the contribution of the workers to the production process as an abstract human factor. However, if the courts or authorities in question use a different term (such as employee) in a specific case, the paper uses the same term in the discussion of that specific case.

#### Antitrust law must prioritize worker welfare---workers suffer a greater loss than consumers.

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As this Note has already stated, the purpose of antitrust law is to protect competition, but the **meaning of competition is nebulous**.136 Regardless of whether total welfare or the consumer welfare standard is the appropriate measure of net competitive effect,137 a body of law that protects competition should **not allow firms to engage in conduct that restricts trade severely** in one part of the supply chain merely because it prioritizes end customer benefits.138 As a class of consumers, **workers also deserve protection from anticompetitive employer agreements.** Congressional intent **supports prioritizing the interests of workers** over customers when analyzing anticompetitive restraints in labor markets. Unions are inherently anticompetitive; a union is a combination of workers jointly setting wages and other work conditions, just as a cartel is a combination of firms setting prices together.139 As a result, the existence of unions increases the wages that firms pay their workers, which in turn results in price increases for customers.140 Nonetheless, labor law staunchly defends the ability of workers to create unions. When antitrust restrictions would deter union conduct, Congress has decided that **labor law carries more weight.**141 Thus, the labor exceptions to antitrust law142 demonstrate a congressional decision that the welfare gains to workers from increased wages and other improved terms of employment outweigh the costs to customers in the output market from the resulting increased prices. Given that Congress protects workers in one class of anticompetitive conduct, it is reasonable to **structure antitrust law to protect workers from conduct with parallel effects**. Restraints of trade in labor markets are the converse of unions, trading lower wages for lower prices. However, it is possible that Congressional intent extends only to weighing the interests of workers over customers in the special case of union activity. Even though unions engage in political activies, the aims of unions are primarily economic.143 Thus, Congress supports the economic mission of unions (advancing the welfare of workers despite the potential economic effects on firms and customers) by favoring them in antitrust law. Unions are only special in antitrust because Congress has expressed a legislative preference for workers over other economic actors. It is thus **appropriate for courts to weigh workers over other actors** when firms engage in conduct that affects workers at the expense of other groups. Further, the welfare economics of restricting competition in employment markets supports worker protection. Economists generally agree that individuals exhibit diminishing marginal utilities of wealth—that is, each additional dollar an individual receives makes them a little less well off than the previous dollar did.144 **Diminishing marginal utility of wealth** thus implies that when two individuals lose equivalent amounts of money, the individual for whom the loss was a greater portion of his or her wealth **suffers a greater loss**.145 Generally, the wages that workers lose as a result of anticompetitive conduct will be larger than the price cuts for customers.146 Where the monopsonist also has market power in the output market, the price decrease passed on to customers will be even smaller than in a competitive output market.147 Because wages likely represent a larger portion of workers’ wealth than the additional wealth consumers gain from lower prices, workers lose more welfare than customers gain. Moreover, behavioral economics suggest that the losses to workers from wage reductions will **hurt workers more** than the gains that customers will receive from lower prices.148 Behavioral economists have recognized that individual utility is relative to a reference point like the status quo; losses relative to that reference point **cause a welfare loss about twice the size of the welfare gain** from an equivalent gain.149 Put simply, losses hurt more than equivalent gains feel good. Because monopsonistic conduct results in losses for workers and gains for customers relative to the competitive equilibrium, the **total net effect on welfare that consumers experience is even more likely to be negative.** To be sure, behavioral economics has not been universally welcomed in antitrust law.150 But courts have entertained behavioral economics arguments in antitrust before, generally in cases where neoclassical economic analysis would sharply diverge from what the court believes a “real” customer would do.151 Here, it is unlikely that customers weigh price decreases in the same way that workers weigh wage increases because wages are the primary source of most workers’ incomes; as a result, equivalent economic losses to workers likely outweigh the gain.152

#### Worker welfare can easily be assessed.

Eugene K. Kim 20. J.D. 2020; Yale College, B.A. 2016. “Labor’s Antitrust Problem: A Case for Worker Welfare” The Yale Law Journal. 2020. https://www.yalelawjournal.org/pdf/130.2Kim\_q1s8bt8t.pdf

Just as consumer welfare can be measured through economic factors like price, output, quality, and innovation, **courts and economic experts can assess worker welfare through a set of analogous factors:** wages and benefits, hours, working conditions,65 and training. One major tension between these two standards is that workers benefit from higher wages while consumers benefit from lower prices, but these factors capture **similar characteristics of equilibria in both markets**.66 Wages and hours are the labor-market analogs of price and quantity, and benefits can be considered along with wages as a type of compensation. **Working conditions reflect heterogeneity within a single type of employment**, just as quality reflects heterogeneity within a single type of product. And training reflects how labor markets can be dynamic, just as innovation reflects how product markets can be dynamic: that is, labor productivity can improve over time, just as firm productivity can improve over time. As in product-market analysis, courts and economic experts can assess how a contested activity (e.g., a merger) **affects these factors and estimate the net effect on worker welfare.** A worker welfare standard would be similar to a consumer welfare standard in that much of its application would fall on economic experts, whose work would be assessed and weighed by courts. Of course, some cases will be clearer and may be amenable to per se analysis, like an agreement between firms to fix wages. But, as in product markets, other cases will be subtle, and economics will have a role to play. **Just as economic models are used to forecast** the effects of certain market events on price and quantity, and aggregate those effects to estimate net effects on consumer welfare,67 economics will also be instrumental in forecasting the effects of market events on wages and hours, and aggregating those effects to estimate net effects on worker welfare. Antitrust analysis is highly technical in the status quo,68 and **a worker welfare standard would not be any different in its reliance on economics**. The main difference is that a worker welfare standard **focuses attention on the interests of workers, who are often neglected** despite their vulnerability to rent-extractive firm behavior, and recognizes that advancing the interests of workers may **require more than advancing the interests of consumers.**

#### The plan’s codification is key to certainty.

Eric A. Posner 8/13/21. Kirkland & Ellis Distinguished Service Professor at University of Chicago. How Antitrust Failed Workers. Oxford University Press, 2021.

Anticompetitive behavior. Plaintiffs would be able to base their case on any of the following anticompetitive acts: mergers in highly concentrated markets; use of noncompete and related clauses; restrictions on employees’ freedom to disclose wage and benefit information; unfair labor practices under the National Labor Relations Act;38 misclassification of employees as independent contractors; no-poaching, wage-fixing, and related agreements that are also presumptively illegal under Section 1; and prohibitions on class actions. Of course, current law gives employees the theoretical right to allege these types of anticompetitive behavior, but the cases show a pattern of judicial skepticism, as noted earlier. Codification would help employees by compelling courts to take these claims seriously. Employers would be allowed to rebut a prima facie case of anticompetitive behavior by showing that the act in question would likely lead to an increase in wages. This reform would strengthen and extend Section 2 actions against labor monopsonists by standardizing a list of anticompetitive acts. While not all of these acts are invariably anticompetitive, the employer would be able to defend itself by citing a business justification. For example, a noncompete could be justified because it protects an employer’s investment in training. If so, an employer could avoid antitrust liability by showing that its use of noncompetes benefits workers, who obtain higher wages as a result of their training.39 These reforms would strengthen Section 2 claims against labor monopsonies but would also preserve the doctrinal structure of Section 2. They would not generate significant legal uncertainty or require a revision in the way that we think about antitrust law.

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### Inequality ADV

#### China rise causes war with the US – Thucydides trap

Ignatius 17 (David, Washington Post columnist, Is war between a rising China and a dominant America inevitable? A thought experiment. Wash Post, 28 June 2017, https://www.washingtonpost.com/blogs/post-partisan/wp/2017/06/28/is-war-between-a-rising-china-and-a-dominant-america-inevitable-a-thought-experiment/?utm\_term=.e0872530a7b3)

Let’s imagine a Chinese “applied history” project, similar to the one at Harvard’s Belfer Center that helped spawn Professor Graham Allison’s widely discussed book “[Destined for War](about:blank).”

Allison’s historical analysis led him to posit a “Thucydides Trap” and the danger (if not inevitability) of war between a rising China and a dominant America, like the ancient conflict between Athens and Sparta chronicled described by the Greek historian Thucydides. A study by the Belfer Center’s Applied History Project identified 16 similar “rising versus ruling” cases over the past 500 years, 12 of which resulted in war. What would the Chinese say about the lessons of past interactions with the West?

Chinese analysts, from President Xi Jinping on down, have nominally rejected Allison’s pessimistic analysis. “There is no Thucydides Trap,” Xi has argued, claiming that he had devised an alternative “new type of great-power relations” that would avoid war by recognizing that each Asian giant had its own legitimate interests. More recently, he has shifted to arguing that “China and the U.S. must do everything possible to avoid [the] Thucydides Trap.”

Similar protestations have reportedly been offered privately in recent months by a string of senior Chinese officials, and China’s modest cooperation with the United States in dealing with the North Korean nuclear threat provides some hope that this is indeed a “win-win” game, as Xi and other Chinese leaders so tirelessly repeat. (Of course, if you’re a hawkish “Trap” advocate, these are just more soothing blandishments to encourage the United States to avoid reckoning with the potency of Chinese power.)

An interesting thought experiment would be to imagine a Chinese version of Allison (though one of their weaknesses is they don’t have such a prominent, independent scholar), who decides to examine the ledger from their side. What would such applied history teach the Chinese about their looming intersection with the dominant power of the United States?

I’m no expert on Chinese history or foreign policy, so I’ll simply sketch some areas of possible study for a hypothetical Sino-Thucydides analysis. In each case, my imaginary Chinese scholars would apply Allison’s rubric for applied history (developed by the late professor Ernest May), which asked how each case was like its historical antecedent, how it was different and how that evidence might produce a net assessment.

Here’s my list of testable propositions, from a Chinese perspective.

Economic and cultural power is no substitute for military power. China was a dominant economic and intellectual force when it first encountered European power, but it lacked technologically backed military muscle. Mistake.

Weakness breeds contempt. Western powers made a show of pledging loyalty and tribute to China’s rulers and warlords, but this masked hostile intent. The Chinese were wooed and corrupted by the West’s influence. Mistake. Allison quotes Thucydides’ precept: The weak (and by extension, the corrupt) suffer what they must. Rooting out (or at least controlling) corruption is a central Chinese task.

The West preached openness as the way for China and other Asian nations to absorb advanced technology and Western know-how. But the West exploited that openness to create dependence. Even Japan, which built an astonishing manufacturing base, remained dependent on Western raw materials and energy supplies. Mistake. The result was a catastrophic war.

Networks of aid and assistance are good covers for expanding influence and military power. The Marshall Plan was a sublime scheme for spreading U.S. influence and blunting the Soviet Union, in the name of relieving humanitarian suffering. China is devising similar outreach through the Asian Infrastructure Investment Bank and the cooperative development project known as “One Belt One Road.” The United States has done everything it can to prevent other nations from signing up to China’s initiatives. Mistake. Asian development is the handmaiden of Chinese power.

The United States argues that transparency and an international rules-based order are the best guarantee of security for all sides. But what this really means, through modern history, is that the United States makes the rules and others obey the orders. Adherence to the “rules” would have checked China’s expansion into the South China Sea (allowing perpetual U.S. domination). And if last year’s Philippine arbitration ruling had been enforced, it would have rolled back China’s projection of power through reclaimed islands and military bases. Mistake. History teaches that China should proclaim that its intentions are limited, benign and non-military — even as its power expands and it creates the military bases that will allow it to challenge U.S. naval power in the South China Sea.

I’ve stacked the deck here, a bit, with some of the cases that lead many analysts to assume that a rational China, seeing these lessons of history, will opt for a course that increases the likelihood of confrontation. But maybe I’m wrong; maybe there really is an alternative “new type of great-power relations” that would posit different outcomes. I await such an analysis from my imaginary Chinese counterpart to Graham Allison.

### ADV CP

#### A wealth tax won’t solve inequality---aff is key.

Ike Brannon 20. senior fellow at the Jack Kemp Foundation. “A Wealth Tax Is Not A Solution For Income Inequality” Forbes. 09-29-20. [https://www.forbes.com/sites/ikebrannon/2020/09/29/a-wealth-tax-is-not-a-solution-for-income-inequality/?sh=6353462b7f5b](about:blank)

However, a wealth tax would **do nothing to help low-income earners** while **hurting the rest of the economy.** Wealth taxes are **difficult to administer** and—more importantly—invariably **reduce savings, investment, productivity, and economic growth.** A wealth tax imposes an annual tax based not on a person's income but on their net assets. For instance, the wealth tax advocated by Senator Bernie Sanders would impact only people who own more than $32 million of assets. Its rates would range from 1 percent at the bottom to 8% for wealth above $10 billion, and it would raise an estimated $4.4 trillion in ten years—more than the entire Biden plan. While the wealth tax champions aver that such a tax would only impact the wealthiest of the wealthy, a tax on wealth would be much more harmful than Biden’s proposed tax increases and would end up **reducing the wealth of everyone, rich or poor.** A good rule of thumb is that we get less of something if we tax it. Do we want to reduce the amount of capital the wealthy accumulate? The Democratic party has made reducing income inequality one of their key goals for the country, and it is one that should be a priority for everyone else as well. However, how we accomplish such a thing matters quite a bit. One salient observation from the last quarter-century is that when the unemployment rate gets below four percent, the wages of people at the bottom quintile start to increase precipitously. At that rate genuine labor shortages for low-skilled and entry level jobs develop, and firms must pay more to attract these workers—or else find people who have been out of the labor market and persuade them to enter, and possibly train them as well. This happened in the late 1990s and in the last couple of years it was again occurring. In 2019 Median Household Income increased by 6.8 percent, and for African Americans it went up by 7.1 percent. More importantly, the mean income for people in the bottom income quintile increased by nine percent, higher than anywhere else in the distribution. A **permanent increase in pay in the occupations of low-income households is infinitely preferable** than any commensurate increase in transfer payments. Successive governments abetted this increase beneficial development by quickly acting to ameliorate the effect of the financial crisis and then making economic growth writ large a priority across both Democratic and Republican Administrations. And after the economic expansion reached 7 years, wages at the bottom started to increase. This also describes our success at reducing inequality in the 1990s. A wealth tax short-circuits that process by merely reducing income at the very top of the distribution. While doing such a thing will, in fact, allow inequality measures to report significant progress, doing so would do **nothing by itself to improve living standards of people at the bottom** of the distribution, or make it easier for people to climb up the income ladder. It’s akin to losing weight by lopping off body parts—it achieves a numeric goal but is counterproductive for the overarching goal. Its advocates invariably counter by saying that if those trillions are spent effectively it would lead to steep gains in living standards, but **much of what they propose to spend that money on**—such as Medicare for all or free college tuition for everyone—**would do little to help them**. They amount to entitlements that would ultimately benefit middle class workers and above more than people at the bottom.

#### Minimum wage doesn’t solve inequality.

Christos Makridis 16. Ph.D. Candidate in Macroeconomics and Public Finance at Stanford University. “Raising the Minimum Wage Won’t Reduce Inequality” The New Republic. 02-05-16. [https://newrepublic.com/article/129286/raising-minimum-wage-wont-reduce-inequality](about:blank)

How minimum wages affect inequality, however, remains controversial. Detecting it with **standard statistical methods is very challenging** because their full effects are constantly changing and require data on both individuals and companies. Back in 1999, Princeton economist David Lee used the Consumer Population Survey (CPS) from 1979 to 1989 to argue that the declining purchasing power of the minimum wage largely explains why inequality surged in the 1980s. Other new research, however, has put that conclusion in doubt. Perhaps the **most conclusive reassessment** comes from economists David Autor, Alan Manning, and Christopher Smith earlier this year. Using many more **years of microdata from the CPS**, as well as a different statistical approach, they found that the minimum wage explains **at most 30 percent** to 40 percent of the rise in wage inequality among the lowest earners. Since economists had thought that changes in the minimum wage could explain as much as 90 percent of the shift in inequality, these **new estimates are important.** How wages affect worker behavior While the extent is still uncertain, it’s clear that the minimum wage and other wage-setting forces such as tax rates and union bargaining power do in fact affect inequality and the labor market. My own ongoing research, which focuses on the link between such wage-setting mechanisms and company behavior, suggests labor-market distortions like raising the minimum wage can have other **negative effects on workers, businesses and inequality** beyond the overall impact on employment. The first adverse effect concerns how much people work. If, for example, worker wages rise due to a government mandate, the employer may reduce the number of hours staff work, leading to lower paychecks even after the raise. That’s part of the reason why we’ve seen companies like McDonald’s increasingly try to automate tasks that were once held by people. In addition, my research suggests one of the major ways people acquire new skills is by spending more time at work. Thus policies that lead to fewer hours could lower employees’ ability to improve their long-run earnings potential. The second is an indirect effect on the way businesses invest in workers and design compensation and organizational policies. When companies are forced to pay higher wages, they may offset the cost by reducing how much they invest in workers. There is **evidence that minimum wage laws have this effect.** This can result in weaker compensation contracts (e.g., purely salary-based), which provide employees with fewer incentives to accumulate skills. As a result, workers paid fixed wages suffer greater long-run earnings volatility than those receiving performance-based pay. Put simply, if a recession comes and an individual loses his or her job, having more skills makes it easier to find a new position and return to the previous income level. Minimal impact on inequality Even setting aside all the plausible economic arguments against the minimum wage, under the best case scenario, what does it really achieve? If the average full-time employee works 1,700 hours per year, then moving from $7.25 an hour to $9 an hour produces **only about $2,975 in additional annual earnings**. While some may argue that something is better than nothing, this would be **at best a marginal solution to inequality.** Taking a look at the most recent 2015 Current Population Survey data and restrict the sample to full-time earners with over $10,000 earnings per year, Americans at the 90th income percentile (they earn more than 90 percent of their compatriots, or $80,000 a year) make 5.6 times as much, on average, as those at the 10th percentile ($14,200). Increasing the minimum wage to $9 an hour would put the ratio around 4.65. In other words, **even in the best of worlds**—where the minimum wage has no unintended side effects—it appears to only **marginally reduce inequality.**

#### Redistribution doesn’t solve.

Frederic Jenny 19. ESSEC Business School and OECD Competition Committee. “POPULISM, FAIRNESS AND COMPETITION: SHOULD WE CARE AND WHAT COULD WE DO?” The Japanese Economic Review. Vol. 70, No. 3, September 2019. https://onlinelibrary.wiley.com/doi/full/10.1111/jere.12232

Competition economists and competition authorities are aware of the plight of workers displaced through competition and the fact that **reallocation of resources does not work.** However, they consistently hold that competition brings net overall benefits to consumers and that, therefore, through redistribution the losers of the competition game can be compensated by the winners, while adding that redistribution is not and should not be the goal of competition law itself but should be the goal of dedicated agencies. However, **to the extent that it is effective**, redistribution is **only a temporary solution and does not solve the long-term problem** faced by displaced workers. Furthermore, as noted by Baker and Salop (2015), “existing (redistributive) programs do not appear to have offset the growing inequality in our economy”.

### Security K

#### IR is great --- leads to better decisions which help avoid war.

Reiter 15—Professor of Political Science at Emory University [Dan, “Scholars Help Policymakers Know Their Tools,” *War on the Rocks*, 27 Aug, [https://warontherocks.com/2015/08/scholars-help-policymakers-know-their-tools/](about:blank), accessed 11 Jan 2017]

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.

#### Security as a global public good helps avoid politics dominated by fear. Abandoning security only empowers neocons.

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Faced with such inhospitable conditions, one can easily lapse into fatalistic despair, letting events simply come as they will, or else seek refuge in the consolations offered by the total critique of securitization practices – a path that some critical scholars in criminology and security studies have found all too seductive (e.g. Bigo 2002, 2006; Walters 2003). Or one can, as we have done, supplement social criticism with the hard, uphill, necessarily painstaking work of seeking to specify what it may mean for citizens to live together securely with risk; to think about the social and political arrangements capable of making this possibility more rather than less likely, and to do what one can to nurture practices of collective security shaped not by fugitive market power or by the unfettered actors of (un)civil society, but by an inclusive, democratic politics. Social analysts of crime and security have become highly attuned to, and warned repeatedly of, the illiberal, exclusionary effects of the association between security and political community (Dillon 1996; Hughes 2007). They have not, it should be said, done so without cause, for reasons we set out at some length as the book unfolds. But this sharp sensitivity to the risks of thinking about security through a communitarian lens has itself come at a price, namely, that of failing to address and theorize fully the virtues and social benefits that can flow from members of a political community being able to put and pursue security in common. This, it seems to us, is a failure to heed the implications of the stake that all citizens have in security; to appreciate the closer alignment of self-interest and altruism that can attend the acknowledgement that we are forced to live, as Kant put it, inescapably side-by-side and that individuals simultaneously constitute and threaten one another’s security; and to register the security-enhancing significance and value of the affective bonds of trust and abstract solidarity that political communities depend upon, express and sustain. All this, we think, offers reasons to believe that security offers a conduit, perhaps the best conduit there is, for giving practical meaning to the idea of the public good, for reinventing social democratic politics, even for renewing the activity of politics at all. These, of course, may prove to be naïve hopes, futile whistling in a cold and hostile wind. It is in addition true that the project of civilizing security is ultimately a question not of social theory but of political praxis. But if such a project is ever to be thematized as a politics it requires, or at least can be furthered by, some form of theoretical articulation; one which reminds us, as C. L. R. James (1963) might have said, that those who know only of security of security nothing know. It is with this overarching purpose in mind that we have been moved to write in the way that we have about security today. Our argument in this book is that security is a valuable public good, a constitutive ingredient of the good society, and that the democratic state has a necessary and virtuous role to play in the production of this good. The state, and in particular the forms of public policing governed by it, is, we shall argue, indispensable to the task of fostering and sustaining livable political communities in the contemporary world. It is, in the words of our title, pivotal to the project of civilizing security. By invoking this phrase we have in mind two ideas, both of which we develop in the course of the book. The first, which is relatively familiar if not uncontroversial, is that security needs civilizing. States – even those that claim with some justification to be ‘liberal’ or ‘democratic’ – have a capacity when self-consciously pursuing a condition called ‘security’ to act in a fashion injurious to it. So too do non-state ‘security’ actors, a point we return to below and throughout the book. They proceed in ways that trample over the basic liberties of citizens; that forge security for some groups while imposing illegitimate burdens of insecurity upon others, or that extend the coercive reach of the state – and security discourse – over social and political life. As monopoly holders of the means of legitimate physical and symbolic violence, modern states possess a built-in, paradoxical tendency to undermine the very liberties and security they are constituted to protect. Under conditions of fear, such as obtain across many parts of the globe today, states and their police forces are prone to deploying their power in precisely such uncivil, insecurity instilling ways. If the state is to perform the ordering and solidarity nourishing work that we argue is vital to the production of secure political communities then it must, consequently, be connected to forms of discursive contestation, democratic scrutiny and constitutional control. The state is a great civilizing force, a necessary and virtuous component of the good society. But if it is to take on this role, the state must itself be civilized – made safe by and for democracy. But our title also has another, less familiar meaning – the idea that security is civilizing. Individuals who live, objectively or subjectively, in a state of anxiety do not make good democratic citizens, as European theorists reflecting upon the dark days of the 1930s and 1940s knew well (Neumann 1957). Fearful citizens tend to be inattentive to, unconcerned about, even enthusiasts for, the erosion of basic freedoms. They often lack openness or sympathy towards others, especially those they apprehend as posing a danger to them. They privilege the known over the unknown, us over them, here over there. They often retreat from public life, seeking refuge in private security ‘solutions’ while at the same time screaming anxiously and angrily from the sidelines for the firm hand of authority – for tough ‘security’ measures against crime, or disorder, or terror. Prolonged episodes of violence, in particular, can erode or destroy people’s will and capacity to exercise political judgement and act in solidarity with others (Keane 2004: 122–3). Fear, in all these ways, is the breeding ground, as well as the stock-in-trade, of authoritarian, uncivil government. But there is more to it than that. Security is also civilizing in a further, more positive sense. Security, we shall argue, is in a sociological sense a ‘thick’ public good, one whose production has irreducibly social dimensions, a good that helps to constitute the very idea of ‘publicness’. Security, in other words, is simultaneously the producer and product of forms of trust and abstract solidarity between intimates and strangers that are prerequisite to democratic political communities. The state, moreover, performs vital cultural and ordering work in fashioning the good of security conceived of in this sense. It can, under the right conditions, create inclusive communities of practice and attachment, while ensuring that these remain rights-regarding, diversity respecting entities. In a world where the state’s pre-eminence in governing security is being questioned by private-sector interests, practices of local communal ordering and transnational policing networks, the constitution of old- and new-fashioned forms of democratic political authority is, we shall argue, indispensable to cultivating and sustaining the civilizing effects of security. Security and its discontents Raising these possibilities is, of course, to invite a whole series of obvious but nonetheless significant questions: what is security? What does it mean to be or to feel secure? Who or what is the proper object of security – individuals, collectivities, states, humanity at large? What social and political arrangements are most conducive to the production of security? It is also to join – in a global age that is now also an age of terror – a highly charged political debate about the meanings and value of security as a good, and about how it may best be pursued. It is these questions, and this debate, that we want to address in this book. Security has become the political vernacular of our times. This has long been so in respect of ‘law and order’ within nation states. Authoritarian regimes are routinely in the habit of using the promise and rhetoric of security as a means of fostering allegiance and sustaining their rule – delivering safe streets while (and by) placing their citizens in fear of the early morning knock at the door (Michnik 1998). Democratic societies too have over the last several decades come to be governed through the prism of crime – a phenomenon especially marked in the USA, Britain and Australasia, though not without resonance in other liberal democratic states (Garland 2001; Simon 2006; see also Newburn and Sparks 2004). But security has also since 9/11, and the ‘war on terror’ waged in response to it, become a pervasive and contested element of world politics, impacting significantly on the ‘interior’ life of states and international and transnational relations in ways, as we shall see, that escalate the breakdown of once settled distinctions between internal and external security, war and crime, policing and soldiering (Kaldor 1999; Bigo 2000a). Today, security politics is riven by disagreements over the pros and cons of self-consciously seeking security using predominantly policing and military means; by disputes about how and whether to ‘balance’ security with such other goods as freedom, justice and democracy; and by conflicts between a conception of security as protection from physical harm and wider formulations of ‘human’ or ‘global’ security. In the face of these debates we are aware that the title and ambitions of this text are likely to meet with one of three possible responses. They will be seen by some as offensive to the benign intentions and purposes of governments and security actors. They may be viewed, alternatively, as the naïve, wrong-headed pursuit of an oxymoron. Or they may be dismissed – by those who share our broad ambition to civilize security – as too limited in their grasp of what the idea of security can and should mean. We want to probe a little further into each of these anticipated reactions. In so doing, we can begin to pinpoint the limitations of certain established dispositions towards, and public discourses about, security, as well as indicating how the debate about security can be moved to a different – we think more fruitful – place.1 The first – currently hegemonic – response issues from a lobby that seeks fairly unambiguously to promote security and that takes exception to the idea that security needs civilizing. Security, on this view, is an unqualified human good. The protection of its people from internal and external threats stands consequently as the first and defining priority of government. Far from needing to be balanced with democratic rights and freedoms, security is a precondition for the enjoyment of such goods. Far from needing ‘civilizing’, security is the foundation stone and hallmark of civilization. Security, moreover, can and should be directly and consciously pursued using what Joseph Nye (2002) calls ‘hard power’ – by enabling, resourcing and enthusiastically backing the military, intelligence agencies and the police. It is these agencies that will protect the state and its citizens, and these agencies whose purposes and effectiveness must not be hamstrung by excessive legal rights and safeguards that give succour to the enemy, or by forms of democratic deliberation that obstruct decisive executive action. This – stripped to its essentials – is the discourse that has animated countless ‘wars on drugs’ and ‘crackdowns’ on crime and disorder in both democratic and authoritarian states over recent decades, and which since 9/11 has fuelled and justified what may turn out to be a permanent ‘war on terror’. This disposition towards, and identification with, security has long antecedents dating back to Jean Bodin and Thomas Hobbes, and is deeply sedimented in the present (Robin 2004). It represents the clearsighted and hard-headed outlook of a good many politicians and police officers. It holds – for anxious citizens – a deep emotional allure. But it is not without some serious shortcomings, two of which warrant an introductory note. It proceeds, first of all, in ways that gloss over the paradoxes that attend the pursuit of security (Berki 1986: ch. 1; Zedner 2003). It has little to say, and rarely pauses to reflect upon, the most profound of these; namely, that the state’s concentration of coercive power makes it simultaneously a guarantor of and a threat to the security of individuals. Security, as Berki (1986: 13) puts it, is inescapably a problem for and a problem of the state – a condition we deal with more fully in later chapters (see also N. Walker 2000: ch. 1). Nor does the security lobby grasp clearly the implications of how human beings are mutually implicated in one another’s in/security – as both an everpresent potential threat to the security of each, and at the same time a necessary precondition for giving effect to such security. Still less does the security lobby register and absorb the fact that security is, in an important sense, destined to remain beyond our grasp – ‘more within us as a yearning, than without us as a fact’ (Ericson and Haggerty 1997: 85). Not only does this mean that there can never – in a paradox rich with implications – be ‘enough’ security measures, which hold out a promise of protection while always also signifying the presence of threat and danger. It also warns us that responding to demands for order in the terms in which they present themselves (i.e. zero-tolerant police, tougher sentencing, more prisons, ‘wars’ against drugs, or crime, or terror) can be little more than a bid to quench the unquenchable. The effacing of paradoxes such as these is closely connected to – indeed a key contributor towards – the second and most deleterious shortcoming of the security lobby. This is its tendency to make security pervasive, to proceed in ways that treat and thereby produce ‘security’ – or, more accurately, security rhetoric and activity – as a dominant, emotionally charged element of political culture and everyday life. Security – as Buzan et al. (1998) usefully remind us – is not only a condition of social existence, a description of social relations marked by order and tranquillity. It is also a political practice, a speech act, one way of framing and naming problems. To call something ‘security’ – to make what Buzan et al. (1998: 25) call a ‘securitizing move’ – is to suggest, and to seek to mobilize audiences behind, the idea that ‘we’ face an existential threat that calls for immediate, decisive, special measures. It is, in other words, to seek to lift the issue at hand – whether it is crime, or drugs, or migration – out of the realm of normal democratic politics, to claim that as an emergency it demands an urgent, even exceptional, response. The security lobby – blessed as it invariably is with ‘blind credulity and passionate certainty’ (Holmes 1993: 250) – makes precisely this move. It connects with and articulates public insecurities about crime, or disorder, or terror in terms that institutionalize anxiety as a feature of everyday life and link security to a conception of political community organized around binary oppositions between us/them, here/there, friends/enemies, inside/outside. In encouraging ‘emotional fusion between ruler and ruled’ around the question of fear (Holmes 1993: 49), it generates a climate that inhibits – even actively deters – critical scrutiny of the state’s claims and practices. By translating security into Security, into a matter of cops chasing robbers, soldiers engaging the enemy, it risks fostering vicious circles of insecurity (atrocity – fear – tough response – atrocity – fear – and so on) that ratchet up police powers, security technologies and their attendant rhetoric in ways that it becomes difficult then to temper or dismantle. In all these ways, the security lobby makes ‘security’ talk and action pervasive, or what we shall call shallow and wide, reproducing ‘security’ on the surface of social consciousness and rendering it dependent on the visible display of executive authority and police power. In so doing, it fails to get close to the heart of what it is that makes individuals objectively (or intersubjectively) and subjectively secure – it is unable, that is, to understand, still less to create, the conditions under which security becomes axiomatic, or deep and narrow. For us, these are vital distinctions, ones that we revisit and develop as our argument unfolds. The second response to our stated ambitions – the one likely to regard the enterprise as hopelessly misplaced – is concerned above all to counter security. This emanates from what we may call the ‘liberty lobby’ which disputes the suggestion that security can be civilized. Security, on this view, is a troubling, dangerous idea. Security politics – especially in the form we have just set out – is seen as authoritarian and potentially barbarous – ‘contrary to civil well-being’ (Keane 2004: 46). It is a politics that privileges state interests (and conceptions of security) over those of individuals; that is inimical to democratic values; that possesses a seductive capacity to trample – in the name, and with the support, of ‘the majority’ – over civil liberties and minority rights; that is, in short, conducive to the very violence that it purports to stamp out. Security, consequently, is something that must either be curbed in the name of liberty and human rights or, given its close police and military associations, abandoned as a value altogether. Let us briefly introduce two strands of this critical disposition. The first – common to human rights movements across the globe – seeks to constrain the power of security by questioning its imperatives, and fencing in its demands, with an insistence on protecting or enhancing the democratic freedoms and individual rights that security politics is indifferent to, throws into a utilitarian calculus, chips away at, or suspends. From this standpoint, habeas corpus, access to legal advice, limits on detention and police interrogative powers, jury trials, rights of appeal and the like are the expression and tools of a desire to preserve a space for individual liberty in the face of the forceful demands of an overweening state and global state system – whether in ‘normal’ or ‘exceptional’ times.2 A second stance – associated with those working under the loose banner of ‘critical security studies’ (Krause andWilliams 1997) – deepens and radicalizes the impulse and insights of the first. This holds that security is irredeemably tainted by its police/military parentage, and by its authoritarian desires for certainty. On this view, security is a political technology that must ‘continue to produce images of insecurity in order to retain its meaning’ (A. Burke 2002: 18) in ways that make it, at a conceptual level, inimical to democratic politics; or else it is a practice deeply tarred by its intimate empirical relation to the formation and reproduction of state-centric interests and xenophobic, anti-democratic political subjectivities and collective identities (R. B. J. Walker 1997). The conclusion in either case is the same. Security, it is claimed, has to be abandoned, the dual analytical and political task being to unsettle and deconstruct security as a category so as to find ways of thinking and acting beyond it (Dillon 1996; Aradau 2004). There is much of value in this critique of uncivil security – a great deal, in fact, which we are sympathetic towards. But these critical stances also share certain lacunae. Each, in particular, expressly or implicitly intimates that security – understood as being and feeling free from the threat of physical harm – is a problem, a conservative sensibility and project that is all too often hostile to the values and institutional practices of democracy and liberty (Huysmans 2002). The result is that each operates as a negative, oppositional force, one that evacuates the terrain that the security lobby so effectively and affectively occupies in favour of a stance that strives either to temper its worst excesses, or to trash and banish the idea altogether – a stance that appeals in part because so few others appear motivated to defend the liberties which are being imperilled. There is, on this view, little or no mileage in seeking to think in constructive terms about the good of security and the kind of good that security is. There is little point in fashioning a theory and praxis that explores the positive – democracy and liberty-enhancing – ways in which security and political community may be coupled; in reflecting upon what it means, and might take, to make security axiomatic to lived social relations. There can, in short, be no politics of civilizing security. Proponents of the third – ‘human’ or ‘social security’ – response share with us both a desire to transcend this received security–liberty dichotomy and, in their own way, an ambition to civilize security. On this view, however, such a project requires that security be rescued from a taken-for-granted association with the ‘threat, use and control of military force’ (Walt 1991: 212), and extended to other domains of social and political life (e.g. de Lint and Virta 2004).3 We can usefully highlight two variants of this position – one international, the other domestic. The former takes its cue from the United Nations Human Development Report 1994, which introduced, and sought to mobilize opinion behind, the concept of ‘human security’, an idea which has subsequently been taken up in further work conducted under the auspices of the United Nations and the European Union (Commission on Human Security 2003; Barcelona Group 2004; cf. Paris 2001). It seeks to decouple security from questions of war and peace and deploy it as a device aimed at urging governments to treat as emergencies such chronic threats as hunger, homelessness, disease and ecological degradation – the latter, for instance, being described by the Commission on Global Governance (1995: 83) as ‘the ultimate security threat’. The domestic version of the argument draws from the insight that there is no policing or penal solution to the problem of order the conclusion that crime control – or harm reduction – is ultimately a matter of, and dissolves into, questions of economic and social policy more generally. This is a commonly held disposition within both sociological criminology and social democratic politics, one which has in recent years informed a critique of situational crime prevention, crime science and other forms of technocratic crime control, and underpinned the promotion of multi-agency, social crime prevention (Crawford 1997; Hope and Karstedt 2003). On this view, security conceived of in a ‘shallow’ manner as freedom from physical harm or threat is both inseparable from a more profound sense of ‘well-being’ or ‘ontological’ security and, therefore, also dependent upon the broader institutions and services of social welfare (Fredman forthcoming). There is, once more, much to applaud in this attempt to extend the meanings and application of the idea of security. It reminds us that freedom from physical coercion is but a part of any rounded conception of human flourishing. And it pinpoints the limited and often counter-productive role that security politics and policing institutions play within this wider project. But there are difficultie

#### The alt fails—the system’s too sticky to simply wish away

Georg SORENSEN 98, British International Studies Association [*IR Theory after the cold war*, p. 87-88]

What, then, are the more general problems with the extreme versions of the postpositivist position? The first problem is that they tend to overlook, or downplay, the actual insights produced by non-post-positivists, such as, for example, neorealism. It is entirely true that anarchy is no given, ahistorical, natural condition to which the only possible reaction is adaptation. But the fact that anarchy is a historically specific, socially constructed product of human practice does not make it less real. In a world of sovereign states, anarchy is in fact out there in the real world in some form. In other words, it is not the acceptance of the real existence of social phenomena which produces objectivist reification. Reification is produced by the transformation of historically specific social phenomena into given, ahistorical, natural conditions.21 Despite their shortcomings, neorealism and other positivist theories have produced valuable insights about anarchy, including the factors in play in balance-of-power dynamics and in patterns of cooperation and conflict. Such insights are downplayed and even sometimes dismissed in adopting the notion of 'regimes of truth'. It is, of course, possible to appreciate the shortcomings of neorealism while also recognizing that it has merits. One way of doing so is set forth by Robert Cox. He considers neorealism to be a 'problem-solving theory' which 'takes the world as it finds it, with the prevailing social and power relationships . . . as the given framework for action . . . The strength of the problem-solving approach lies in its ability to fix limits or parameters to a problem area and to reduce the statement of a particular problem to a limited number of variables which are amenable to relatively close and precise examination'.22 At the same time, this 'assumption of fixity' is 'also an ideological bias . . . Problem-solving theories (serve) . . . particular national, sectional or class interests, which are comfortable within the given order'.23 In sum, objectivist theory such as neorealism contains a bias, but that does not mean that it is without merit in analysing particular aspects of international relations from a particular point of view. The second problem with post-positivism is the danger of extreme relativism which it contains. If there are no neutral grounds for deciding about truth claims so that each theory will define what counts as the facts, then the door is, at least in principle, open to anything goes. Steve Smith has confronted this problem in an exchange with Øyvind Østerud. Smith notes that he has never 'met a postmodernist who would accept that "the earth is flat if you say so". Nor has any postmodernist I have read argued or implied that "any narrative is as good as any other"'.24 But the problem remains that if we cannot find a minimum of common standards for deciding about truth claims a post-modernist position appears unable to come up with a metatheoretically substantiated critique of the claim that the earth is flat. In the absence of at least some common standards it appears difficult to reject that any narrative is as good as any other.25 The final problem with extreme post-positivism I wish to address here concerns change. We noted the post-modern critique of neorealism's difficulties with embracing change; their emphasis is on 'continuity and repetition'. But extreme post-positivists have their own problem with change, which follows from their metatheoretical position. In short, how can post-positivist ideas and projects of change be distinguished from pure utopianism and wishful thinking? Post-positivist radical subjectivism leaves no common ground for choosing between different change projects. A brief comparison with a classical Marxist idea of change will demonstrate the point I am trying to make. In Marxism, social change ( e.g. revolution) is, of course, possible. But that possibility is tied in with the historically specific social structures (material and non-material) of the world. Revolution is possible under certain social conditions but not under any conditions. Humans can change the world, but they are enabled and constrained by the social structures in which they live. There is a dialectic between social structure and human behaviour.26 The understanding of 'change' in the Marxist tradition is thus closely related to an appreciation of the historically specific social conditions under which people live; any change project is not possible at any time. Robert Cox makes a similar point in writing about critical theory: 'Critical theory allows for a normative choice in favor of a social and political order different from the prevailing order, but it limits the range of choice to alternative orders which are feasible transformations of the existing world . . . Critical theory thus contains an element of utopianism in the sense that it can represent a coherent picture of an alternative order, but its utopianism is constrained by its comprehension of historical processes. It must reject improbable alternatives just as it rejects the permanency of the existing order'.27 That constraint appears to be absent in post-positivist thinking about change, because radical post-positivism is epistemologically and ontologically cut off from evaluating the relative merit of different change projects. Anything goes, or so it seems. That view is hard to distinguish from utopianism and wishful thinking. If neorealism denies change in its overemphasis on continuity and repetition, then radical post-positivism is

#### Reps don't shape reality.

Thierry Balzacq 05. Professor of Political Science and International Relations at Namur University. “The Three Faces of Securitization: Political Agency, Audience and Context” *European Journal of International Relations*, London: Jun 2005, Volume 11, Issue 2.

However, despite important insights, this position remains highly disputable. The reason behind this qualification is not hard to understand. With great trepidation my contention is that one of the main distinctions we need to take into account while examining securitization is that between 'institutional' and 'brute' threats. In its attempts to follow a more radical approach to security problems wherein threats are institutional, that is, mere products of communicative relations between agents, the CS has neglected the importance of 'external or brute threats', that is, threats that do not depend on language mediation to be what they are - hazards for human life. In methodological terms, however, any framework over-emphasizing either institutional or brute threat risks losing sight of important aspects of a multifaceted phenomenon. Indeed, securitization, as suggested earlier, is successful when the securitizing agent and the audience reach a common structured perception of an ominous development. In this scheme, there is no security problem except through the language game. Therefore, how problems are 'out there' is exclusively contingent upon how we linguistically depict them. This is not always true. For one, language does not construct reality; at best, it shapes our perception of it. Moreover, it is not theoretically useful nor is it empirically credible to hold that what we say about a problem would determine its essence. For instance, what I say about a typhoon would not change its essence. The consequence of this position, which would require a deeper articulation, is that some security problems are the attribute of the development itself. In short, threats are not only institutional; some of them can actually wreck entire political communities regardless of the use of language. Analyzing security problems then becomes a matter of understanding how external contexts, including external objective developments, affect securitization. Thus, far from being a departure from constructivist approaches to security, external developments are central to it.

### Gangster Antitrust DA

#### Rising CO2 spurs plant growth—prevents famine ensuring global peace

Idso and Idso 99 [Dr. Sherwood, President, and Dr. Keith, President and Vice President of the Center for the Study of Carbon Dioxide and Global Change, CO2 Science, “Give Peace a Chance by Giving Plants a Chance”, Vol. 2, No. 19, 10-1, http://www.co2science.org/scripts/CO2ScienceB2C/articles/V2/N19/EDIT.jsp]

President Carter begins by stating that "when the Cold War ended 10 years ago, we expected an era of peace" but got instead "a decade of war." He then asks why peace has been so elusive, answering that most of today's wars are fueled by poverty, poverty in developing countries "whose economies depend on agriculture but which lack the means to make their farmland productive." This fact, he says, suggests an obvious, but often overlooked, path to peace: "raise the standard of living of the millions of rural people who live in poverty by increasing agricultural productivity," his argument being that thriving agriculture, in his words, "is the engine that fuels broader economic growth and development, thus paving the way for prosperity and peace." Can the case for atmospheric CO2 enrichment be made any clearer? Automatically, and without the investment of a single hard-earned dollar, ruble, or what have you, people everywhere promote the cause of peace by fertilizing the atmosphere with carbon dioxide; for CO2 - one of the major end-products of the combustion process that fuels the engines of industry and transportation - is the very elixir of life, being the primary building block of all plant tissues via the essential role it plays in the photosynthetic process that sustains nearly all of earth's vegetation, which in turn sustains nearly all of the planet's animal life. As with any production process, the insertion of more raw materials (in this case CO2) into the production line results in more manufactured goods coming out the other end, which, in the case of the production line of plant growth and development, is biosphere-sustaining food. And as President Carter rightly states, "leaders of developing nations must make food security a priority." Indeed, he ominously proclaims in his concluding paragraph that "there can be no peace until people have enough to eat." Within this context, we recently completed a project commissioned by the Greening Earth Society entitled "Forecasting World Food Supplies: The Impact of the Rising Atmospheric CO2 Concentration," which we presented at the Second Annual Dixy Lee Ray Memorial Symposium held in Washington, DC on 31 August - 2 September 1999. We found that continued increases in agricultural knowledge and expertise would likely boost world food production by 37% between now and the middle of the next century, but that world food needs, which we equated with world population, would likely rise by 51% over this period. Fortunately, we also calculated that the shortfall in production could be overcome - but just barely - by the additional benefits anticipated to accrue from the many productivity-enhancing effects of the expected rise in the air's CO2 content over the same time period. Our findings suggest that the world food security envisioned by President Carter is precariously dependent upon the continued rising of the atmosphere's CO2 concentration. As Sylvan Wittwer, Director Emeritus of Michigan State University's Agricultural Experiment Station, stated in his 1995 book, Food, Climate, and Carbon Dioxide: The Global Environment and World Food Production, "The rising level of atmospheric CO2 could be the one global natural resource that is progressively increasing food production and total biological output, in a world of otherwise diminishing natural resources of land, water, energy, minerals, and fertilizer. It is a means of inadvertently increasing the productivity of farming systems and other photosynthetically active ecosystems. The effects know no boundaries and both developing and developed countries are, and will be, sharing equally." So, let's give peace a chance. Let's give plants a chance. And, while we're at it, let's give all of the world's national economies a chance as well. Let's let the air's CO2 content rise unimpeded, and let's let the peoples of the world reap the multitudinous benefits that come from the God-given - and scientifically proven - aerial fertilization effect of atmospheric CO2 enrichment. Let's live and let live. And let's let CO2 do its wonderful work of promoting world peace via the planet-wide prosperity that comes from enhanced agricultural productivity.

#### Even small changes in food supply can kill billions

Brown 4 [Lester, President @ Earth Policy Institute and former advisor to the Secretary of Agriculture, “Outgrowing the Earth,” http://www.earth-policy.org/Books/Out/index.htm]

“Many Americans see terrorism as the principal threat to security,” said Brown, “but for much of humanity, the effect of water shortages and rising temperatures on food security are far more important issues. For the 3 billion people who live on 2 dollars a day or less and who spend up to 70 percent of their income on food, even a modest rise in food prices can quickly become life-threatening. For them, it is the next meal that is the overriding concern.”

#### CO2 key to biodiversity—latest satellite studies prove

Solomon 8 [Lawrence, Executive Director of Energy Probe, National Post, “In praise of CO2,” 6-7, L/N]

The results surprised Steven Running of the University of Montana and Ramakrishna Nemani of NASA, scientists involved in analyzing the NASA data. They found that over a period of almost two decades, the Earth as a whole became more bountiful by a whopping 6.2%. About 25% of the Earth's vegetated landmass -- almost 110 million square kilometres -- enjoyed significant increases and only 7% showed significant declines. When the satellite data zooms in, it finds that each square metre of land, on average, now produces almost 500 grams of greenery per year. Why the increase? Their 2004 study, and other more recent ones, point to the warming of the planet and the presence of CO2, a gas indispensable to plant life. CO2 is nature's fertilizer, bathing the biota with its life-giving nutrients. Plants take the carbon from CO2 to bulk themselves up -- carbon is the building block of life -- and release the oxygen, which along with the plants, then sustain animal life. As summarized in a report last month, released along with a petition signed by 32,000 U. S. scientists who vouched for the benefits of CO2: "Higher CO2 enables plants to grow faster and larger and to live in drier climates. Plants provide food for animals, which are thereby also enhanced. The extent and diversity of plant and animal life have both increased substantially during the past half-century." Lush as the planet may now be, it is as nothing compared to earlier times, when levels of CO2 and Earth temperatures were far higher. In the age of the dinosaur, for example, CO2 levels may have been five to 10 times higher than today, spurring a luxuriantly fertile planet whose plant life sated the immense animals of that era. Planet Earth is also much cooler today than during the hothouse era of the dinosaur, and cooler than it was 1,000 years ago during the Medieval Warming Period, when the Vikings colonized a verdant Greenland. Greenland lost its colonies and its farmland during the Little Ice Age that followed, and only recently started to become green again. This blossoming Earth could now be in jeopardy, for reasons both natural and man-made. According to a growing number of scientists, the period of global warming that we have experienced over the past few centuries as Earth climbed out of the Little Ice Age is about to end. The oceans, which have been releasing their vast store of carbon dioxide as the planet has warmed -- CO2 is released from oceans as they warm and dissolves in them when they cool -- will start to take the carbon dioxide back. With less heat and less carbon dioxide, the planet could become less hospitable and less green, especially in areas such as Canada's Boreal forests, which have been major beneficiaries of the increase in GPP and NPP. Doubling the jeopardy for Earth is man. Unlike the many scientists who welcome CO2 for its benefits, many other scientists and most governments believe carbon dioxide to be a dangerous pollutant that must be removed from the atmosphere at all costs. Governments around the world are now enacting massive programs in an effort to remove as much as 80% of the carbon dioxide emissions from the atmosphere.

#### Bio-diversity loss causes extinction

Coyne and Hoekstra 7 [Jerry, Prof. Ecology @ U. Chicago, and Hopi, Associate Prof. Organismic and Evolutionary Biology @ Harvard, Weekend Australian, “Diversity lost as we head towards a lonely planet,” 11-10, L/N]

But we biologists know in our hearts that there are deeper and equally compelling reasons to worry about the loss of biodiversity: namely, morality and intellectual values that transcend pecuniary interests. What, for example, gives us the right to destroy other creatures? And what could be more thrilling than looking around us, seeing that we are surrounded by our evolutionary cousins and realising that we all got here by the same simple process of natural selection? To biologists, and potentially everyone else, apprehending the genetic kinship and common origin of all species is a spiritual experience, not necessarily religious but spiritual nonetheless, for it stirs the soul. But whether or not one is moved by such concerns, it is certain that our future is bleak if we do nothing to stem this sixth extinction. We are creating a world in which exotic diseases flourish but natural medicinal cures are lost; a world in which carbon waste accumulates while food sources dwindle; a world of sweltering heat, failing crops and impure water. In the end, we must accept the possibility that we are not immune to extinction. Or, if we survive, perhaps only a few of us will remain, scratching out a grubby existence on a devastated planet. Global warming will seem like a secondary problem when humanity finally faces the consequences of what we have done to nature; not just another Great Dying, but perhaps the greatest dying of them all.

### Interest Rates DA

#### Interest rates doesn’t have a sustained impact on the economy.

Lacker 16 (Jeffrey Lacker 16, President, Federal Reserve Bank of Richmond, The Johns Hopkins Carey Business School, 2/24/16, "Can Monetary Policy Affect Economic Growth?," https://www.richmondfed.org/press\_room/speeches/jeffrey\_m\_lacker/2016/lacker\_speech\_20160224)

Monetary policy’s ability to affect real economic activity — when monetary policy is being reasonably well-executed — can be quite limited and is almost always short-lived.2 In the standard models used in policy analysis, monetary policy’s effects on the real economy generally derive from frictions that impede the rapid adjustment of the overall average level of prices, such as the fact that it takes time for households and firms to adjust their behavior in response to changes in the stance of monetary policy. Such frictions are, almost always, short-run phenomena that generate transitory deviations in real activity, and their empirical significance is a matter of ongoing research and debate.

#### Rate hikes already happened and were really steep

Goodman 12-11 (David Goodman, analyst and reporter for Bloomberg Markets, 12-11-2017, "Investors Told to Brace for Steepest Rate Hikes Since 2006," Bloomberg, https://www.bloomberg.com/news/articles/2017-12-11/investors-told-to-brace-for-steepest-rate-hikes-since-2006, accessed 12-13-2017)

Wall Street economists are telling investors to brace for the biggest tightening of monetary policy in more than a decade. With the world economy heading into its strongest period since 2011, Citigroup Inc. and JPMorgan Chase & Co. predict average interest rates across advanced economies will climb to at least 1 percent next year in what would be the largest increase since 2006. As for the quantitative easing that marks its 10th anniversary in the U.S. next year, Bloomberg Economics predicts net asset purchases by the main central banks will fall to a monthly $18 billion at the end of 2018, from $126 billion in September, and turn negative during the first half of 2019. That reflects an increasingly synchronized global expansion finally strong enough to spur inflation, albeit modestly. The test for policy makers, including incoming Federal Reserve Chair Jerome Powell, will be whether they can continue pulling back without derailing demand or rocking asset markets. “2018 is the year when we have true tightening,” said Ebrahim Rahbari, director of global economics at Citigroup in New York. “We will continue on the current path where financial markets can deal quite well with monetary policy but perhaps later in the year, or in 2019, monetary policy will become one of the complicating factors.” A clearer picture should form this week when the Norges Bank, Fed, Bank of England, European Central Bank and Swiss National Bank announce their final policy decisions of 2017. They collectively set borrowing costs for more than a third of the world economy. At least 10 other central banks also deliver decisions this week. The Fed will dominate the headlines on Wednesday amid predictions it will raise its benchmark by a quarter of a percentage point. Outgoing chair Janet Yellen is set to signal more increases to come in 2018. On Thursday, the SNB, BOE and ECB will make decisions in quick succession although each is forecast to keep rates on hold. There will likely be more activity next year as Citigroup estimates the advanced world’s average rate will reach its highest since 2008, climbing 0.4 percentage point to 1 percent. JPMorgan projects its gauge to rise to 1.2 percent, a jump of more than half a percentage point from 0.68 percent at the end of this year. Citigroup expects the Fed and its Canadian peer to move three times and the U.K., Australia, New Zealand, Sweden and Norway once. JPMorgan is forecasting the U.S. will shift four times. The latest Bloomberg survey also showed three Fed hikes in 2018, but moved forward one of them to March from June.

#### If the fed raises rates, it’s just a small hike --- and it’s inevitable in the long-run.

John MAXFIELD 9/14. Financial Reporter. “Will the Federal Reserve Raise Interest Rates Next Week?” *The Motley Fool*. 2017. [https://www.fool.com/investing/2017/09/14/will-the-federal-reserve-raise-interest-rates-next.aspx](about:blank).

One of the most important things that will happen in the market next week is the Federal Reserve's announcement about whether it will raise interest rates for the third time this year. But while the economy continues to slowly mend -- which favors higher rates -- few people expect the central bank to hike the fed funds rate anytime soon.

According to CME Group's FedWatch Tool, which uses activity in the futures market to estimate the probability of a rate rise at each of the Fed's next eight meetings, there's a 98.6% likelihood that rates will stay right where they are now next week. The current target range for the fed funds rate, which is the primary short-term interest-rate benchmark in the United States, is 1% to 1.25%.

The same is true for the Fed's next meeting, as well. CME Group estimates that there's only a 3.9% probability of a rate rise in November. It isn't until the final meeting of the year of the Federal Open Market Committee that this changes, with a probability of just over 50% in favor of a 25-basis-point boost to rates in December.

While the Fed has now raised rates four times since the financial crisis, in the wake of the target fed-funds rate dropping to 0%, it's been reluctant to hike rates too rapidly. The economy has reached full employment, with an unemployment rate of only 4.4%. But the second prong of the Fed's so-called dual mandate has not cooperated, with inflation stubbornly remaining below the 2 [percent] % threshold desired by monetary policymakers.

The good news is that inflation seems to be picking up. The government reported today that consumer prices increased 0.4% in August over July, and by 1.9% compared to the year-ago period. If you exclude the impact of food and energy, which vary widely and exert an outsized influence on consumer prices more broadly, so-called core consumer prices rose 1.7% last month compared to August 2016. The report snapped a five-month streak of weaker-than-expected readings.

Banks would be the biggest beneficiaries of an interest-rate increase. Bank of America (NYSE:BAC) estimates that a 100-basis-point, or 1 percentage point, increase in short- and long-term rates would translate into an added $3.2 billion in annual net interest income. The same number for JPMorgan Chase (NYSE:JPM), the nation's biggest bank by assets, is $2.2 billion.

To be clear, even if the Fed were to hike the fed funds rate, it would most likely do so by only 25 basis points, not the full 100 basis points cited by these banks in their interest-rate sensitivity analyses.

Shares of banks were nevertheless down in afternoon trading on Thursday following the upbeat report on inflation. Bank of America's shares fell 20 basis points, while JPMorgan Chase's stock was off by 30 basis points. Meanwhile, the KBW Bank Index, which tracks shares of two dozen large-cap banks including Bank of America and JPMorgan Chase, was lower by a similar amount.

In short, there seems to be little possibility that the central bank will raise rates at its meeting next week. If the economy continues to mend and inflation heads higher, however, it's only a matter of time before the central bank does so.

#### Federal debt is inevitable

Gulker 17 (Max Gulker, Ph.D. Economics, Stanford, Senior Research Fellow at AIER, Theodore Cangero, 4-28-2017, "Debt in the U.S. Fuel for Growth or Ticking Time Bomb?," American Institute for Economic Research, https://www.aier.org/research/debt-us-fuel-growth-or-ticking-time-bomb)

AIER founder E. C. Harwood placed great emphasis on the necessity of clear and specific terminology in scientific economic inquiry. He dedicated the first two chapters of his textbook Useful Economics to establishing such a vocabulary. One term commonly used today that might not meet Harwood’s standard is “national debt.” When people refer to the national debt, they almost always mean the debt owed by our government. But there are actually two important types of debt in the American economy: government debt, and private debt owed by households and businesses. In 2015, government debt stood at $18.8 trillion (104 percent of GDP) while private debt was $27.1 trillion (150 percent of GDP). What do these debts, separately and in concert, mean for the future of our economy? Some government borrowing at low rates may be healthy, and some private debt is essential for growth, dispersed among millions of households and businesses.

This research brief examines both types of debt and how concerning they are. We first discuss the history and growth of the federal debt, as well as the primary reasons for the debt. Then we tackle the more subtle issue of private debt. Many economists strongly believe the level and growth of a nation’s private debt, more than public debt, predicts the worst recessions. We show that the level and trajectory of private debt are at amounts which can harm our economy.

Long-running Budget Deficits and the National Debt

Ongoing federal budget deficits have required the U.S. Treasury to issue substantial amounts of debt to finance government spending. The Treasury has been able to easily issue debt since the federal government enjoys the highest credit rating, which lowers the interest rate that creditors demand. Historically low interest rates in general have further helped limit interest expense. Until recently, the rest of the world has been willing to purchase Treasury securities despite low interest rates. Foreign purchasers of Treasury securities were not deterred by a debt-to-GDP ratio close to an all-time high. But they have changed their outlook. Over the last year, foreigners have become net sellers of Treasury securities. If they continue to be net sellers of Treasury securities, the federal government may face trouble financing budget deficits.

Since the Great Depression, the federal government has typically run a deficit. From 1929 to 2016, the average deficit was 3.1 percent of GDP. The deficit peaked during the Second World War at 26.8 percent of GDP. From 1946 to the end of the 1970s, a strong postwar economy boosted tax payments and reduced the deficit to an average of just 1 percent of GDP. The deficit increased in the 1980s when President Reagan cut taxes and increased government spending on defense. The economic boom in the 1990s created a budget surplus for the first time since the late 1960s. The bursting of the tech bubble, President George W. Bush’s tax cuts, and spending on the wars in Iraq and Afghanistan caused the budget surplus to return to a deficit. During the Great Recession and subsequent weak recovery, the deficit has averaged 5.5 percent of GDP. Each year since 2001, in fact, the federal government has spent more than the tax revenue it has taken in.

Ongoing federal budget deficits have caused a large run-up in federal debt. The federal government debt-to-GDP ratio reached an all-time high at the beginning of 2016: 105.4 percent of GDP. To put that figure in perspective, from the mid-1960s until the start of the Great Recession the average federal debt-to-GDP ratio was 46.8 percent. Most of the increase in federal debt has accumulated following the onset of the Great Recession. In the first quarter of 2008, the federal debt-to-GDP ratio was 64.3 percent. At the end of 2016, the federal debt-to-GDP ratio remained near the all-time high at 104.8 percent of GDP.

In 2016, interest on the national debt was $241 billion, or nearly 2 percent of GDP. Despite a record level of debt and ongoing deficits, federal spending to cover interest on the national debt has been lower compared with recent decades. During the 1980s and 1990s, interest payments as a share of the national debt averaged 2.7 percent of GDP. Lower interest expense has been the result of lower interest rates. During the early 1980s, the 10-year Treasury yield reached over 15 percent. Interest rates were high during the early 1980s because Federal Reserve chairman Paul Volcker was pursuing a high interest rate policy in response to high inflation. After the early 1980s, interest rates began a consistent and gradual decline. Today the yield on the 10-year Treasury is closer to 2 percent. But historically high debt-to-GDP levels risk higher interest expense for the federal government.

Deficits are Likely to Continue

How is the government planning to lower this ratio? Not by taxation. Since the early 2000s, federal spending has exceeded tax revenues. The largest source of federal revenue is income taxes. In 2016, income taxes accounted for $1.5 trillion, or 8.4 percent of GDP. A strong labor market—with the U.S. economy adding over 2 million jobs over the last year—has given income-tax collection a boost. The next-largest source of federal revenue is payroll taxes for social-insurance programs such as Social Security and Medicare. In 2016, payroll taxes for social insurance equaled $1.1 trillion, or 6.1 percent of GDP. Corporate taxes are the third-largest source of federal revenue, but are much smaller than income taxes and payroll taxes. Corporate-tax revenue accounted for 1.6 percent of GDP last year.

The new administration does not appear likely to reverse this trend. President Trump’s recently released 2018 budget blueprint calls for a $52 billion increase in the Department of Defense budget compared to 2017. President Trump plans to increase military spending without increasing the deficit or debt by making broad cuts to nonmilitary government agencies.

The details of President Trump’s tax plan have yet to be released. However, analysis of President Trump’s tax cuts has shown they will likely increase the deficit and debt. During the presidential campaign, Trump ran on tax cuts for individuals and businesses. What might Trump’s tax plan look like? The Tax Foundation estimates that individual tax brackets would be reduced from seven to three. For single-filers, the highest tax bracket would likely be lowered to 33 percent from nearly 40 percent. The middle tax bracket would likely be 25 percent and the lowest bracket close to 12 percent. The capital-gains rate would be reduced across tax brackets as well. Important deductions would be adjusted. For example, the standard deduction would be doubled and child-care expenses made deductible from taxable income, according to the foundation.

Lower income taxes would mean a higher return for labor. In other words, workers would take home more of their paycheck. In response, they might work more hours. In addition, lower taxes might attract new entrants to the labor force. With more money in their pockets, Americans could spend more. This would be positive news for an economy driven by consumer spending. It is possible that a higher return to labor would lead to some workers working less. However, an elevated underemployment rate suggests the higher take home pay will incentivize more labor.

The Tax Foundation estimates that President Trump’s tax cuts would increase gross domestic product by a cumulative 7 to 8 percent over the next 10 years. The foundation says tax cuts would help grow the capital stock by 20 percent and would create 1.8 million jobs. The Tax Foundation estimates that job creation will come from tax-cut-related incentives to work and invest. On the downside, the Tax Policy Center points out that cuts would likely cause larger deficits and add to the national debt, unless offsetting spending cuts are made. A higher debt could lead to higher interest rates crowding out private investment.

Who Holds Government Debt

Borrowing fills the difference between federal spending and federal revenue. Who is loaning the federal government all this money? Foreigners are the largest holders of Treasury securities. Foreign ownership of Treasury securities began to rise in the late 1970s. During the 1980s, the United States began to run a current account deficit. The current account deficit grew as once-agrarian countries industrialized because the United States could now import consumer goods at low cost from abroad. When the United States imports goods, other countries receive dollars. The foreign countries use the dollars to buy U.S. assets such as equities, real estate, and Treasury securities.

The share of Treasury securities owned by foreigners grew from the 1970s until the Great Recession. Prior to the 1970s, foreigners held an average 4.7 percent of marketable Treasury securities. During the 1970s, foreign ownership averaged 19.5 percent. By the 1990s, it had jumped to 25.6 percent. Foreign ownership peaked in 2008 at 56.5 percent. Since the Great Recession, foreigners have been reducing their purchases. In 2016, they became net sellers of Treasury securities for the first time since the early 2000s. In the third quarter of 2016, foreigners held just 45.2 percent of marketable Treasury securities. A large deficit and debt will be difficult to sustain if foreigners continue to reduce their holdings.

It remains unclear whether the two largest domestic holders of Treasury securities can increase purchases. U.S. household ownership of Treasury securities peaked at 43.1 percent in the first quarter of 1970. The share of Treasury securities owned by households declined from the early 1970s until the end of the Great Recession. During the 1970s, household ownership of Treasury securities averaged 30 percent of marketable Treasury debt outstanding. During the 1980s and 1990s, U.S. household ownership ranged from 22 percent to 24 percent. Between 2001 when the dot-com burst and 2007 when the housing-market bubbles burst, U.S. household ownership averaged 10.1 percent. Toward the end of the Great Recession, U.S. households owned just 2.7 percent of the marketable Treasury securities outstanding. Since the fourth quarter of 2008, though, U.S. household ownership has risen gradually to 8.6 percent in the third quarter of 2016.

The Federal Reserve is another holder of Treasury debt. It plans to eventually shrink its holdings of Treasury securities but is currently reinvesting principal payments from those securities. However, history is full of examples of central banks printing money to cover government spending. Should the U.S. government find itself in a funding crisis, the Fed could increase purchases of Treasury securities to make up for deficient foreign and private domestic demand.

The Federal Reserve will create problems if it prints money to purchase Treasury securities. First, by stepping in and buying Treasury securities, it might disincentivize Congress from putting the budget on a sustainable path. Second, monetizing the government debt will likely cause inflation. The government receives the new money first, spending it and pushing up prices. International investors will see the Fed buying Treasury securities. This will likely cause them to demand higher interest rates. Since many consumer interest rates are linked to Treasury rates, interest rates would rise across the economy. This would affect an even more important group of American debtors: private citizens.

### DOJ Resources DA

#### no link---plan is enforced by the FTC.

#### DOJ cases take years and fail---cases against google thump and prove their resources are already being overstretched

Brent **Kendall and** Rob **Copeland, 20**20. Brent Kendall is a legal affairs reporter in the Washington bureau of The Wall Street Journal, where he covers the Justice Department, the Federal Trade Commission and the federal courts, including the Supreme Court. Rob Copeland is a reporter for The Wall Street Journal in Austin, Texas. “Justice Department Hits Google With Antitrust Lawsuit.” The Wall Street Journal. October 20, 2020. [https://www.wsj.com/articles/justice-department-to-file-long-awaited-antitrust-suit-against-google-11603195203](about:blank)

The Justice Department filed a long-expected antitrust lawsuit alleging that Google uses anticompetitive tactics to preserve a monopoly for its flagship search engine and related advertising business, the most aggressive U.S. legal challenge to a company’s dominance in the tech sector in more than two decades. The case, filed Tuesday in federal court in Washington, D.C., alleged that the Alphabet Inc. unit maintains its status as gatekeeper to the internet through an unlawful web of exclusionary and interlocking business agreements that shut out competitors. The government alleged that Google uses billions of dollars collected from advertisements on its platform to pay for mobile-phone manufacturers, carriers and browsers, like Apple Inc.’s Safari, to maintain Google as their preset, default search engine, creating a self-reinforcing cycle of dominance. The upshot is that Google has pole position in search on hundreds of millions of devices in the U.S., with little opportunity for any other company to make inroads, the government said. “Google achieved some success in its early years, and no one begrudges that,” Deputy U.S. Attorney General Jeffrey Rosen said. “If the government does not enforce its antitrust laws to enable competition, we could lose the next wave of innovation. If that happens, Americans may never get to see the next Google.” Kent Walker, Google’s chief legal officer, said in a statement that the lawsuit was deeply flawed. “People use Google because they choose to—not because they’re forced to or because they can’t find alternatives,” he said. “Like countless other businesses, we pay to promote our services, just like a cereal brand might pay a supermarket to stock its products at the end of a row or on a shelf at eye level.” Justice Department to Sue Google for Alleged Anticompetitive Conduct Mr. Walker said that, if successful, the lawsuit would result in higher prices for consumers because Google would have to raise the cost of its mobile software and hardware. Google’s defense against critics of all stripes has long been rooted in the fact that its services are largely offered to consumers at little or no cost, undercutting the traditional antitrust argument centered on potential price harms to those who use a product. The challenge marks a new chapter in the history of Google, a company formed in a garage in a San Francisco suburb in 1998—the same year Microsoft Corp. was hit with a blockbuster government antitrust case accusing the software giant of unlawful monopolization. That case, which eventually resulted in a settlement, was the last similar government antitrust case against a major U.S. tech firm. The lawsuit follows a Justice Department investigation that has stretched more than a year, and it comes amid a broader examination of the handful of technology companies that play an outsize role in the U.S. economy and the daily lives of most people. A loss for Google could mean court-ordered changes to how it operates parts of its business, potentially creating new openings for rivals. The Justice Department’s lawsuit didn’t propose particular remedies, though one Justice Department official said nothing is off the table. The Mountain View, Calif., company, sitting on a $120 billion cash hoard, is unlikely to shrink from a legal fight. A victory for it could deal a huge blow to Washington’s overall scrutiny of big tech companies, potentially hobbling other investigations and enshrining Google’s business model after lawmakers and others challenged its market power. Such an outcome, however, might spur Congress to take legislative action against the company. Alphabet’s shares rose 1.4% in Nasdaq trading Tuesday. The case could take years to resolve, and the responsibility for managing the suit will fall to appointees of the winner of the Nov. 3 presidential election. Democratic presidential nominee Joe Biden declined to comment on the Google suit specifically, but said that “growing economic concentration and monopoly power in our nation today threatens our American values of competition, choice, and shared prosperity.“ Google’s billionaire co-founders Sergey Brin, left, and Larry Page, shown in 2008, gave up their management roles but remain in effective control of the company. “Our commitment to these values must compel us to do far more to ensure that excessive market power anywhere—across industries, from health care to agriculture to tech to banking and finance—is not hurting America’s families and workers,” Mr. Biden said Nearly all U.S. state attorneys general are separately investigating Google, while three other tech giants—Facebook Inc., Apple and Amazon.com Inc.—likewise face close antitrust scrutiny. In Washington, a bipartisan belief is emerging that the government should do more to police the behavior of top digital platforms that control widely used tools of communication and commerce. A group of 11 state attorneys general, all Republicans, have joined the Justice Department’s case. More could join later. Other states are still considering their own cases related to Google’s search practices, and a large group of states is considering a case challenging Google’s power in the digital advertising market. GOOGLE’S SEARCH DOMINANCE The Justice Department also continues to investigate Google’s ad-tech practices. Democrats on a House antitrust subcommittee in a report this month said the four tech giants wield monopoly power and recommended congressional action. The companies’ chief executives testified before the panel in July. In Europe, regulators have targeted the company with three antitrust complaints and fined it about $9 billion. The cases haven’t left a big imprint on Google’s businesses there. Google owns or controls search-distribution channels accounting for about 80% of search queries in the U.S., according to the lawsuit and third-party researchers. The government says that effectively leaves no room for competition, resulting in less choice and innovation for consumers, and less competitive prices for advertisers. Lawmakers of Both Parties Talk Antitrust Reform Rep. David Cicilline (D., R.I.) and Sen. Josh Hawley (R., Mo.) voice an interest in pursuing tighter antitrust enforcement in the tech sector at WSJ Tech Live 2020. Photos from left: Mandel Ngan/Associated Press; Stefani Reynolds/Press Pool The wide-ranging suit included details on alleged deliberations within Google aimed at avoiding antitrust scrutiny. The government quoted Google’s chief economist as telling employees, “We should be careful about what we say in both public and private.” The lawsuit in particular targeted arrangements under which Google’s search application is preloaded, and can’t be deleted, on mobile phones running its popular Android operating system. Google has expanded such agreements over the past year since the Justice Department probe began, the government said, but its complaint didn’t provide hard data about such tie-ups. Google CEO Sundar Pichai testified before Congress in July, in hearings where lawmakers pressed tech companies’ leaders on their business practices. Alphabet publicly discloses that it pays other companies to funnel in search traffic; analysts estimate that it pays Apple alone around $10 billion a year, another deal the government cited as one that has suppressed competition. Google started as a simple search engine aiming “to organize the world’s information.” But over time it has developed into a far broader conglomerate. Its flagship search engine handles more than 90% of global search requests, some billions a day, providing fodder for what has become a vast brokerage of digital advertising. Its YouTube unit is the world’s largest video platform, used by nearly three-quarters of U.S. adults. In 2012, the last time Google faced close antitrust scrutiny in the U.S., the search giant was already one of the largest publicly traded companies in the nation. Since then, its market value has roughly tripled to almost $1 trillion. The company enters this legal showdown under new leadership. Co-founders Larry Page and Sergey Brin, both billionaires, gave up their management roles last year, handing the reins solely to Sundar Pichai, a soft-spoken, India-born engineer. BIG TECH UNDER FIRE The Justice Department isn’t alone in scrutinizing tech giants’ market power. These are the other inquiries now under way: Federal Trade Commission: The agency has been examining Facebook’s acquisition strategy, including whether it bought platforms like WhatsApp and Instagram to stifle competition. People following the case believe the FTC is likely to file suit by the end of the year. State attorneys general: A group of state AGs led by Texas is investigating Google’s online advertising business and expected to file a separate antitrust case. Another group of AGs is reviewing Google’s search business. Still another, led by New York, is probing Facebook over antitrust concerns. Congress: After a lengthy investigation, House Democrats found that Amazon holds monopoly powers over its third-party sellers and that Apple exerts monopoly power through its App Store. Those findings and others targeting Facebook and Google could trigger legislation. Senate Republicans are separately moving to limit Section 230 of the Communications Decency Act, which gives online platforms a liability shield, saying the companies censor conservative views. Federal Communications Commission: The agency is reviewing a Trump administration request to reinterpret key parts of Section 230, for the same reasons cited by GOP senators. Tech companies are expected to challenge possible action on free-speech grounds. Google’s growth across a range of business lines over the years has expanded its pool of critics, with competitors and some customers complaining about its tactics. Specialized search providers like Yelp Inc. and Tripadvisor Inc. have long voiced such concerns to U.S. antitrust authorities, and newer upstarts like search-engine provider DuckDuckGo have spent time talking to the Justice Department. News Corp, owner of The Wall Street Journal, has complained to antitrust authorities at home and abroad about both Google’s search practices and its dominance in digital ads. Some Big Tech detractors have called to break up Google and other dominant companies. Courts have indicated such broad action should be a last resort. The outcome could have a considerable impact on the direction of U.S. antitrust law. The Sherman Act, which prohibits restraints of trade and attempted monopolization, is broadly worded, leaving courts wide latitude to interpret its parameters. Because litigated antitrust cases are rare, any one ruling could affect governing precedent for future cases. The tech sector has been a particular challenge for antitrust enforcers and the courts because the industry evolves so rapidly. Also, many products and services are offered free to consumers, who in a sense pay with the valuable personal data companies such as Google collect. The search company outmaneuvered the Federal Trade Commission nearly a decade ago. The FTC, which shares antitrust authority with the Justice Department, spent more than a year investigating Google but decided in early 2013 not to bring a case in response to complaints that the company engaged in “search bias” by favoring its own services and demoting rivals. Competition staff at the agency deemed the matter a close call, but said a case challenging Google’s search practices could be tough to win because of what they described as mixed motives within the company: a desire to both hobble rivals and advance quality products and services for consumers. The Justice Department’s case doesn’t focus on a search-bias theory. Google’s growth across a range of business lines has expanded its pool of critics. The company exhibited at the CES 2020 electronics show in Las Vegas in January. Google made a handful of voluntary commitments to address other FTC concerns. The resolution was widely panned by advocates of stronger antitrust enforcement and continues to be cited as a top failure. Google’s supporters say the FTC’s light touch was appropriate and didn’t burden the company as it continued to grow. The Justice Department’s current antitrust chief, Makan Delrahim, spent months negotiating with the FTC last year for jurisdiction to investigate Google this time around. He later recused himself in the case—Google was briefly a client years before while he was in private practice—as the department’s top brass moved to take charge. The lawsuit comes after internal tensions, with some department staffers questioning Attorney General William Barr’s push to bring a case as quickly as possible, the Journal has reported. They worried the department hadn’t yet built an airtight case and feared a rush to litigation could lead to a loss in court. They also worried Mr. Barr was driven by an interest in filing a case before the election. Other staff members were more comfortable moving ahead. Mr. Barr has pushed the Justice Department to move ahead on the belief that antitrust enforcers have been too slow and hesitant to take action, according to a person familiar with his thinking. He has taken an unusually hands-on role in several areas of the department’s work and repeatedly voiced interest in investigating tech-company dominance. Attorney General William Barr has pushed to bring an antitrust case against Google, in some cases taking an unusually hands-on role in preparations. If the Microsoft case from 20 years ago is any guide, Mr. Barr’s concern with speed could run up against the often slow pace of litigation. After a circuitous route through the court system, including one initial trial-court ruling that ordered a breakup, Microsoft reached a 2002 settlement with the government and changed some aspects of its commercial behavior but stayed intact. It remained under court supervision and subject to terms of its consent decree with the government until 2011. Antitrust experts have long debated whether the settlement was tough enough on Microsoft, though most observers believe the agreement opened up space for a new generation of competitors.

#### no internal link---they don’t have any evidence establishing a tradeoff between antitrust and [X], and no way to quantify the amount of resources needed for either

#### issues are compartmentalized---Previous DoJ antitrust cases prove

Jay B. **Sykes,** 20**21**- Jay B. Sykes is a legislative attorney and is published/writes for the congressional research service. “The Facebook Antitrust Lawsuits and the Future of Merger Enforcement.” Congressional Research Service. February 16, 2021. [https://www.hsdl.org/?view&did=850625](about:blank)

Refusals to Deal The plaintiffs’ allegations involving access to Facebook Platform get into different doctrinal territory. As a general matter, companies are free to choose their business partners and counterparties; there is no general duty to deal with rivals. But the Supreme Court has held that monopolists may have such a duty in certain limited circumstances. Specifically, the Court has concluded that dominant firms may violate the law when they terminate profitable courses of dealing with competitors while continuing to do business with other parties. The plaintiffs may be able to frame the restrictions on Facebook Platform—which allegedly excluded only rival app developers—in these terms. However, the Supreme Court has also described this requirement as being “at or near the outer boundary” of monopolization law. And Facebook can defeat such a claim by establishing a procompetitive justification for the restrictions (i.e., the protection of Congressional Research Service 4 intellectual property from infringement by competitors). It’s difficult to say which side has the better case without more evidence. Monopoly Broth As noted, the FTC and state AGs have three principal targets: Facebook’s Instagram acquisition, its WhatsApp purchase, and its policies governing Facebook Platform. All three are packaged together in a monopolization claim. This bundling of the plaintiffs’ allegations raises the question of how the court will assess Facebook’s separate actions. One option would involve an independent evaluation of each one in more or less compartmentalized fashion. Another would entail a broader inquiry into the combined effect of Facebook’s conduct on the competitive landscape. The case law doesn’t offer a definitive map here. Some decisions take the latter approach and evaluate the “synergistic effect” of the defendant’s challenged behaviors. In the words of one court: “[i]t is the mix of various ingredients . . . in a monopoly broth that produces the unsavory flavor.” However, other judges have been more skeptical of the notion that different types of independently lawful conduct can add up to illegal monopolization. The court’s resolution of this question may therefore have ripples beyond the Facebook lawsuits. The plaintiffs’ possible reliance on a “monopoly broth” theory also dovetails with an issue that has generated discussion within the antitrust bar. Recently, regulators and practitioners have floated the possibility that monopolization doctrine may be a better vehicle than the Clayton Antitrust Act for unwinding serial acquisitions by a dominant firm. There are potential advantages and disadvantages to both approaches. Under Section 7 of the Clayton Act—which prohibits acquisitions that may “substantially lessen” competition and can be used to reverse consummated transactions—plaintiffs need not prove that a defendant has monopoly power. However, Clayton Act plaintiffs challenging a series of acquisitions face the risk that no single deal will be deemed sufficiently objectionable when considered in isolation. In such cases, monopolization law—which offers the possibility of “monopoly broth” or “course of conduct” liability—may furnish regulators with a more promising litigation strategy (provided, of course, that they can establish monopoly power). The Facebook lawsuits may be test cases for this theory: while the FTC has limited itself to a monopolization claim, the state AGs have alleged both monopolization and violations of the Clayton Act. Issues for Congress The Facebook litigation will likely take several years to play out. But commentators have proposed several steps Congress could take in the interim to address perceived deficiencies in the merger-review regime. Changes to Potential Competition Doctrine. Some analysts have advocated changing the legal standards governing acquisitions of potential competitors, like Facebook’s purchase of WhatsApp. Under current law, plaintiffs face fairly demanding evidentiary hurdles to establish that a target company poses a competitive threat to an acquirer when the firms do not operate in the same market. The precise formulations here vary. One court has required plaintiffs to establish that a target “would likely” enter the acquirer’s market but for the merger and that entry would have a “substantial likelihood” of deconcentrating the market. Another has demanded “clear proof” of entry but for the acquisition. Members of Congress of both parties have endorsed lowering these burdens to make it easier for regulators to block mergers of potential rivals. Heightened Scrutiny of Big Tech Acquisitions. Other commentators have proposed rules directed specifically at Big Tech firms. One option would involve shifting the burden of proof to defendants in mergers involving dominant tech platforms—that is, requiring Big Tech firms to establish that their proposed acquisitions do not harm competition. (One recently introduced bill—the Competition and Antitrust Law Enforcement Reform Act—would do just that for certain categories of mergers involving large firms in any sector of the economy.) Congress could also lower the size thresholds that trigger pre- merger review by the antitrust agencies for deals involving large tech companies. While both the Instagram and WhatsApp deals were reviewed, observers have supported such changes as prophylactic measures to prevent future anticompetitive transactions that might otherwise slip under the radar. Finally, others have gone further and supported categorical bans on acquisitions by Big Tech platforms.

## 1ar

### Democracy ADV

#### US democratic leadership is key to prevent great power war.

Matthew Kroenig 18. Associate Professor of Government and Foreign Service at Georgetown University and a Senior Fellow in the Scowcroft Center for Strategy and Security at the Atlantic Council. *The Democratic Advantage: America’s Edge over Russia and China*. Princeton University Press. 9/24/2018. https://www.princeton.edu/politics/graduate/departmental-colloquia/international-relations/The-Democratic-Advantage-Americas-Edge-over-Russia-and-China.pdf

To answer these questions, we lack a crystal ball, but **theory** and **history** can serve as a guide they suggest a clear answer: **democracies** enjoy a **built-in advantage** in long-run geopolitical competitions.¶ The idea that **democracies** are better able to **accumulate** and **maintain power** in the international system has a distinguished pedigree. Polybius, Machiavelli, and Montesquieu are among the classical political theorists who argued that republican forms of government are best able to harness available domestic resources toward national greatness. And recent social science research concurs. For the past two decades, **cutting-edge research** in **economics** and **political science** has been obsessed with the issue of whether democracies are different and the **consistent finding** is that they perform a number of key functions better than their autocratic counterparts. They have higher long-run rates of economic growth.13 They are better able to raise debt in international capital markets and become international financial centers.14 They build stronger and more reliable alliances.15 They are more effective in international coercive diplomacy.16 They are less likely to fight wars (at least against other democracies).17 And they are more likely to win the wars that they fight.18¶ This book takes this line of argument a step further by aggregating these narrower findings into a broader theory about the relative fitness of democracy and autocracy in great power political competitions. The central argument of this book is that democracies do better in major power rivalries. After all, it is not much of a logical leap to assume that states that systematically perform better on these important economic, diplomatic, and military tasks will do better in long-run geopolitical competitions than those that do not¶ This hunch is supported by the empirical record. As this book will show, autocrats often put up a good fight, but they fail to ultimately seize lasting global leadership. Napoleon, Hitler, and the Soviet Union are among the examples of authoritarian nations that launched campaigns for world domination, but came up short. On the other hand, states with relatively more open forms of government have often been able to establish themselves as the international system’s leading state, from Athens and the Roman Republic in the Ancient world to British Empire and the **U**nited **S**tates in more recent times. According to some scholars, the world’s leading state since the 1600s has also been among its most democratic. 19 It is hard to argue with an **undefeated record of four centuries and counting**.¶ America’s greatest strength in its coming competition with Russia and China, therefore, is **not its military might or economic strength, but its institutions**. For all of its faults, America’s fundamentals are still better than Russia’s and China’s. There is good reason to believe, therefore, that the American era will **endure** and the autocratic challenges posed by China and Russia will **run out of steam**.¶ The idea that democracies dominate may seem counterintuitive. After all, throughout history many have argued that dictators have a foreign policy advantage. 20 Autocrats can be ruthless when necessary, but democracies are constrained by public opinion and ethical and legal concerns. Autocrats take decisive action, but democracies dither in endless debate. Autocrats strategically plan for the long-term while democracies cannot see beyond a two or four-year election cycle. Many today laud Russia and China’s autocratic systems for precisely these reasons. Russians play chess and Chinese play go, but Americans play checkers, as the aphorism has it.¶ It is true that autocracies are better at taking swift and bold action, but **impulsive decisions** uninformed by **vigorous public debate** often result in **spectacular failure**. Hitler, for example, was able to harness new technology to create Blitzkrieg warfare and conquer much of Europe, but he also invaded Russia in winter and needlessly declared war on the **U**nited **S**tates. Unfortunately, for autocracies, this story is **all too common**. As Machiavelli wrote in his Discourses on Livy in the 16th century: “Fewer errors will be seen in the people than in the prince—and those lesser and having greater remedies.”21 “Hence it arises that a republic has greater life and has good fortune longer than a principality.”22¶ There is good reason to hope that this argument is true because continued American leadership would be beneficial to the **U**nited **S**tates and the rest of the free world. The decline of American power would certainly be unwelcome for the **U**nited **S**tates. Americans have certainly grown accustomed to the benefits that accrue to the world’s leading power. But **billions** of others also have a **stake in America’s success**. For all of its faults, the **U**nited **S**tates has been a fairly benevolent hegemon. While far from perfect, it has gone to extraordinary lengths to provide security, promote economic development, and nurture democracy and human rights. The world is certainly safer, richer, and more free today than it was before the dawn of the American era.¶ There is little reason to believe that Russia and China will be as kind. These autocratic powers long to establish spheres of influence in their near abroad and they have shown little concern for the sovereignty or personal freedoms of their own citizens or subjected populations. If readers doubt these claims, they can simply ask citizens of American allies in Eastern Europe or East Asia whether they desire continued American leadership, or whether they would prefer to live under the thumb of Moscow and Beijing, respectively.¶ Even more consequentially for the globe, however, the decline of the **U**nited **S**tates could very well result in a **major war**. As noted above, international relations theory maintains that the decline of one dominant power and the rise of another often results in great power war.23 According to this telling, **World War I** and **World War II** were primarily the result of the decline of the British empire and the rise of Imperial and then Nazi Germany as a major competitor on the European continent. Falling powers fight **preventive wars** in a bid to remain on top and rising powers launch conflicts to dislodge the reigning power and claim their “place in the sun.”24Many fear that a power transition between Beijing and Washington would produce a **similar catastrophic result**. 25 **Continued American leadership**, therefore, **could forestall this transition** and may be a **necessary condition** for **continued world peace and stability** among the great powers.

### ADV CP

#### Inequality resulted from legal decisions that harm workers---a new standard for antitrust is key.

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As we elaborate elsewhere,20 the consumer welfare standard has **numerous infirmities**, including the following: Under the consumer welfare standard, **competition is diminishing, which harms consumers, workers, and innovation**: The infirmities of the consumer welfare standard would be less alarming if the welfare of consumers **actually increased** over the past forty years. If that were the case, one could quibble that their welfare might have increased a little more under a better antitrust standard, but it would be a question of degree. The sad reality, however, is that competition, under the consumer welfare standard, has diminished significantly in many markets. The consumer welfare standard, it turns out, benefited **neither consumers nor their welfare.** • Difficulty in Reconciling the Consumer Welfare Standard with **Upstream Abuses**: The standard is hard to reconcile with plainly anticompetitive restraints that do not affect consumers and instead affect only upstream sellers and workers, such as no-poaching agreements. • **No Well-Accepted Definition**: The consumer welfare standard has **not** fostered global convergence. It means different things to different competition agencies around the world. • **Rule of Law Concerns**: Given the varying definitions of consumer welfare that exist, it is not surprising that courts have reached inconsistent results based on their own conceptions of consumer welfare. Rather than an objective standard, the consumer welfare standard invites considerable subjectivity—and, more to the point, tolerance of anticompetitive practices. Consequently, the consumer welfare standard provides **little guidance as an antitrust goal.** There remains no consensus on what the term actually means or who the consumers are. Under any of the current definitions, there remains “no easy, non-contestable method for quantifying harm to consumer welfare that will work for all cases.”21 Moreover, under this standard, antitrust has contributed to, rather than prevented, America’s current market power problem. Antitrust is supposed to play a critical role in promoting open and competitive markets. Today’s market power problem matters because society overall pays a stiff price. We end up with a less stable, **less efficient economy that generates less growth**, less public investment, and less opportunity.22 Our **democracy is weakened** with greater voter disillusionment and greater **distrust in our government** as 99 percent of the population are disempowered. The greatest cost imposed on society is “the erosion of our sense of identity in which fair play, equality of opportunity, and a sense of community are so important.”23 Economic policies entail choices, and all economic policies have distributive consequences. Much of America’s **economic inequality** resulted from deliberate legal and enforcement decisions, whereby the government, over the past forty years, failed to protect the 99 percent. Instead, the economically powerful used the government to enrich themselves at society’s expense. Because antitrust policy is a necessary (but not sufficient) tool to redress the market power problem, **it is time for a new antitrust standard**.

### Gangster Antitrust DA

#### CO2 is key to encourage plant growth—Idso and Idso say it provides plant food to ensure stable supplies and combat environmental stress—Robinson says it will double forest area

#### More people than just Idso and Idso

#### Consensus of studies is on our side

Singer et al. 8 [S. Fred, President of the Science and Environmental Policy Project and Distinguished Research Professor @ George Mason, Prof. Emeritus Environmental Science @ UVA and First Director of the National Weather Satellite Service, “Nature, Not Human Activity, Rules the Climate,” Summary for Policymakers of the Report of the Nongovernmental International Panel on Climate Change, http://www.heartland.org/pdf/22835.pdf]

Higher concentrations of CO2 would be beneficial to plant and animal life. An extensive scholarly literature documents the fact that increases in CO2 give rise to many changes that are beneficial. In the geologic past, CO2 levels have been many times higher than present values (Figure 24) and have sustained a large flora and fauna [Berner 1997;Berner and Kothaualla 2001; IPCC-AR4 2007, p. 441]. Plants use CO2 to produce the organic matter out of which they construct their tissues. Higher levels of CO2 in the air enable plants to grow bigger, produce more branches and leaves, expand their root systems, and produce more flowers and fruit [Idso 1989]. Laboratory experiments show that a 300 ppm increase in the CO2 content typically raises the productivity of most herbaceous plants by about one-third [Kimball 1983; Idso 1992]. Some 176 experiments on trees and other woody plants reveal a mean growth enhancement of 48 percent for a 300 ppm increase in atmospheric CO2 content [Poorter 1993; Ceulemans and Mousseau 1994; Wullschleger et al.. 1995, 1997]. Higher levels of CO2 cause plants to produce fewer leaf stomatal pores per unit area of leaf surface, and to open those pores less widely [Woodward 1987; Morison 1987]. Both of these changes tend to reduce most plants’ rates of water loss by transpiration, making them better able to withstand drought conditions [Tuba et al.. 1998], enabling terrestrial vegetation to begin to win back lands previously lost to desertification [Idso and Quinn 1983].

#### USDA research proves—former head of the Board of Ag for the NRC agrees

Michaels 4 [Patrick, Senior Fellow in Environmental Studies @ Cato and Prof. Environmental Sciences @ UVA, “Meltdown: The Predictable Distortion of Global Warming by Scientists, Politicians, and the Media,” p. 172]

Not just ragweed. Most plants (including the world's major food crops) are doing better because of carbon dioxide fertilization. That fact is attested to in literally thousands of articles in the scientific literature. It has been estimated that crop yield has increased by about 10 percent as a consequence of anthropogenic carbon dioxide emissions, by an individual no less august than Sylvan Wittwer, former head of the Board on Agriculture for the National Research Council. One might naively believe that the U.S. Department of Agriculture might sing the praises of something that helps agricultural produce flourish. Farmers need expend absolutely no additional effort to reap this benefit—a benefit documented by USDA researchers, including other research by the USDA scientist, Lewis Ziska, whose study resulted in Secretary Glickman's press release. The enhanced CO2 is present rain or shine, at high temperature and low. USDA research demonstrates how carbon dioxide protects crops against the vagaries of climate, how plants grown under elevated CO 2 conditions better withstand stresses from drought, high temperature, insect predation, and lack of nutrients than do those grown at lower CO2 concentrations.

#### CO2 fertilization is key to wheat growth

Robinson et al. 7 [Arthur and Noah Robinson, Prof’s. @ Oregon Institute of Science and Medicine, and Willie Soon, Astrophysicist at the Solar and Stellar Physics Division of the Harvard-Smithsonian Center for Astrophysics, Journal of American Physicians and Surgeons, “Environmental Effects of Increased Atmospheric Carbon Dioxide,” 12, http://www.oism.org/pproject/GWReview\_OISM300.pdf]

Wheat growth is accelerated by in creased atmospheric CO2, especially under dry conditions. Figure 24 shows the response of wheat grown un der wet con ditions versus that of wheat stressed by lack of water. The un derlying data is from open-field experiments. Wheat was grown in the usual way, but the atmospheric CO2 concentra tions of cir cular sec tions of the fields were in creased by ar rays of computer- controlled equipment that released CO2 into the air to hold the levels as specified (115,116). Or ange and young pine tree growth en - hancement (117-119) with two atmospheric CO2 in creases—that which has already oc curred since 1885 and that pro jected for the next two centuries—is also shown. The relative growth en hancement of trees by CO2 di minishes with age. Figure 24 shows young trees. Figure 23 summarizes 279 experiments in which plants of various types were raised under CO2-enhanced conditions. Plants under stress from less-than-ideal conditions—a common oc currence in na - ture—respond more to CO2 fertilization. The selections of species in Figure 23 were bi ased to ward plants that re spond less to CO2 fertilization than does the mixture ac tually covering the Earth, so Fig ure 23 un derestimates the ef fects of global CO2 enhancement. Clearly, the green revolu tion in agri culture has already benefitted from CO2 fertilization, and benefits in the future will be even greater. Animal life is increasing pro portionally, as shown by stud ies of 51 terrestrial (120) and 22 aquatic ecosystems (121). Moreover, as shown by a study of 94 terrestrial ecosystems on all con tinents ex - cept Antarctica (122), species rich ness—biodiversity—is more pos itively correlated with productivity—the to tal quantity of plant life per acre—than with anything else.

#### Billions depend on wheat

Mackenzie 7 [Debora, New Scientist, “Billions at risk from wheat super-blight,” 4-3, http://environment.newscientist.com/channel/earth/mg19425983.700-billions-at-risk-from-wheat-superblight.html]

The strain has spread slowly across east Africa, but in January this year spores blew across to Yemen, and north into Sudan (see Map). Scientists who have tracked similar airborne spores in this part of the world say it will now blow into Egypt, Turkey and the Middle East, and on to India, lands where a billion people depend on wheat.

#### CO2 is key to agricultural productivity which checks food shortages in China

Balling 2k [Robert, Prof. Geography and Director of the Office of Climatology @ ASU, Environment News, “Better Green than Red,” 7-1, http://www.heartland.org/Article.cfm?artId=9704]

In literally hundreds of experiments conducted around the world, the major food crops of China have been shown to produce substantial improvements in yield and water use efficiency thanks to elevated levels of atmospheric carbon dioxide (CO2). Gloom-and-doomers quickly point out that these experiments seldom take into account changes in future climate that could ruin all the good news from the biological literature. Their arguments are bolstered by several facts including a) Some climate models predict that China will have more drought-like conditions in the future due to greenhouse-induced changes in regional climate and b) China’s reliance on highly water-consuming rice crops makes it especially vulnerable to climate change. Throw in the world's largest population, and you might conclude we have another possible emerging food crisis on our hands. If that has occurred to you, relax! The crisis was over before it had even begun. An agroclimatologist at Germany’s Johannes Gutenberg University decided to examine long-term trends in evapotranspiration and precipitation in China and their combined effects on surface hydrology, soil moisture, and resultant crop yields. Thomas was able to assemble climate data for 65 stations across China for a 40-year period extending from 1954 to 1993. He then calculated an array of evapotranspiration, soil moisture, and yield estimates. The news from his analyses, as reported in a recent issue of Agricultural and Forest Meteorology, was nothing short of glorious. Thomas found that for China as a whole, the yield index had increased by 4.5 percent over the past 40 years, while the soil water deficit had decreased by 13.9 percent. The yield index had maximum trends up to 23.5 percent in East China, with lesser increases along the South Chinese coast. Thomas concludes: “Results presented here indicate that the water supply situation has generally improved over the last 40 years, particularly in the important agricultural centers of East and South China. “Yield index rates, on average at about 70 percent to 80 percent, have increased by 5 percent to 10 percent. Irrigation demand (as determined by the soil water deficit) has decreased by more than 100 to 200 mm in this region.” Near the end of Thomas’ paper, he notes: “Regional climatic change appears to have had a beneficial effect for several regions in China that have to cope with an increased demand on water resources by a growing population and industry as well as an intensified agriculture.” Of course, what has happened in the past 40 years is not necessarily a guide to what will happen in China over the next 40 years. But if we look at the facts we find overwhelming evidence that increased atmospheric CO2 concentrations will be beneficial to yields of China's most important crops. Further, given the recent analyses by Thomas, we find that the regional climate of China is showing no signs of deteriorating into an unfavorable state. In fact, the climate of China seems to have improved in many ways over the period of historical records. China’s agricultural future looks greener every day.

#### Food shortages in China lead to war

Kane and Serewicz 1 [Thomas, Prof. Security Studies at University of Hull, and Lawrence, Ph.D. in Politics from University of Hull, Parameters, “China’s Hunger: The Consequences of a Rising Demand for Food and Energy,” Autumn 2001, http://carlisle-www.army.mil/usawc/Parameters/01autumn/Kane.htm]

Despite China's problems with its food supply, the Chinese do not appear to be in danger of widespread starvation. Nevertheless, one cannot rule out the prospect entirely, especially if the earth's climate actually is getting warmer. The consequences of general famine in a country with over a billion people clearly would be catastrophic. The effects of oil shortages and industrial stagnation would be less lurid, but economic collapse would endanger China's political stability whether that collapse came with a bang or a whimper. PRC society has become dangerously fractured. As the coastal cities grow richer and more cosmopolitan while the rural inland provinces grow poorer, the political interests of the two regions become ever less compatible. Increasing the prospects for division yet further, Deng Xiaoping's administrative reforms have strengthened regional potentates at the expense of central authority. As Kent Calder observes, In part, this change [erosion of power at the center] is a conscious devolution, initiated by Deng Xiaoping in 1991 to outflank conservative opponents of economic reforms in Beijing nomenclature. But devolution has fed on itself, spurred by the natural desire of local authorities in the affluent and increasingly powerful coastal provinces to appropriate more and more of the fruits of growth to themselves alone.[49] Other social and economic developments deepen the rifts in Chinese society. The one-child policy, for instance, is disrupting traditional family life, with unknowable consequences for Chinese mores and social cohesion.[50] As families resort to abortion or infanticide to ensure that their one child is a son, the population may come to include an unprecedented preponderance of young, single men. If common gender prejudices have any basis in fact, these males are unlikely to be a source of social stability. Under these circumstances, China is vulnerable to unrest of many kinds. Unemployment or severe hardship, not to mention actual starvation, could easily trigger popular uprisings. Provincial leaders might be tempted to secede, perhaps openly or perhaps by quietly ceasing to obey Beijing's directives. China's leaders, in turn, might adopt drastic measures to forestall such developments. If faced with internal strife, supporters of China's existing regime may return to a more overt form of communist dictatorship. The PRC has, after all, oscillated between experimentation and orthodoxy continually throughout its existence. Spectacular examples include Mao's Hundred Flowers campaign and the return to conventional Marxism-Leninism after the leftist experiments of the Cultural Revolution, but the process continued throughout the 1980s, when the Chinese referred to it as the "fang-shou cycle." (Fang means to loosen one's grip; shou means to tighten it.)[51] If order broke down, the Chinese would not be the only people to suffer. Civil unrest in the PRC would disrupt trade relationships, send refugees flowing across borders, and force outside powers to consider intervention. If different countries chose to intervene on different sides, China's struggle could lead to major war. In a less apocalyptic but still grim scenario, China's government might try to ward off its demise by attacking adjacent countries.

#### This proves warming isn’t anthropogenic—and cooling is inevitable

Boston Globe 8 [Jeff Jacoby, “Br-r-r! Where did global warming go?” 1-6, L/N]

THE STARK headline appeared just over a year ago. "2007 to be `warmest on record,"' BBC News reported on Jan. 4, 2007. Citing experts in the British government's Meteorological Office, the story announced that "the world is likely to experience the warmest year on record in 2007," surpassing the all-time high reached in 1998. But a funny thing happened on the way to the planetary hot flash: Much of the planet grew bitterly cold. In South America, for example, the start of winter last year was one of the coldest ever observed. According to Eugenio Hackbart, chief meteorologist of the MetSul Weather Center in Brazil, "a brutal cold wave brought record low temperatures, widespread frost, snow, and major energy disruption." In Buenos Aires, it snowed for the first time in 89 years, while in Peru the cold was so intense that hundreds of people died and the government declared a state of emergency in 14 of the country's 24 provinces. In August, Chile's agriculture minister lamented "the toughest winter we have seen in the past 50 years," which caused losses of at least $200 million in destroyed crops and livestock. Latin Americans weren't the only ones shivering. University of Oklahoma geophysicist David Deming, a specialist in temperature and heat flow, notes in the Washington Times that "unexpected bitter cold swept the entire Southern Hemisphere in 2007." Johannesburg experienced its first significant snowfall in a quarter-century. Australia had its coldest ever June. New Zealand's vineyards lost much of their 2007 harvest when spring temperatures dropped to record lows. Closer to home, 44.5 inches of snow fell in New Hampshire last month, breaking the previous record of 43 inches, set in 1876. And the Canadian government is forecasting the coldest winter in 15 years. Now all of these may be short-lived weather anomalies, mere blips in the path of the global climatic warming that Al Gore and a host of alarmists proclaim the deadliest threat we face. But what if the frigid conditions that have caused so much distress in recent months signal an impending era of global cooling? "Stock up on fur coats and felt boots!" advises Oleg Sorokhtin, a fellow of the Russian Academy of Natural Sciences and senior scientist at Moscow's Shirshov Institute of Oceanography. "The latest data ... say that earth has passed the peak of its warmer period, and a fairly cold spell will set in quite soon, by 2012." Sorokhtin dismisses the conventional global warming theory that greenhouse gases, especially human-emitted carbon dioxide, is causing the earth to grow hotter. Like a number of other scientists, he points to solar activity - sunspots and solar flares, which wax and wane over time - as having the greatest effect on climate. "Carbon dioxide is not to blame for global climate change," Sorokhtin writes in an essay for Novosti. "Solar activity is many times more powerful than the energy produced by the whole of humankind." In a recent paper for the Danish National Space Center, physicists Henrik Svensmark and Eigil Friis-Christensen concur: "The sun ... appears to be the main forcing agent in global climate change," they write. Given the number of worldwide cold events, it is no surprise that 2007 didn't turn out to be the warmest ever. In fact, 2007's global temperature was essentially the same as that in 2006 - and 2005, and 2004, and every year back to 2001. The record set in 1998 has not been surpassed. For nearly a decade now, there has been no global warming. Even though atmospheric carbon dioxide continues to accumulate - it's up about 4 percent since 1998 - the global mean temperature has remained flat. That raises some obvious questions about the theory that CO{-2} is the cause of climate change.