# Doc---Harvard---Round 5

# 1NC

## OFF

### States CP---1NC

#### The 50 states, Washington, D.C., and all relevant territories should declare the monopolization of feedback infrastructure an anticompetitive business practice.

#### Solves the aff

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At the federal level, the U.S. antitrust laws—including the Sherman Act and the Clayton Act, which governs mergers and acquisitions—are enforced by the FTC and DOJ. States also have antitrust laws, which are enforced by state AGs and are often patterned after their federal analogs, but can contain important differences. States frequently collaborate with the federal antitrust agencies and/or other states on merger investigations. However, the Supreme Court has recognized that states are not required to do so, and have the right to make enforcement decisions that differ from other federal and state authorities.[[3]](https://www.jdsupra.com/legalnews/trends-in-state-antitrust-enforcement-42950/#_ftn3) States have sometimes exercised this authority in order to “fill the gap” of perceived under-enforcement at the federal level. For example, in June 2017, the California AG sued to block Valero Energy Partners LP’s acquisition of two petroleum terminals in Northern California, despite the FTC’s decision not to challenge the deal. Several months later, the parties abandoned the transaction. More broadly, in recent years, there has been a growing trend of robust and autonomous state antitrust enforcement, as illustrated by major investigations and enforcement actions by state coalitions in the healthcare, pharmaceutical, telecom, and technology sectors, among others. Consistent with this trend, Colorado AG Phil Weiser—who previously served as Deputy Assistant Attorney General in the DOJ Antitrust Division under the Obama administration—has affirmed his commitment to “protecting all Coloradans from anticompetitive consolidation and practices…whether or not the federal government acts to protect Coloradans.” In keeping with this mandate, the Amendment will bring Colorado increasingly in line with states such as California and New York that have demonstrated an appetite for aggressive, independent antitrust enforcement, even where it may depart (or conflict) with federal action.

### Notice-and-Comment---1NC

#### Text: The United States federal government should delegate antitrust rulemaking authority to a new expert agency. The agency should begin notice-and-comment rulemaking to declare the monopolization of feedback infrastructure an anticompetitive business practice.

#### Solves the aff---engages in notice-and-comment

Rebecca Haw 11. Climenko Fellow and Lecturer on Law, Harvard Law School. J.D., Harvard Law School, 2008; M. Phil, Cambridge University, 2005; B.A., Yale University, 2001."Amicus Briefs and the Sherman Act: Why Antitrust Needs a New Deal." Texas Law Review, vol. 89, no. 6, May 2011, p. 1247-1292. HeinOnline.

Without the informational benefits of expertise and notice-and-comment rulemaking, the Court may be a poor choice to define the broad proscriptions of the Sherman Act. Framed this way, the problem has an obvious solution: give the power to interpret the Act to an expert agency.240 This idea has academic support already, 241 and the case for it is strengthened by this Article's observation that the Court has tried to approximate administrative decision making by relying on amicus briefs. The obvious candidates for reallocation are the two existing antitrust agencies: the Department of Justice's Antitrust Division and the FTC.

A. The Agency Solution

Using agencies to give specific meaning to American antitrust's most important statute means avoiding the problems with the Court's current quasi-administrative process for rulemaking. As adjudicators, agency experts would know what kind of economic evidence is necessary for an efficient solution and would be better able to understand it when it is presented by the parties. Repeat exposure to antitrust cases would only reinforce this advantage, while also giving the administrative judges a broader perspective on what kinds of conflicts commonly arise in competition law, a perspective necessary for efficient policy making in the first instance. A Supreme Court Justice hears about one antitrust case a year, hardly the cross section of controversies necessary to make efficient economic policy writ large.

Agencies could take policy making a step further using notice-and-comment rulemaking. Unlike in adjudication, regulation by rulemaking can be initiated without the formal requirements of a case or controversy and a proper appeal to the Supreme Court. Informal letters of complaint could spark an investigation. A rule-making agency could announce its intention to regulate publicly and provide a convenient venue for, or even solicit, expert opinions on the economic impact of the proposed rule. Not only would it have the benefit of these numerous perspectives, but it would also have the obligation to respond to them in a reasoned manner. Its rule would be subject to judicial review, affording an opportunity to catch mistakes 242 or invalidate rules that do nothing but deliver rents to special interests.

Another advantage of rulemaking, an option for agencies but not for the Court, since it only operates through adjudication, is that rulemaking regulates behavior ex ante, while resolution of economic policy through cases is necessarily ex post. Antitrust courts worry obsessively about "chill"--deterring procompetitive behavior with overly broad rules for liability.2 43 In fact, the overruling of Dr. Miles in Leegin implies that the entire twentieth century was a period of inefficient business practices and stunted innovation in distribution because of an early misunderstanding of RPM. Only after a long and expensive period of litigation was Leegin redeemed for breaking the law by effecting a change in the law, and only after Leegin was issued were similar firms, perhaps walking the Colgate line better than Leegin, redeemed for wanting some control over their product's ultimate retail price.24 4 The problem of ex post rulemaking is made worse by the treble damages afforded successful plaintiffs suing under the Sherman Act.2 4 5 To create a new form of liability, the Court has to punish a firm threefold for complying with standing antitrust norms. Thus Supreme Court lawmaking in antitrust is a kind of one-way ratchet.246

The result of the current ex post scheme is that "antitrust law leaves considerable gaps between what is permissible and what is optimal." 2 47 With judges making the rules one case at a time, this gap is justifiable. As discussed above, when judges are not economically sophisticated enough to know where "optimal" lies, 24 8 laissez-faire is a very inexpensive regulatory regime for courts to follow, and raising the level of regulation would effect a kind of taking of property from firms operating under the status quo. So if the Court is making antitrust policy, laissez-faire may be the only sensible approach. But that is not to say that it is the most sensible approach. An agency could provide firms with the necessary clarity-ex ante-that they need when conducting business in a world where competitive behavior so closely resembles anticompetitive conduct. The current state of affairs is that much more is illegal on the books than antitrust lawyers think is actually likely to be struck down in a court.24 9 Lawyers thrive in such a legally uncertain world, but firm efficiency suffers.

#### Key to democracy

Harry First and Spencer Weber Waller 13. Harry First, New York University School of Law. Spencer Weber Waller, Loyola University Chicago School of Law. “Antitrust’s Democracy Deficit”. Fordham Law Review, Volume 81 Issue 5 Article 13. https://ir.lawnet.fordham.edu/cgi/viewcontent.cgi?article=4890&context=flr

Redressing antitrust’s democracy deficit on the procedural side can be done with the tools of administrative law. Administrative law is the body of law that controls the procedures of governmental decision making.151 It allows interested persons to participate in decisions that affect their interests. Normally, it requires appropriate notice, the right to be heard, fair procedures, protection of fundamental rights, and judicial review of the resulting decision. These basic features are present in the administrative laws of most foreign legal systems and are part of a growing international consensus.152 The tradeoff is that the decisions of administrative agencies that properly follow these strictures normally are granted a degree of deference as to the interpretation of the laws they enforce.153 Frequently, but not inevitably, private parties also have the right to proceed with actions for damages against private parties who violate their regulatory obligations and even against the government itself when it acts unlawfully, either substantively or procedurally. These tools of administrative law are available to make antitrust enforcement decisions more transparent and more responsive to the interests that the antitrust laws were meant to serve, thereby promoting both better decision making and greater democratic legitimacy.

CONCLUSION

Free markets and free people cannot be assured by the efforts of technocrats. Ultimately, both come about through the workings of democratic institutions, respectful of the legislature’s goals and constrained from engaging in arbitrary action. Antitrust has moved too far from democratic institutions and toward technocratic control, in service to a laissez-faire approach to antitrust enforcement. We need to move the needle back. Doing so will strengthen the institutions of antitrust, the market economy, and the democratic branches of government themselves.

#### Solves war

Christopher Kutz 16. PhD UC Berkeley, JD Yale, Professor, Boalt Hall School of Law @ UC Berkeley, Visiting Professor at Columbia and Stanford law schools, as well as at Sciences Po University. “Introduction: War, Politics, Democracy,” in On War and Democracy, 1.

Despite Churchill’s famous quip—“Democracy is the worst form of government, except for all those other forms that have been tried from time to time”2—democracy is seen as a source of both domestic and international flourishing. Democracy, understood roughly for now as a political system with wide suffrage in which power is allocated to officials by popular election, can solve or help solve a host of problems with stunning success. It can solve the problem of revolutionary violence that condemns autocratic regimes, because mass politics can work at the ballot box rather than the streets. It can help solve the problem of famine, because the systems of free public communication and discussion that are essential to democratic politics are the backbone of the markets that have made democratic societies far richer than their competitors. It can help solve the problem of environmental despoliation, which occurs when those operating polluting factories (whether private citizens or the state) do not need to answer for harms visited upon a broad public. And democracy has been famously thought to help solve the problem of war, in the guise of the idea of the “peace amongst democratic nations”—an idea emerging with Immanuel Kant in the Age of Enlightenment and given new energy with the wave of democratization at the end of the twentieth century.

### FTC---1NC

#### FTC regulators are narrowing in on right to repair enforcement---resources are key

Colin Staub 7/29. reporter at Resource Recycling. “Federal regulators say they will ‘restore the right to repair’.” E-Scrap News. 7/29/21. <https://resource-recycling.com/e-scrap/2021/07/29/federal-regulators-say-they-will-restore-the-right-to-repair/>

The Federal Trade Commission last week pledged to heighten enforcement actions on manufacturers that block independent repair of their products.

The commission, a federal agency tasked with focusing on consumer protection and antitrust law, on July 21 approved a statement promising more attention will be placed on protecting independent repair of electronic devices.

“By enforcing against restrictions that violate antitrust or consumer protection laws, the Commission is taking important steps to restore the right to repair,” the company stated in a release.

In the policy statement, the FTC acknowledged enforcement of unlawful repair restrictions has not been a priority for the commission for several years. Now, the commission says it is devoting more resources to the topic.

“Restricting consumers and businesses from choosing how they repair products can substantially increase the total cost of repairs, generate harmful electronic waste, and unnecessarily increase wait times for repairs,” the policy statement reads. “In contrast, providing more choice in repairs can lead to lower costs, reduce e-waste by extending the useful lifespan of products, enable more timely repairs, and provide economic opportunities for entrepreneurs and local businesses.”

The statement came two weeks after President Joe Biden issued an executive order encouraging the FTC to support right-to-repair policies. It also comes shortly after a right-to-repair bill was introduced at the federal level in June, and after a state right-to-repair bill passed one floor vote in New York state, the first time a bill has made it that far.

The statement includes several specific actions FTC will take and other steps it is asking the public to take. For the public, the commission asks that consumers submit complaints and provide information to help with greater enforcement against repair restrictions.

FTC pledges to “scrutinize repair restrictions for violations of the antitrust laws,” according to the statement. It also says it will look into whether repair restrictions constitute “unfair acts or practices.”

Additionally, the agency pledges to “closely coordinate with state law enforcement and policymakers to ensure compliance and to update existing law and regulation to advance the goal of open repair markets.”

Prior to the unanimous vote, FTC Chair Lina Khan and Commissioner Rohit Chopra issued statements describing their support for the proposal. Among other points, Chopra said the FTC process for the public to report repair violations needs to be examined for improvement.

The policy statement comes after the federal agency in May issued a report that was critical of OEMs that restrict repair of their products.

#### Antitrust enforcement saps up FTC resources and personnel, which are finite

Tara L. Reinhart, et al. 21. \*\*Head of Skadden, Arps, Slate, Meagher & Flom LLP’s Antitrust/Competition Group. \*\*Steven C. Sunshine, Co-head of Skadden, Arps, Slat, Meagher & Flom LLP’s Antitrust/Competition Group. \*\*David P. Whales, antitrust lawyer with over 25 years of experience in both private and public sectors. \*\*Julia Y. York, partner at Skadden, Arps, Slat, Meagher & Flom LLP. \*\*Bre Jordan, associate at Skadden, Arps, Slat, Meagher & Flom LLP focusing on antitrust law. “Lina Khan’s Appointment as FTC Chair Reflects Biden Administration’s Aggressive Stance on Antitrust Enforcement.” 6/18/21. https://www.skadden.com/insights/publications/2021/06/lina-khans-appointment-as-ftc-chair

Second, like all antitrust enforcers, Ms. Khan and the FTC will face resource constraints. Bringing antitrust litigation is an expensive and laborious process, often requiring millions of dollars for expert fees and a large army of FTC staff attorneys and taking many months or even years to accomplish. Typically, the FTC can only litigate a handful of antitrust matters at a time. It seems likely that Congress will provide more funding to the FTC in the current environment, but even with these extra resources, the FTC will still have to pick its cases carefully and cannot challenge every deal or every instance of alleged unlawful conduct.

#### Trades off with other priorities---that guts the right to repair.

Alden Abbott 21. Senior Research Fellow, Mercatus Center, 4/29/21. “Lack of Resources and Lack of Authority Over Nonprofit Organizations Are the Biggest Hindrances to Antitrust Enforcement in Healthcare.” https://www.mercatus.org/publications/antitrust-and-competition/lack-resources-and-lack-authority-over-nonprofit

Appropriate federal antitrust and consumer protection enforcement is good for the American economy. It promotes enhanced competition and consumer welfare. Regrettably, however, the effectiveness of federal enforcement in achieving these benefits is threatened by insufficient resources. As FTC Acting Chair Rebecca Kelly Slaughter explained in her April 20 testimony before the US Senate Committee on Commerce, Science, and Transportation, FTC employment has remained flat despite a growing workload, with merger filings doubling in recent years. Lauren Feiner reports on that testimony:

“The absence of resources means that our enforcement decisions are harder,” [Slaughter] said. “If we think that we have a real case, a real law violation in front of us, but a settlement on the table that is maybe OK but doesn’t get the job done, we have to make difficult decisions about whether it’s worth spending a lot of taxpayer dollars to go sue the companies who are going to come in with many, many law firms worth of attorneys and expensive economic experts, versus taking that settlement.”

I can attest to the accuracy of Slaughter’s observation, based on my experience as FTC general counsel in the Trump Administration. During my tenure, the FTC did indeed have to contend with resource limitations that adversely affected merger enforcement decision-making.

#### Right to Repair is key to food resiliency---restrictions waste critical time

Kari Paul 8/2. technology reporter for Guardian US. “Why right to repair matters – according to a farmer, a medical worker, a computer store owner.” The Guardian. 8/2/21. <https://www.theguardian.com/technology/2021/aug/02/why-right-to-repair-matters-according-to-a-farmer-a-medical-worker-a-computer-store-owner>

The farmer: ‘Right to repair is going to save some lives’

Walter Schweitzer is a 59-year-old farmer in Montana who has been working in agriculture his whole life and advocating for the right to repair for more than a decade. For him, Biden prioritizing right to repair was a huge moment.

“It’s going to sound a little funny, but listening to the announcement I had tears come to my eyes,” he said. “Because I felt like someone heard me, someone is listening, and they’re going to try to do something about it. I’ve been waiting for that for years.”

The majority of tractors today are internet-connected, and resolving errors requires special diagnostic tools that only manufacturers, such as John Deere, and authorized dealers have access to or are allowed to use. They often charge hundreds of dollars in call-out fees for repairs, which can take weeks to complete.

Schweitzer said while he has long been championing the right to repair, the issue became personal for him last year when a tractor broke down in the middle of harvesting his hay. A representative from the tractor company told Schweitzer they couldn’t send a mechanic to fix the vehicle for more than a week.

With rain on the horizon threatening to ruin his crop and the window to harvest beginning to close, Scheweitzer entered a race against time. He ultimately made the emergency decision to continue the harvest with a 40-year-old tractor – one that was not connected to the internet.

His malfunctioning machine would not end up being fixed for more than a month, a wait that would have lost him thousands of dollars. In larger operations, he said, farmers could lose hundreds of thousands of dollars because of a technology outage they are not allowed to fix themselves.

“Farmers are an independent bunch,” he said. “If we have a problem we tend to like to try to fix it ourselves. And to tie your hands behind your back, to not allow you to fix your tractor when you got a hailstorm coming. That’s stressful.”

Scheweitzer said these problems exacerbate the challenges farmers face, from soaring expenses to falling food prices and increasingly volatile weather. The rate of suicide in the industry is already higher than average – one 2015 study from the Centers for Disease Control and Prevention (CDC) found male farmers in 17 states took their lives at a rate of 1.5 times higher than the general population.

“The right to repair, it might save us money; **the right to repair is probably going to mean a more resilient food supply –** but you know what the right to repair is really going to do for farmers?” he said. “It’s going to save some lives.”

#### US ag and food security stabilize the globe — collapse greenlights *great power wars*

Castellaw 17—Lieutenant General, former President of the non-profit Crockett Policy Institute (John, “Opinion: Food Security Strategy Is Essential to Our National Security,” <https://www.agri-pulse.com/articles/9203-opinion-food-security-strategy-is-essential-to-our-national-security>)

The United States faces many threats to our National Security. These threats include continuing wars with extremist elements such as ISIS and potential wars with rogue state North Korea or regional nuclear power Iran. The heated economic and diplomatic competition with Russia and a surging China could spiral out of control. Concurrently, we face threats to our future security posed by growing civil strife, famine, and refugee and migration challenges which create incubators for extremist and anti-American government factions. Our response cannot be one dimensional but instead must be a nuanced and comprehensive National Security Strategy combining all elements of National Power including a Food Security Strategy. An American Food Security Strategy is an imperative factor in reducing the multiple threats impacting our National wellbeing. Recent history has shown that reliable food supplies and stable prices produce more stable and secure countries. Conversely, food insecurity, particularly in poorer countries, can lead to instability, unrest, and violenceC. Food insecurity drives mass migration around the world from the Middle East, to Africa, to Southeast Asia, destabilizing neighboring populations, generating conflicts, and threatening our own security by disrupting our economic, military, and diplomatic relationships. Food system shocks from extreme food-price volatility can be correlated with protests and riots. Food price related protests toppled governments in Haiti and Madagascar in 2007 and 2008. In 2010 and in 2011, food prices and grievances related to food policy were one of the major drivers of the Arab Spring uprisings. Repeatedly, history has taught us that a strong agricultural sector is an unquestionable requirement for inclusive and sustainable growth, broad-based development progress, and long-term stability. The impact can be remarkable and far reaching. Rising income, in addition to reducing the opportunities for an upsurge in extremism, leads to changes in diet, producing demand for more diverse and nutritious foods provided, in many cases, from American farmers and ranchers. Emerging markets currently purchase 20 percent of U.S. agriculture exports and that figure is expected to grow as populations boom. Moving early to ensure stability in strategically significant regions requires long term planning and a disciplined, thoughtful strategy. To combat current threats and work to prevent future ones, our national leadership must employ the entire spectrum of our power including diplomatic, economic, and cultural elements. The best means to prevent future chaos and the resulting instability is positive engagement addressing the causes of instability before it occurs. This is not rocket science. We know where the instability is most likely to occur. The world population will grow by 2.5 billion people by 2050. Unfortunately, this massive population boom is projected to occur primarily in the most fragile and food insecure countries. This alarming math is not just about total numbers. Projections show that the greatest increase is in the age groups most vulnerable to extremism. There are currently 200 million people in Africa between the ages of 15 and 24, with that number expected to double in the next 30 years. Already, 60% of the unemployed in Africa are young people. Too often these situations deteriorate into shooting wars requiring the deployment of our military forces. We should be continually mindful that the price we pay for committing military forces is measured in our most precious national resource, the blood of those who serve. For those who live in rural America, this has a disproportionate impact. Fully 40% of those who serve in our military come from the farms, ranches, and non-urban communities that make up only 16% of our population. Actions taken now to increase agricultural sector jobs can provide economic opportunity and stability for those unemployed youths while helping to feed people. A recent report by the Chicago Council on Global Affairs identifies agriculture development as the core essential for providing greater food security, economic growth, and population well-being. Our active support for food security, including agriculture development, has helped stabilize key regions over the past 60 years. A robust food security strategy, as a part of our overall security strategy, can mitigate the growth of terrorism, build important relationships, and support continued American economic and agricultural prosperity while materially contributing to our Nation’s and the world’s security.

### Regulations CP---1NC

#### The United States federal government should:

#### nationalize feedback infrastructure through non-antitrust means

#### pass the Data Protection Act of 2021

#### The counterplan PICs out of anti-trust legislation and the FTC and DOJ as enforcers---other agencies’ regulations solve

Lawrence Fullerton et al. 08. Joel M Mitnick, William V Reiss, George C Karamanos and Owen H Smith. Sidley Austin LLP. Vertical Agreements The regulation of distribution practices in 34 jurisdictions worldwide. “United States.” https://www.sidley.com/-/media/files/publications/2008/03/getting-the-deal-through--vertical-agreements-2008/files/view-united-states-chapter/fileattachment/united-states-21.pdf

5 What entity or agency is responsible for enforcing prohibitions on anticompetitive vertical restraints? Do governments or ministers have a role?

The Federal Trade Commission (FTC) and the Antitrust Division of the Department of Justice (DoJ) are the two federal agencies responsible for the enforcement of federal antitrust laws. The FTC and the DoJ have jurisdiction to investigate many of the same types of conduct, and therefore have adopted a clearance procedure pursuant to which matters are handled by whichever agency has the most expertise in a particular area.

Additionally, other agencies, such as the Securities and Exchange Commission and Federal Communications Commission, maintain oversight authority over regulated industries pursuant to various federal statutes, and therefore may review vertical restraints for anti-competitive effects.

#### And creates a new Data Protection Agency---solves privacy

Dennis Fisher 21, 6-28-2021, "Data Protection Act of 2021 Would Create US Data Protection Agency," Digital Guardian, https://digitalguardian.com/blog/data-protection-act-2021-would-create-us-data-protection-agency

The proposed legislation would create an agency to enforce data protection rules and oversee high-risk data practices.

One way or another, forward thinking, privacy-minded politicians are hoping to lay the groundwork this year for a comprehensive federal privacy law in the United States.

One thing that could help pave the way towards a law would be an independent federal agency in charge of regulating personal data collection – just one of the goals of recently reintroduced legislation in the Senate, the Data Protection Act of 2021.

While there's been no shortage of bills introduced lately geared towards creating a federal standard for consumer data privacy, the 2021 DPA, first introduced in 2020, then reintroduced this month by Senator Kirsten Gillibrand, seems more focused on how to best equip an agency to keep companies in line.

“In today’s digital age, Big Tech companies are free to sell individuals’ data to the highest bidder without fear of real consequences, posing a severe threat to modern-day privacy and civil rights. A data privacy crisis is looming over the everyday lives of Americans and we need to hold these bad actors accountable,” Gillibrand said earlier this month.

Gillibrand’s legislation would create an agency similar to the Consumer Financial Protection Bureau to enforce data protection rules, created either by the agency or Congress, ensure that data practices are fair and transparent, and promote data protection and privacy innovation.

As the Senator points out, this is one area that the US has really lagged in. The Organization for Economic Cooperation and Development, a group of countries that works to build policies, has 38 different countries including Germany, France, Italy, the United Kingdom and more as members; the US is the only one that doesn’t have a DPA. It’s also one of the only democracies, worldwide, without a federal data protection agency.

One of the groups duties would include supervising and policing data aggregators and working with the Federal Trade Commission if any of these aggregators were to merge or transfer data on more than 50,000 individuals. The bill is also designed to crack down on aggregators who engage in nefarious activities with their vast reserves of data, anything unfair, deceptive, or abusive, or attempting to re-identify individuals, households, or devices from anonymized data.

In doing so, the unit, an executive agency known as the Data Protection Agency, would have a range of tools at its disposal, including the ability to levy civil penalties, injunctive relief, and equitable remedies.

The FTC currently enforces federal privacy laws but it’s been made clear, especially over the last year, that it doesn’t have enough resources to do so properly. In a report responding to a Senate Appropriations Committee Report in 2020, the FTC said it had 40-45 employees working in its Privacy and Identity Protection division, far fewer than the 700 employees that the UK’s Information Commissioner’s office has and the 180 employees that the Irish Data Protection Commissioner has.

### T-Subsets---1NC

#### ‘Core antitrust laws’ are economy-wide---the aff is particular

Gerber ’20 [David; October; Distinguished Professor of Law at Chicago-Kent College of Law, Illinois Institute of Technology; Oxford Scholarship Online, Competition Law and Antitrust, “What is It? Competition Law’s Veiled Identity,” Ch. 1, p. 14-15]

C. A Core Definition

The Guide uses the terms “competition law” and “antitrust law” to refer to a general domain of law whose object is to deter private restraints on competitive conduct. We look more closely at the terms:

1. “General”—The laws included are those that are applicable throughout an economy and thereby provide a framework for all market operations (there are always some exempted sectors). Laws dealing only with specific markets (e.g., telecommunication) do not play that role.

2. “Domain of Law” here refers to a politically authorized set of norms and the institutional arrangements used to enforce them.

Is it law—or is it policy? The relationship between “competition law” and “competition policy” is not always clear. Often the terms are used interchangeably, but there can be important differences between them. Both can refer to norms used to combat restraints on competition, but they represent two different ways of looking at the relevant laws, and the differences can influence how norms are interpreted and applied. “Law” implies that established methods of interpretation are used to interpret and apply the norms and that established procedures are the sole or primary means of enforcing and changing the norms. In this view, the norms are a relatively stable component of a legal system. Thinking of those same norms as “policy,” on the other hand, implies that they are a tool of whatever government is in power and that it can use and modify them as it wishes.

3. “Restraint” refers to any limitation imposed by one or more private actors that reduces the intensity of competition in a market.

4. “Competition” refers to a process by which firms in a market seek to maximize their profits by exploiting market opportunities more effectively than other firms in the market.

#### Prefer it---

#### 1---Limits---sectors are unbounded, permitting any procedural change to all industries

#### 2---Ground---centralizes generics with literature prominence

### Trade---1NC

#### The plan is perceived as a protectionist shockwave that shreds any semblance of global free trade.

Allison Murray 19. JD from the Loyola Law School, Los Angeles Law School, BS in Business Administration from the University of Redlands, Judicial Law Clerk at the U.S. Bankruptcy Courts, Winter. “Given Today's New Wave of Protectionism, is Antitrust Law the Last Hope for Preserving a Free Global Economy or Another Nail in Free Trade's Coffin?” Loyola of Los Angeles International and Comparative Law Review, Volume 42, Number 1, 42 Loy. L.A. Int'l & Comp. L. Rev. 117, Lexis.

INTRODUCTION

Trump. Le Pen. Brexit. Protectionist rhetoric has consumed the international political stage. Western countries and their leaders were once the drivers of economic globalization, relying on free-market speeches and the prospect of removing trade barriers to appeal to their constituents. 1They pointed fingers at other countries engaging in or encouraging protectionist behavior and challenged them in the court of public opinion and elsewhere to stop their antics. The "our country first, world trade after" mentality was widely politicized and vilified. Now, it seems that Western national leaders are championing the very protectionism that they once criticized. 2

Although a system of truly free world trade has never been perfected, past world leaders have eliminated most of the protectionist trade mechanisms that once ran rampant in the international economy. They did so by implementing multilateral and bilateral trade agreements. These webs of agreements have bolstered decades of support for free trade, or at least some version of it. By and large, tariff policies and other forms of protectionism were either eliminated or dramatically reduced. Now, as we have seen in the media, when a government imposes a tariff, it becomes a rather extreme political statement which sends a shockwave of significant global consequences.

Protectionism did not end when the age of overbearing tariff policies did, despite then-leaders’ best efforts to vilify it. Rather, the end of the tariff era forced nations to achieve protectionist goals through more subtle trade vehicles, like antitrust law.3 So, the recent resurgence of protectionist rhetoric should mean that these subtle trade vehicles, including antitrust law, will be relied on more heavily. It is a fear of many that antitrust law may become overused and inequitably applied to achieve and combat protectionist aims.

Notwithstanding the recent uptick in tariff threats, it is unlikely that all Western leaders will revamp or terminate the trade agreements set forth by their predecessors and bring back the kinds of tariff policies that once existed in their place. Although in the United States (“U.S.”), President Trump recently imposed tariffs on steel imports, it appears that his intent is to limit this behavior to a specific industry rather than institute a widespread policy favoring the use of tariffs generally.4 To remedy bad behavior in a specialized set of industries is not to instigate a global paradigm shift. This purpose is underscored by his use of the national security exemption, which is largely interpreted as being used for individual situations rather than general policy schemes.5 Many still hope that his course of action will be retracted and is merely a strong negotiation tactic. However, there is no doubt that Trump is far more comfortable than past leaders with subverting the status quo on trade relations.

Trump is not the only high-profile leader flirting with staunch protectionism. Western *leaders* in the E.U. appear to be growing more comfortable than their predecessors with considering similar policies. However, Western *lawmakers* themselves do not seem as persuaded by the statements of their leadership. The general sentiment among international policymakers is that there has been too much political wherewithal spent on loosening international trade barriers to take actions that could counteract that progress.6 Presidential actions taken because of dissatisfaction with current global trade relations aside, a complete overhaul of trade agreements may be too daunting and difficult a task, especially absent ample political support in legislative bodies.

Given the anticipated continuation of cooperative trade agreements and the proliferation of protectionist rhetoric as the new norm of public opinion, leaders will be forced to rely on existing avenues to meet protectionist aims. Again, we find ourselves relying squarely on antitrust law, the more subtle and widely accepted mechanism of restricting trade, to address perceived inequities. In the words of the World Trade Organization (“WTO”), “once formal trade barriers come down, other issues become more important.”7 Among the important issues lies antitrust law. Antitrust and competition laws can form a subtle trade barrier resulting in the imposition of tariff-like measures.

Antitrust law can be enforced to reach protectionist aims and to combat them. It is a tool that allows nations to achieve individual protectionist aims without undermining the future of trade between countries and the cooperative framework underpinning the relatively delicate global free trade enjoyed today. However, the perception of enforcement of antitrust laws as an abusive and solely protectionist mechanism may cause the death of even the smallest semblance of international free trade that remains in the international marketplace today.

#### Nuclear war.

Dr. Michael F. Oppenheimer 21. Clinical Professor at the Center for Global Affairs at New York University, Senior Consulting Fellow for Scenario Planning at the International Institute for Strategic Studies, Former Executive Vice President at The Futures Group, The Foreign Policy Roundtable at the Carnegie Council on Ethics and International Affairs, and The American Council on Germany, “The Turbulent Future of International Relations,” in The Future of Global Affairs: Managing Discontinuity, Disruption and Destruction, eds. Ankersen and Sidhu, p. 23-30.

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

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

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

Secular Stagnation

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

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

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

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

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

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

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

Illiberal Globalization

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

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

As such measures gain traction, it will become clear to states—and to companies—that a global trading system more responsive to raw power than to law entails escalating risk and diminishing benefits. This will be the end of economic globalization, and its many benefits, as we know it. It represents nothing less than the subordination of economic globalization, a system which many thought obeyed its own logic, to an international politics of zero-sum power competition among multiple actors with divergent interests and values. The costs will be significant: Bloomberg Economics estimates that the cost in lost US GDP in 2019- dollar terms from the trade war with China has reached $134 billion to date and will rise to a total of $316 billion by the end of 2020.19 Economically, the just-in-time, maximally efficient world of global supply chains, driving down costs, incentivizing innovation, spreading investment, integrating new countries and populations into the global system, is being Balkanized. Bilateral and regional deals are proliferating, while global, nondiscriminatory trade agreements are at an end.

Economies of scale will shrink, incentivizing less investment, increasing costs and prices, compromising growth, marginalizing countries whose growth and poverty reduction depended on participation in global supply chains. A world already suffering from excess savings (in the corporate sector, among mostly Asian countries) will respond to heightened risk and uncertainty with further retrenchment. The problem is perfectly captured by Tim Boyle, CEO of Columbia Sportswear, whose supply chain runs through China, reacting to yet another ratcheting up of US tariffs on Chinese imports, most recently on consumer goods:

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

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

Before the First World War started, powers great and small took a variety of steps to thwart the globalization of the 19th century. Each of these steps made it easier for the key combatants to conceive of a general war. We are beginning to see a similar approach to the globalization of the 21st century. One by one, the economic constraints on military aggression are eroding. And too many have forgotten—or never knew—how this played out a century ago.

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

…The primary lesson to draw from the years before 1914 is not that economic interdependence was a weak constraint on military conflict. It is that, even in a globalized economy, governments can take protectionist actions to reduce their interdependence in anticipation of future wars. In retrospect, the 30 years of tariff hikes, trade wars, and currency conflicts that preceded 1914 were harbingers of the devastation to come. European governments did not necessarily want to ignite a war among the great powers. By reducing their interdependence, however, they made that option conceivable.

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

## Case

### Case---1NC

#### Big Tech rising now---contained antitrust is key.

Rob Lever 8-15. Writer at TechXPlore. Big Tech rolls on as investors shrug off regulatory pressure. No Publication. 8-15-2021. https://techxplore.com/news/2021-08-big-tech-investors-regulatory-pressure.html

Pressure is rising on Big Tech firms, signaling tougher regulation in Washington and elsewhere that could lead to the breakup of the largest platforms. But you'd hardly know by looking at their share prices.

Shares in Apple, Facebook, Amazon and Google parent Alphabet have hovered near record highs in recent weeks, lifted by pandemic-fueled surges in sales and profits that have helped the big firms extend their dominance of key economic sectors.

The Biden administration has given signs of more aggressive regulation with appointments of Big Tech critics at the Federal Trade Commission.

But that has failed to dent the momentum of the largest tech firms, despite tough talk and antitrust litigation in the United States and Europe, with US lawmakers eyeing moves to make antitrust enforcement easier.

Big Tech critics in the United States and the EU want Apple and Google to loosen the grip of their online app marketplaces; more competition in a digital advertising market dominated by Google and Facebook; and better access to Amazon's e-commerce platform by third-party sellers.

One lawsuit tossed out by a judge but in the process of being refiled could force Facebook to spin off its Instagram and WhatsApp platforms, and some activists and lawmakers are pressing for breakups of the four tech giants.

All four have hit market valuations above $1 trillion, with Apple over $2 trillion. Alphabet shares are up some 80 percent from a year ago, with Facebook up nearly 40 percent and Apple almost 30 percent. Amazon shares are roughly on par with last year's level after breaking records in July.

Microsoft, with a $2 trillion valuation, has largely escaped antitrust scrutiny, even as it has benefitted from the cloud computing trend.

The surging growth has stoked complaints that the strongest firms are extending their dominance and squeezing out rivals.

Yet analysts say any aggressive actions, in the legal or legislative arena, could take years to play out and face challenges.

Fast-moving environment

"Breakup is going to be nearly impossible," said analyst Daniel Newman at Futurum Research, citing the need for controversial legislative changes to antitrust laws.

Newman said a more likely outcome would be multibillion-dollar fines that the companies could easily absorb as they adjust their business models to adapt to problematic issues in a fast-moving environment.

"These companies have more resources and know-how than the regulators," he said.

Dan Ives at Wedbush Securities said any antitrust action would likely require legislative change—unlikely with a divided Congress.

"Until investors start to see some consensus on where the regulatory and law changes go from an antitrust perspective, it's a contained risk, and they see a green light to buy tech," he said.

#### Expanded antitrust causes a wave of additional expansions---tanks current Big Tech innovation and economic output.

Wayne Brough 6-15. Policy Director at R-Street, Technology & Innovation. Washington wants to weaponize antitrust law to attack “Big Tech” and it is going to backfire horribly. R Street. 6-15-2021. https://www.rstreet.org/2021/06/15/washington-wants-to-weaponize-antitrust-law-to-attack-big-tech-and-it-is-going-to-backfire-horribly/

Solutions in Search of a Problem

As with many other regulatory incursions into the digital world, the renewed push for tougher antitrust laws is a solution in search of a problem. Both Republican and Democratic criticisms of Big Tech raise a litany of issues—from an anti-conservative bias to fake news and hate speech—none of which fall within the purview of antitrust law and anticompetitive behavior. Instead, the new regulatory regime under consideration is a punitive and political attack on politically disfavored corporations. Ultimately, that is the larger battle—abandoning the consumer welfare standard and its focus on demonstrable consumer harm in favor of a politicized regime that allows those in Congress greater control over private companies.

And while tech companies may be the exclusive focus of the current reforms, the scope of the proposed legislation could easily be expanded by a future Congress. Even today, many lawmakers are openly hostile toward a growing list of American businesses. Republicans have been vocal in calling for retaliatory measures against “woke” corporations deemed too progressive in their public stances. If policymakers continue to abandon economic principles, it would not be surprising to see calls for additional antitrust enforcement for any company that makes political waves.

Prior to the adoption of the consumer welfare standard almost 50 years ago, antitrust law was often confusing, economically suspect and even contradictory. In one notorious case, the Supreme Court blocked a merger where the merged company would have had a market share of merely 7.5 percent—hardly an example of market dominance. And economists examining antitrust enforcement prior to the consumer welfare standard found no correlation between antitrust enforcement and a reduction in the welfare losses from monopoly. Further research found congressional influence to be a better predictor of enforcement activity.

The consumer welfare standard helped rationalize antitrust enforcement and the case law that has emerged since its adoption has helped curb the political abuse of antitrust policies. Abandoning the need to identify demonstrable consumer harm would return antitrust law to an era characterized by arbitrary enforcement actions that many in today’s Congress seem to have forgotten. But the increased political oversight that comes with adopting more aggressive tools for antitrust enforcement poses a real threat to consumers, to innovation and to economic growth.

Abandoning the American Way in Favor of a European One

The bills introduced in the House can be interpreted as a turn toward a European approach to competition policy. Last year, the EU passed the Digital Markets Act, and the House proposals sound eerily similar. The EU started by defining “gatekeepers,” something similar to the “covered platforms” in the House bills. Restrictions on self-preferencing, interoperability requirements and other elements introduced in the House all have direct counterparts in the EU’s law.

The EU adopted its laws with a clear target in mind—American tech companies that were dominating markets in Europe and outperforming their European rivals. Politically, it made sense to rewrite the rules of the game in favor of homegrown talent. Among other things, this meant the EU could collect billion-dollar fines from American companies, all in the name of “fair competition.”

But the performance of European companies is probably the best reason not to follow the EU’s lead in redefining how we regulate competition. By virtually every measure, U.S. companies have been more innovative, more dynamic and more profitable than their European counterparts. There are more start-ups in the United States and they have greater access to capital. While the United States and the EU have economies of similar magnitudes, in 2019, U.S. startups had a valuation of $1.37 trillion compared to EU startups with an evaluation of $240 billion.

The rise of Silicon Valley is an American success story. Today the top five companies in the United States based on market capitalization are tech companies. They have led the digital revolution, providing consumers a virtually endless stream of new products at low or even zero cost in many cases. These are signs of a robust market that serves consumers well. It is important to remember that big does not equate to bad—sometimes a firm is large because it is efficient at serving its customers what they want. The tech sector supports 12 million jobs and more than $2 trillion in economic output. Current antitrust laws grounded in the consumer welfare standard are part of the institutional framework that make this possible. Congress should ensure antitrust laws fit best into the modern U.S. economy, but the House proposals are a radical departure that shifts the focus to protecting competitors rather than consumers. They would weaponize antitrust law, provide politicians a greater say in America’s boardrooms and replace economic efficiency with political expediency and preference.

#### Wrecks international competitiveness.

Robert D. Atkinson and Michael Lind 18. president of the Information Technology and Innovation Foundation. visiting professor at the University of Texas Johnson School of Public Affairs. Commentary: Who Wins After U.S. Antitrust Regulators Attack? China. Fortune. 3-29-2018. https://fortune.com/2018/03/29/commentary-who-wins-after-u-s-antitrust-regulators-attack-china/

Unfortunately, this kind of reverse industrial policy in the name of antitrust continues. In 2016, the Federal Trade Commission required that the semiconductor maker NXP divest its RF (radio frequency) power business as a condition for its $11.8 billion acquisition of U.S.-based Freescale Semiconductor Ltd. While this was done with a focus on the consumer, it opened up the business for acquisition by the Chinese investment company Jianguang Asset Management Co. Ltd., which has financial backing from the Chinese government. Just like that, thanks to an action undertaken by the U.S. government, critical U.S. technology capabilities went to China.

The lesson from this tale of unintended consequences for current antitrust enforcement is clear: It is time to stop ignoring potential adverse consequences of U.S. antitrust policy for America’s international competitiveness. Antitrust policies may be justified in terms of limiting anti-competitive behavior that hurts other firms in the U.S. economy. But when antitrust judgments weaken U.S. firms, allowing foreign firms and nations to free-ride on American R&D in order to catch up with and sometimes eliminate entire U.S. firms and industries, the result is to enrich other countries at America’s expense.

Maintaining American technological primacy in key industries should be a key consideration of U.S. antitrust policy—not just reducing concentration ratios in particular industries. The Justice Department and FTC appear to have little interest or capacity to consider the effects of their actions on U.S. international competitiveness. Going forward, when they decide to take action affecting a leading U.S. innovation-based firm, experts on the broader national interest in maintaining global competitiveness should have a seat at the table.

It is time for antitrust policy regarding firms in advanced technology industries to be carried out in coordination with the Commerce Department. The alternative is to allow antitrust actions, which are supposed to benefit all Americans, to backfire by helping foreign rivals bring American firms and industries down.

#### Tech primacy key to prevent U.S. China war.

RRPF (Ronald Reagan Presidential Foundation) 19. Report Conducted by a Task Force of Experts in the Field. The Contest for Innovation: Strengthening America’s National Security Innovation Base in an Era of Strategic Competition. Report of the Task Force on 21st-Century National Security Technology and Workforce. December 2019. Pg. 7-8

The United States has entered an era of long-term competition with revisionist powers. A key aspect of this competition will revolve around a contest for technological superiority waged between the national innovation bases of the respective competitors. The outcome of this competition will determine not just American national security but also how the nations of the world interact—and whether a free and open political and economic system will remain the foundation of those interactions. After a long post-Cold War focus on rogue regional powers and nearly two decades of continuous warfare in the Middle East and a focus on rogue regional powers, the United States now faces a new defining national security challenge: a long-term strategic competition with a resurgent Russia and a rising China. Russia seeks to reestablish itself as a global power. While Russia is able to compete with the United States militarily in certain domains, its economic outlook and long-term demographic prospects are grim. Accordingly, it is unlikely to develop and nurture a true national innovation ecosystem. Given these disadvantages, Russia is limited to acting as a geostrategic spoiler seeking to undermine and weaken the United States, its alliances, and its global interests. China, on the other hand, is already challenging the United States economically, militarily, and politically. China’s economy has surpassed that of the United States in terms of purchasing power parity and could, under some scenarios, pass the U.S. GDP in absolute terms in the mid- to late 2020s. Under the leadership of the Chinese Communist Party, China defines its vital national interests in ways that are irreconcilable with both the interests of the United States and the values of self-determination and individual freedom to which we and our allies are committed. China’s global expansion, from both a trade and military perspective, is challenging the United States in virtually every region of the world. In pursuit of its goal of reshaping the world order, China aims to supplant the United States as the world’s leading technological power by 2030. China has articulated a distinct strategy of statedriven innovation, defined by its concept of “military–civil fusion,” to lead the world in cutting-edge technologies that might allow it to leapfrog the United States both economically and militarily. That strategy presents a two-fold challenge for the United States. Economically, the challenge is to sustain American prosperity and access to markets on equal terms with other nations against China’s ambition to control the economic sectors that will determine national primacy in the decades ahead. Militarily, the fundamental mission of the U.S. government (USG) is to deter a great-power war and, if deterrence fails, to prevent escalation of the conflict and end the war on terms favorable to the United States and its allies. An important key to this mission is achieving and maintaining military–technical superiority. However, over the last several decades, China—and, to a lesser extent, Russia—has invested heavily in advanced military capabilities specifically aimed at overcoming the technological lead of America’s armed forces. As a result, the conventional overmatch that the United States has relied upon to undergird its deterrence posture since the end of the Cold War is eroding. The balance of power in East Asia has already shifted substantially in China’s direction. If this trend continues, effective deterrence in that region will likely fail, leaving the United States to face the unattractive alternatives of accepting aggression against its interests or its allies or triggering armed conflict with the People’s Liberation Army (PLA), with all the attendant risks of escalation. The National Security Strategy recognized the importance of technological innovation to every domain of the competition with China. Consistent with that, a key theme of the 2018 National Defense Strategy is that the U.S. military must move rapidly to arrest further erosion of its technical advantage and then restore and maintain a comfortable conventional overmatch.

#### Capitalism solves war on a massive scale – it creates lock-in mechanisms that bind countries together and economically dampens conflict – robust studies

Dafoe 14 (Allan Dafoe & Nina Kelsey; assistant professor in political science at Yale & research associate in international economics at Berkeley; Journal of Peace Research, “Observing the capitalist peace: Examining market-mediated signaling and other mechanisms,” http://jpr.sagepub.com.proxy.lib.umich.edu/content/51/5/619.full)

Countries with liberal political and economic systems rarely use military force against each other. This anomalous peace has been most prominently attributed to the ‘democratic peace’ – the apparent tendency for democratic countries to avoid militarized conflict with each other (Maoz & Russett, 1993; Ray, 1995; Dafoe, Oneal & Russett, 2013).More recently, however, scholars have proposed that the liberal peace could be partly (Russett & Oneal, 2001) or primarily (Gartzke, 2007; but see Dafoe, 2011) attributed to liberal economic factors, such as commercial and financial interdependence. In particular, Erik Gartzke, Quan Li & Charles Boehmer (2001), henceforth referred to as GLB, have demonstrated that measures of capital openness have a substantial and statistically significant association with peaceful dyadic relations. Gartzke (2007) confirms that this association is robust to a large variety of model specifications. To explain this correlation, GLB propose that countries with open capital markets are more able to credibly signal their resolve through the bearing of greater economic costs prior to the outbreak of militarized conflict. This explanation is novel and plausible, and resonates with the rationalist view of asymmetric information as a cause of conflict (Fearon, 1995). Moreover, it implies clear testable predictions on evidential domains different from those examined by GLB. In this article we exploit this opportunity by constructing a confirmatory test of GLB’s theory of market-mediated signaling. We first develop an innovative quantitative case selection technique to identify crucial cases where the mechanism of market-mediated signaling should be most easily observed. Specifically, we employ quantitative data and the statistical models used to support the theory we are probing to create an impartial and transparentmeans of selecting cases in which the theory – as specified by the theory’s creators –makes its most confident predictions.We implement three different case selection rules to select cases that optimize on two criteria: (1) maximizing the inferential leverage of our cases, and (2) minimizing selection bias. We examine these cases for a necessary implication of market-mediated signaling: that key participants drew a connection between conflictual events and adverse market movements. Such an inference is a necessary step in the process by which market-mediated costs can signal resolve. For evidence of this we examine news media, government documents, memoirs, historical works, and other sources. We additionally examine other sources, such as market data, for evidence that economic costs were caused by escalatory events. Based on this analysis, we assess the evidence for GLB’s theory of market mediated costly signaling. Our article then considers a more complex heterogeneous effects version of market-mediated signaling in which unspecified scope conditions are required for the mechanism to operate. Our design has the feature of selecting cases in which scope conditions are most likely to be absent. This allows us to perform an exploratory analysis of these cases, looking for possible scope conditions. We also consider alternative potential mechanisms. Our cases are reviewed in more detail in the online appendix.1 To summarize our results, our confirmatory test finds that while market-mediated signaling may be operative in the most serious disputes, it was largely absent in the less serious disputes that characterize most of the sample of militarized interstate disputes (MIDs). This suggests either that other mechanisms account for the correlation between capital openness and peace, or that the scope conditions for market-mediated signaling are restrictive. Of the signals that we observed, strategic market-mediated signals were relatively more important than automatic market-mediated signals in the most serious conflicts. We identify a number of potential scope conditions, such as that (1) the conflict must be driven by bargaining failure arising from uncertainty and (2) the economic costs need to escalate gradually and need to be substantial, but less than the expected military costs of conflict. Finally, there were a number of other explanations that seemed present in the cases we examined and could account for the capitalist peace: capital openness is associated with greater anticipated economic costs of conflict; capital openness leads third parties to have a greater stake in the conflict and therefore be more willing to intervene; a dyadic acceptance of the status quo could promote both peace and capital openness; and countries seeking to institutionalize a regional peace might instrumentally harness the pacifying effects of liberal markets. The correlation: Open capital markets and peace The empirical puzzle at the core of this article is the significant and robust correlation noted by GLB between high levels of capital openness in both members of a dyad and the infrequent incidence of militarized interstate disputes (MIDs) and wars between the members of this dyad (Gartzke, Li & Boehmer, 2001). The index of capital openness (CAPOPEN) is intended to capture the ‘difficulty states face in seeking to impose restrictions on capital flows (the degree of lost policy autonomy due to globalization)’ (Gartzke & Li, 2003: 575). CAPOPEN is constructed from data drawn from the widely used IMF’s Annual Reports on Exchange Arrangements and Exchange Controls; it is a combination of eight binary variables that measure different types of government restrictions on capital and currency flow (Gartzke, Li & Boehmer, 2001: 407). The measure of CAPOPEN starts in 1966 and is defined for many countries (increasingly more over time). Most of the countries that do not have a measure of CAPOPEN are communist.2 GLB implement this variable in a dyadic framework by creating a new variable, CAPOPENL, which is the smaller of the two dyadic values of CAPOPEN. This operationalization is sometimes referred to as the ‘weak-link’ specification since the functional form is consonant with a model of war in which the ‘weakest link’ in a dyad determines the probability of war. CAPOPENL has a negative monotonic association with the incidence of MIDs, fatal MIDs, and wars (see Figure 1).3 The strength of the estimated empirical association between peace and CAPOPENL, using a modified version of the dataset and model from Gartzke (2007), is comparable to that between peace and, respectively, joint democracy, log of distance, or the GDP of a contiguous dyad (Gartzke, 2007: 179; Gartzke, Li & Boehmer, 2001: 412). In summary, CAPOPENL seems to be an important and robust correlate of peace. The question of why specifically this correlation exists, however, remains to be answered. The mechanism: Market-mediated signaling? Gartzke, Li & Boehmer (2001) argue that the classic liberal account for the pacific effect of economic interdependence – that interdependence increases the expected costs of war – is not consistent with the bargaining theory of war (see also Morrow, 1999). GLB argue that ‘conventional descriptions of interdependence see war as less likely because states face additional opportunity costs for fighting. The problem with such an account is that it ignores incentives to capitalize on an opponent’s reticence to fight’ (Gartzke, Li & Boehmer, 2001: 400.)4 Instead, GLB (see also Gartzke, 2003; Gartzke & Li, 2003) argue that financial interdependence could promote peace by facilitating the sending of costly signals. As the probability of militarized conflict increases, states incur a variety of automatic and strategically imposed economic costs as a consequence of escalation toward conflict. Those states that persist in a dispute despite these costs will reveal their willingness to tolerate them, and hence signal resolve. The greater the degree of economic interdependence, the more a resolved country could demonstrate its willingness to suffer costs ex ante to militarized conflict. Gartzke, Li & Boehmer’s mechanism implies a commonly perceived costly signal before militarized conflict breaks out or escalates: if market-mediated signaling is to account for the correlation between CAPOPENL and the absence of MIDs, then visible market-mediated costs should occur prior to or during periods of real or potential conflict (Gartzke, Li & Boehmer, 2001). Thus, the proposed mechanism should leave many visible footprints in the historical record. This theory predicts that these visible signals must arise in any escalating conflict, involving countries with high capital openness, in which this mechanism is operative Clarifying the signaling mechanism Gartzke, Li & Boehmer’s signaling mechanism is mostly conceptualized on an abstract, game-theoretic level (Gartzke, Li & Boehmer, 2001). In order to elucidate the types of observations that could inform this theory’s validity, we discuss with greater specificity the possible ways in which such signaling might occur. A conceptual classification of costly signals The term signaling connotes an intentional communicative act by one party directed towards another. Because the term signaling thus suggests a willful act, and a signal of resolve is only credible if it is costly, scholars have sometimes concluded that states involved in bargaining under incomplete information could advance their interests by imposing costs on themselves and thereby signaling their resolve (e.g. Lektzian & Sprecher, 2007). However, the game-theoretic concept of signaling refers more generally to any situation in which an actor’s behavior reveals information about her private information. In fact, states frequently adopt sanctions with low costs to themselves and high costs to their rivals because doing so is often a rational bargaining tactic on other grounds: they are trying to coerce their rival to concede the issue. Bargaining encounters of this type can be conceptualized as a type of war-of-attrition game in which each actor attempts to coerce the other through the imposition of escalating costs. Such encounters also provide the opportunity for signaling: when states resist the costs imposed by their rivals, they ‘signal’ their resolve. If at some point one party perceives the conflict to have become too costly and steps back, that party ‘signals’ a lack of resolve. Thus, this kind of signaling arises as a by-product of another’s coercive attempts. In other words, costly signals come in two forms: self-inflicted (information about a leader arising from a leader’s intentional or incidental infliction of costs on himself) or imposed (information about a leader that arises from a leader’s response to a rival’s imposition of costs). Additionally, costs may arise as an automatic byproduct of escalation towards military conflict or may be a tool of statecraft that is strategically employed during a conflict. The automatic mechanism stipulates that as the probability of conflict increases, various economic assets will lose value due to the risk of conflict and investor flight. However, the occurrence of these costs may also be intentional outcomes of specific escalatory decisions of the states, as in the case of deliberate sanctions; in this case they are strategic. Finally, at a practical level, we identify three different potential kinds of economic costs of militarized conflict that may be mediated by open capital markets: capital costs from political risk, monetary coercion, and business sanctions.

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

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

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

Crisis responses limited

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

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

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

From bust to bubble

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

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

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

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

Liberalization’s discontents

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

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

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

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

Insecurity, populism, conflict

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

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

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

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

Avoiding Thucydides’ iceberg

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

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

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

#### Regulated capitalism avoids their sustainability warrants AND claims about racism---solves war, environment, and quality of life---alternatives increase degradation and poverty---prefer empirical and measurable indicators

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

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

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

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

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

Arguments for and against Forms of Capitalism

The Argument against Capitalism

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

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

The Argument for Well-Regulated Capitalism

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### Public policy economics is progressive---empirical basis creates incentives to address inequalities.

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Today, however, practical men—and women—ain’t what they used to be. Jerome Powell, the Trump-appointed chair of the Federal Reserve, says he’s more concerned about unemployment than he is about inflation—by the historic standards of the Fed, an act of high heresy. Congress just passed President Biden’s economic-rescue package, which does more for poor Americans than any program since it enacted Medicaid 56 years ago. Congress may yet enact a $15 minimum wage, while its most progressive members advocate a tax on wealth.

The powers that be are not getting these ideas from dead economists, or from the mainstream American economists who have dominated the field between the 1970s and the past few years (though they remain a considerable force). They are getting these ideas from a group of labor and public-policy economists who’ve surged to the forefront of the profession over the past decade. And more than anyplace else, these economists are clustered at the University of California, Berkeley.

Much of the work that shaped the groundbreaking child benefits in the $1.9 trillion stimulus bill, and directed those benefits for the first time to the genuinely poor, was done by Hilary Hoynes, a professor in both Berkeley’s economics department and its public-policy school. As Hoynes has documented in a series of studies, both the welfare reform of the 1990s and the reliance on tax credits to provide the child benefits largely, and perversely, excluded children in poverty. The benefits in the new stimulus bill are specifically targeted to include poor kids.

As for scholarly work that made the case for the $15 minimum wage, the multiple studies produced over the past quarter-century by Michael Reich—like Hoynes, a Berkeley professor of both economics and public policy—have documented that the presumed downsides of mandating such a raise are largely fictitious. The senators who tried to persuade the Senate parliamentarian that the raise would have a positive effect on the federal budget over the next decade relied on Reich’s fiscal estimates that it would net an additional $65 billion to federal revenues.

And the wealth tax? When Elizabeth Warren and Bernie Sanders began advocating for it while on the presidential campaign trail in 2019, they based their advocacy on the research of two other Berkeley economists, Emmanuel Saez and Gabriel Zucman, whose studies had concluded that the wealthiest 0.1 percent of Americans held 19.3 percent of the nation’s wealth—three times what that group had held in 1979. Saez and Zucman also reported that the total tax rate for billionaires in 2018 was 23 percent; while for all taxpayers, it was 28 percent. Warren’s proposal, updated this February, called for a 2 percent tax on families with wealth exceeding $50 million, with an additional 1 percent surcharge on wealth exceeding $1 billion—which the Berkeley duo estimated would raise roughly $3 trillion over ten years.

What, we may wonder, has been going on at Berkeley?

In brief, a historic change. Over the past two decades, Berkeley’s economics department and associated institutes have been at the forefront of two critical changes in the practice of economics: a heightened emphasis on empirical research, and an increasing focus on inequality.

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

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

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

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

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

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

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

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

6. Consent

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

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

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

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

#### Past the tipping point and the alt is dictatorship and genocide---only tech can solve.

Eric Levitz 5/17/21. Senior Writer at New York Magazine. MA Johns Hopkins. "We’ll Innovate Our Way Out of the Climate Crisis or Die Trying". Intelligencer. 5-17-2021. https://nymag.com/intelligencer/2021/05/climate-biden-green-tech-innovation.html

Today’s best-case ecological scenario was a horror story just three decades ago. In 1993, Bill Clinton declared that global warming presented such a profound threat to civilization that the U.S. would have to bring its “emissions of greenhouse gases to their 1990 levels by the year 2000.” Instead, we waited until 2020 to do so; in the interim, humanity burned more carbon than it had since the advent of agriculture. Now, it will take a historically unprecedented, worldwide economic transformation to freeze warming at “only” 2 degrees — a level of temperature rise that will turn “once in a century” storms into annual events, drown entire island nations, and render major cities in the Middle East uninhabitable in summertime (at least for those whose lifestyles involve “walking outdoors without dying of heatstroke”). This is what passes for a utopian vision in 2021. If we confine ourselves to mere optimism — and assume that every Paris Agreement signatory meets its current pledged target for decarbonization — then warming will hit 2.4 degrees by century’s end.

The reality of our ecological predicament invites denial of our political one. Put simply, it is hard to reconcile the scale of the climate crisis with the limits of contemporary American politics. Delusions rush in to fill the gap. Among these is the fantasy of national autonomy; the notion that the United States can save the planet or destroy it, depending on the precise timeline of its domestic decarbonization. A rapid energy transition in the U.S. is a vital cause, not least for its potential to expedite similar transformations abroad. But the battle for a sustainable planet will be won or lost in the developing world. Although American consumption played a central role in the history of the climate crisis, it is peripheral to the planet’s future: Over the coming century, U.S. emissions are expected to account for only 5 percent of the global total.

There is also the delusion of “de-growth’s” viability. The fact that there is no plausible path for global economic expansion that won’t entail climate-induced death and displacement has led some environmentalists to insist on global stagnation. Yet there is neither a mass constituency for this project, nor any reason to believe that there will be any time soon. Freeze the status-quo economy in amber, and you’ll condemn nearly half of humanity to permanent poverty. Divide existing GDP into perfectly even slices, and every person on the planet will live on about $5,500 a year. American voters may express a generalized concern about the climate in surveys, but they don’t seem willing to accept even a modest rise in gas prices — let alone a total collapse in living standards — to address the issue. Meanwhile, any Chinese or Indian leader who attempted to stymy income growth in the name of sustainability would be ousted in short order. It’s conceivable that one could radically reorder advanced economies in a manner that enabled living standards to rise even as GDP fell; Americans might well find themselves happier and more secure in an ultra-low-carbon communal economy in which individual car ownership is heavily restricted, and housing, healthcare, and myriad low-carbon leisure activities are social rights. But nothing short of an absolute dictatorship could affect such a transformation at the necessary speed. And the specter of eco-Bolshevism does not haunt the Global North. Humanity is going to find a way to get rich sustainably, or die trying.

Thus, the chasm between the ecologically necessary and the politically possible can only be bridged by technological advance. And on that front, the U.S. actually has the resources to make a decisive contribution to global decarbonization — and some political will to leverage those resources. Unfortunately, due to some combination of fiscal superstitions and misplaced priorities, the Biden administration’s proposed investments in green innovation remain paltry. An American Jobs Plan with much higher funding for green R&D is both imminently winnable and environmentally imperative. U.S. climate hawks should make securing such legislation a top priority.

The choice before us is techno-optimism or barbarism.

If governments are forced to choose between increasing income growth in the present, and mitigating temperature rise in the future, they are going to pick the former. We’ll get cheap, lab-grown Kobe beef before we get a U.S. Senate willing to tax meat, and steel plants powered by “green hydrogen” before we get anarcho-primitivism with Chinese characteristics.

The question is whether we’ll get such breakthroughs before it’s too late.

Techno-optimism has its hazards, but the progress we’ve made toward decarbonization has come largely through technological innovation. When India canceled plans to construct 14 gigawatts of new coal-fired power stations in 2019, it did not do so in deference to international pressure or domestic environmental movements, but rather to the cost-competitiveness of solar energy. The same story holds across Asia’s developing countries: Thanks to a ninefold reduction in the cost of solar energy over the past decade, the number of new coal plants slated for construction in the region has fallen by 80 percent. Meanwhile, the road to an electric-car revolution was cleared by a collapse in the cost of lithium batteries, the challenge of powering cities with solar energy on cloudy days was eased by a 70 percent drop in the price of utility-scale batteries, and wind power grew 40 percent cheaper. Our species remains lackluster at solidarity and self-government, but we’ve got a real knack for building cool shit.

The technological progress of the past decade was not sufficient to compensate for tepid climate policy. But real techno-utopianism has never been tried: As of 2019, global spending on clean energy R&D totaled $22 billion a year, or 3 percent of the Pentagon’s annual budget. Increasing spending on such research — while expediting cost-reductions in existing technologies by deploying them en masse — should be twin priorities of American climate policy.

The preconditions for green industrialization can be made in America.

The United States has more fiscal capacity and better-financed research universities than any nation on the planet. And, for all the pathologies of our politics, public investment in green tech inspires far weaker opposition than many less-indispensable climate policies. In fact, late last year, with Republicans controlling the Senate and Donald Trump in the White House, the U.S. increased funding for zero-emission technology R&D by $35 billion. America does not have sovereignty over enough humans to save the planet by slashing our domestic emissions. But we just might have the resources and political economy necessary to help the developing world save us all.

Although progress on renewables has exceeded optimistic expectations, the technical obstacles to global decarbonization remain immense. In the most optimistic scenario, scaling up existing, cost-competitive technologies can get us about 16 percent of the emissions reductions necessary for achieving net-zero by 2050, according to the International Energy Agency. Driving down the price of tech we already have will get us another 39 percent. The rest must come from technologies that have yet to be fully developed. We need electrified cement, hydrogen-powered steel plants, and evaporative cooling. We need utility-scale energy storage, electric airplanes, and ultra-high voltage transmission lines. And we’d be remiss to not toss a bit of our collective wealth at game-changing hail marys like nuclear fusion.

# 2NC

## Trade DA

## Case

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

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

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

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

AMERICA’S INNOVATION CHALLENGE

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

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

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

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

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

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

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

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

THE CHINESE JUGGERNAUT

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

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

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

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

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

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

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

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

THINKING BIGGER

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

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

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

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

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

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

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

A MARKET MINDSET

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

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

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

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

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

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

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

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

INNOVATION EVER AFTER

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

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

#### Best studies

Kelsey Piper 8/3/21. Staff Writer @ Vox. "Can we save the planet by shrinking the economy?". Vox. 8-3-2021. https://www.vox.com/future-perfect/22408556/save-planet-shrink-economy-degrowth

The things degrowthers care about — leisure time, health care, life expectancy — are strongly correlated with societal wealth. The generosity of a welfare state and the availability of transfers to a state’s poorest people are also strongly correlated with societal wealth. Innovation, discovery, invention, and medical technology improvements are also strongly correlated with societal wealth.

[GRAPH OMITTED]

The strong correlation between child mortality and GDP per capita is apparent on the above graph. There are some outliers — some countries outperform or underperform their GDP somewhat, in terms of preventing child deaths — but in general, wealth strongly predicts child survival. No single, simple medical intervention causes the difference. Wealthier societies on average get better health outcomes across the board.

[GRAPH OMITTED]

This graph looks at child mortality not just by comparing rich countries to poor ones but also by comparing countries over time, as they get richer: Getting richer improves outcomes for children.

[GRAPH OMITTED]

Leisure time, too, has increased — and hours worked have declined — as the world has gotten wealthier.

It might be possible in principle to do better — to decouple, if you will, health and well-being from access to material resources, so that everyone is well-off with many fewer resources.

But the examples degrowthers point to remain speculative ones; if we ought to be skeptical, as degrowthers argue we should be, about the decoupling of wealth from ecological impact, we ought to be at least as skeptical about the prospects of decoupling wealth from living standards.

“In the end, economic growth is about the production of stuff that people need and then the consumption of those things by the people who need it,” Max Roser at Our World in Data, a research institute focused on finding, visualizing, and communicating historical economic and health data, told me. He added:

The money aspect, and the abstract concept of GDP, distract us and make it less obvious what it’s actually about. People want to have enough food, they need to go to the doctor, they need childcare, they want a good education. People need lots of stuff, and one thing that people care about are goods and services, and they need to be produced, and economic growth is about an increase in the quality and quantity of the goods and services that people need.

#### Extinction outweighs

Seth D. Baum & Anthony M. Barrett 18. Global Catastrophic Risk Institute. 2018. “Global Catastrophes: The Most Extreme Risks.” Risk in Extreme Environments: Preparing, Avoiding, Mitigating, and Managing, edited by Vicki Bier, Routledge, pp. 174–184.

2. What Is GCR And Why Is It Important? Taken literally, a global catastrophe can be any event that is in some way catastrophic across the globe. This suggests a rather low threshold for what counts as a global catastrophe. An event causing just one death on each continent (say, from a jet-setting assassin) could rate as a global catastrophe, because surely these deaths would be catastrophic for the deceased and their loved ones. However, in common usage, a global catastrophe would be catastrophic for a significant portion of the globe. Minimum thresholds have variously been set around ten thousand to ten million deaths or $10 billion to $10 trillion in damages (Bostrom and Ćirković 2008), or death of one quarter of the human population (Atkinson 1999; Hempsell 2004). Others have emphasized catastrophes that cause long-term declines in the trajectory of human civilization (Beckstead 2013), that human civilization does not recover from (Maher and Baum 2013), that drastically reduce humanity’s potential for future achievements (Bostrom 2002, using the term “existential risk”), or that result in human extinction (Matheny 2007; Posner 2004). A common theme across all these treatments of GCR is that some catastrophes are vastly more important than others. Carl Sagan was perhaps the first to recognize this, in his commentary on nuclear winter (Sagan 1983). Without nuclear winter, a global nuclear war might kill several hundred million people. This is obviously a major catastrophe, but humanity would presumably carry on. However, with nuclear winter, per Sagan, humanity could go extinct. The loss would be not just an additional four billion or so deaths, but the loss of all future generations. To paraphrase Sagan, the loss would be billions and billions of lives, or even more. Sagan estimated 500 trillion lives, assuming humanity would continue for ten million more years, which he cited as typical for a successful species. Sagan’s 500 trillion number may even be an underestimate. The analysis here takes an adventurous turn, hinging on the evolution of the human species and the long-term fate of the universe. On these long time scales, the descendants of contemporary humans may no longer be recognizably “human”. The issue then is whether the descendants are still worth caring about, whatever they are. If they are, then it begs the question of how many of them there will be. Barring major global catastrophe, Earth will remain habitable for about one billion more years 2 until the Sun gets too warm and large. The rest of the Solar System, Milky Way galaxy, universe, and (if it exists) the multiverse will remain habitable for a lot longer than that (Adams and Laughlin 1997), should our descendants gain the capacity to migrate there. An open question in astronomy is whether it is possible for the descendants of humanity to continue living for an infinite length of time or instead merely an astronomically large but finite length of time (see e.g. Ćirković 2002; Kaku 2005). Either way, the stakes with global catastrophes could be much larger than the loss of 500 trillion lives. Debates about the infinite vs. the merely astronomical are of theoretical interest (Ng 1991; Bossert et al. 2007), but they have limited practical significance. This can be seen when evaluating GCRs from a standard risk-equals-probability-times-magnitude framework. Using Sagan’s 500 trillion lives estimate, it follows that reducing the probability of global catastrophe by a mere one-in-500-trillion chance is of the same significance as saving one human life. Phrased differently, society should try 500 trillion times harder to prevent a global catastrophe than it should to save a person’s life. Or, preventing one million deaths is equivalent to a one-in500-million reduction in the probability of global catastrophe. This suggests society should make extremely large investment in GCR reduction, at the expense of virtually all other objectives. Judge and legal scholar Richard Posner made a similar point in monetary terms (Posner 2004). Posner used $50,000 as the value of a statistical human life (VSL) and 12 billion humans as the total loss of life (double the 2004 world population); he describes both figures as significant underestimates. Multiplying them gives $600 trillion as an underestimate of the value of preventing global catastrophe. For comparison, the United States government typically uses a VSL of around one to ten million dollars (Robinson 2007). Multiplying a $10 million VSL with 500 trillion lives gives $5x1021 as the value of preventing global catastrophe. But even using “just" $600 trillion, society should be willing to spend at least that much to prevent a global catastrophe, which converts to being willing to spend at least $1 million for a one-in-500-million reduction in the probability of global catastrophe. Thus while reasonable disagreement exists on how large of a VSL to use and how much to count future generations, even low-end positions suggest vast resource allocations should be redirected to reducing GCR. This conclusion is only strengthened when considering the astronomical size of the stakes, but the same point holds either way. The bottom line is that, as long as something along the lines of the standard riskequals-probability-times-magnitude framework is being used, then even tiny GCR reductions merit significant effort. This point holds especially strongly for risks of catastrophes that would cause permanent harm to global human civilization. The discussion thus far has assumed that all human lives are valued equally. This assumption is not universally held. People often value some people more than others, favoring themselves, their family and friends, their compatriots, their generation, or others whom they identify with. Great debates rage on across moral philosophy, economics, and other fields about how much people should value others who are distant in space, time, or social relation, as well as the unborn members of future generations. This debate is crucial for all valuations of risk, including GCR. Indeed, if each of us only cares about our immediate selves, then global catastrophes may not be especially important, and we probably have better things to do with our time than worry about them. While everyone has the right to their own views and feelings, we find that the strongest arguments are for the widely held position that all human lives should be valued equally. This position is succinctly stated in the United States Declaration of Independence, updated in the 1848 Declaration of Sentiments: “We hold these truths to be self-evident: that all men and 3 women are created equal”. Philosophers speak of an agent-neutral, objective “view from nowhere” (Nagel 1986) or a “veil of ignorance” (Rawls 1971) in which each person considers what is best for society irrespective of which member of society they happen to be. Such a perspective suggests valuing everyone equally, regardless of who they are or where or when they live. This in turn suggests a very high value for reducing GCR, or a high degree of priority for GCR reduction efforts.

#### Requiring new frameworks makes timely climate solutions impossible.

Kelsey Piper 8/3/21. Staff Writer @ Vox. "Can we save the planet by shrinking the economy?". Vox. 8-3-2021. https://www.vox.com/future-perfect/22408556/save-planet-shrink-economy-degrowth

Degrowth is unrealistic — and gaining traction

As a policy program, degrowth suffers from being both too radical and not radical enough.

There’s a lot of broad-brush policy prescriptions in the degrowth lit, but those details never really add up.

While it’s not a short book, Less Is More feels surprisingly sparse when it comes to envisioning how the changes it recommends could be brought about. The chapter on solutions recommends cutting the workweek and changing tax policy — two solid proposals — but then rounds that out by recommending ending technological obsolescence, advertising, food waste, and student debt.

I’m not particularly opposed to those policies. But they seem laughably inadequate for the magnitude of the task at hand: confronting the climate crisis. Degrowth successfully persuades that guiding humanity and our planet through the 21st century will be really, really hard — but not in a way degrowth particularly solves.

Where degrowth literature is relentlessly pessimistic about the prospect of our problems being solved under our current economic system, it turns oddly optimistic about the prospect that they’ll be solved once we embrace a different way of viewing wealth and progress. If cutting carbon emissions fast enough to matter requires shrinking the global economy by 0.5 percent a year indefinitely, starting right now, as the Nature paper estimates, that’ll take policy measures much larger and more ambitious than any proposed in Less Is More.

“If we are to avert catastrophic warming, we have to lower carbon emissions by a factor of two within the next 10 years. I find it highly implausible that capitalism/market economics will be abandoned by the world on that time frame,” Pennsylvania State University climatologist Michael Mann told me. “That means we have to act on the climate crisis within the framework of the current system.”

In that sense, there’s actually something anti-radical about any climate plan so radical that it can’t be concretely brought about in the next decade.

And yet, implausible as it is, degrowth is gaining a foothold in intellectual and policy circles. What accounts for its seemingly growing popularity? This was a question that puzzled me until I heard the same answer from one degrowth advocate and one opponent: that it’s not, really, exactly about climate.

“It started in the 1990s in France, picking up on radical European politics in the 1970s,” Giorgos Kallis, a researcher studying degrowth at the Universitat Autònoma de Barcelona, told me. “There was an in-between political space there — radical greens, putting much more emphasis on localized production, emphasis on conviviality and autonomy. This is a discourse that comes from them. It wasn’t just about avoiding a particular environmental problem. It was a holistic proposal.”

That was also the diagnosis of Zion Lights, a former spokesperson for Extinction Rebellion, who has become one of the climate movement’s internal critics, arguing that the movement focuses too much on environmentalist-friendly proposals that have nothing to do with climate.

“It has become difficult to talk about making energy policies for combating climate change, for example, without being told that such thinking is actually irrelevant because it doesn’t involve system change,” she recently argued. “We need cheap, clean energy at scale and we need it now.”

#### Innovation solves climate---monetary incentives align even for climate deniers---abandoning capitalism fails.

Noah Smith 9/24/21. Assistant Professor of finance @ SUNY Stony Brook, an economics PhD student at the University of Michigan, an academic editor in Japan, and a physics major at Stanford. “Climate optimism of the will.” https://noahpinion.substack.com/p/climate-optimism-of-the-will

So yeah, I’m not going to tell young climate activists that things are going well. The planet is in a very tough spot. But what I am going to tell young climate activists is that despite their pessimism of the intellect, they should embrace optimism of the will. Not only does despair ultimately not help anything, but it’s increasingly unwarranted — yes, things are tough right now, but recent developments mean that the climate has more of a fighting chance than it has in recent memory. And the reason is that unlike the discouraged climate activists, can-do types in science, business and government have been rolling up their sleeves and fighting the good fight.

The fightback against climate doom has begun

Activists are understandably leery of the idea that new technologies will come along to save the planet just in the nick of time. After all, the incentives are in no way aligned for such a deus ex machina — given the fundamental externality of carbon emissions, there’s no reason why scientists and engineers should care enough about the climate to spend their lives inventing stuff to fix it.

And yet, they do. Even if the public doesn’t take the climate problem seriously enough, scientists and engineers do. And they have poured their hearts and souls and careers and fortunes into creating cheap solar, cheap wind, cheap reliable batteries. Let me just re-post my favorite graph:

[Chart, diagram, line chart

Description automatically generated](https://cdn.substack.com/image/fetch/f_auto,q_auto:good,fl_progressive:steep/https%3A%2F%2Fbucketeer-e05bbc84-baa3-437e-9518-adb32be77984.s3.amazonaws.com%2Fpublic%2Fimages%2F48c02d1e-8db4-4eee-8a9b-bf2a2df43dee_2426x3747.png)

This is the result of many decades of hard work by a huge number of actors in government, academia, and business.

Of course cheap solar and wind are only one piece of the technological puzzle here. For one thing, you need to store energy for when the sun isn’t shining and the wind isn’t blowing — not just from day to night, but from summer to winter. Normal lithium-ion batteries work great for the short term and have come down in cost enormously, but they won’t cut it for the longer-term stuff. But as David Roberts explains, some new longer-term storage technologies like Form Energy’s iron-based batteries may already be competitive with gas plants for firming up the grid in some markets.

Meanwhile, electricity and transportation only account for a little over half of emissions. But technology is pressing ahead on every front! Industrial processes need heat; so we’ll use hydrogen to store energy from renewable sources and burn it for heat. Steel requires carbon to make, but we have an increasing array of new technologies to address that too. Same for cement. And as for retrofitting buildings cheaply to use electricity instead of gas, I know of some very promising developments in that area as well (more to come on that later).

The point here is that we don’t have to depend on any one magical deus ex machina technology to come and save us. There is no single such technology. Instead, everywhere you look, scientists and engineers are inventing new technologies to maintain our industrial society while eliminating greenhouse emissions. And everywhere you look, companies are eager to both develop and purchase these technologies, promising to bring them down in cost the way solar and batteries have fallen in cost.

And a new report from the Institute for New Economic thinking suggests that this flurry of technological innovation has already changed the game in a fundamental way. In “Empirically grounded technology forecasts and the energy transition”, INET’s team notes that we’ve consistently underestimated progress in renewable technology. They argue that realistic forecasts mean that green energy will be so cheap that even businesses that don’t care about climate at all will now find it worth their while to ditch fossil fuels:

Here we take a new approach based on probabilistic cost forecasting methods that made reliable predictions when they were empirically tested on more than 50 technologies. We use these methods to estimate future energy system costs and find that, compared to continuing with a fossil-fuel-based system, a rapid green energy transition will likely result in overall net savings of many trillions of dollars - even without accounting for climate damages or co-benefits of climate policy. We show that if solar photovoltaics, wind, batteries and hydrogen electrolyzers continue to follow their current exponentially increasing deployment trends for another decade, we achieve a near-net-zero emissions energy system within twenty-five years. In contrast, a slower transition…is far more expensive. If non-energy sources of carbon emissions such as agriculture are brought under control, our analysis indicates that a rapid green energy transition would likely generate considerable economic savings while also meeting the 1.5 degrees Paris Agreement target. (emphasis mine).

Cheap renewable energy means that we don’t have to convince everyone in the world to sacrifice for the climate. Every selfish businessperson out there trying to make a buck now has an incentive to switch from coal to solar, just because it’s cheaper. (Note that this completely blows degrowth arguments out of the water, at least as regards climate change.)

And you can already see this start to materialize. The governments of India and China have been pushing back against emissions targets for years, arguing that their economies need to use fossil fuels in order to eliminate poverty. But thanks to the valiant efforts of the people pushing renewable technologies forward, these countries are now starting to decarbonize out of pure self-interest. India has been canceling coal plants left and right. China just announced that it’s canceling the financing of all new coal plants overseas, suggesting that Xi Jinping might have the political clout to take on the entrenched, hugely powerful coal industry. This would never have happened if technological innovation hadn’t made decarbonization an attractive economic prospect in its own right.

Even America’s Republicans may be starting to come around; despite controlling the Presidency and the Senate, they put significant climate provisions in the December Covid relief bill.

In other words, though we haven’t managed to convince the general public to make deep material sacrifices to fight climate change, we have managed to convince several key segments of society to join the fight in a highly effective manner. The effort to invent green technologies has been broad, consistent, sustained, and vigorous. And it’s pretty clear at this point — in a way that it wasn’t clear a decade ago — that the effort is going to be successful. That is what “optimism of the will” gets us; that is what it means to fight ourselves out of a tough situation.

The energy of optimism

This does not mean that the fight is won, and that we can kick back and watch technology stop climate change for us. As the INET report indicates, even optimistic technological scenarios still require strong government action on non-energy sources of emissions such as agriculture and land use. Moreover, technology might make decarbonization cheap, but the fossil fuel lobby is still incredibly powerful, especially in the United States — coal is dead, but oil and gas support tons of jobs and have the ear of the GOP and some Democrats as well. Innovation has opened the door to an emissions-free future, but activism will be needed to push us through that door.

That’s where optimism comes in. Activists need to realize that even though projections have worsened and the 1.5C target will probably be missed, technology has flipped what would otherwise be a truly hopeless situation into a very winnable battle. 10 years ago it looked like in order to stop climate change, activists would have to convince the world to make huge material sacrifices. But now, there’s no need to embrace degrowth, or demand that people live ascetic lives, or abolish capitalism, or any of that stuff. Economic logic is on the activists’ side now. All that’s needed is to overcome the entrenched political power of the lobbies of sunset industries, and their culture warrior allies. Those are powerful enemies, but they’re fundamentally beatable ones.

Climate activists will thus benefit from both a change in attitude and a change in tone. Optimism of the will — the determination to fight our way out of the hole we’ve dug for ourselves — is a reason to get up in the morning. And it also makes for a damn good message. Instead of histrionics, or increasingly shrill and despairing portents of doom, or insistence that capitalism must end NOW NOW NOW OR THE PLANET DIES — all of which alienate more people than they convert — climate activists can deliver a positive, optimistic, can-do message. Climate change is beatable. We can even make money while beating it! Human ingenuity and will can triumph over the brute elemental forces that

#### Regulated cap key to solve---the aff turns off the engine of innovation

Jerry Z. Muller 20. Professor of History at the Catholic University of America. "The Neosocialist Delusion". Foreign Affairs. https://www.foreignaffairs.com/articles/2019-12-10/neosocialist-delusion

TURNING OFF THE ENGINE

Capitalism drives economic and social dynamism, prosperity, and personal freedom but also erodes tradition and stability. It produces universal gains in the long term but inequality and volatility along the way. From Smith onward, the system’s greatest defenders have acknowledged the full range of its effects and accepted the need to address the downsides in a variety of ways, not least in order to preserve political peace and social harmony. Capitalism’s greatest critics, in turn, have always respected its awesome capacity for growth and invention, and successful progressive movements have sought to domesticate markets rather than abolish them.

That is not the game the neosocialists are playing. What is distinctive about their program is not its promises—anybody can produce impossible wish lists—but its threats. They are fundamentally uninterested in sustaining a dynamic, entrepreneurial private sector and milking its proceeds for public investment. They don’t care about the health of the geese, because their economists simply assume an endless supply of golden eggs. They abhor inequality and are out to reduce it in the simplest, most direct way possible: by lopping off the outliers at the top.

The growing popularity of this movement could not come at a worse time, for there are indeed crucial problems on today’s agenda—climate change high among them. Dealing with these challenges will certainly require effective government policy and investment. But the bulk of the actual problem solving and practical innovation involved will inevitably come from the private sector. The war against climate change, that is, will ultimately be fought and won in large part by an army of Schumpeterian entrepreneurs large and small, deploying their mage-like powers for humanity’s collective defense. Unless the neosocialists have their way, and turn off the engines of innovation just when they are needed the most.

#### Data proves

Rainer Zitelmann 10/12/21. Doctorates in history and sociology. "Capitalism is good, not bad, for the environment". Washington Examiner. 10-12-2021. https://www.washingtonexaminer.com/opinion/capitalism-is-good-not-bad-for-the-environment

Every year, the Heritage Foundation ranks countries around the world on their economic freedom. It's a kind of capitalism index .

But analysis shows that the most economically "free" countries also register the highest scores on Yale University’s EPI environmental index , averaging 76.1, while "mostly free" countries averaged 70.2. These two groups have a significant lead over the "moderately free" countries, which received much lower ratings (59.6 points) for their environmental performance.

The countries rated by the Heritage Foundation as either "mostly unfree" or "repressed" received by far the worst Environmental Performance Index scores (46.7 and 50.3, respectively). Researchers at Yale University found that there is not only a correlation between the Heritage Foundation’s index and their own EPI but also between the EPI and the "Ease of Doing Business Index." That latter index is published each year as part of the World Bank’s "Doing Business Report" and is generally regarded as the world’s most comprehensive and reliable gauge of the ease of doing business.

In 2016, researchers published a study in the journal Sustainability that included an evaluation of the correlation between the EPI and the "Open Market Index" compiled by the International Chamber of Commerce. The OMI measures a country’s openness to free trade and is thus an important indicator of economic freedom. The researchers found a high degree of overlap between the OMI index and the EPI:19 of the OMI’s 27 highest-scoring countries also appear in the top 27 of the EPI. The survey covered a total of 75 countries, including all G20 and European Union members. Together, these countries account for more than 90% of international trade and investment. The researchers found evidence for their "hypothesis that countries with an open economy score higher in environmental performance."

There are two real-world observations that also disprove the argument that stronger economic growth automatically leads to greater environmental pollution. First, in noncapitalist countries, environmental degradation has been a far more serious problem than in capitalist countries. Second, the correlation between economic growth and increasing resource consumption is becoming ever weaker in the age of dematerialization.

Put simply, these studies point in the same direction: Capitalism is not the problem. It is the solution — both economically and environmentally.

#### The most comprehensive studies prove that financialization has heterogenous economic impacts---it strengthens developing economies and can’t individually tank developed economies.

Agne Setikiene and Mindaugas Butkus 21. Institute of Regional Development, Vilnius University Siauliai Academy. Associated Professor / Senior Researcher at the Institute of Regional Development. “The Heterogeneous Impact of Financialisation on Economic Growth in the Long Run” *Journal of Risk and Financial Management*, 14(5), 209. https://www.mdpi.com/1911-8074/14/5/209/htm

The study results show that more developed countries, regardless of their institutional quality, most likely experience a negative effect of financialisation on long-run economic growth. However, in countries with a lower level of development, we, in the majority of cases, find a statistically significant positive effect. The fact that the effect of financialisation, mediated by institutional quality, level of development, and interaction using the same proxies, differs across countries, shows that the effect on long-run growth is heterogeneous and depends on variables used to proxy the country’s development level and institutional quality. This finding, to some extent, explains the ambiguous conclusions of previous research.

4. Conclusions

Though there have been many attempts to study the relationship between financialisation and economic growth, this study contributes to the literature by examining the heterogeneous impact of financialisation on long-run economic growth. To the best of our knowledge, there is no other study in which the effect of financialisation on economic growth is examined by considering two simultaneous mediators and their interaction.

This study contributes to the methodological approaches used to estimate the effect of financialisation by augmenting a traditional model with a three-way multiplicative term. Contrary to previous research, which only allowed to estimate the effect of the financialisation on growth directly in different groups of countries, this study contributes to the direct estimation of the variability of the financialisation, which depends on the factors that could mediate the effect of financialisation. The suggested specification of the model and the computation of conditional standard errors could contribute to the analysis of any mediating factor.

Aiming to evaluate the heterogeneous effect of financialisation on long-run economic growth and by computing the conditional marginal effects and their standard errors, we showed that it is possible to find the positive and negative as well as significant and insignificant effect of financialisation in different countries.

The findings of the research support the view that the impact of financialisation on long-run economic growth is heterogeneous. In addition, we find evidence that the source of heterogeneity is the country’s development level and institutional quality, which work simultaneously. Using different combinations of proxies for institutional quality and level of development, we found that more developed countries, regardless of their institutional quality, experience a negative effect of financialisation on long-run economic growth. If investments are directed to stock markets to profit and create shareholder value, resources are shifted from the manufacturing sector to the financial sector, which has a negative impact on economic growth. Contrary, in countries with a lower development level, a positive and statistically significant effect was found. Since credit is channelled to investment in the service sector or the real sector to improve productivity and quality, the financial sector, by providing new opportunities for savers and investors, stimulates economic growth. In many cases, in relatively less-developed countries, the effect of financialisation, mediated by the interaction between secondary school enrollment or tertiary school enrollment and institutional quality indicators, is insignificant. The country’s level of development likely has a stronger impact on the effect of financialisation on economic growth than institutional quality. However, this study did not intend to investigate which factor has a stronger mediating effect on the financialisation-growth nexus. Moreover, including other variables of financialisation and other mediating factors could be considered as the scope for further research.

The results of this paper point out some policy recommendations. For developing countries, financialisation can be a driving force for economic growth. It is more common in countries with a lower development level to find a positive and statistically significant effect of financialisation, which is mediated by the interaction between the size of the service sector and institutional quality. Thus, it is important to allocate financial resources properly and direct investment to the service sector to stimulate its growth. In developed countries, financialisation has a positive effect on long-run economic growth only when it is driven by the interaction of secondary school enrollment and voice and accountability. Thus, for developed countries, other sources of heterogeneity that could reduce the negative effects of financialisation on economic growth should be sought.

#### COVID doesn’t cause collapse and capitalism solves.

Rainer Zitelmann 6/14/21. Doctorates in history and sociology. “Did the coronavirus crisis signal the end of capitalism?” https://www.washingtonexaminer.com/opinion/did-the-coronavirus-crisis-signal-the-end-of-capitalism

Since the dawn of anti-capitalism, the free market’s opponents have been waiting for the great crisis that will bring about its final collapse.

Karl Marx thought he had discovered various economic “laws,” such as the “tendential fall in the rate of profit” and the “relative impoverishment of the proletariat.” For anti-capitalists, the prospect of crisis has always been, above all, a sign of hope — that capitalism would finally (and forever) collapse. But such hopes have been dashed again and again. In many ways, anti-capitalists are like a doomsday cult, undauntedly announcing new dates for the final apocalypse.

In the global financial crisis of 2008, anti-capitalists saw the long-awaited end of capitalism coming, but when this too failed to materialize, they were forced to wait until the coronavirus crisis as a source of new hope. Even in the earliest days of the pandemic, many left-wing intellectuals proclaimed that this crisis marked the final nail in the coffin of capitalism and would finally deliver what they had been hoping for from the 2008 financial crisis, namely a fundamental reorganization of society and the end of capitalism.

An article from William Davies, a British sociologist, appeared in the left-wing Guardian under the headline “The last global crisis didn't change the world. But this one could.” The article continued:

The degree of devastation it will spread is due to very basic features of global capitalism that almost no economist questions — high levels of international connectivity and the reliance of most people on the labour market. These are not features of a particular economic policy paradigm, in the way that fixed exchange rates and collective bargaining were fundamental to Keynesianism. They are features of capitalism as such.

He hoped: “But we can be sure that, as an authentically global crisis, it is also a global turning point. There is a great deal of emotional, physical and financial pain in the immediate future. But a crisis of this scale will never be truly resolved until many of the fundamentals of our social and economic life have been remade.”

Ulrike Herrmann, a well-known German anti-capitalist, wrote an article under the headline “Corona Sunset for Neoliberalism. End of a Theory.” In her article, she proclaimed that “the corona crisis certainly has its advantages” and would, she hoped, “bury the neoliberal ideology” that she alleges has dominated the Western world since 1980. The coronavirus crisis, she argues, shows that there is “no alternative to solidarity … that is, to the state.” For anti-capitalists, the terms “solidarity” and “state” are interchangeable.

“This lesson,” Herrmann continues, “could have been learned after the 2008 financial crisis, but at that time, the neoliberals once again managed to salvage their hackneyed theories. ... It’s different with corona. It’s obvious to everyone that the ‘market’ can’t ward off the economic impacts of a virus. That’s why everyone is calling for government intervention.”

The French economist Thomas Piketty, speaking at the launch of a new book in which he once again calls for the radical redistribution of wealth, said that the coronavirus crisis has proven that governments can make drastic changes to their economic policies and that this could trigger a change in consciousness. The crisis is demonstrating to governments how much they mobilize to regulate the economy, Piketty said.

Canadian globalization critic and anti-capitalist Naomi Klein saw the coronavirus crisis as an opportunity for an “evolutionary leap.” She explained : “In fact, it’s possible for crisis to catalyze a kind of evolutionary leap. ... We either lose a whole lot of ground, get fleeced by elites, and pay the price for decades, or we win progressive victories that seemed impossible just a few weeks earlier. This is no time to lose our nerve. The future will be determined by whoever is willing to fight harder for the ideas they have lying around.”

In the case of the coronavirus crisis, it is obvious that this is an exogenous event that has nothing to do with the structure of the capitalist economic system. The economist Joseph Schumpeter distinguished between two types of crises, namely those whose causes lie outside the sphere of economic activity and those whose causes arise within this sphere itself.

There have always been epidemics and pandemics. And although globalization meant that the COVID-19 pandemic was able to spread rapidly, it was ultimately capitalism that ensured that, so soon after the crisis started, countermeasures would be ready to deal with and overcome it — from protective masks and coronavirus tests to vaccines developed by the despised capitalist pharmaceutical companies.

#### Empirical rigor and public policy focus drive correction

Harold Meyerson 21. Editor at large of The American Prospect. "The Berkeley School". American Prospect. 3-25-2021. https://prospect.org/economy/berkeley-school-economics/

BERKELEY HASN’T GONE it alone over the past three decades. Two Washington-based think tanks—the Economic Policy Institute and the Center for Economic Policy Research—have played key roles in studying our increasingly dysfunctional economy and developing policies to create more broadly shared prosperity. EPI, which was founded in 1986, has chiefly served as a tribune for the interests of American workers. In its long-running annual reports on The State of Working America and in a host of other papers, it has created some memorable explanations of the rise in inequality, including its graph charting the increases in productivity and income since the end of World War II (which rose in tandem until the 1970s, after which productivity continued to increase while median wages flatlined) and its yearly reports on the ratio of CEO pay to median worker pay. For its part, CEPR has highlighted a range of concerns, not least the several years of pre-2008-crash warnings from economist Dean Baker that the housing market had become a bubble that would soon and calamitously pop.

Berkeley builds on one other valuable and unsung tradition. Beyond the rarified debates of freshwater versus saltwater economics in elite universities, a few heroic radical economics departments kept alive the tradition of historical inquiry and critique of market folly. At the University of Massachusetts at Amherst, the New School in New York, and the University of California at Riverside, neo-Marxists and institutionalists created centers of scholarly dissent. Other schools, such as the Levy Institute at Bard College, were hospitable to the radicalism of Keynes, as opposed to watered down neo-Keynesianism. These critics proved prescient about the failure of markets and influenced the new mainstream at Berkeley and beyond. Heather Boushey, now on President Biden’s Council of Economic Advisers, has her Ph.D. from the New School.

Within the circuit of Berkeley, Harvard, MIT, and Princeton, there are frequent migrations of professors and newly minted Ph.D.s. “I have eight former Ph.D. students now on the Berkeley faculty,” says Harvard’s Katz. Sometimes, the migrations flow west to east, as in the case of Harvard’s Raj Chetty, one of the discipline’s leading empirical economists on such topics as intergenerational mobility (or the lack thereof), who began such work at Berkeley and is now continuing it in Cambridge.

That said, Berkeley sounds increasingly confident about its hard-won place in the economics ecosystem. “If you want to do labor economics, or public [policy] economics, you can make the case that Berkeley is the place to come,” says Rothstein. Ellora Derenoncourt, who was hired last year as an assistant professor both in the economics department and the Goldman School, says she came because Berkeley offered “a space to combine inequality studies with policy solutions.” Since she’s been on staff, she’s talked to a number of students who’d been admitted to several graduate economics programs at top-ranked schools and were deciding which to attend. For many, she says, “it’s the inequality issue that pushes them to come to Berkeley.”

Increasingly, that issue isn’t seen as one simply of income, education, and class. “Economics has not been the discipline at the forefront of understanding racism,” Derenoncourt notes, and, indeed, economics departments have long been the whitest and most male of any of the social sciences. Not surprisingly, a growing number of professors and graduate students are now working on issues of racial and gender inequality, and the experience of immigrants as well.

Nina Roussille is one of those students; she just completed her doctoral studies after five years at Berkeley and as an IRLE associate. Her dissertation used the database provided by Hired.com to research gender differences in salary, where she found that mid-career women generally ask for lower salaries than their male counterparts seeking the same jobs, as their networks tend to include more experienced women workers who’ve been accustomed to lower salaries than their male co-workers.

At Berkeley, she says, the emphasis in choosing your dissertation topic is often on whether the topic could address a question in a way that could change the way people work, or the policies that shape their work. “It’s certainly not the case in departments across the nation,” she says, “but at Berkeley, everyone is trying to be on that frontier.”

And that frontier may just be spreading. “Berkeley, Harvard, MIT, and Princeton are the leaders, but there’s a broad shift toward a more empirical focus,” says Harvard’s Katz. “You see it in young European economists. Even the young people at Chicago are using these methods.”

Indeed, a paper issued this February confirms Katz’s assessment. Using “anonymized bank account data covering millions of households,” the paper examined whether the federally funded increase in unemployment insurance benefits during the pandemic actually discouraged the recipients of the more-generous-than-usual UI from seeking work, as the standard economic models predicted (and as West Virginia Sen. Joe Manchin said he suspected). Instead, the authors wrote, while “simple job search models predict a sharp decline in search in the wake of a substantial benefit expansion … we instead find that the job-finding rate is quite stable.”

In not discouraging job hunting and in boosting economic activity generally, they concluded, “benefit expansions during the pandemic were a more effective policy than predicted by standard structural models.”

And the authors of this bit of empirically derived heresy? Three economists from the JPMorgan Chase Institute and three from the University of Chicago. And, the unkindest cut of all, the paper was published by Chicago’s Becker Friedman Institute, named after the university’s celebrated laissez-faire apostles Gary Becker and Milton Friedman.

The age of Berkeley economics may just be getting started.

#### Financial stability is improving. Ignore fear mongering.

Tobias ADRIAN 17. Financial Counsellor and Director, Monetary and Capital Markets Department, IMF; previous Senior Vice President, Federal Reserve Bank of New York and Associate Director of the Research and Statistics Group; PhD, Economics, MIT. “Assessing Global Financial Stability.” Presentation at the London School of Economics. October 27. <http://www.imf.org/en/News/Articles/2017/10/27/sp-102717-assessing-global-financial-stability>.

There are good news: near-term financial stability risks are lower, driven by a decline in macroeconomic and emerging market risks.

As outlined in the IMF’s most recent World Economic Outlook, the upswing in global activity has gained further steam, with global growth projected to rise to 3.6 percent in 2017 and 3.7 percent in 2018—in both cases 0.1 percentage point above our previous forecasts, and well above the global growth rate of 3.2 percent in 2016. This is laying hopes for a sustained recovery and should allow for the eventual normalization of monetary policies.

The core of the global financial system is stronger. Systemically important banks and insurers continue to enhance their resilience by raising capital and liquidity, addressing legacy issues, and adapting their business models to the evolving regulatory and market environment.

In emerging markets, capital flows are rebounding, driven in part by stronger fundamentals. Portfolio inflows to emerging market economies are on track to reach $285 billion in 2017, more than twice the total over the past two years. The cost of financing is low, and their currencies and equity prices have strongly appreciated this year.

Globally, supportive monetary and financial conditions and buoyant financial markets have helped foster growth and repair balance sheets.

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

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

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

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

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

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

#### 1NC said CCP was bad, not China---there’s a distinction

Josh Rogin 21. Columnist covering foreign policy and national security. George Washington University, BA in International Affairs 2001; Sophia University, Tokyo "Opinion: The United States must confront the Chinese Communist Party and racism at the same time". Washington Post. 3-25-2021. https://www.washingtonpost.com/opinions/global-opinions/the-united-states-must-confront-the-chinese-communist-party-and-racism-at-the-same-time/2021/03/25/63fe8308-8d9c-11eb-9423-04079921c915\_story.html

The United States must compete with China and confront the Chinese government on a range of issues while simultaneously combating the rise of anti-Asian racism at home. These two missions are not at odds with each other, as the Chinese Communist Party (CCP) would have you believe. In fact, they must go hand in hand.

In Alaska last weekend, Chinese government leaders sought to stoke our country’s racial divisions, accusing the United States of having “slaughtered” African Americans, to deflect criticism over Beijing’s mass atrocities against its Uyghur Muslim population. Meanwhile, CCP propaganda outlets have been using the killing last week in the Atlanta area of eight innocent people (six of them Asian) to cast aspersions on those who are condemning the Chinese government’s atrocities. Beijing’s goal is to conflate and confuse two related but distinct issues: challenging the Chinese government and the need to fight racism in the United States. But their gambit amounts to presenting a false choice between doing one or the other.

“It is part of a broader strategy that the Chinese Communist Party is enacting to undermine our democracy,” Rep. Stephanie Murphy (D-Fla.) told me in an interview. “So when you see them creating that false equivalency . . . it is their way to sow discord in our society, because they understand when we are not united, we are weaker in leading the world in confronting their bad behavior.”

Murphy, a former Pentagon official who came to the United States as a child refugee from Vietnam, said that the use of racist language by former president Donald Trump and other GOP officials plays into the CCP’s hands. Yet at the same she emphasized that U.S. leaders have to be able to speak honestly and critically about the CCP’s negative behaviors, including its mishandling of the covid-19 pandemic.

The rise of racism against Asian Americans not only hurts the United States’ ability to deal with China, but also it harms efforts to make common cause with our regional allies and partners such as Japan, South Korea and Vietnam. Those governments’ ability to join the United States in confronting China is hurt when members of their diaspora communities are mistreated in the United States.

“We have to be able to make a very clear distinction that our adversary and competitor is the Chinese Communist Party, not the Chinese people, and certainly not the Asian Americans who live here and who have contributed so much to this country,” Murphy said. “When we attack Americans of Asian descent, we attack ourselves.”

Some American commentators argue that the effort to confront the Chinese government’s behavior has fueled the staggering rise in hate and violence directed at Asians and Asian Americans in the United States. It’s certainly true that Trump’s racist rhetoric regarding the coronavirus fueled hate and conflated the two issues, tragically. And U.S. government efforts to confront CCP influence operations in our country have at times unfairly targeted people of Chinese origins.

Such targeting of Asians and Asian Americans makes us weaker at home and abroad. We must learn from, not repeat, examples from history when U.S. foreign policy negatively affected American minorities, including the mass internment of U.S. citizens and noncitizens of Japanese descent during World War II and the mistreatment of Arab and Muslim Americans after 9/11.

Rep. Ro Khanna (D-Calif.), the son of Indian immigrants, told me that the United States has to out-compete China without replicating the paradigms of the Cold War. But, he said, we must also stand up to the authoritarian and repressive model the Chinese government is putting forward without ceding our moral authority.

“That has to be the balance, enhance America’s strategic interest but clearly reject provocative rhetoric that’s intended to play to a base,” he said. “There’s a way to frame our moral position as a liberal democracy . . . without coming off as demonizing an entire civilization in a way that hurts Chinese or Chinese Americans.”

Khanna and Rep. Mike Gallagher (R-Wis.) have co-sponsored a bill, the Endless Frontier Act, to revamp the National Science Foundation to try to out-compete China through technological innovation. Senate Majority Leader Charles E. Schumer (D-N.Y.) and Sen. Todd C. Young (R-Ind.) are cooperating on companion legislation in the Senate. These efforts will be a major test of whether bipartisan cooperation on the China challenge is possible.

It’s not the drive to confront China that is fueling hate and racism against Asians in America. Political opportunists are abusing that effort by fueling bigotry to score political points. This makes a unified strategy to confront the Chinese government only more difficult to achieve. In fact, addressing racism at home is crucial to winning the competition with China in the long run.

“We have to be aggressive in our policies and working with our allies to combat the violations the Chinese are making, but at the same time, we can hold the CCP accountable without scapegoating Asian Americans,” Murphy said. “And we have a responsibility to do that.”

#### No self-fulfilling prophesy---securitizing the danger of US-China war creates the caution and risk-aversion necessary to avoid it.

Wang 20, Professor of Political Science at Western Michigan University. He holds a Ph.D. in political science from the University of Chicago. (Yuan-kang, 11/9/20, "Roundtable 12-2 on *Thucydides’s Trap? Historical Interpretation, Logic of Inquiry, and the Future of Sino-American Relations*", *H-Diplo | ISSF*, https://issforum.org/roundtables/12-2-thucydides)

Throwing the Baby Out with the Bathwater? Chan warns that the discourse on Thucydides’s Trap and power transition can create a self-fulfilling prophecy. If leaders believe in Thucydides’s Trap and act accordingly, it may create the anticipated conditions that make war more likely. Talking and thinking in terms of Thucydides’s Trap will influence the state’s construction of its identity as well as its definition of interests and preferences. The discourse is harmful because it encourages ‘othering’ the opponent and contributes to confrontation. Should we, then, throw out the proposition that war is more likely when the system is undergoing a power transition? It might be worthwhile to go back to what Thucydides’s Trap refers to: “the severe structural stress caused when a rising power threatens to upend a ruling one. In such conditions, not just extraordinary, unexpected events, but even ordinary flashpoints of foreign affairs, can trigger large-scale conflict.”[112] Instead of creating a self-fulfilling prophecy, this statement should induce caution from leaders in Beijing and Washington. Understanding the danger of war is the first step to avoid being trapped in it. Like Chan, Allison seeks to offer “a set of principles and strategic options for those seeking to escape Thucydides’s Trap and avoid World War III.”[113] Obviously, historical analogies cannot completely capture an ongoing event. Allison himself cautions against “facile analogizing” and emphasizes that “the differences matter at least as much as the similarities.”[114] The purpose of analogizing Thucydides’s Trap is not to shoehorn China and the United States into the roles of Athens and Sparta respectively, as Chan suggests (17-18), but to underscore the enduring feature of international politics throughout the ages. The dynamics of conflict highlighted by Thucydides remain as relevant today as it was two thousand years ago. Many scholars accuse structural theory of determinism, as Chan does, (14, 34), even though structuralists do not adopt it. States can go to war for a variety of reasons. Attempting to isolate a single cause for all wars is impossible. The proposition that war tends to break out during a power transition is better understood as a probabilistic—not deterministic—statement. The structural tensions cause by power shifts can substantially increase the probabilities of war, much like dry leaves waiting for a spark, but it does not mean that war will inevitably break out. Properly understood, Thucydides’s Trap cautions us to be prepared for the danger of war during a power transition. Overall, Chan’s book provides a stronger critique of power transition theory than of Thucydides’s Trap. Students of power shifts should take his argument seriously and avoid the pitfalls he identifies. We should not, however, hastily dismiss the warnings of Thucydides’s Trap.

#### Capitalism is antiracist.

Paul F. deLespinasse 20. Professor Emeritus of Political Science and Computer Science at Adrian College. “Capitalism no friend to racism”. https://www.gazettetimes.com/news/local/paul-f-delespinasse-capitalism-no-friend-to-racism/article\_85bac3a8-805b-587d-9725-0e10f09547a8.amp.html

Some people argue that eliminating racism requires getting rid of capitalism. But racism existed before capitalism developed. Since racism exists in non-capitalist societies, capitalism can't be blamed for it.

True, in some ways capitalism is friendly to racism.

Capitalism combines mostly free markets with predominantly private ownership of the means of production, except for land and other natural resources. (Privately owned natural resources aren't essential characteristics and must probably be abandoned if capitalism is to survive. The alternative isn't governmental ownership of natural resources, but ownership by the public, with government acting as a trustee for it.)

In a market economy people are free to enter into voluntary associations, created by mutual consent, to exchange or transfer inducements. People can hire and be hired, buy and sell, mostly at mutually agreed-upon prices.

Mutual consent being required, racists can refuse to enter voluntary associations with members of the target race. They can refuse to hire them, sell to them or buy from them.

Racism is rooted in stereotyping, assuming that "when you have seen one (person of a certain race), you have seen them all." Since all individuals are unique, stereotyping is stupid, but freedom includes freedom to act stupidly.

To this extent capitalism is racism's ally. But there is another side to this story.

Although capitalism's freedom allows people to indulge their prejudices, it makes them pay for doing so. Their economic interest would be to hire the best available people without considering their race and to sell to all willing customers. Not doing this reduces their income.

Since buyers and sellers want to make the best deals possible, capitalism pushes society away from racist behavior even though it won't immediately eliminate racist thinking. A notable example was a well-known bigot who owned a sports team and hired black athletes because she wanted her team to win.

Racist thinking, though, should be undermined by capitalism's encouragement of voluntary associations between people of different races. Personal relations can undermine people's tendency to think in terms of stereotypes.

The American South was not capitalistic before the Civil War. Slaves did not give their consent to be associated with their owners. Their association was involuntary, not voluntary. They were kept in bondage by sanctions —government's power of the sword.

Capitalism didn't come to the South even after the Civil War. Once the attempted "reconstruction" reforms ended, state governments prevented the normal anti-racist capitalistic tendencies from working. Segregation made it illegal for white people and black people to enter into many kinds of voluntary associations with one another, to work together, to go to school together, even to marry. The fact that governments enacted such legislation indicates their fear that people otherwise would associate with those of different races.

These restrictions clearly violated the basic essence of capitalism: freedom of voluntary association by mutual consent of the parties. Racist societies are not expressions of capitalism, but its contradiction.

And they violated a fundamental requirement of good government: the rule of law. Genuine laws must be general rules of action and cannot impose sanctions on people on the basis of their race.

Some more recent legislation attempting to force bigots to stop discriminating on the basis of race also contradicts the basic capitalistic principle. How can people be forced to enter voluntary associations without their consent when such associations, by definition, require mutual consent?

It is no wonder that today's very well-intended antidiscrimination law is such a conceptual mess. (Open accommodation — first come, first served — laws, however, seem to work well.)

Although capitalism enables bigots to discriminate, it makes them pay an economic price in the form of lost business and lost opportunities to employ the best people. Economic interest tends to pull people together.

Capitalism and racism are basically deadly enemies.

# 1NR

## Case

#### Cap isn’t racist but socialism is.

Jim Lindgren 18. Professor of Law at Northwestern University. "Can There Be Capitalism Without Racism? – Reason.com". No Publication. 8-20-2018. https://reason.com/volokh/2018/08/20/can-there-be-capitalism-without-racism/?amp

The website Campus Reform points to a multi-year academic program, Racial Capitalism, hosted at the UC-Davis Humanities Institute that explores the links between racism and capitalism (tip to Glenn Reynolds). Among the questions that were asked at the event launching the program are:

1. "Which came first, capitalism or racism?"
2. "Can there be capitalism without racism?"
3. "Is capitalism always racial?"

IMO, the answers to these questions are fairly obvious:

1. Racism came first. Every inhabited continent had slaves, and ethnic out-groups were among the most likely to be enslaved. It is the abolition of slavery that is particularly Western, as Orlando Patterson explains his books Freedom and Slavery and Social Death.
2. (and 3.) If there can be any economic system without racism (I suppose it depends on how high one's standards are), then capitalism is not always racist and there can be capitalism without racism. Capitalism is easier to square with a reduction in racism than most ideologies because (a) it is individualistic, (b) it is not built on envy for despised groups, and (c) in the United States at least, pro-capitalists tend to be less racist personally than anti-capitalists.

Indeed, in the general public it is the opposition to capitalism and the desire for redistribution that are positively associated with racism and intolerance.

I explore this relationship in "Redistribution and Racism, Tolerance and Capitalism," which analyzes data from 20 nationally representative surveys of the general public.

Abstract

In debates over the roles of law and government in promoting the equality of income or in redistributing the fruits of capitalism, widely different motives are attributed to those who favor or oppose capitalism or income redistribution. According to one view, largely accepted in the academic social psychology literature (Jost et al., 2003), opposition to income redistribution and support for capitalism reflect an orientation toward social dominance, a desire to dominate other groups. According to another view that goes back at least to the nineteenth century origins of Marxism, anti-capitalism and a support for greater legal efforts to redistribute income reflect envy for the property of others and a frustration with one's lot in a capitalist system.

In this paper I expand and test the first (social dominance) thesis using twenty nationally representative General Social Surveys conducted by the National Opinion Research Center between 1977 and 2010, involving over 21,000 respondents. I first show that respondents who express traditionally racist views (on segregation, interracial marriage, and inborn racial abilities) tend to support greater income redistribution. Traditional racists also express less positive views toward free-market capitalism and its consequences, tending to want the government to guarantee jobs for everyone and to fix prices, wages, and profits. Next, I report a similar pattern for those who express intolerance for unpopular groups on the fifteen Stouffer tolerance questions (regarding racists, homosexuals, communists, extreme militarists, and atheists). Those who express less tolerance for unpopular groups tend to favor income redistribution and to be less supportive of capitalism and its discontents. Using full latent variable structural equation modeling shows similar results. The data are broadly inconsistent with the standard belief in the social psychology literature that pro-capitalist and anti-redistributionist views are positively associated with racism and intolerance.

I then explore an alternative hypothesis, showing that, compared to anti-redistributionists, strong redistributionists have much higher odds of reporting anger, sadness, loneliness, outrage, and other negative emotions. Similarly, anti-redistributionists had much higher odds of reporting being happy or at ease. Last, both redistributionists and anti-capitalists expressed lower overall happiness, less happy marriages, and lower satisfaction with their financial situations and with their jobs or housework. Further, in several General Social Surveys anti-redistributionists were generally more likely to report altruistic behavior than those who favored a stronger policy of government redistribution of income.

In addition, in a 1996 survey:

Not only do redistributionists report more anger, but they report that their anger lasts longer. Further, when asked about the last time they were angry, strong redistributionists were more than twice as likely as strong opponents of leveling to admit that they responded to their anger by plotting revenge.

The more interesting question (than whether you can have capitalism without racism) is whether you can have socialism without racism. The answer is yes, but the reason is an enlightening one.

In the long run, a robust socialism (that dominates most of the economy) tends to lead to the scapegoating of demonized out-groups, because there must be someone to blame for economic failure. Thus, the Soviet Union began with hating the Kulaks and the ownership class more generally, but once these were destroyed, they needed someone else to blame. Though it took many decades, the Soviet Union went beyond targeting "counter-revolutionaries" to add Jews to the list. So the demonized out-groups under socialism don't have to be defined by race or ethnicity; they could instead be defined by economic class, religion, or nationality. Accordingly, socialism doesn't have to be racist, but when it dominates the economy almost inevitably there must be some group to despise.

It would be good if the academy in general–and the UC-Davis Racial Capitalism program in particular–were ideologically diverse enough to reflect some of the substantial evidence from the last few decades on the relationship of capitalism and racism in the views of the general public, evidence that tends to point to a negative association between racism and support for capitalism.

#### Markets are key to innovation and resource allocation---alternatives fail

Allison Schrager 20. is an economist, senior fellow at the Manhattan Institute, and co-founder of LifeCycle Finance Partners, LLC. “Why Socialism Won’t Work”. https://foreignpolicy.com/2020/01/15/socialism-wont-work-capitalism-still-best/

Yet the very ills that socialists identify are best addressed through innovation, productivity gains, and better rationing of risk. And capitalism is still far and away the best, if not only, way to generate those outcomes.

Today’s socialism is difficult to define. Traditionally, the term meant total state ownership of capital, as in the Soviet Union, North Korea, or Maoist China. Nowadays, most people don’t take such an extreme view. In Europe, social democracy means the nationalization of many industries and very generous welfare states. And today’s rising socialists are rebranding the idea to mean an economic system that delivers all the best parts of capitalism (growth and rising living standards) without the bad (inequality, economic cycles).

But no perfect economic system exists; there are always trade-offs—in the most extreme form between total state ownership of capital and unfettered markets without any regulation or welfare state. Today, few would opt for either pole; what modern socialists and capitalists really disagree on is the right level of government intervention.

Modern socialists want more, but not complete, state ownership. They’d like to nationalize certain industries. In the United States, that’s health care—a plan supported by Democratic presidential candidates Elizabeth Warren (who does not call herself a socialist) and Bernie Sanders (who wears the label proudly). In the United Kingdom, Labour Party leader Jeremy Corbyn, who was trounced at the polls in mid-December, has set his sights on a longer list of industries, including the water, energy, and internet providers.

Other items on the socialist wish list may include allowing the government to be the primary investor in the economy through massive infrastructure projects that aim to replace fossil fuels with renewables, as Green New Deal socialists have proposed. They’ve also floated plans that would make the government the employer of a majority of Americans by offering guaranteed well-paid jobs that people can’t be fired from. And then there are more limited proposals, including installing more workers on the boards of private companies and instituting national rent controls and high minimum wages.

For their part, modern capitalists want some, but less, state intervention. They are skeptical of nationalization and price controls; they argue that today’s economic problems are best addressed by harnessing private enterprise. In the United States, they’ve argued for more regulation and progressive taxation to help ease inequality, incentives to encourage private firms to use less carbon, and a more robust welfare state through tax credits. Over the past 15 years, meanwhile, capitalist Europeans have instituted reforms to improve labor market flexibility by making it easier to hire and fire people, and there have been attempts to reduce the size of pensions.

No economic system is perfect, and the exact right balance between markets and the state may never be found. But there are good reasons to believe that keeping capital in the hands of the private sector, and empowering its owners to make decisions in the pursuit of profit, is the best we’ve got.

One reason to trust markets is that they are better at setting prices than people. If you set prices too high, many a socialist government has found, citizens will be needlessly deprived of goods. Set them too low, and there will be excessive demand and ensuing shortages. This is true for all goods, including health care and labor. And there is little reason to believe that the next batch of socialists in Washington or London would be any better at setting prices than their predecessors. In fact, government-run health care systems in Canada and European countries are plagued by long wait times. A 2018 Fraser Institute study cites a median wait time of 19.8 weeks to see a specialist physician in Canada. Socialists may argue that is a small price to pay for universal access, but a market-based approach can deliver both coverage and responsive service. A full government takeover isn’t the only option, nor is it the best one.

Beyond that, markets are also good at rationing risk. Fundamentally, socialists would like to reduce risk—protect workers from any personal or economywide shock. That is a noble goal, and some reduction through better functioning safety nets is desirable. But getting rid of all uncertainty—as state ownership of most industries would imply—is a bad idea. Risk is what fuels growth. People who take more chances tend to reap bigger rewards; that’s why the top nine names on the Forbes 400 list of the richest Americans are not heirs to family dynasties but are self-made entrepreneurs who took a leap to build new products and created many jobs in the process.

Some leftist economists like Mariana Mazzucato argue that governments might be able to step in and become laboratories for innovation. But that would be a historical anomaly; socialist-leaning governments have typically been less innovative than others. After all, bureaucrats and worker-corporate boards have little incentive to upset the status quo or compete to build a better widget. And even when government programs have spurred innovation—as in the case of the internet—it took the private sector to recognize the value and create a market.

And that brings us to a third reason to believe in markets: productivity. Some economists, such as Robert Gordon, have looked to today’s economic problems and suggested that productivity growth—the engine that fueled so much of the progress of the last several decades—is over. In this telling, the resources, products, and systems that underpin the world’s economy are all optimized, and little further progress is possible.

But that is hard to square with reality. Innovation helps economies do more with fewer resources—increasingly critical to addressing climate change, for example—which is a form of productivity growth. And likewise, many of the products and technologies people rely on every day did not exist a few years ago. These goods make inaccessible services more available and are changing the nature of work, often for the better. Such gains are made possible by capitalist systems that encourage invention and growing the pie, not by socialist systems that are more concerned with how the existing pie is cut. It is far too soon, in other words, to write off productivity.

## Delegation CP

#### Participation must be prior and considered---its key to legitimacy of rules and participation

Rohit Chopra and Lina Khan 20. Rohit Chopra, Commissioner, Federal Trade Commission. And Lina M. Khan, Academic Fellow, Columbia Law School; Counsel, Subcommittee on Antitrust, Commercial, and Administrative Law, US House Committee on the Judiciary; former Legal Fellow, Federal Trade Commission. “The Case for "Unfair Methods of Competition" Rulemaking”. The University of Chicago Law Review , Vol. 87, No. 2 (March 2020), pp. 357-380. https://www.jstor.org/stable/10.2307/26892415

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

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

#### Admin law is precedent setting---genuine consultation now becomes inalienable---the plan and perm signal nullification is legitimate

Giulio Napolitano 14. Professor of Administrative Law, Law Department, University of Roma Tre. "Conflicts and strategies in administrative law". OUP Academic. 8-1-2014. https://academic.oup.com/icon/article/12/2/357/710357

Conflicts in administrative law are not a single-battle war. Every move of an actor responds to the moves made by others. That’s why administrative law is a repeated interactions game. Each move is incremental and path-dependent. Devices and mechanisms set up in the previous round cannot be easily and fully dismantled.

Let’s take the example of independent authorities. Once they are established in order to insulate the implementation of specific policies from the influence of the government or from the pressure from local interests, it becomes difficult to abolish them: even when the rule-making power comes back into the hands of national legislators or executives. As a consequence, reactions must be fine-tuned and sophisticated. The preferred solutions will be, for instance, the transfer of a specific power from the regulatory agency to the executive, or the submission of some sensible prerogatives of the independent body to ex ante directives or ex post approval by a political actor.36

Further, procedural rights are difficult to withdraw: even more than organizational devices. Once they have been recognized, even if sometimes for purely instrumental reasons of fire-alarm signaling, they become sanctified as inalienable rights.37 That’s why adjustments and reactions must be interstitial: the right to be heard and other prerogatives of private actors cannot be nullified. Changing time limit for comments, enlarging or restricting addressees of participatory rights, shifting the burden of proof from the acting agency to private parties, and vice-versa, are among the most preferred solutions.

#### If the perm has the agency do the aff, not doing notice-and-comment over the aff means courts are forced to strike down, stop enforcing, or make broad exceptions notice-and-comment that make it functionally useless.

DC Court of Appeals 17. United States Court of Appeals for the District of Columbia Circuit. “Ryan Zinke, in his official capacity as secretary of the U.S. Department of the Interior, et al., Appellees.” 12/22/17. https://www.biologicaldiversity.org/species/mammals/African\_elephants/pdfs/Ivory\_ban-DC\_Circuit\_opinion.pdf

The court explained that “an utter failure to comply with notice and comment cannot be considered harmless if there is any uncertainty at all as to the effect of that failure.” Id. The court went on to reject the notion that complainants must indicate “additional considerations they would have raised in a comment procedure,” had they been given the opportunity. Id. at 97. The court explained: Here the government would have us virtually repeal section 553’s requirements: if the government could skip those procedures, engage in informal consultation, and then be protected from judicial review unless a petitioner could show a new argument—not presented informally—section 553 obviously would be eviscerated. The government could avoid the necessity of publishing a notice of a proposed rule and perhaps, most important, would not be obliged to set forth a statement of the basis and purpose of the rule, which needs to take account of the major comments—and often is a major focus of judicial review.

#### Perms sever the mandate of the plan---counterplan doesn’t fiat antitrust law but recommends a rule---process could result in no change---makes the affirmative conditional and a moving target

Justia 21. "Notice and Comment Process for Agency Rulemaking". Updated: May 2021. Accessed: 8/26/2021. https://www.justia.com/administrative-law/rulemaking-writing-agency-regulations/notice-and-comment/

Agencies must consider all “relevant matter presented” during the comment period, and they must respond in some form to all comments received. They are not, however, required to take any specific action with regard to the rule itself. The publication of the final rule must include analyses of any relevant data or other materials submitted by the public and a justification of the form of the final rule in light of the comments the agency received.

If opposition to the proposed rule is exceptionally large or strident, the agency may decide to make substantial modifications and start the process over by publishing a new notice and opening a new comment period. Otherwise, the agency will publish its final findings along with the rule, which is codified in the Code of Federal Regulations.

#### “Resolved”---means certain.

Webster’s Revised Dictionary 1996 ((1.) RESOLVED MEANS “HAVING A FIXED PURPOSE; DETERMINED; RESOLUTE”)

#### “Should”---means must

Nieto 9 – Judge Henry Nieto, Colorado Court of Appeals, 8-20-2009 People v. Munoz, 240 P.3d 311 (Colo. Ct. App. 2009)

"Should" is "used . . . to express duty, obligation, propriety, or expediency." Webster's Third New International Dictionary 2104 (2002). Courts [\*\*15] interpreting the word in various contexts have drawn conflicting conclusions, although the weight of authority appears to favor interpreting "should" in an imperative, obligatory sense. HN7A number of courts, confronted with the question of whether using the word "should" in jury instructions conforms with the Fifth and Sixth Amendment protections governing the reasonable doubt standard, have upheld instructions using the word. In the courts of other states in which a defendant has argued that the word "should" in the reasonable doubt instruction does not sufficiently inform the jury that it is bound to find the defendant not guilty if insufficient proof is submitted at trial, the courts have squarely rejected the argument. They reasoned that the word "conveys a sense of duty and obligation and could not be misunderstood by a jury." See State v. McCloud, 257 Kan. 1, 891 P.2d 324, 335 (Kan. 1995); see also Tyson v. State, 217 Ga. App. 428, 457 S.E.2d 690, 691-92 (Ga. Ct. App. 1995) (finding argument that "should" is directional but not instructional to be without merit); Commonwealth v. Hammond, 350 Pa. Super. 477, 504 A.2d 940, 941-42 (Pa. Super. Ct. 1986). Notably, courts interpreting the word "should" in other types of jury instructions [\*\*16] have also found that the word conveys to the jury a sense of duty or obligation and not discretion. In Little v. State, 261 Ark. 859, 554 S.W.2d 312, 324 (Ark. 1977), the Arkansas Supreme Court interpreted the word "should" in an instruction on circumstantial evidence as synonymous with the word "must" and rejected the defendant's argument that the jury may have been misled by the court's use of the word in the instruction. Similarly, the Missouri Supreme Court rejected a defendant's argument that the court erred by not using the word "should" in an instruction on witness credibility which used the word "must" because the two words have the same meaning. State v. Rack, 318 S.W.2d 211, 215 (Mo. 1958). [\*318] In applying a child support statute, the Arizona Court of Appeals concluded that a legislature's or commission's use of the word "should" is meant to convey duty or obligation. McNutt v. McNutt, 203 Ariz. 28, 49 P.3d 300, 306 (Ariz. Ct. App. 2002) (finding a statute stating that child support expenditures "should" be allocated for the purpose of parents' federal tax exemption to be mandatory).

#### “Substantial”---means full not merely possible.

Words & Phrases 64 (40 W&P 759)

The words “outward, open, actual, visible, substantial, and exclusive,” in connection with a change of possession, mean substantially the same thing. They mean not concealed; not hidden; exposed to view; free from concealment, dissimulation, reserve, or disguise; in full existence; denoting that which not merely can be, but is opposed to potential, apparent, constructive, and imaginary; veritable; genuine; certain; absolute; real at present time, as a matter of fact, not merely nominal; opposed to form; actually existing; true; not including admitting, or pertaining to any others; undivided; sole; opposed to inclusive.

#### “Prohibitions”---eliminates all possibility that the activity is legal---the counterplan is a restriction

PEDIAA 15. “Difference Between Prohibited and Restricted”. https://pediaa.com/difference-between-prohibited-and-restricted/

Main Difference – Prohibited vs. Restricted

Prohibited and Restricted are used in reference to limitations and prevention. However, they cannot be used interchangeably as there is a distinct difference between them. Prohibited is used when we are talking about an impossibility. Restricted is used when we are talking about something that has specific conditions. The main difference between prohibited and restricted is that prohibited means something is formally forbidden by law or authority whereas restricted means something is put under control or limits.

What Does Prohibited Mean

Prohibited is a variant of the verb prohibit. Prohibited can be taken as the past tense and past participle of prohibiting as well as an adjective. Prohibited means that something is formally forbidden by law or authority. When we say ‘smoking is prohibited’, it means that smoking is not allowed at all, there are no exceptions. Prohibit indicates an impossibility. This gives out the idea that it is not at all possible under any condition or circumstance. The term Prohibited goods is used to refer to items that are not allowed to enter or exit certain countries. For example, the government of South America lists Narcotic and habit-forming drugs in any form, Poison and other toxic substances, Fully automatic, military and unnumbered weapons, explosives and fireworks as prohibited goods. The following sentences will further explain the use of prohibited.

Inter-racial marriages were not prohibited by the government.

He was proved guilty of using prohibited substances.

No one was allowed to enter the grounds; entry was prohibited.

Prohibited imports are the items that are not allowed to enter a country.Difference Between Prohibited and Restricted

What Does Restricted Mean

Restrict means to put under limits or control. Restricted can be either used as the past tense of restrict or as an adjective meaning limited. When we say something is restricted, it means that limits or conditions have been added to it. It does not mean that it is completely impossible. For example, Restricted goods are allowed to enter or exit a country under certain circumstances. A written permission can help you to import or export that item. Likewise, a restricted area does not mean that people are not allowed to enter; it means that a special permission is required to enter the place. Restricted information refers to information that are not disclosed to the general public for security purposes.

The new regulations restricted the free movement of people.

The club was restricted to its members and their family members.

Only the highest military personnel had access to the restricted area.

American scientists had only restricted access to the area.Main difference - Prohibited vs Restricted

Difference Between Prohibited and Restricted

Meaning

Prohibited means banned or forbidden.

Restricted means limited in extent, number, scope, or action

Possibility

Prohibited means that there is no possibility of doing something.

Restricted means that something can be done under certain conditions.

Adjective

Prohibited functions as an adjective derived from prohibit.

Restricted functions as an adjective derived from restrict.

Past tense

Prohibited is the past tense and past participle of prohibit.

Restricted is the past tense and past participle of restrict.

#### “Expansion” to “antitrust law” must be binding and immediate

Anu Bradford and Adam Chilton 19. Anu Bradford, Henry L. Moses Professor of Law and International Organization, Columbia Law School. Adam S. Chilton, Assistant Professor of Law and Walter Mander Research Scholar. “Competition Law Gone Global: Introducing the Comparative Competition Law and Enforcement Datasets.” Codebook for Version 1. “Comparative Competition Law Dataset”. “CCL\_Law\_Data\_Ver1.dta”. Journal of Empirical Legal Studies 16(2): 411-443.

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| --- | --- |
| Threshold for a “law” that triggers coding | Code all laws, regulations, and constitutional provisions on competition that appear to be legally binding. Ask yourself whether the competition agency could rely on this particular document as a legal basis for bringing an enforcement action or reaching a certain decision. If the document is a mere notice of enforcement priorities, a white paper on planned (future) changes in remedies, or a guideline elaborating on how the agency approaches the questions of market definition, etc., exclude the document from the set of laws that you code. As the name of the document (Regulation v. Guideline) is not always conclusive in revealing its legal status, this may require you to read through the text of a document, or do some additional background investigation to determine whether it should be coded. If you are uncertain, reach out to Lead Coders for guidance – this can be very tricky to determine, particularly as you get used to the survey instrument and coding procedure. |

#### “Expand the scope”---doesn’t occur until a case is won.

Gibson Dunn 21. Lawfirm. Gibson Dunn partner Howard S. Hogan served as an expert witness for 1-800 Contacts. "Second Circuit Issues Important Ruling on Trademark Settlements and Antitrust/IP Interface". Gibson Dunn. 6-14-2021. https://www.gibsondunn.com/second-circuit-issues-important-ruling-on-trademark-settlements-and-antitrust-ip-interface/

Finally, the decision in 1-800 Contacts also serves as a reminder that, in an era in which commentators are encouraging more aggressive and novel antitrust enforcement, the federal judiciary remains the ultimate arbiter of federal antitrust policy. Enforcers seeking to expand the scope of U.S. antitrust law must do more than bring novel cases—they must also prove their cases with hard facts in a court of law.

#### Optimal policymaking---comparison of policymaking settings is key.

C. Scott Hemphill 09. Associate Professor and Milton Handler Fellow, Columbia Law School. “An Aggregate Approach to Antitrust: Using New Data and Rulemaking to Preserve Drug Competition”. Columbia Law Review. https://poseidon01.ssrn.com/delivery.php?ID=588125096113080096106002107108097121035031077054017013065114020077027104102087029081118107106002104019004112030074020109103121006086087059083005011081071001076076040034056104112070118104110067012020072022093015084126127025065066072121017026087065093&EXT=pdf&INDEX=TRUE

B. Antitrust Rulemaking

The previous section advocates a focused increase in the FTC’s “competition policy research and development.”174 If the FTC accepted the suggestion, it would eventually reach a firm, empirically grounded conclusion about the optimal policy for side deals, and thus either confirm or reject the conclusion reached in Part II. That conclusion could be deployed in a variety of policymaking settings, including litigation brought by the Agency, amicus practice, and advocacy for congressional legislation. This section considers a further possibility, that a comprehensive aggregate study of settlement practice could form the basis for substantive policymaking by the Agency in the form of rulemaking.

There is of course an enormous literature on the choice of courts versus agencies, adjudication versus rulemaking, and rules versus standards, and this Article does not engage the full complexity of those debates. My goal here is simply to suggest how the virtues of an aggregate perspective on settlement practice shift the balance in a way that favors agency rulemaking. In other words, the settlement issue highlights certain advantages of moving away from a court-centered model of antitrust law.

#### Literature---rulemaking is an enormous debate---deleting it is unpredictable and anti-educational.

Rohit Chopra and Lina Khan 20. Rohit Chopra, Commissioner, Federal Trade Commission. And Lina M. Khan, Academic Fellow, Columbia Law School; Counsel, Subcommittee on Antitrust, Commercial, and Administrative Law, US House Committee on the Judiciary; former Legal Fellow, Federal Trade Commission. “The Case for "Unfair Methods of Competition" Rulemaking”. The University of Chicago Law Review , Vol. 87, No. 2 (March 2020), pp. 357-380. https://www.jstor.org/stable/10.2307/26892415

We agree that relying solely on adjudication to define the substance of § 5 has generated persistent ambiguity. However, relying on courtroom battles to create precedents that set expectations for the marketplace is not the only vehicle through which the Commission can establish what conduct constitutes an “unfair method of competition.” The Commission has in its arsenal a far more effective tool that would provide greater notice to the marketplace and that is developed through a more transparent and participatory process: rulemaking. Through engaging in rulemaking, the Commission could define “unfair methods of competition” through processes established by the Administrative Procedure Act38 (APA).39

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

#### Topic Education---mechanism is the most important question---sidelining it ruins antitrust policy.

Alison Jones and William E. Kovacic 20. Alison Jones, King’s College London, London, United Kingdom. William E. Kovacic, King’s College London, George Washington University, and United Kingdom Competition and Markets Authority, "Antitrust’s Implementation Blind Side: Challenges to Major Expansion of U.S. Competition Policy". SAGE Journals. 3-20-2020. https://journals.sagepub.com/doi/10.1177/0003603X20912884 https://journals.sagepub.com/doi/10.1177/0003603X20912884

In this article, we do not debate the condition of competition in the U.S. economy, nor do we assess the substantive merits of the respective measures proposed to correct the market and policy deficiencies identified. Instead, we focus on a less noticed issue—the policy implementation challenges that stand between the soaring reform aspirations and their effective realization in practice. We thus take the reform recommendations—presented in scholarly papers, blue-ribbon studies, and in popular essays—at face value, and ask what legislators and policy makers must do to land them. For example, assuming that more aggressive antitrust enforcement is required, how can an effective program actually be delivered—through winning antitrust cases and securing positive change—and how can it be delivered well?

In our view, these “implementation” issues have tended to be overlooked in the modern critique and to have been too quickly side-lined as technical details to be (easily) addressed once the high-level concepts of a bold antitrust program have been settled.21 Implementation is not, however, a simple matter that will necessarily sort itself out once the intellectual architecture is in place. Rather, inattention to implementation challenges invites serious disappointment by creating a chasm between elevated policy commitments and the capacity of responsible public institutions (competition agencies, new regulators, and the courts) to produce expected outcomes. This is the implementation blindside. Unless the blindside is acknowledged and addressed, there is a significant risk that a major reform program will engage considerable resources, public and private, in initiatives that fall well short of their goals. Instead of restoring confidence in the ability of government agencies to enforce antitrust laws effectively, a failed effort might merely reinforce doubts, and cynicism, about the quality of public administration.

This article analyzes important impediments that are likely, if not carefully addressed, to hamper the delivery of the current proposals to expand competition policy significantly and propose ways to overcome them. It commences in Part II by introducing the principal flaws that modern commentary attributes to U.S. antitrust policy (the “crisis in antirust”), before describing some of the proposals offered to bolster competition, strengthen antitrust policy, and restore its centrality as a tool of economic control. It also sketches how the federal and state agencies are responding to demands for more extensive intervention. As already explained, the purpose of this section is not to address the (respective) merits of these policy proposals but to identify the magnitude of the implementation challenges that the proposals for a major expansion of the U.S. antitrust program create.

#### Ground---desirability of antitrust rulemaking is debated.

Rohit Chopra and Lina Khan 20. Rohit Chopra, Commissioner, Federal Trade Commission. And Lina M. Khan, Academic Fellow, Columbia Law School; Counsel, Subcommittee on Antitrust, Commercial, and Administrative Law, US House Committee on the Judiciary; former Legal Fellow, Federal Trade Commission. “The Case for "Unfair Methods of Competition" Rulemaking”. The University of Chicago Law Review , Vol. 87, No. 2 (March 2020), pp. 357-380. https://www.jstor.org/stable/10.2307/26892415

Given that the FTC has largely neglected this tool, some may question the Commission’s authority to issue competition rules and the legal status these rules would have.54 Indeed, a common misconception is that this authority is extremely limited because FTC rulemaking is subject to the extensive hurdles posed by the Magnuson-Moss Warranty–Federal Trade Commission Improvements Act55 (“Magnuson-Moss”). In reality, Magnuson-Moss governs only rulemakings interpreting “unfair or deceptive acts or practices.”56 For rules interpreting “unfair methods of competition,” the FTC has authority to engage in participatory rulemaking pursuant to the APA. Several antitrust scholars have affirmed this authority, and the Appendix lays out further background on and discussion of it.57

Others acknowledge the authority exists but assert that antitrust law is ill suited for rulemaking because antitrust is a common law enterprise. It is true that, as a descriptive matter, antitrust enforcement has proceeded almost exclusively through adjudication.58 But the idea that this approach is normatively desirable is neither clear nor persuasive. Indeed, relying solely on adjudication has certainly not delivered a system with sufficient clarity, efficiency, or transparency.59

#### Overwhelmingly support the plan---public, thinkers, scholars, and activists will vote yes

David Dayen 20. Prospect’s executive editor. "It’s Not a Big Tech Crackdown, It’s an Anti-Monopoly Revolution". American Prospect. 12-18-2020. https://prospect.org/power/its-not-a-big-tech-crackdown-its-an-anti-monopoly-revolution/

Just look at what’s happening across the spectrum. The Federal Trade Commission is seeking information about data collection from nine social media companies. California Attorney General Xavier Becerra, who’s about to join the Biden Cabinet, is suing to compel Amazon’s compliance with an investigation into the company’s workplace protocols and level of coronavirus cases. Amazon warehouse workers in Alabama are voting on unionization with the Trump Labor Board’s blessing. App seller Cydia is suing Apple for creating a monopoly with its App Store. Researcher Zack Maril single-handedly implanted the notion of Google’s web-crawler monopoly in the public consciousness with one report. Northeastern University professor John Kwoka and Imperial College London’s Tommaso Valenti revised the history on firm breakups, showing them to be far superior to behavioral or conduct remedies. And across the pond, the European Union’s new rules on digital services and markets reflect a stronger and more confident challenge to tech firms, which feels like a direct consequence of the flurry of lawsuits.

This rethinking of antitrust policy and the actions it has spawned couldn’t come at a more critical time. As the pandemic consolidates markets, new mergers—from regional banks to big pharmaceutical firms to the world’s largest cannabis company—are being announced every day. The level of mergers and acquisitions is “extraordinary,” says Goldman Sachs’s top M&A banker Stephan Feldgoise, and he expects those mergers to come with job loss, as is typical with concentration.

The lawsuits against Google and Facebook will last for years. Big Tech’s defenders and lobbyists will defame them and bargain for a settlement of the anti-monopoly strife. The cases might even fail. It doesn’t matter. The policy center of America has now been convinced that the situation in corporate America has grown out of control. Public opinion supports that perspective. The network of anti-monopoly thinkers and scholars and activists has grown. The arguments for enabling monopoly power have been revealed as weak. Nothing is going to stop this evolution away from the laissez-faire of the Chicago school and toward the preservation of liberty and democracy.

#### Notice and comment is consensus building---their ev doesn’t assume the process

William E. Kovacic 21. Global Competition Professor of Law and Policy, George Washington University Law School; Visiting Professor, Dickson Poon School of Law, King’s College London; Non-Executive Director, United Kingdom Competition and Markets Authority. “The future adaptation of the per se rule of illegality in U.S. Antitrust law”. Columbia Business Law Review.

The public antitrust agencies—the DOJ, the FTC, and the state attorneys general—from time to time have convened public gatherings to examine developments in antitrust law.175 The agencies could apply their capability as convenors to conduct periodic assessments of the operation of per se rules of illegality and to build a consensus about what types of behavior are appropriate subjects for categorical prohibition.176 They could host proceedings in which academics, business officials, judges, policymakers, and practitioners analyze the existing set of per se prohibitions and discuss possibilities for expanding or reducing the set. One could imagine that such proceedings might take place on a regular basis—perhaps every five years. As a recent example, the FTC in 2020 held a public workshop on noncompete covenants as part of a larger set of deliberations on modern competition law and policy.177

An important aim of the periodic reassessment would be to take stock of ongoing advances in economic theory and in learning about business practices. This stock-taking would help illuminate the impact of existing per se rules and help interpret the experience that courts use as a basis for adjusting the class of conduct subject to per se condemnation. The agencies could prepare reports that distill the results of the reassessment proceedings and thus provide accessible means for courts to consider future adaptions to the per se rule.

#### Supporters will get more weight

Marissa Martino Golden 98, University of Pennsylvania. “Interest Groups in the Rule-Making Process: Who Participates? Whose Voices Get Heard?”. Journal of Public Administration Research and Theory: J-PART , Apr., 1998. Vol. 8, No. 2 (Apr., 1998), pp. 245-270. https://www.jstor.org/stable/1181558

To return to our theoretical concerns, there is little evidence of agency capture in these data. With the exception of the electric vehicle regulation, all three agencies ignored the often impassioned pleas of their clientele and stuck with their initial proposals, albeit with some modifications.

The question of whose voices get heard remains. Here, the weight given to the comments received may compensate for the imbalance in the rates of participation that are documented above. In other words, it may not matter if there is only one public interest group commenting on a given rule if its voice is heard above the din of the larger number of industry commenters. It turns out, however, that the answer to the question, Whose voices get heard? has less to do with agencies favoring business over public interest groups or with the number of commenters (the squeakiest wheel gets the grease) than it has to do with the degree of conflict among commenters, the sides in the conflict, and the paucity of repeat players.

With respect to the specific issue of agency responsiveness to citizens' groups, the best sources of evidence are the three regulatory rules for which public interest groups submitted comments. In two cases (one at EPA, one at NHTSA), the lone public interest group was virtually ignored. In one case, the Natural Resources Defense Council (NRDC) wanted a stronger rule than that proposed by the EPA; in the second case, the Center for Auto Safety raised the sole objection to a rule supported by manufacturers. However, in the third case (EPA's acid rain rule), the NRDC and the Environmental Defense Fund (EDF) supported the EPA's definition of thermal energy, with which commenters from industry, utilities, and municipal govern- ments all found fault. In that case, the agency's final rule granted what the public interest groups sought.

The conclusion to be drawn from these fmdings is not that agency responsiveness to public interest groups varies. It is that when there is conflict rather than consensus among the commenters (as there was in six of the ten rules examined), the agency tends to hear most clearly the voices that support the agency's position.9 In the acid rain case, the public interest commenters were supportive of the NOPR. In the other two cases, the public interest groups sought change. The voices of critics tend to be heard less clearly than the voices of rule supporters, even when there are more critics than supporters. This finding applies not just when there is conflict between citizen's groups and business but when the conflict is among business commenters. For example, in NHTSA's proposal to issue a rule regarding safety standards for air brakes, the voice of the lone air brake manufacturer who supported the rule was heard over the voices of the six spring brake manufacturers and trade associations who objected to the standards set by the rule.

I did not find undue business influence in the rules I examined. This is in part because in a number of cases, business did not present a united front. There were frequently divisions within the business community. To use the example mentioned above, the air brake rule pitted air brake manufacturers against spring brake manufacturers. Accordingly, not all business inter- ests could be accommodated. In other cases, particularly at the EPA, business influence was limited because industry opposed the agency's proposals, and the agency made only minor conces- sions to the commenters. Finally, influence was limited by the absence of repeat players. Since different groups commented on each rule, few groups, corporations, or industries were in a position to influence more than one rule, even within the same agency. The rule's beneficiaries were different in each case, making capture unlikely.

The primary bias that I detected in my examination of ten federal rule-making procedures was the agencies' tendency to favor supporters of its rules over critics. It did not matter if the critics were the big three automakers or the Center for Auto Safety, those who submitted comments in support of a rule were likely to get the final rule they desired, and those who objected were likely to get only minor concessions. 10

In sum, there appear to be two consistent findings regarding interest group influence via notice and comment. First, significant influence is limited. Only one of the ten rules examined was changed significantly from the NOPR. Second, with respect to whose voices get heard, no clear pattern emerges. Citizens' influ- ence was obviously limited to those rules where there was citizen group participation. Where there was public interest participation, voices on all sides appeared to be taken into account. Of equal interest, in the case of those rules without citizen participation, business influence was nonetheless variable, due to conflict within the business sector and the tendency on the part of federal agencies to favor supportive commenters over critics. I submit that these nonpatterns make sense if they are viewed in an issue network framework.

#### Changes will only be major if there is unanimous opposition

Marissa Martino Golden 98, University of Pennsylvania. “Interest Groups in the Rule-Making Process: Who Participates? Whose Voices Get Heard?”. Journal of Public Administration Research and Theory: J-PART , Apr., 1998. Vol. 8, No. 2 (Apr., 1998), pp. 245-270. https://www.jstor.org/stable/1181558

As exhibit 6 depicts, eight of the ten final rules were changed, at least minimally, from the proposed rules in response to interest group comments.8 However, in only one case did the agency change a rule "a great deal." In that case (NHTSA's electric vehicle rule), in response to objections from all seven commenters, NHTSA abandoned altogether its proposal to require electric powered vehicles to contain a gauge and symbol to warn drivers when their batteries are in need of recharging. In the other cases-although commenters had requested more substantial changes-changes were limited to definitional changes, changes in deadlines, and changes to procedural issues such as record-keeping requirements. In short, in the majority of cases the agency made some of the changes that were requested by commenters, but it rarely altered the heart of the proposal. In only two of the ten cases did the agency refuse to make any modifications to its NOPR; moreover, in one of those two rule makings, only one comment was submitted regarding the rule.

#### Required rule changes would be good---key to solvency

C. Scott Hemphill 09. Associate Professor and Milton Handler Fellow, Columbia Law School. “An Aggregate Approach to Antitrust: Using New Data and Rulemaking to Preserve Drug Competition”. Columbia Law Review. https://poseidon01.ssrn.com/delivery.php?ID=588125096113080096106002107108097121035031077054017013065114020077027104102087029081118107106002104019004112030074020109103121006086087059083005011081071001076076040034056104112070118104110067012020072022093015084126127025065066072121017026087065093&EXT=pdf&INDEX=TRUE

Rulemaking has significant, familiar advantages over the adjudicatory route. Rulemaking permits affected parties to test aggregate data in an open way, with ample opportunity for rebuttal.209 The opportunity for input and testing tends to produce superior policy.210 The resulting rule thus has a superior claim to judicial deference, compared to judicial review of a single case: The rule has been thoroughly vetted under notice and comment, after a broad, deep review of the full terrain of behavior by regulated parties. It is this superior breadth and greater vetting, rather than the doctrinal force of Chevron itself,211 that presents the strongest reason to think that a rule might succeed where adjudication has failed.

Rulemaking helps in another way. The FTC Act is broader than the Sherman Act, as noted above, but the degree of its additional breadth has been a subject of controversy. Some lower courts have regarded with skepticism the FTC’s efforts to regulate behavior not already governed by the Sherman Act.212 A powerful way for the FTC to overcome this skepticism would be to support its claim to authority with aggregation, buttressed by notice-and-comment rulemaking. In this manner, the FTC could combine, in a mutually reinforcing manner, the two ways in which its authority stands out relative to ordinary, judicial antitrust policymaking: in having a statute with broader reach than the Sherman Act, and in possessing the power to collect information beyond the reach of the judiciary.

#### The turn outweighs solvency---process is more important than law

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Reversing the second age of monopoly power requires a complete re-thinking of both what antimonopoly law should achieve and how it should be enforced. This includes reforming the ideology that drives antimonopoly policy and the substance of the laws, as well as rethinking the structure of antitrust agencies and the role of other arms of government in promoting antimonopoly policy. There is an emerging body of work on the substance of antitrust laws, but little thought has been given to how the structure of antitrust policymaking and enforcement should change. Even the best antitrust laws will fail if we do not reverse the unaccountable and diffuse system of implementation and enforcement.

This report offers a blueprint for reforming the structural aspects of antitrust lawmaking. The central philosophy behind these reforms is to replace the common-law, court-centered process of making antitrust policy with a politically-accountable process that relies on expertise and transparent, reasoned decision-making through an agency. Taking antitrust away from the courts means reforming the structure of the antitrust agencies and clarifying the authorities those agencies have. Power and accountability should be aligned, as is the case in most other parts of the Executive Branch, and the agency that makes competition policy should have both the authority to act and should be held more readily accountable for its actions.

# 2NR

## Case

#### We’re right

Charlie Campbell 19. East Asia Correspondent for TIME. "The Entire System Is Designed to Suppress Us': What the Chinese Surveillance State Means for the Rest of the World." https://time.com/5735411/china-surveillance-privacy-issues/.

China strenuously denies human-rights abuses in Xinjiang, justifying its surveillance leviathan as battling the “three evils” of “separatism, terrorism and extremism.” But the situation has been described as a “horrific campaign of repression” by the U.S. and condemned by the U.N. Washington has also started sanctioning companies like HikVision whose facial–recognition technology is ubiquitous across the Alaska-size region. But Western aversion to surveillance is much broader and stems in no small part from abuses like the Facebook/Cambridge Analytica scandal, in which the “scraped” personal information of up to 87 million people was acquired by the political consultancy to swing elections around the world.

China is also rolling out Big Data and surveillance to inculcate “positive” behavior in its citizens via a Social Credit system. In China’s eastern coastal city of Rongcheng, home to 670,000 people, every person is automatically given 1,000 points. Fighting with neighbors will cost you 5 points; fail to clean up after your dog and you lose 10. Donating blood gains 5. Fall below a certain threshold and it’s impossible to get a loan or book high-speed train tickets. Some Chinese see the benefit. High school teacher Zhu Junfang, 42, enjoys perks such as discounted heating bills and improved health care after a series of good works. “Because of the Social Credit system, vehicles politely let pedestrians cross the street, and during a recent blizzard people volunteered to clear the snow to earn extra points,” she says.

Such intrusive government is anathema to most in the West, where aversion to surveillance is much broader and more visceral. Whether it’s our Internet browser history, selfies uploaded to social media, data scavenged from fitness trackers or smart-home devices possibly recording the most intimate bedroom conversations, we are all living in what’s been dubbed a “surveillance economy.” In her book The Age of Surveillance Capitalism, Shoshana Zuboff describes this as “human experience [broken down into data] as free raw material for commercial practices of extraction, prediction, and sales.”

When it comes to facial recognition, resistance is intense given the huge potential for indiscriminate data harvesting. The E.U. is reviewing regulations to give its citizens explicit rights over use of their facial-recognition data. While tech giants Microsoft and Amazon have already deployed the technology, they are also calling for clear legal parameters to govern its use. Other than privacy, there are equality issues too. According to a study by MIT Media Lab, facial-recognition software correctly identified white men 99% to 100% of the time, but that dipped as low as 65% for women of color. Civil-liberties groups are especially uneasy since facial recognition, despite its widespread use by American police, is rarely cited as evidence in subsequent court filings. In May, San Francisco became the first major U.S. city to block police from using facial–recognition software.

Even in China, where civil liberties have long been sacrificed for what the CCP deems the greater good, privacy concerns are bubbling up. On Oct. 28, a professor in eastern China sued Hangzhou Safari Park for “violating consumer privacy law by compulsorily collecting visitors’ individual characteristics,” after the park announced its intention to adopt facial–recognition entry gates. In Chongqing, a move to install surveillance cameras in 15,000 licensed taxicabs has met a backlash from drivers. “Now I can’t cuddle my girlfriend off duty or curse my bosses,” one driver grumbles to TIME.

Russia’s election meddling around the world highlights the risks of commercially harvested data being repurposed for nefarious goals. It’s a message taken to heart in Hong Kong, where millions have protested over the past five months to push for more democracy. These demonstrators have found themselves in the crosshairs after being identified via CCTV cameras or social media. Employees for state airline Cathay Pacific have been fired and others investigated based on evidence reportedly gleaned via online posts and private messaging apps.

This has led demonstrators to adopt intricate tactics to evade Big Brother’s all-seeing eye. Clad in helmets, face masks and reflective goggles, they prepare for confrontations with the police with military precision. A vanguard clutch umbrellas aloft to shield their activities from prying eyes, before a second wave advances to attack overhead cameras with tape, spray paint and buzz saws. From behind, a covering fire of laser pointers attempts to disrupt the recordings of security officers’ body-mounted cameras.

Fending off the cameras is just one response. When Matthew, 22, who used only his first name for his own safety, heads to the front lines, he always leaves his regular cell phone at home and takes a burner. Aside from swapping SIM cards, he rarely reuses handsets multiple times since each has a unique International Mobile Equipment Identity digital serial number that he says police can trace. He also switches among different VPNs—software to mask a user’s location—and pays for protest–related purchases with cash or untraceable top-up credit cards. Voice calls are made only as a last resort, he says. “Once I had no choice but to make a call, but I threw away my SIM immediately afterward.”

The Hong Kong government denies its smart cameras and lampposts use facial-recognition technology. But “it really comes down to whether you trust institutions,” says privacy expert Tsui. For Matthew, the risks are real and stark: “We are fighting to stop Hong Kong becoming another Xinjiang.”

Ultimately, even protesters’ forensic safeguards may not be enough as technology advances. In his Beijing headquarters, Huang Yongzhen, CEO of AI firm Watrix, shows off his latest gait-recognition software, which can identify people from 50 meters away by analyzing thousands of metrics about their walk—even with faces covered or backs to the camera. It’s already been rolled out by security services across China, he says, though he’s ambivalent about privacy concerns. “From our perspective, we just provide the technology,” he says. “As for how it’s used, like all high tech, it may be a double-edged sword.”

Little wonder a backlash against AI-powered surveillance is gathering pace. In the U.S., legislation was introduced in Congress in July that would prohibit the use of facial recognition in public housing. Japanese scientists have produced special glasses designed to fool the technology. Public campaigns have railed against commercial uses—from Ticket-master using facial recognition for concert tickets to JetBlue for boarding passes. In May, Democratic Congresswoman Alexandria Ocasio–Cortez linked the technology to “a global rise in authoritarianism and fascism.”