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### Plan---1AC

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

### Economy---1AC

#### The advantage is the economy:

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

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

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

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

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

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

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

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

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

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

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

#### It's enforceable and sufficient.

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

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

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

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

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

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

#### Scenario 1 is Growth:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Crisis responses limited

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

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

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

From bust to bubble

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

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

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

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

Liberalization’s discontents

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

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

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

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

Insecurity, populism, conflict

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

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

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

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

Avoiding Thucydides’ iceberg

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

6. Consent

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

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

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

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

#### Scenario 2 is Innovation:

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

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

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

I. Introduction

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### Innovation is key to leadership and competitiveness.

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First, how will the United States respond to the ongoing transformation of the domestic and international economy? Economic success going forward will be less based on traditional measures and low value-added activities, such as agriculture, resource extraction, low-end services, and even mass industrial prowess. Growth will increasingly emerge from generating and implementing technological innovations, as well as from the ability to creatively finance them. New technological breakthroughs in AI and machine learning, quantum computing, automation and robotics, 3D printing and advanced manufacturing, biomedicine, nanotechnology, etc. have the potential to revolutionize fields ranging from energy and health to manufacturing and transportation. Will the United States generate and adapt to these innovations, while also providing its population with the skills necessary to thrive in this new world? Success in the technology and financial realm have also tended to increase inequality, while also worsening geographical divisions between innovation hubs (Boston, San Francisco, New York, Austin) and other parts of the country. Will the government devise wise policies to ameliorate these frictions without losing the benefits of innovation?

How this question is answered is largely a matter of domestic politics. Yet how it is answered will shape both America’s global competitiveness and its political and societal well-being.

Relatedly, will the United States reject globalization and turn inward? In many communities, intense globalization is associated with de-industrialization and offshoring, despair and the opioid crisis, debt and inequality, climate change, and the rise of China. The United States has, throughout its history, gone through periods where it has turned its gaze away from the international economy. These historical episodes have rarely ended happily. Is there a way to capture the benefits of globalization while minimizing the harmful excesses?

The third question concerns the future of America’s economic relationship to China. The argument for decoupling and reducing vulnerability to China is powerful. First, COVID-19 demonstrated the dangers of vulnerable supply chains. Second, it does not make sense to continue to enrich a current and future rival. Third, increasing automation and robotics means that labor cost differentials are a less compelling reason to offshore production. For those who are skeptical of the pacifying effects of interdependence and believe security concerns should always trump economic ones, pulling away from China’s economy is the obvious choice.

The problem is that left to its own devices, the American and Chinese economies won’t naturally decouple. General Motors sells more cars, and Apple has sold more iPhones, in China than in the United States. Supply chains remain deeply integrated, including on the high-end technology front. Dissolving those relationships will be costly. Trade today is less between countries than within firms, whose operations are global rather than national. Shared technology platforms increase productivity, which would be lost under decoupling.

Trade flows, however, do not begin to capture the deep integration between the two economies. The financial and monetary spheres are far more interconnected. Chinese companies are raising record amounts on Wall Street, while U.S. banks and financial firms increase their investment and business in China. Despite political strains over the past decade, direct investment and financing in both directions shows little signs of decreasing. Reversing economic interdependence — if that policy is chosen for national security purposes — will both be costly and require political will. It would also fully signal that the United States sees China not as a competitor or even a rival, but as a full-blown adversary.

What are the sources of innovation and adaptation, and what role will the national government play in facilitating creating, scaling up, and implementing new technologies? This is the fourth big question faced by the Biden administration, and the issue here will be shaped by its view of U.S. competition and antitrust policy. On the one hand, the recent computing and telecommunications revolution has revealed the power of companies that dominate networks and platforms. The United States has done very well in this new world, and there are important arguments that the government should applaud and support the success of American tech giants dominating the global economy. On the other hand, some experts question whether it is healthy from a competition, innovation, and fairness perspective to allow companies like Amazon, Apple, Google, and Microsoft to achieve such dominating market power. They harken back to the spirit of President Theodore Roosevelt and his controversial but popular program of trust-busting in the early 20th century. There are critical national security considerations to both views.

Relatedly, there is a long-debated question of the role the government should play in seeding, supporting, subsidizing, and even directing the private sector. The United States has long steered clear of national economic planning. Yet the Chinese government’s massive, directed investments and championing of its companies, both for economic and national security reasons, has caused many Americans to rethink their priors on the relationship between the state and the private sector. This is reflected in the impressive, bipartisan support for the Endless Frontier Act to support improved technological competitiveness vis-à-vis China.

The final question involves America’s role as the banker to the world. Will the United States continue in this role, and what will the consequences be? This question has two parts, the first involving international monetary policy, the second surrounding capital formation.

One of the most important global economic developments of the past 15 years has been the emergence of the Federal Reserve Bank as the lender of last resort, not just to the United States, but to the world. The Federal Reserve banking system demonstrated masterful adaptability and far-sighted innovation during both the 2008 financial crisis and the economic fallout from last year’s COVID-19 crisis that, in both cases, arguably prevented a global depression and increased its mandate well beyond securing the U.S. financial system. In the process, it quietly but significantly increased America’s already potent global monetary and financial power. Despite previous predictions to the contrary, it is and will remain for some time a dollar-dominated world. Will this increased monetary power marry up with America’s recent proclivity to deploy economic sanctions, and if so, will that add or diminish American economic influence over the long term?

Part of the answer will be shaped by the uncertain outcome of current economic policies. The United States is currently undergoing a consequential experiment, with relative loose fiscal and monetary policy leading to a rethinking of how much debt and liquidity the economy can contain. Will this produce destabilizing inflation and a return to 1970s stagflation? Or will this liquidity be efficiently absorbed into higher productivity, a reduction in inequality, and overall growth? Interest rates, both nationally and around the world, remain near historical lows, despite the surge in liquidity.

The second aspect to America’s global financial power comes in its world leading innovation, sophistication, and depth of its financial sector. In recent decades, New York City competed with Hong Kong and London as the best place to raise capital and list companies. As recently as a decade ago, New York’s competitors showed signs of taking the lead. Great Britain’s decision to leave the European Union and China’s decision to crack down on dissent in Hong Kong has moved the advantages back to the United States. In addition to the traditional methods of Wall Street finance and exchange listings, America’s innovative venture capital financing capabilities in Silicon Valley, Boston, Austin, and elsewhere provide important and impressive domestic and global advantages. Can they be maintained and expanded upon?

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

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

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

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

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

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

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

A balanced assessment

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

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

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

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

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

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

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

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

#### That goes nuclear.

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

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

#### 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.

#### 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.

Christopher Darby & Sarah Sewall 21. President and CEO of In-Q-Tel, Executive Vice President for Policy at IQT, U.S. Undersecretary of State for Civilian Security, Democracy, and Human Rights. “America’s Eroding Technological Advantage.” <https://www.foreignaffairs.com/articles/united-states/2021-02-10/technology-innovation-wars>.

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.

#### Failure to stop China allows them to establish a global dystopian surveillance state. Only Western democracies have self-correcting protections to safeguard citizens from over-stretch.

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/.

Still, the risks are considerable. As Western democracies enact safeguards to protect citizens from the rampant harvesting of data by government and corporations, China is exporting its AI-powered surveillance technology to authoritarian governments around the world. Chinese firms are providing high-tech surveillance tools to at least 18 nations from Venezuela to Zimbabwe, according to a 2018 report by Freedom House. China is a battleground where the modern surveillance state has reached a nadir, prompting censure from governments and institutions around the globe, but it is also where rebellion against its overreach is being most ferociously fought.

“Today’s economic business models all encourage people to share data,” says Lokman Tsui, a privacy expert at the Chinese University of Hong Kong. In China, he adds, we are seeing “what happens when the state goes after that data to exploit and weaponize it.”

Some 1,500 miles northwest of where Mrs. Chen recovered her purse, surveillance in China’s restive region of Xinjiang has helped put an estimated 1 million people into “re-education centers” akin to concentration camps, according to the U.N. Many were arrested, tried and convicted by computer algorithm based on data harvested by the cameras that stud every 20 steps in some parts.

In the name of fighting terrorism, members of predominantly Muslim ethnic groups—mostly Uighurs but also Kazakhs, Uzbeks and Kyrgyz—are forced to surrender biometric data like photos, fingerprints, DNA, blood and voice samples. Police are armed with a smartphone app that then automatically flags certain behaviors, according to reverse engineering by the advocacy group Human Rights Watch. Those who grow a beard, leave their house via a back door or visit the mosque often are red-flagged by the system and interrogated.

Sarsenbek Akaruli, 45, a veterinarian and trader from the Xinjiang city of Ili, was arrested on Nov. 2, 2017, and remains in a detention camp after police found the banned messaging app WhatsApp on his cell phone, according to his wife Gulnur Kosdaulet. A citizen of neighboring Kazakhstan, she has traveled to Xinjiang four times to search for him but found even friends in the ruling Chinese Communist Party (CCP) reluctant to help. “Nobody wanted to risk being recorded on security cameras talking to me in case they ended up in the camps themselves,” she tells TIME.

Surveillance governs all aspects of camp life. Bakitali Nur, 47, a fruit and vegetable exporter in the Xinjiang town of Khorgos, was arrested after authorities became suspicious of his frequent business trips abroad. The father of three says he spent a year in a single room with seven other inmates, all clad in blue jumpsuits, forced to sit still on plastic stools for 17 hours straight as four HikVision cameras recorded every move. “Anyone caught talking or moving was forced into stress positions for hours at a time,” he says.

Bakitali was released only after he developed a chronic illness. But his surveillance hell continued over five months of virtual house arrest, which is common for former detainees. He was forbidden from traveling outside his village without permission, and a CCTV camera was installed opposite his home. Every time he approached the front door, a policeman would call to ask where he was going. He had to report to the local government office every day to undergo “political education” and write a self-criticism detailing his previous day’s activities. Unable to travel for work, former detainees like Bakitali are often obliged to toil at government factories for wages as miserly as 35¢ per day, according to former workers interviewed by TIME. “The entire system is designed to suppress us,” Bakitali says in Almaty, Kazakhstan, where he escaped in May.

The result is dystopian. When every aspect of life is under constant scrutiny, it’s not just “bad” behavior that must be avoided. Muslims in Xinjiang are under constant pressure to act in a manner that the CCP would approve. While posting controversial material online is clearly reckless, not using social media at all could also be considered suspicious, so Muslims share glowing news about the country and party as a means of defense. Homes and businesses now feel obliged to display a photograph of China’s President Xi Jinping in a manner redolent of North Koreans’ public displays for founder Kim Il Sung. Asked why he had a picture of Xi in his taxi, one Uighur driver replied nervously, “It’s the law.”

Besides the surveillance cameras, people are required to register their ID numbers for activities as mundane as renting a karaoke booth. Muslims are forced from buses to have their IDs checked while ethnic Han Chinese passengers wait in their seats. At intersections, drivers are ushered from their vehicles by armed police and through Tera-Snap “revolving body detector” equipment. In the southern Xinjiang oasis town of Hotan, a facial–recognition booth is even installed at the local produce market. When a system struggled to compute the face of this Western TIME reporter, the impatient Han women queuing behind berated the operator, “Hurry up, he’s not a Uighur, let him through.”

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.”

# 2AC

## Case

### Growth Good---2AC

#### Economic decline is regressive---results in massive demographically-targeted violence

NBCC 15. National Black Chamber of Commerce. “POTENTIAL IMPACT OF PROPOSED EPA REGULATIONS ON LOW INCOME GROUPS AND MINORITIES.” June, p. 85-99, <http://www.ieca-us.com/wp-content/uploads/NBCC_Minority-Impacts-Report-June-2015-Final.pdf>

Socioeconomic-status findings demonstrate that changes in the economic status of individuals produce subsequent changes in the health and life spans of those individuals. Research shows that decreased real income per capita and increased unemployment have consequences that lead to increased mortality in U.S. and European populations. The research uses econometric analyses of time-series data to measure the relationship between changes in the economy and changes in health outcomes. Studies have found that declines in real income per capita and increases in unemployment led to elevated mortality rates over a subsequent period of six years. For example, a 1984 study by the Joint Economic Committee of the U.S. Congress found that a one-percentage-point increase in the unemployment rate (e.g., from five percent to six percent) would lead to a two percent increase in the age-adjusted mortality rate.124 The growth of real income per capita also showed a significant correlation to decreases in mortality rates (except for suicide and homicide), mental hospitalization, and property crimes.125 The European Commission has supported similar research showing comparable results throughout the European Union.126

Upward trends in real income per capita represented the most important factor in decreased U.S. mortality rates over the past half-century. Also, the unemployment rate continued to bear a significant correlation to increased mortality rates, such that an increase of one percent in the unemployment rate eventuates in an approximately two percent increase in the age-adjusted mortality rate, estimated cumulatively over at least the subsequent decade.127

Being unable to afford energy bills can thus be harmful to one’s health. As indicated above, some people purchase less medicine when their utility bills are too high. Other health hazards can occur if inside temperatures are too low or too high as a result of shut-offs or efforts to lower bills by reducing the use of heating and cooling equipment. Thirty-one percent of households with incomes at or below 150 percent of poverty kept their homes at a temperature that they thought was unsafe or unhealthy at some point during the year. Similarly, so also did 24 percent of those between 151 percent and 250 percent of poverty.128

Further, there are substantial health benefits of temperature control in warmer climates, and studies have analyzed the effect of temperature on mortality and morbidity and documented the effectiveness of air conditioners (ACs) as a mitigation strategy. For example, a recent study investigated the association between temperature and hospital admissions in California from 1999 to 2005 and also determined whether AC ownership and usage, assessed at the zip-code level, mitigated this association.129 It found that ownership and usage of ACs significantly reduced the effects of temperature on adverse health outcomes, after controlling for potential confounding by family income and other socioeconomic factors. These results demonstrate important effects of temperature on public health and the potential for mitigation. That is, the research found significant associations between heat and several disease-specific hospital admissions in California, and concluded that the use of central AC significantly reduces the risk from higher temperatures. Thus, higher electricity costs that limit or prohibit the use of AC can be hazardous to one’s health.

EPA has acknowledged that “People's wealth and health status, as measured by mortality, morbidity, and other metrics, are positively correlated. Hence, those who bear a regulation's compliance costs may also suffer a decline in their health status, and if the costs are large enough, these increased risks might be greater than the direct riskreduction benefits of the regulation.”130 In addition to EPA, the Office of Management and Budget, the Food and Drug Administration, and the Occupational Safety and Health Administration use similar methodology to assess the degree to which their regulations induce premature death amongst those who bear the costs of federal mandates.131 Further, OMB Circular A-4, which provides the procedures for federal regulatory impact analysis and benefit-cost analysis, states “the benefits of a regulation that reduces emissions of air pollution might be quantified in terms of the number of premature deaths avoided each year; the number of prevented nonfatal illnesses and hospitalizations.”132

VII.C.2. Safety Risks

High energy prices also compromise the safety of low-income households. For example, the inability to pay utility bills often leads to the use of risky alternatives. In a survey of energy assistance recipients, eight percent of respondents indicated that at some point in the previous year they were unable to use a main heating source such as heating oil or propane because they could not pay for the delivery.133 Six percent indicated that a utility company had shut off their main heating sources of natural gas or electricity during the previous year due to nonpayment.134

When households are cut off from their main heating source – such as natural gas, propane, or fuel oil, or are trying to save money by reducing use of a main heating source, they most commonly turn to heating alternatives such as electric space heaters. According to the National Fire Protection Agency, these devices are associated with a significant risk of fire, injury, and death. In 2005, space heaters accounted for 32 percent of home heating fires, totaling 19,904 fires and 73 percent of home heating fire deaths, which killed 489 people.135 Researchers at the Johns Hopkins School of Medicine also noted this problem in a 2005 study in which they found that utility terminations were associated with a significant subset of fires involving children -- 15 percent of fires that brought patients to their hospital were rooted in utility shut-offs.136

VII.C.3. Housing Instability

Families and individuals who cannot afford their energy bills are at risk of housing instability. They may have to move to locations with lower utility costs, or shut-offs can make homes uninhabitable, forcing household members into homelessness or alternative forms of shelter. Often, unaffordable housing compounds this problem as families experiencing difficulty paying mortgages or rent fall further behind due to energy bills that represent a higher-than-normal percentage of their income. This factor was particularly relevant during the recent subprime mortgage crisis, which resulted in excessively high mortgage payments for some families.

The connections between unmanageable home energy costs and homelessness have been well documented. For example, a Colorado study found that 16 percent of homeless people in the state cited their inability to pay utility bills as one of the causes of their homelessness.137 A nationwide survey of individuals receiving energy assistance produced further evidence of this phenomenon. Twenty-five percent reported that within the previous five years, they had failed to make a full rent or mortgage payment due to their energy bills.138 Difficulties with paying utilities resulted in other negative outcomes such as evictions (two percent of respondents), moving in with friends or family members (four percent of respondents), and moving into a shelter or homelessness (two percent).139

Housing instability disrupts lives, especially if individuals are forced to move between several different locations before regaining permanent housing. Household members may find themselves at a greater distance from work and/or school and face increased transportation costs and challenges. They can also be disconnected from familiar communities, neighbors, family members, and friends. For children, the outcomes can be devastating, with homelessness being associated with increased risk of physical illness, hunger, emotional and behavioral problems, developmental delays, negative educational outcomes, and exposure to violence.140

#### Globalization and economic growth are the only ethical systems supported by empirical evidence.

“Why they’re wrong.” ECONOMIST 16. October 1. <http://www.economist.com/news/leaders/21707926-globalisations-critics-say-it-benefits-only-elite-fact-less-open-world-would-hurt>.

The backlash against trade is just one symptom of a pervasive anxiety about the effects of open economies. Britain’s Brexit vote reflected concerns about the impact of unfettered migration on public services, jobs and culture. Big businesses are slammed for using foreign boltholes to dodge taxes. Such critiques contain some truth: more must be done to help those who lose out from openness. But there is a world of difference between improving globalisation and reversing it. The idea that globalisation is a scam that benefits only corporations and the rich could scarcely be more wrong.

The real pro-poor policy

Exhibit A is the vast improvement in global living standards in the decades after the second world war, which was underpinned by an explosion in world trade. Exports of goods rose from 8% of world GDP in 1950 to almost 20% a half-century later. Export-led growth and foreign investment have dragged hundreds of millions out of poverty in China, and transformed economies from Ireland to South Korea.

Plainly, Western voters are not much comforted by this extraordinary transformation in the fortunes of emerging markets. But at home, too, the overall benefits of free trade are unarguable. Exporting firms are more productive and pay higher wages than those that serve only the domestic market. Half of America’s exports go to countries with which it has a free-trade deal, even though their economies account for less than a tenth of global GDP.

Protectionism, by contrast, hurts consumers and does little for workers. The worst-off benefit far more from trade than the rich. A study of 40 countries found that the richest consumers would lose 28 [percent] of their purchasing power if cross-border trade ended; but those in the bottom tenth would lose 63 [percent]. The annual cost to American consumers of switching to non-Chinese tyres after Barack Obama slapped on anti-dumping tariffs in 2009 was around $1.1 billion, according to the Peterson Institute for International Economics. That amounts to over $900,000 for each of the 1,200 jobs that were “saved”.

Openness delivers other benefits. Migrants improve not just their own lives but the economies of host countries: European immigrants who arrived in Britain since 2000 have been net contributors to the exchequer, adding more than £20 billion ($34 billion) to the public finances between 2001 and 2011. Foreign direct investment delivers competition, technology, management know-how and jobs, which is why China’s overly cautious moves to encourage FDI disappoint (see article).

What have you done for me lately?

None of this is to deny that globalisation has its flaws. Since the 1840s advocates of free trade have known that, though the great majority benefit, some lose out. Too little has been done to help these people. Perhaps a fifth of the 6m or so net job losses in American manufacturing between 1999 and 2011 stemmed from Chinese competition; many of those who lost jobs did not find new ones. With hindsight, politicians in Britain were too blithe about the pressures that migration from new EU member states in eastern Europe brought to bear on public services. And although there are no street protests about the speed and fickleness in the tides of short-term capital, its ebb and flow across borders have often proved damaging, not least in the euro zone’s debt-ridden countries.

As our special report this week argues, more must be done to tackle these downsides. America spends a paltry 0.1% of its GDP, one-sixth of the rich-country average, on policies to retrain workers and help them find new jobs. In this context, it is lamentable that neither Mr Trump nor Mrs Clinton offers policies to help those whose jobs have been affected by trade or cheaper technology. On migration, it makes sense to follow the example of Denmark and link local-government revenues to the number of incomers, so that strains on schools, hospitals and housing can be eased. Many see the rules that bind signatories to trade pacts as an affront to democracy. But there are ways that shared rules can enhance national autonomy. Harmonising norms on how multinational firms are taxed would give countries greater command over their public finances. A co-ordinated approach to curbing volatile capital flows would restore mastery over national monetary policy.

These are the sensible responses to the peddlers of protectionism and nativism. The worst answer would be for countries to turn their backs on globalisation. The case for openness remains much the same as it did when this newspaper was founded to support the repeal of the Corn Laws. There are more—and more varied—opportunities in open economies than in closed ones. And, in general, greater opportunity makes people better off. Since the 1840s, free-traders have believed that closed economies favour the powerful and hurt the labouring classes. They were right then. They are right now.

### China Threat Real---2AC

#### Xi’s consolidation of power and empowerment of military leaders produces a surge of authoritarianism and military modernization.

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The announcement that Chinese President Xi Jinping was seeking to eliminate the limit on the number of terms he could serve is that latest in a series of ominous developments during his presidency. Although China has been a one-party state since the Communist revolution in 1949 that brought Mao Zedong to power, it has not had the characteristics of a true personal dictatorship since Mao’s death. Indeed, over the past two decades, the individuals who have occupied the post of president have been more akin to corporate chief executive officers, with other leaders of the Party elite acting as a board of directors exercising some check on that official’s power.

From the beginning of his tenure, Xi’s leadership has been different in both tone and substance. Under the guise of combatting (the very real) problem of corruption, he quietly but systematically purged officials that he suspected still might be influenced by his predecessors, Jiang Zemin and Hu Jintao, or who displayed independent, maverick tendencies. There has been a troubling hardline ideological aspect to his rule as well. Xi initiated a campaign to revitalize the Party, aiming at achieving a renewed commitment to Maoist principles. Pro-market academics also felt the chill of the new political environment, with several prominent reformers, including economist Mao Yushi, the 2012 recipient of the Cato Institute’s Milton Friedman Prize for Advancing Liberty, being effectively silenced.

The consolidation of Xi’s personal power, especially if it continues to exhibit neo-Maoist characteristics, not only has worrisome domestic implications, it has worrisome implications for China’s external behavior. Since the onset of the country’s market-oriented economic reforms in the late 1970s, Western - especially US - policy has been based on two assumptions. First, economic reforms would lead to a more open, tolerant political system, perhaps ultimately culminating in a full-fledged democracy. Not even the bloody 1989 Tiananmen Square crackdown caused that assumption to waver much; proponents of the thesis regarded the episode as a setback, not a definitive defeat. Second, a less autocratic China, fully integrated into the global economy, would become, in the words of former Deputy Secretary of State and President of the World Bank Robert Zoellick, a “responsible stakeholder” in the international diplomatic and economic system.

The failure of liberalizing political trends in China to rebound after Tiananmen Square, despite the passage of nearly three decades, raises serious doubts about the first assumption. That was true even before Xi’s efforts to narrow further the diversity of permissible views. Those moves, combined with his aggrandizement of personal power, call the entire Western thesis about economic liberalization creating irresistible momentum for political liberalization into question. The United States and its allies may be facing a ruthlessly authoritarian China, having just enough economic flexibility to be a truly potent challenger.

Potentially even more alarming is the assertive, if not abrasive, foreign policy that has become increasingly apparent under Xi Jinping. That pattern has not emerged yet with respect to policy regarding North Korea. Indeed, Beijing actually has become more cooperative with US-led efforts to halt Pyongyang’s ballistic missile and nuclear programs. However, it has shown up clearly in three other policy areas: the South China Sea, the East China Sea and Taiwan.

China has accelerated its land-reclamation efforts on several partially submerged reefs in the South China Sea. Some of the projects have become so extensive that Beijing has put military installations on the expanded surfaces, and in at least one case, built an airstrip. The Xi government also has exhibited complete defiance of a 2016 ruling by an international tribunal rejecting most of China’s expansive territorial claims in that body of water. Finally, Beijing’s warnings to the United States about US “freedom of navigation patrols” in the South China Sea have become increasingly strident.

China’s growing assertiveness toward Japan regarding disputed islands in the East China Sea (called the Senkakus in Japan and Diaoyus in China) is evident as well. In July 2017, Beijing escalated bilateral tensions dramatically when it sent six nuclear-capable bombers over the islands, and responded to Tokyo’s protests by telling Japanese leaders to “get used to” more flights of that nature. A few months earlier, Beijing warned the new Trump administration not to back Japan in the territorial dispute, despite established US policy to support the claim of its ally.

It is the Taiwan issue, though, where Xi’s government has shown the most worrisome signs of uncompromising behavior. Over the past two years, China has intensified its efforts to lure the small number of nations that still maintain diplomatic relations with Taipei to switch ties to Beijing. That effort is paying off. In late December 2016, Sao Tome broke relations with Taipei, and in June 2017, Panama did so. Other nations in Taiwan’s dwindling roster of political allies are now on Beijing’s target list.

Warnings that China will use force if necessary to prevent any “separatist” initiatives by Taiwan have become more insistent, if not downright threatening. The sharp increase in the number and scope of provocative Chinese military exercises in the Taiwan Strait and other nearby waters suggests that Xi’s government is not bluffing.

Those maneuvers are especially unsettling. China conducted 16 military drills in areas around Taiwan in 2017, compared to just eight in 2016 and even fewer during the years between 2008 and 2016. In July 2017, China’s aircraft carrier and escort vessels ostentatiously sailed through the Taiwan Strait on their way to Hong Kong. In that same month, numerous Chinese fighter planes, bombers, and reconnaissance aircraft flew near Taiwan as part of a military exercise. That trend has continued. Chinese military aircraft engaged in maneuvers near Taiwan’s northern coast in December 2017, and Beijing’s naval and air power exercises culminated in January 2018, when a flotilla, again including China’s aircraft carrier, traveled through the Taiwan Strait.

Taiwanese leaders are uneasy about the surge in Beijing’s saber-rattling statements and menacing military moves. Officials in Taipei asserted that the burgeoning military activity posed an “enormous threat” to Taiwan’s security. There are unsubtle indications coming from semi-official Chinese sources that Taiwan’s current de facto independence cannot continue much longer. Indeed, trial balloons in the state-controlled Chinese press suggest that the deadline for meaningful progress toward reunification could be as early as 2020 or 2021. The Taiwanese government is operating on the assumption that such a looming deadline might be real.

Any one of the above domestic or foreign policy developments would be cause for concern. Taken together, they suggest that China might be reverting to a virulently authoritarian country determined to pursue an abrasive, perhaps even aggressively revisionist, foreign policy. Granted, China potentially would have much to lose economically by engaging in such behavior, and that factor might be enough to deter Xi from embarking on such a course. But the looming prospect of Xi as a true dictator instead of being merely the head of a collective leadership should cause the United States and other Western powers to reassess all of their assumptions about China’s future conduct, both domestically and internationally.

### China Revisionist---2AC

#### China is a revisionist power---must be deterred cohesively.

Dr. John Hemmings and James Rogers 21. Dr. John Hemmings is an associate professor at the Daniel K. Inouye Asia-Pacific Center for Security Studies based in Honolulu and an adjunct fellow at the Center for Strategic and International Studies. The views voiced here are his alone. James Rogers. “America’s New Great-Power Problem” The National Interest. 01-23-21. <https://nationalinterest.org/feature/america’s-new-great-power-problem-176949>

**China Is Developing Two Stealth Bombers** If we apply this typology to the three most recent historical episodes of “rising-power challenges,” then we believe that we can extract lessons in relation to the emerging competition with China. These periods include the European rivalry before World War I, the global competition before World War II, and the era of geopolitical struggle now known as the Cold War. From there, it is clear that there are many commonalities between those periods and the one we are moving into. What do these three eras of competition offer American, British and Indo-Pacific policymakers in terms of insight when dealing with the rise of China? China has a leader around which **power has become increasingly centralized** to the extent that a cult-of-personality style of leadership has emerged. These behaviors might have been predicted in the first years of Xi Jinping’s regime by looking at his **earliest speeches to the CCP** cadre. As with other totalitarian leaders, such as Stalin and Hitler, Xi believes in the power of the party-state ideology to drive policy as well as consolidate domestic control. As we saw from those unhappy regimes, as power is centralized, intolerance towards pluralism grows, to the extent that minorities—especially those considered hostile by the regime—come under mounting surveillance and discrimination. Here there are echoes between the plight of the Uighurs and various ethnicities in Nazi Germany and the USSR. Likewise, under Xi’s authoritarian leadership, more and more of China’s society has fallen under the power of an increasingly expansive party-state structure (similar to the totalitarian party-states of the 1930s), which utilizes an international ideology (socialism), combined with nationalism (with Chinese characteristics), **to export the Chinese model abroad to reorder the international system.** This approach is not unlike those of past regimes. Like the Kaiser, Xi believes China has the right to shine like the sun. Unlike Hitler, he shies away from open warfare as a means of policy. But, like the party bosses of the USSR, he believes in economic and political **warfare to expand China’s power.** In terms of regime type, we can see forces at work in China that were also found in Wilhelmian and Nazi Germany. This is because there are few mechanisms for legitimizing the leadership of the party, such as elections or referendums in one-party systems. Therefore, **jingoistic nationalism begins to fill that space**—or is deliberately positioned to fill it—and if allowed to become too virulent, can **lead to domestic pressures for more aggressive, even expansionist, foreign policies.** As an authoritarian state, contemporary China, much like the Nazi and Soviet regimes before it, has proven adroit at integrating the dimensions of state power to the extent that it appears more successful than the fatigued and exhausted liberal democracies. As we know from the struggles with those regimes, the United States, the UK and their allies in the Indo-Pacific region will need to develop greater internal **cohesion** and overcome many of the “critical” or “core” assumptions that have sapped them of their strength if they are to **compete successfully against China.** In terms of polarity, the previous struggles were more focused. While Japan was a major regional power in the run-up to World War II, the key powers have been concentrated in the Euro-Atlantic region for the past three centuries. In the emerging period of competition, the major powers are spread out. China, India and Japan are in Asia, the United States is in the Americas, and Britain, Germany and Russia are in Europe. American, British and Indo-Pacific policymakers will need to look at an increasingly global theatre, one where the Euro-Atlantic region and the Indo-Pacific region are intrinsically linked. **Polarity matters**, and whether this period is a transition to a bipolar U.S.-China era or a truly multipolar era will **impact how states construct their national strategies**. If China and the United States are the only superpowers—or whether India and the Europeans are able to develop superpower metrics and the political will to use them—then that sill deeply impact alignment behavior, and correspondingly the leadership approach of the United States. Methods of competition also have historical echoes. While China is, like the USSR, a communist regime, it has a **much higher GDP relative** to the leading democracy, the US, than the Soviet Union ever did. It is also, similarly to Wilhelmian Germany, deeply ingrained into global supply chains and the world economy. Therefore, rather than looking for examples of dealing with economic statecraft or coercion from the Cold War, policymakers might consider Wilhelmian Germany in 1914 which utilized dumping, finance, and trade for strategic ends across Europe. Thus, we should look to the policy options of France, Italy, and the UK for dealing with economic conflict with China. The West relied heavily on regional alliances to deal with the Wilhelmian and Soviet threats. And now, similar to what occurred in the 1930s, there is an aversion to developing regional alliances or collective defense measures against today’s revisionist: China. This is despite the fact that NATO kept the peace in Europe for nearly seventy years. In addition, there is an allergic reaction to giving Taiwan an open defense guarantee; however, the 1930s showed that the same style of strategic ambiguity by France and Great Britain toward Austria and Czechoslovakia encouraged Nazi ambitions. Indeed, as we think about how Nazi Germany went from attempting to unify German-speaking peoples to absorbing non-Germans, we should think about whether or not a failure to react to more “legitimate” claims can give encouragement to entirely illegitimate ones. While modern-day China is not as aggressive as Nazi Germany, allied weakness and lack of cohesion at critical moments—as when Berlin took the Ruhr region, undermined the governments of Austria and Czechoslovakia before using diplomacy to expand its power—made **miscalculation more**, not less, **likely**. When thinking about Hong Kong and Taiwan, this is a relevant lesson.

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### AT: Antiblackness---TL

#### Refuse ontology frames---Black isn’t coterminous with Slave but is an agent of a shared history of humanity---ceding democratic ideals to slaves is inaccurate, racially paternalistic, and zeroes pragmatic harms reduction

McCarthy 20 (Jesse McCarthy is an assistant professor in the departments of English and of African and African American Studies at Harvard University. “On Afropessimism.” <https://lareviewofbooks.org/article/on-afropessimism/> //shree)

Nonetheless, the fact that the main current of Afropessimist thinking runs counter to all of Black political history and tradition thus far; the fact that the foundational thinker for this perspective, Frantz Fanon, came to completely opposing conclusions with respect to the nature of politics and solidarity in struggle; the fact that the theory often appears to evade scrutiny or contestation by proclaiming itself “meta-theoretical” and “ontological”; the fact that it asserts a “mandate” for which no empirical evidence is provided and in the face of overwhelming evidence that it constitutes at best a minoritarian and class-specific position — all of this has to be reckoned with by those who want to take Afropessimism to heart.

Perhaps it’s worth reminding ourselves that when he was murdered, Fred Hampton was encouraging poor whites to analogize their position to that of poor Blacks. At the time of his assassination, Malcolm X was embracing and actively seeking to incorporate a cross-racial coalition into his new organization. Ella Baker actively encouraged the deepening of organizational ties and activist links across different communities by emphasizing common struggle and common oppression. What evidence do we have, on the other hand, that the power behind the status quo is quaking at the thought of Black folk gathering in isolation to mourn the end of the world?

If the challenge is more narrowly intellectual and what is needed are correctives to white Marxist hubris, Cedric Robinson’s Black Marxism (1983) already exists. Black feminist thought offers its own counternarratives. Of course, Wilderson doesn’t have to agree with Robinson or the Combahee River Collective. But isn’t it a problem that they aren’t cited even once in his books? Are we to jettison our entire tradition? Were all those who came before us so hopelessly naïve? Are we going to cast aside Vincent Harding’s There Is a River and read nothing but Fanon, Lacan, and Heidegger? Is Bantu philosophy overdetermined by social death even if its worldview was constructed in the absence of the white gaze? Afropessimism has yet to tackle these questions, to take its opponent’s counterarguments and positions seriously.

David Marriott, who is cited by Wilderson as a fellow Afropessimist, asks in his own work: whither Fanon? I wonder this, too. Wilderson says he is the figure he modeled himself on as a young man. Clearly Fanon is central to all of his thinking; indeed, all Afropessimist theorists consider Black Skin, White Masks (1952) a cornerstone text. It is an extraordinary philosophical work, and they are right that it is too often underappreciated. But it is also an extremely complicated intellectual experiment. The third sentence of that book is: “I’m not the bearer of absolute truths.” Fanon proposes to work through the problem of the abjection of Blackness, and that process extends beyond the book into the engaged existentialist revolt and the analysis of colonial relations that he explicitly argues involves the colonized subject, regardless of their race, in The Wretched of the Earth (1961). But even if one were to read only Black Skin, White Masks, it is impossible to miss the humanist assumptions that it opens onto in its conclusion. What else can one make of Fanon stating that “I am not a slave to slavery that dehumanized my ancestors,” and that “the density of History determines none of my acts. I am my own foundation”? How can one miss the assumption of a shareable humanity when he insists that “at the end of this book we would like the reader to feel with us the open dimension of every consciousness.” How can Fanon’s trajectory into the Algerian War of Independence be reconciled with the null trajectories that Afropessimism proposes?

If Afropessimism pushes us to pose harder and sharper questions as Fanon prayed his Black body always would, if it serves to break the shallow cant of the media class and its operatives — then certainly it will have done some good. But on the terms of its own presiding genius it needs to be understood as a waystation and not a terminus on the road to disalienation that Fanon argued is the only path to freedom for Black people in the modern world. That path, which he described in terms of building a “new man,” required him to first understand the depth of abjection that Blackness had been cast into, and then to undo that abjection by mobilizing its ejection from the political order of the West in a grand historical struggle to reconstruct that civilization from the side of the oppressed, an embrace that clearly involves a radical solidarity with non-Black people. This was the mission Fanon was on when he died, and it was a mission he believed Black peoples would have a special, indeed, foundational role in ultimately seeing through.

Realizing these goals does not mean adhering to a formulaic principle or that Black people need to think, act, or speak as a monolith. Fanon and Wilderson are both fond of citing Aimé Césaire’s phrase about “the end of the world” from his poem Notebook of a Return to the Native Land:

One must begin somewhere.

Begin what?

The only thing in the world worth beginning:

The End of the world of course.

These lines do not appear at the end of the poem, however, but roughly halfway through it. The interjection, “of course,” stands in here for the French word “parbleu,” which, even in the late 1930s when Césaire was composing his poem in Paris, carried a folksy and bathetic ring that is only dimly captured in the English but is easier to hear if you imagine these lines as having strayed from a play by Samuel Beckett. Wilderson intones this phrase repeatedly in his book, wielding it like a totemic hammer portending world-destroying events that, in light of the commitments of his own theory, seem to suggest, and possibly wish for, a zero-sum war between the races. But Césaire’s usage is far more ambivalent and ironic, the cry of a man whose revolutionary action must first and foremost be directed inwardly toward a poetic reconstruction of the self, a liberation that requires a self-determined and self-realizing pursuit of truth.

Fanon admired and respected no other intellectual more than Césaire. We know from his letters to his French publisher François Maspero that he imagined his writings as adressed, in no small part, to and for him. The idiosyncratic prose style of Black Skin, White Masks is Fanon’s way of signifying upon a correspondence with Césaire’s poetics. Both writers are acutely aware that the Black thinker is poised precariously between the poles of reflection and action. But both are committed to a humanistic pursuit of truth and both believe in the promise of a radiant Blackness whose time is not yet come. This is why, even as the Algerian War raged around him, Fanon continued his psychiatric research, convinced that understanding the traumas of war and torture would be necessary for healing the postrevolutionary body politic. He wrote for the present and for the future in pursuit of an understanding of himself and of human nature, and for the cause of a political independence and freedom that he hoped would set the entire African continent on a new course. Had he lived, he would have persevered until every colonialist regime from Algiers to Cape Town (the title he had in mind for his last book was Alger-Le Cap) had been driven off the continent. Fanon was no pessimist: true revolutionaries never are.

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But must we revolve around Fanon in the first place? Today many activists are more inspired by Fannie Lou Hamer. The US context has its own problems that Fanon only barely understood and addressed. Why not return instead, in this hour of national contestation, to a figure like David Walker and his Appeal to the Coloured Citizens of the World; But in Particular and Very Expressly to those of the United States of America from 1829? We still underappreciate the importance of this text, one of the seminal documents that captures the first great Black intellectual debate in the United States, which was an argument over whether or not we ought to stay in the country at all. Walker believed we should, and he was the first to define and defend the monumental implications of that choice. He attacked the mighty lobby of the American Colonization Society, which included the powerful senator Henry Clay, Abraham Lincoln, and many leading Black intellectuals of the day, who were convinced full equality for Blacks in America was neither possible nor desirable and advocated emigration. Their plans revolved around evacuating the Black population to the Pepper Coast, now the country of Liberia, which emerged from colonial schemes like “Mississippi-in-Africa” that the American Colonization Society founded in the 1830s.

We could have abandoned the country. History could have taken a very different course. American slaves could have returned to Africa and the United States could have become a white ethno-state, a second Europe. The 1820s and ’30s were the last possible moment of undoing or preventing the existence of a Black America. But Black American intellectuals made the choice to stay — to hold this ground and make something new here that the world had never seen. As the political scientist Melvin Rogers points out, Walker’s Appeal not only staked this argument in terms of a principled Black nationalist claim based on the enormous sacrifice of “blood and tears” in slavery; the rhetorical address of the text was also intended to awaken Black Americans to their own potential as a nationally self-consciously political community with a global outlook. “[F]or [Walker],” Rogers writes, “African Americans did not need a prophet to whom they should blindly defer. Rather they needed a community willing to confront practices of domination, capable of responding to their grievances, and susceptible to transcending America’s narrow ethical and political horizon.”

Wilderson’s Afropessimism insists that we are still slaves. Walker insisted in 1829 that the slaves are (and were even then) “colored citizens” of the United States and of the world. That if we are oppressed it is only because we are ignorant of our true strength, because we have been taught to disbelieve and disavow our worth to the world, to the nation, and to each other. Which of these two views is the correct one? I think the historical record and the present state of our politics tells us all we need to know on that score. For it is no coincidence that today it is Black Americans who are once again trying to save the country, to invest in finishing the work of making this place a home that we can live in. In what is a long-standing pattern, the “coloured citizens” of this country are at the forefront of practicing civics. Indeed, what could be more republican than risking one’s health to restore the health of the body politic? To ensure that one of the most basic promises of the state is properly fulfilled: that it apply its law enforcement equally, humanely, and in a manner accountable to the people it serves.

As in past struggles, our principled defense of an ethical civil code has attracted others with its moral force. We have seen a massive response, including from sources traditionally opposed to these concerns, who recognize the profoundly dysfunctional culture of US policing, prisons, and courts. Even many of those who do not agree that these are the result of actively racist policies and attitudes no longer deny that our exceptionally poor record cannot plausibly be unrelated to a long history of antiblack violence and antagonism. For this same reason, likeminded people around the world are hoping for a decisive break with the past‚ taking to the streets across the globe to demand that state actors acknowledge that there really is a history of injury that needs to stop being denied, and that we can and should work together to design a new social contract that will restore the perceived legitimacy of law enforcement and criminal justice in the eyes of all citizens and not just some.

The generation undertaking these endeavors does not seem to require a narrative of optimism in order to take the great risks they have incurred. They have a healthy indifference to both optimism and pessimism alike. Perhaps it results from the demands of carrying out politics in the real world. The incredibly difficult task of organizing and strategizing in order to elevate and amplify the best responses and to rein in and temper the counterproductive ones that delay and diminish a good cause. That’s hard to do in the best of cases: in a turbulent, paranoid, and instantly videotaped public sphere, it’s a Sisyphean task that bad-faith commentators take advantage of.

None of this diminishes the fundamental need for greater self-capacity of the kind Walker called for 200 years ago. Much of the work ahead will necessarily involve a growing capacity for self-reflection, self-criticism, irony, and joy in our politics. It will require acknowledging that struggles against white oppression will never be successful without deepened self-healing in our communities: repairing the relations in families, between men and women; ending the violence directed at trans, queer, and otherwise non-conforming people in our neighborhoods; ending the heinous blood feuds between rival gangs and sets; restoring education and communal trust as our highest priorities and most cherished aspirations. These will always remain preconditional to the realization of freedom and autonomy. It is pursuing these aims as an ongoing collective activity that will make unavoidable the realization as Walker said, that this country is “more ours” than anyone else’s — that we are a historic people with a world-historical destiny that understands our suffering as endowing us with both the right and the responsibility of civilizing the United States in such a way that it reflects the values that our historical experiences bring to it, the freedoms, equalities, and cultural pluralisms that we have made vital and central to its identity.

One doesn’t need to hang on desperately to a mirage of hope. If we look to history, we can see more than enough concrete evidence and example to support the conclusion that a racially defined caste system is unlikely to ever again prevail. Of course, that doesn’t mean history is a smoothly upward-trending curve. We have known terrible setbacks. Yes, the violent defeat of Reconstruction was successful. But the building of Black institutions and the Niagara Movement proceeded anyway. Tulsa was burned to the ground. But its Black citizens turned right around and rebuilt it out of the ashes. The Civil Rights movement was checked by the forces of reaction and the assassin’s bullet; but the world of unquestioned white superiority and authority that George Wallace hoped to preserve is reduced now to a twinkle in David Duke’s blue eye. Yes, creepy white supremacists still crawl out from under mossy stones at opportune moments to wail about their Nordic fantasies in their over-sized khaki pants. Yes, like the militants of the Islamic State, they are capable of carrying out horrific acts of terror and violence. But like that barbaric and fanatical sect, white supremacy is permanently confined to such rear-guard actions because it has already lost — it is trying to reverse a clock going forward — which explains the virulence and incoherence of its outbursts of spastic violence.

We are not at the end, but near the beginning of something new. The pandemic and the multiple underlying crises and fractures it has revealed make vivid that one need not wait so very long for “the end of the world.” The problem, as generations of millenarians have discovered, is that it turns out there’s a morning after the end of the world. And one after that too. The hardest truth is that all the uncertainties that govern the question of what can be done, what will be done, and the difference between the two, remain in our hands. What would Frantz Fanon, or David Walker, or Ella Baker tell us if they saw the streets today? Surely, not that we are at an impasse against an implacable enemy. They would insist that we lift each other and rise together with the spirit of history at our backs. We have done it before. Every time we do it’s a new day.

#### Maximum captivity frames that reduce the material history of slavery to libidinal drives is reductionist, unethical, and disavows textures of blackness

McCarthy 20 (Jesse McCarthy is an assistant professor in the departments of English and of African and African American Studies at Harvard University. “On Afropessimism.” <https://lareviewofbooks.org/article/on-afropessimism/> //shree)

The most troubling aspect of Afropessimism, however, may be its treatment of slavery. Despite the fact that Wilderson knows this is one of the most fiercely contested components of his worldview, he treats it as if it were a minor point, relegating an important statement of his position to a footnote: “It is worth reiterating that, through the lens of Afropessimism, slavery is, essentially, a relational dynamic, rather than a historical era or an ensemble of empirical practices (like whips and chains).” I submit that there is something deeply troubling about a casual parenthetical that proposes to evacuate the significance of the entire material history of antebellum slavery. It’s also logically bizarre, since it seems constitutive of the entire project that slavery have been real at least at some point in order for the relation to obtain in the first place. But these issues are brushed aside, since this erasure is necessary for the theory to do what Wilderson wants it to do; slavery must be transformed into a portable and fundamentally psychological relation untethered from historical memory and founded purely on the basis of melanin and the antagonism that an all-encompassing and all-powerful “whiteness” poses to it.

For many of us, such a leap is neither ethical nor comprehensible. But for Wilderson the portability and paradoxical fungibility of slavery fits perfectly with his interest in film and his Lacanian and Fanonian readings of it. How else to explain passages in Afropessimism in which incidents involving a terrible white roommate situation he and his girlfriend find themselves in circa 1979 are, for Wilderson, obviously comparable to Steve McQueen’s 2013 film, 12 Years a Slave, which was based on Solomon Northup’s 1853 slave narrative. This is not a jest, but a sustained and intensely explored analogy, in which the whipping of Patsey (played by Lupita Nyong’o in the film), descriptions of the cool sadism of Mary Epps (the slaveowner’s wife) from Northrup’s 1853 narrative, and Wilderson’s troubles with a batty white roommate all share the same stage. We are asked to imagine them as coequal and even coeval psychological theaters of cruelty, whose mise-en-scène simply involves different props. The plantation is everywhere and all the time. It is ontological, which means that it attaches trans-historically to all Black persons regardless of their social position.

How far does this go? In his academic monograph on film studies, Red, White & Black (2010), Wilderson forthrightly asserts that Black academics are not subalterns in the academy but “Slaves of their colleagues.” Is being talked down to in the faculty lounge really the same as being whipped at the post, or slinging rock on the corner, or being placed in solitary on Rikers Island as a juvenile? Is working at Merrill Lynch in New York as a Black woman really the same as working shifts as a Black gay man in a McDonald’s in Alabama? Is it ethical or desirable to confound all of these into a tortuous equivalency while telling those who propose to fight at your side to shut up because you don’t like the analogies they are using to connect themselves with your suffering?

It is fair to ask of a “lens” whether it actually sharpens our view and, if so, to perform demonstrations of clarity? A major problem for Afropessimism is that its claim to revealing the underlying structural truth seems to repeatedly require abandoning any significant contact with historical reality. With social categories like class, gender, and material facts made irrelevant, the theoretical work is forced to concentrate itself in rhetorical aphorisms that seem to be slouching their way toward slogans. “The antagonist of the worker is the capitalist. The antagonist of the Native is the settler. But the antagonist of the Black is the Human being,” Wilderson tells us. The problem with this, apart from its faux-syllogistic form, is that human identities are not fixed and rigid boxes, but dynamic rings of change that merge and overlap. The Black Americans involved in the colonization scheme of Liberia in the 19th century were both Black (formerly enslaved on US plantations) and also settlers. Obviously, there are Black capitalists just as there are Black workers. Is there a double-jeopardy principle for antagonisms or some calculus by which they can be selectively negated?

“Blackness and Slaveness are inextricably bound in such a way that whereas Slaveness can be disimbricated from Blackness, Blackness cannot exist as other than Slaveness,” Wilderson assures. Was Joseph Jenkins Roberts, the first president of Liberia, not capable of really being a settler or a capitalist because of the inescapable “Slaveness” of his Blackness? How should we evaluate the categories, both legal and political, that Black people themselves brought into world history? The only antagonists Jean-Jacques Dessalines recognized in 1804 were the French, whom he violently reviled, refused to grant any rights to, and often cruelly put to death (in the context of what is arguably the most just war ever fought and the only successful example of a slave revolution in history) — while simultaneously decreeing that all citizens of the Republic of Haiti henceforth would be considered Black, even the small Polish population on the island which had joined forces with the slaves against the French slave power. Dessalines also believed that a convergence of interest and identity with the “native” population was both possible and desirable, which is why he called his forces L’Armée Indigène and changed the name of the island from the colonizer’s Saint-Domingue to Haiti, a word from the language of the indigenous Taíno people.

What are we to make of the Blacks who owned slaves themselves, the imbricated weave that historians Michael P. Johnson and James L. Roark describe in their classic study, Black Masters, and that Edward P. Jones meditates upon in his great novel, The Known World? What of the fact that Black and white laborers banded together and fought against the planter elite during the years leading up to and including Bacon’s Rebellion in 1676? And if the categories of racial Blackness and whiteness are so crucial to Wilderson, why is none of the scholarship on the historical production of “whiteness” (Theodore Allen, Noel Ignatiev, Nell Irvin Painter, David Roediger) cited in either Afropessimism or Red, White & Black? Where do the unique polities of the Jamaican Maroons and quilombos of Brazil fit into this picture? Can it really be true in the full light of history that there is no Blackness at all that is not Slaveness? Is a flat reductionist dichotomy really capable of comprehending the truth of human history? I understand Wilderson’s point about his Palestinian friend, but what does his theory clarify for us about that Ethiopian Jewish soldier?

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Carter G. Woodson, in The Mis-Education of the Negro, said that “to handicap a student by teaching him that his Black face is a curse and that his struggle to change his condition is hopeless is the worst sort of lynching.” There is no reason to think Afropessimism is anything that severe. But I invoke Woodson here to remind us that more pragmatic points of view are neither new nor the product of superficial analysis. They cannot simply be breezily dismissed. Let’s not pretend that there are no voices that represent the best of Black folk as much as anyone else, and yet take a radically different point of view on race, racism, and what to do about it. Whatever position one eventually comes to, they are owed some serious account, not consignment to the oubliettes of history, as if intelligent thinking on the positionality and politics of Blacks in the United States only began yesterday.

No serious Black intellectual today thinks antiblack racism is not a matter of life and death. The question is still the old one: what is to be done? There has to be room for a serious debate and the flexibility of open-minded conversation on that score. It’s simply implausible that the answers are easy, obvious, or one-dimensional. The fact that Black Lives Matter has done more to explode the Overton window in American politics than any movement since the 1960s has to be fully and duly appreciated for the extraordinary achievement that it is. But Adolph Reed Jr.’s countervailing contention that Black Lives Matter is merely a rebranding and retreading of Black Power for millennials is a barb nonetheless worth reflecting on seriously.

#### Unconscious racial bias exists but psychoanalytic explanations ignore specific social and cultural value systems and confuse habit with instinct.

Peter Hudis 15, Professor of English and History @ Queens College, 2015, “Frantz Fanon: Philosopher of the Barricades,” Pg. 35-37

Fanon’s vantage point upon the world is his situated experience. He is trying to understand the inner psychic life of racism, not provide an account of the structure of human existence as a whole. Racism is not, of course, an integral part of the human psyche; it is a Social construct that has a psychic impact. Any effort to comprehend social distress that accompanies racism by reference to some a priori structure- be it the Oedipal Complex or the Collective Unconscious- is doomed to failure.

Carl Jung sought to deepen and go beyond Freud's approach by arguing that the subconscious is grounded in a universal layer of the psyche- which he called "the collective unconscious:' This refers to inherited patterns of thought that exist in all human minds, regardless of specific culture or upbringing, and which manifest themselves in dreams, fairy tales, and myths. Jung referred to these universal patterns as "archetypes:' It may seem, on a superficial reading, that 1 Fanon is drawing from Jung, since he discusses how white people tend to unconsciously assimilate views of blacks that are based on negative stereotypes. Even the most "progressive" white tends to think of blacks a certain way (such as "emotional;' "physical," or / "aggressive"), even as they disavow any racist animus on their part. However, Fanon denies that such collective delusions are part of a psychic structure; they are not permanent features of the mind. They are habits acquired from a series of social and cultural impositions. While they constitute a kind a collective unconscious on the part of many white people, they are not grounded in any universal "archetype." The unconscious prejudices of whites do not derive from genes or nature, nor do they derive from some form independent of culture or upbringing. Fanon contends that Jung "confuses habit with instinct."

Fanon objects to Jung's "collective unconscious" for the same reason that he rejects the notion of a black ontology. His phenomenological approach brackets out ontological claims on both a social and psychological level insofar as the examination of race and racism is concerned. He writes, "Neither Freud nor Adler nor even the cosmic Jung took the black man into consideration in the course of his research.”

This does not mean that Fanon rejects their contributions tout court. He does not deny the existence of the unconscious. He only denies that the inferiority complex of blacks operates on an unconscious level. He does not reject the Oedipal Complex. He only denies that it explains (especially in the West Indies) the proclivity of the black "slave" to mimic the values of the white "master." And as seen from his positive remarks on Lacan's theory of the mirror stage, he does not reject the idea of psychic structure. He only denies that it can substitute for an historical understanding of the origin of neuroses .23 Fanon adopts a socio-genetic approach to a study of the psyche because that is what is adequate for the object of his analysis.

For Fanon, it is the relationship between the socio-economic and psychological that is of critical import. He makes it clear, insofar as the subject matter of his study is concerned, that the socio-economic is first of all responsible for affective disorders: "First, economic. Then, internalization or rather epidermalization of this inferiority."24 Fanon never misses an opportunity to remind us that racism owes its origin to specific economic relations of domination- such as slavery, colonialism, and the effort to coopt sections of the working class into serving the needs of capital. It is hard to mistake the Marxist influence here. It does not follow, however, that what comes first in the order of time has conceptual or strategic priority. The inferiority complex is originally born from economic subjugation, but it takes on a life of its own and expresses itself in terms that surpass the economic. Both sides of the problem-the socio-economic and psychological-must be combatted in tandem: "The black man must wage the struggle on two levels; whereas historically these levels are mutually dependent, any unilateral liberation is flawed, and the worst mistake would be to believe their mutual dependence automatic:''5

On these grounds he argues that the problem of racism cannot be solved on a psychological level. It is not an "individual" problem; it is a social one. But neither can it be solved on a social level that ores the psychological. It is small wonder that although his name never appears in the book, Fanon was enamored of the work of Wilhelm Reich. This important Freudian-Marxist would no doubt feel affinity with Fanon's comment, "Genuine disalienation will have been achieved only when things, in the most materialist sense, have resumed their rightful place:'27

#### Neurological, racial bias is flexible and determined by coalitional habit forming in the brain---orienting groups around institutional change best breaks down bias. This is offense because their theory rejects these solutions.

Mina Cikara and Jay Van Bavel 15. \*Mina Cikara is an Assistant Professor of Psychology and Director of the Intergroup Neuroscience Lab at Harvard University. Her research examines the conditions under which groups and individuals are denied social value, agency, and empathy. \*Jay Van Bavel is an Assistant Professor of Psychology and Director of the Social Perception and Evaluation Laboratory at New York University. “The Flexibility of Racial Bias” Scientific American. 6-2-15. <https://www.scientificamerican.com/article/the-flexibility-of-racial-bias/>

The city of Baltimore was rocked by protests and riots over the death of Freddie Gray, a 25-year-old African American man who died in police custody. Tragically, Gray’s death was only one of a recent in a series of racially-charged, often violent, incidents. On April 4th, Walter Scott was fatally shot by a police officer after fleeing from a routine traffic stop. On March 8th, Sigma Alpha Epsilon fraternity members were caught on camera gleefully chanting, “There Will Never Be A N\*\*\*\*\* In SAE.” On March 1st, a homeless Black man was shot in broad daylight by a Los Angeles police officer. And these are not isolated incidents, of course. **Institutional and systemic racism reinforce discrimination in countless situations, including hiring, sentencing, housing, and even mortgage lending**. It would be easy **to see in all this powerful evidence that racism is a permanent fixture in America’s social fabric and** even, perhaps, **an** inevitable aspect of human nature. Indeed, the mere act of labeling others according to their age, gender, or race is a reflexive habit of the human mind. Social categories, like race, impact our thinking quickly, often outside of our awareness. **Extensive research has found that these implicit racial biases—negative thoughts and feelings about people from other races—are automatic, pervasive, and difficult to suppress**. Neuroscientists have also explored racial prejudice by exposing people to images of faces while scanning their brains in fMRI machines. **Early studies found that when people viewed faces of another race, the amount of activity in the amygdala—a small brain structure associated with experiencing emotions, including fear—was associated with individual differences on implicit measures of racial bias**. This work has led many to conclude that racial biases might be part of a primitive—and possibly hard-wired—neural fear response to racial out-groups. **There is little question that** categories such as **race**, gender, and age **play a major role in shaping the biases and stereotypes that people bring to bear in their judgments of others**. However, **research has shown that how people categorize** themselves **may be just as fundamental to understanding prejudice as how they categorize others**. When people categorize themselves as part of a group, their self-concept shifts from the individual (“I”) to the collective level (“us”). People form groups rapidly and favor members of their own group even when groups are formed on arbitrary grounds, such as the simple flip of a coin. These **findings highlight the remarkable ease with which humans form coalitions**. Recent research confirms **that** coalition**-based** preferences trump race**-based** preferences. For example, **both Democrats and Republicans favor the resumes of those affiliated with their political** party **much** more than **they favor those who share** their race. These **coalition-based preferences remain powerful even in the absence of the animosity present in electoral politics**. Our **research has shown that the simple act of placing people on a** mixed-race team **can** diminish **their** automatic racial bias. In a series of experiments, **White participants who were randomly placed on a mixed-race team—the Tigers or Lions—showed little evidence of implicit racial bias**. **Merely belonging to a mixed-race team trigged positive automatic associations with all of the members of their own group, irrespective of race**. **Being a part of one of these seemingly trivial mixed-race groups produced similar effects on brain activity—the** amygdala responded **to** team **membership** rather than race. Taken together, **these studies indicate that momentary changes in group membership can override the influence of race on the way we see, think about, and feel toward people who are different from ourselves**. Although these coalition-based distinctions might be the most basic building block of bias, they say little about the other factors that cause group conflict. Why do some groups get ignored while others get attacked? Whenever we encounter a new person or group we are motivated to answer two questions as quickly as possible: “is this person a friend or foe?” and “are they capable of enacting their intentions toward me?” In other words, once we have determined that someone is a member of an out-group, we need to determine what kind? The nature of the relations between groups—are we cooperative, competitive, or neither?—and their relative status—do you have access to resources?—largely determine the course of intergroup interactions. Groups that are seen as competitive with one’s interests, and capable of enacting their nasty intentions, are much more likely to be targets of hostility than more benevolent (e.g., elderly) or powerless (e.g., homeless) groups. This is one reason why sports rivalries have such psychological potency. For instance, fans of the Boston Red Sox are more likely to feel pleasure, and exhibit reward-related neural responses, at the misfortunes of the archrival New York Yankees than other baseball teams (and vice versa)—especially in the midst of a tight playoff race. (How much fans take pleasure in the misfortunes of their rivals is also linked to how likely they would be to harm fans from the other team.) **Just as a particular person’s group membership can be flexible, so too are the relations between groups. Groups that have previously had cordial relations may become rivals (and vice versa)**. Indeed, psychological and biological responses **to out-group members** can change, depending on whether or not that out-group is perceived as threatening. For example, people exhibit greater pleasure—they smile—in response to the misfortunes of stereotypically competitive groups (e.g., investment bankers); however, this malicious pleasure is reduced when you provide participants with counter-stereotypic information (e.g., “investment bankers are working with small companies to help them weather the economic downturn). Competition between “us” and “them” can even distort our judgments of distance, making threatening out-groups seem much closer than they really are. These distorted perceptions can serve to amplify intergroup discrimination: the more different and distant “they” are, the easier it is to disrespect and harm them. Thus, not **all out-groups are treated the same: some elicit indifference whereas others become targets of antipathy. Stereotypically threatening groups are especially likely to be targeted with violence, but those** stereotypes can be tempered **with** other info**rmation.** **If perceptions of intergroup relations can be changed, individuals may overcome hostility toward perceived foes and become more responsive to one another’s grievances.** **The** flexible nature **of both group membership and intergroup relations offers reason to be** cautiously optimistic **about the potential for greater cooperation among groups in conflict** (be they black versus white or citizens versus police). One strategy is to bring multiple groups together around a common goal. For example, during the fiercely contested 2008 Democratic presidential primary process, Hillary Clinton and Barack Obama supporters gave more money to strangers who supported the same primary candidate (compared to the rival candidate). Two months later, after the Democratic National Convention, the supporters of both candidates coalesced around the party nominee—Barack Obama—and this bias disappeared. In fact, merely **creating a sense of** cohesion **between two competitive groups can increase empathy for the suffering of our rivals**. **These** sorts of **strategies** can help **reduce aggression toward hostile out-groups, which is** critical for creating more opportunities for constructive dialogue addressing greater social injustices. Of course, instilling a sense of common identity and cooperation is extremely difficult in entrenched intergroup conflicts, but when it happens, the benefits are obvious. Consider how the community leaders in New York City and Ferguson responded differently to protests against police brutality—in NYC political leaders expressed grief and concern over police brutality and moved quickly to make policy changes in policing, whereas the leaders and police in Ferguson responded with high-tech military vehicles and riot gear. In the first case, multiple groups came together with a common goal—to increase the safety of everyone in the community; in the latter case, the actions of the police likely reinforced the “us” and “them” distinctions. Tragically, these types of conflicts continue to roil the country. Understanding the psychology and neuroscience of social identity and intergroup relations cannot undo the effects of systemic racism and discriminatory practices; however, it can offer insights into the psychological processes responsible for escalating the tension between, for example, civilians and police officers. **Even in cases where it isn’t possible to create a common identity among groups in conflict, it may be possible to blur the boundaries between groups**. In one recent experiment, we sorted participants into groups—red versus blue team—competing for a cash prize. Half of the participants were randomly assigned to see a picture of a segregated social network of all the players, in which red dots clustered together, blue dots clustered together, and the two clusters were separated by white space. The other half of the participants saw an integrated social network in which the red and blue dots were mixed together in one large cluster. Participants who thought the two teams were interconnected with one another reported greater empathy for the out-group players compared to those who had seen the segregated network. Thus, reminding people that individuals could be connected to one another despite being from different groups may be another way to build trust and understanding among them. A mere month before Freddie Gray died in police custody, President Obama addressed the nation on the 50th anniversary of Bloody Sunday in Selma: “We do a disservice to the cause of justice by intimating that bias and discrimination are immutable, or that racial division is inherent to America. To deny…progress – our progress – would be to rob us of our own agency; our responsibility to do what we can to make America better." The president was saying that **we**, as a society, **have a responsibility to reduce prejudice and discrimination**. These recent findings from psychology and neuroscience indicate that we, as individuals, possess this capacity. Of course this capacity is not sufficient to usher in racial equality or peace. Even when the level of prejudice against particular out-groups decreases, it does not imply that the level of institutional discrimination against these or other groups will necessarily improve. **Ultimately, only** collective action **and** institutional evolution **can address systemic racism**. **The science is clear on one thing, though:** individual bias and discrimination are changeable**.** **Race-based prejudice and discrimination, in particular, are** created and reinforced by **many** social factors, **but they are** not inevitable consequences of **our** biology**.** Perhaps understanding how coalitional thinking impacts intergroup relations will make it easier for us to affect real social change going forward.

# 1AR

## CASE

### 1AR – Util [Short]

#### Lives outweigh---Death is the ultimate evil --- it’s the ontological end of the subject

Craig PATERSON 3. Director and Consultant, Bioethics World; Professor of Philosophy, Providence College. “A Life Not Worth Living?” *Studies in Christian Ethics* 16: 1-20. Emory Libraries.

Contrary to those accounts, I would argue that it is death per se that is really the objective evil for us, not because it deprives us of a prospective future of overall good judged better than the alternative of non-being. It cannot be about harm to a former person who has ceased to exist, for no person actually suffers from the sub-sequent non-participation. Rather, death in itself is an evil to us because it ontologically destroys the current existent subject — it is the ultimate in metaphysical lightening strikes. 80 The evil of death is truly an ontological evil borne by the person who already exists, independently of calculations about better or worse possible lives. Such an evil need not be consciously experienced in order to be an evil for the kind of being a human person is. Death is an evil because of the change in kind it brings about, a change that is destructive of the type of entity that we essentially are. Anything, whether caused naturally or caused by human intervention (intentional or unintentional) that drastically interferes in the process of maintaining the person in existence is an objective evil for the person. What is crucially at stake here, and is dialectically supportive of the self-evidency of the basic good of human life, is that death is a radical interference with the current life process of the kind of being that we are. In consequence, death itself can be credibly thought of as a ‘primitive evil’ for all persons, regardless of the extent to which they are currently or prospectively capable of participating in a full array of the goods of life. 81 In conclusion, concerning willed human actions, it is justifiable to state that any intentional rejection of human life itself cannot therefore be warranted since it is an expression of an ultimate disvalue for the subject, namely, the destruction of the present person; a radical ontological good that we cannot begin to weigh objectively against the travails of life in a rational manner. To deal with the sources of disvalue (pain, suffering, etc.) we should not seek to irrationally destroy the person, the very source and condition of all human possibility.

### China Revisionist---1AR

#### 3. Absent US pressure, China will export its surveillance state abroad and use debt trap diplomacy---even if they win Heg bad, the world has no alternative.

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Much of Washington has fretted over China’s mercantilist approach to economics in general and views the Belt and Road Initiative largely through this lens. Yet the concerns over Beijing’s current approach should go beyond dollars and yuan. By fueling debt dependency, advancing a “China First” development model, and undermining good governance and human rights, the initiative offers a deeply illiberal approach to regions that contain about 65 percent of the world’s population and one-third of its economic output.

The hype surrounding the Belt and Road Initiative — Chinese President Xi Jinping’s signature initiative on the world stage — has recently shifted into overdrive. In China’s domestic politics, support for the project has come to signify loyalty to the country’s president-for-life. At the same time, the Belt and Road serves as an overarching narrative into which Beijing can fit its foreign economic policy in regions as disparate as the Arctic and Latin America. Yet the initiative’s rhetoric and branding should not obscure its core aim: to access markets and project influence and power throughout Eurasia and the Indian Ocean rim. And China has already dedicated significant resources to the effort: Estimates put total Belt and Road-related construction and investment at more than $340 billion from 2014 to 2017.

The United States cannot ignore the Belt and Road Initiative. The offer of financing and other assistance addresses a very real need in many countries for roads, ports, railways, telecommunications networks, and other infrastructure. And given that many see no credible alternative on offer, straight-out American opposition is bound to fail.

Instead, the Trump administration should try to shape the project, where possible, through a combination of engagement and pressure. At the same time, it is imperative to counter the initiative’s most illiberal elements. This means advancing a free, open, and sustainable model of development, fostering political resiliency in select countries, launching a new digital development fund, and more. Undertaken in concert with U.S. allies and partners, these kinds of moves will not demand massive new resources. But absent steps like them, Belt and Road-fueled illiberalism will spread across the globe unchecked.

To understand how the Belt and Road Initiative can threaten human rights and good governance, consider first how its projects are financed. Thus far, China has largely favored loans over grants. It is not a member of the Paris Club of major creditor nations, and it has shown little inclination to adhere to internationally recognized norms of debt sustainability, such as the sovereign lending principles issued by the United Nations Conference on Trade and Development. At the same time, many of the recipient countries participating in the project lack the capability to assess the long-term financial consequences of China’s loans — or they may simply accept them, assuming the bills will come due on a future government’s watch.

Ballooning, unsustainable debt is the predictable result. Sri Lanka, where in 2017 some 95 percent of government revenue went to debt repayment, represents the best-known example of Belt and Road’s negative impact on a country’s balance sheet. But Sri Lanka is only the most prominent case; a recent study by the Center for Global Development identified eight countries — Djibouti, the Maldives, Laos, Montenegro, Mongolia, Tajikistan, Kyrgyzstan, and Pakistan — that are at particular risk of debt distress due to future Belt and Road-related financing.

Naturally, large government-backed loans to foreign countries come with political strings attached. The potentially destructive international economic consequences of failing to make repayments breeds long-term dependence on China and expands Beijing’s influence. As a result, recipient countries will find their foreign-policy choices constrained — even if future governments seek to exit Beijing’s orbit.

Sri Lanka is again a case in point. There, the government of Maithripala Sirisena inherited a mountain of Belt and Road-related debt from its pro-Chinese predecessor and, despite a clear desire to move closer to India and the United States, had no recourse but to engage in a debt-for-equity swap with China. The deal left Beijing with a 99-year lease on the strategically located port at Hambantota.

The Belt and Road Initiative provides a vector through which China can exert influence well beyond countries’ foreign-policy choices. The geographic expanse covered by the initiative includes many nations with high levels of corruption, and with domestic institutions that range from fragile democracies to full-blown autocracies. With Chinese companies being generally less transparent than their international peers, and with Beijing’s zeal to curb bribery and corporate malfeasance limited to its domestic economy, a massive influx of Chinese funds into countries with weak governance is likely to exacerbate ongoing corruption problems. And given that some projects are clearly linked to geopolitical objectives — like gaining control over commercial assets with potential military uses — Beijing may well employ graft to ensure that foreign political elites look favorably on its offers.

China’s planned development of a “new digital Silk Road” has received comparatively less attention than other elements of the initiative but is equally troubling. China’s digital blueprint seeks to promote information technology connectivity across the Indian Ocean rim and Eurasia through new fiber optic lines, undersea cables, cloud computing capacity, and even artificial intelligence research centers. If realized, this ambitious vision will serve to export elements of Beijing’s surveillance regime. Indeed, Chinese technology companies already have a track record of aiding repressive governments. In Ethiopia, likely prior to the advent of Belt and Road, the Washington Post reports that China’s ZTE Corporation “sold technology and provided training to monitor mobile phones and Internet activity.” Today, Chinese tech giant Huawei is partnering with the government of Kenya to construct “safe cities” that leverage thousands of surveillance cameras feeding data into a public security cloud “to keep an eye on what is going on generally” according to the company’s promotional materials. Not all elements of China’s domestic surveillance regime are exportable, but as the “New Digital Silk Road” takes shape, the public and online spaces of countries along it will become less free.

Beyond fueling corruption and enhancing surveillance, the initiative will stifle free speech, at a minimum by strengthening Beijing’s ability to silence criticism. States financially beholden to China will become less willing to call out Beijing’s domestic human rights abuses, for instance, and less eager to object to its foreign-policy practices. This dynamic is already playing out within the European Union. In mid-2017, for the first time, the EU failed to issue a joint condemnation of China at the U.N. Human Rights Council. Greece, which had recently received a massive influx of Chinese investment into its Port of Piraeus, scuttled the EU statement.

Other cash-strapped democratic governments, when confronting the choice between Belt and Road’s immediate – even if one-sided – economic benefits and the need to defend human rights globally, may well follow Greece’s example. Similarly, companies dependent on the Chinese market are already acquiescing to Beijing’s demands – such as by firing an American employee who “liked” a pro-Tibetan independence tweet – and by self-censoring, as in the efforts by some Hollywood producers to ensure that films contain no lines (supportive of Tibet, say, or critical of Xi Jinping) that might arouse anger within the Chinese Communist Party. As the initiative extends its reach, it is easy to imagine government officials feeling similarly compelled.

China’s Belt and Road-related activism leaves the United States in a bind. Lacking additional billions of dollars in government-directed funds, a raft of state-owned enterprises, or well-capitalized banks linked to the government, Washington cannot simply outbid Beijing. Nor should it try to do so. Virtually no country would sign on to an “us or them” approach to the Belt and Road Initiative even if the United States were to offer such a stark alternative, and inducing infrastructure-strapped countries to “just say no” to Chinese funds is a tough sell. The best course for Washington is to offer a positive vision of physical and digital connectivity while taking concrete steps to limit the initiative’s most illiberal effects.

The Trump administration is off to a rhetorical start with its invocation of a “free and open Indo-Pacific,” to which it should couple a “free, open, and sustainable” model of development in that region and beyond. Drawing an implicit distinction with Belt and Road’s debt-fueled focus on hard infrastructure generally constructed with Chinese workers, the United States, together with other democracies such as Japan, European nations, and India, should advance an alternative approach. It should emphasize local capacity-building, the transfer of skills, responsible financing, quality, and innovation. These elements should become the watchword of the free, open, and sustainable model.

Although some governments willingly take on unsustainable debt to finance Belt and Road projects and channel contracts to Chinese companies behind closed doors, others simply lack the technical capacity to assess debt repayment and the long-term costs associated with specific infrastructure projects. The United States, working with its allies and partners, can play a critical role in helping to develop the human capital necessary to adequately determine whether a country should take on a Belt and Road project. This would include such mundane but important efforts as building technical financial assessment capacity, training procurement officials, and enhancing the project management skills of government officials.

The United States should also double down on its international support for democracy, civil society, and rule of law. Transparency, domestic checks and balances, and a free press can function as powerful impediments to the sort of corrupt backroom deals that leave China with enduring financial leverage and receiving governments with a long-term debt hangover. Even modest efforts in nondemocratic countries — to train investigative journalists, for example, or to strengthen the capacity of civil society organizations — may constrain China from pursuing the most one-sided Belt and Road deals.

Information technology connectivity is the one area in which the United States should most actively compete with China. Working with Europe and Japan, Washington could establish a dedicated development fund under the umbrella of the Organization for Economic Cooperation and Development that would finance digital development projects. Such a fund should only support companies that are committed to globally recognized rights of freedom of expression and privacy and that agree to an independent third-party audit of its software and hardware exports.

In March 2000, then-U.S. President Bill Clinton channeled the prevailing wisdom about China in pressing for approval of permanent normal trade relations with Beijing and its admission to the World Trade Organization. “Bringing China into the WTO,” Clinton said, “doesn’t guarantee that it will choose political reform.” Nevertheless, Clinton argued, “the process of economic change will force China to confront that choice sooner, and it will make the imperative for the right choice stronger.” The notion that borders open to trade and investment were bound to allow in liberal ideas struck many policymakers as entirely logical.

But that was an illusion. A richer and more globally connected China has not become a more democratic one — instead, Beijing’s economic strength now allows it to spread its own illiberal values to other countries. Nearly two decades after China’s entrance into the world economy, it is up to U.S. President Donald Trump to ensure that the illiberal values China is exporting under the guise of the Belt and Road Initiative do not take root across the globe.