# 1NC – Navy R4

## Offcase

### T-Structural – 1NC

#### interpretation---“prohibitions” are structural---otherwise, it’s a remedy

Jo Seldeslachts et al. ‘7. Professor of Industrial Organization at KU Leuven and a Senior Research Fellow at DIW Berlin, with Joseph A. Clougherty and Pedro Pita Barros. “Remedy for now but prohibit for tomorrow: the deterrence effects of merger policy tools.” https://www.ssoar.info/ssoar/bitstream/handle/document/25862/ssoar-2007-seldeslachts\_et\_al-remedy\_for\_now\_but\_prohibit.pdf;jsessionid=A244005110FDB5816E0347D9F1B75436?sequence=1

Let us now think about the differences between the two antitrust actions of prohibitions and remedies.7 In the case of a prohibition, the penalty for proposing a merger with significant anti-competitive problems involves the full prohibition of the merger: both the pro-competitive and the anti-competitive profits for merging firms are negated by the prohibition. The throwing out of the pro-competitive profits along with the anti-competitive profits is important, as this brings about the punitive measure that Posner (1970) acknowledges as being crucial for deterrence. The big difference between remedies and prohibitions is that remedies attempt to identify and eliminate the anti-competitive elements of a merger. In essence, the merging firms are able to hold on to the pro-competitive elements of the merger—so they keep (ΠPC), but the anti-competitive elements of the merger (ΠAC) are negated by the remedial action. If an antitrust authority imposes remedies, then the disincentive for firms to propose anti-competitive mergers is clearly lower. In short, prohibitions seemingly involve more deterrence than do remedies, as prohibitions represent larger punishments.

#### business practices are ongoing conduct defined by the behaviors of many market participants

Kerry Lynn Macintosh 97. Associate Professor of Law, Santa Clara University School of Law. B.A. 1978, Pomona College; J.D. 1982, Stanford University, “Liberty, Trade, and the Uniform Commercial Code: When Should Default Rules Be Based On Business Practices?,” 38 Wm. & Mary L. Rev. 1465, Lexis.

These new and revised articles reflect a strong trend toward choosing default rules 4 that codify existing business practices. 5 [FOOTNOTE 5 BEGINS] In this Article, the term "business practices" is used to refer to practices that emerge over time as countless market participants exercise their freedom to engage in profitable transactions. For an account of the evolution of business practices, see infra Part II. As used here, "business practices" is broader and less technical than "trade usage," which the Code narrowly defines as "any practice or method of dealing having such regularity of observance in a place, vocation, or trade as to justify an expectation that it will be observed with respect to the transaction in question." U.C.C. 1-205(2). [FOOTNOTE 5 ENDS] This is particularly true of the recent revisions to Articles 3 (Negotiable Instruments), 4 (Bank Deposits and Collections) and 5 (Letters of Credit).

#### violation---plan only expands behavioral remedies---topical affs must prohibit practices

#### vote neg:

#### 1---limits---there are infinite ways behavioral remedies to anticompetitive business practices---structural prohibitions are key to topic management and neg ground

#### 2---ground---our interpretation ensures the aff has to “break up” industries---key to link uniqueness and core controversy on a topic with no disads

### Antitrust PIC – 1NC

#### Counterplan: The United States federal government should deregulate blockchain patents and establish a FRAND standard for blockchain through non-antitrust regulations.

#### Regs solve via contract law---preserves innovation.

MAKAN DELRAHIM 18. Assistant Attorney General Antitrust Division U.S. Department of Justice. The “New Madison” Approach to Antitrust and Intellectual Property Law. Department of Justice. 03-16-2018. Pg. 6-10

To understand what I mean when I say that patent hold-up is not an antitrust problem, it is important to step back to consider the purpose of antitrust law—what it does, and what it should not do. At its core, antitrust law aims to protect competition and consumers.19 Antitrust law is guided by a consumer welfare standard, which dates back to the origins of the Sherman Act.20 The ultimate focus on the consumer gained academic prominence in the late 1970s and 1980s through the intellectual leadership of Judge Robert Bork,21 Judge Frank Easterbrook,22 and others.23 This standard sharpens the focus of antitrust scrutiny to anticompetitive practices that are harmful to consumers, rather than competitors, so that the antitrust laws are not misapplied to advance social goals unrelated to consumer welfare and efficiency. Importantly, however, the consumer welfare standard is not synonymous with a policy always favoring lower prices.24 For example, high demand for an exciting new product may drive up its price, but that may simply reflect consumer preference for a superior product relative to alternatives.25 Antitrust law is intended to protect this behavior, not punish it, so that others will have incentives to innovate and compete themselves, all for the benefit of consumers.26 Such dynamic competition should be encouraged by our enforcement policies. Rather than focusing on prices in isolation, antitrust law instead protects consumers where practices also harm competition—that is, they harm some “competitive process” in a manner that causes harm to consumers in the form of above-competitive prices, lower output, or reduced efficiency.27 Indeed, directly showing harm to end-consumers is not always necessary to prove a violation of the antitrust laws. For example, where collusion among buyers pushes input prices down—what economists call a monopsony effect—that may violate the antitrust laws because there is harm to competition even though it results in lower prices.28 This is where theories that unilateral patent hold-up is an antitrust problem go wrong. Stating that a patent holder can derive higher licensing fees through hold-up simply reflects basic commercial reality. Condemning this practice, in isolation, as an antitrust violation, while ignoring equal incentives of implementers to “hold out,” risks creating “false positive” errors of over-enforcement that would discourage valuable innovation. Advocates of using antitrust law to reduce the supposed risk of patent hold-up fail to identify an actual harm to the competitive process that warrants intervention. If an inventor participates in a standard-setting process and wins support for including a patented technology in a standard, that decision does not magically transform a lawful patent right into an unlawful monopoly. To be sure, that decision gives the patent holder some bargaining power in claiming a piece of the surplus created by standardization. And, it would require the patent holder to live up to commitments as they would have bargained for it, enforceable by contract laws. But standard setting decisions are intended to be a recognition that a technology is superior to its alternatives. A favorable SSO decision, like a patent itself, is a reward for an innovator’s meritorious contribution whose wide-ranging benefits can ripple throughout the economy, contributing to dynamic competition. Arguments that inclusion in a standard confers market power that could harm competition typically rest on the unreasonable assumption that the winning technology is no better than its rivals.29 It is therefore unsurprising that proponents of using antitrust law to police FRAND commitments principally rely on models devoid of economic or empirical evidence that hold-up is a real phenomenon,30 much less one that harms competition. Since hold-up theories gained traction in the early 2000s, it is striking that they still remain an empirical enigma in the academic literature.31 Antitrust law demands evidence-based enforcement, without which there is a real threat of undermining incentives to innovate. That is why I believe so strongly that antitrust law should play no role in policing unilateral FRAND commitments where contract or common law remedies would be adequate.32 I worry that courts and enforcers have overly indulged theories of patent holdup as a supposed competition problem,33 while losing sight of the basic policies of antitrust law. They lose sight of the fact that antitrust law is not just remedial; it is, importantly, intended to deter through the threat of treble damages.34 As enforcers, we have a responsibility to ensure that antitrust policy remains sound, so that U.S. consumers continue to enjoy the benefits of dynamic competition and innovation, and so we do not export unsound theories of antitrust liability abroad, where economically dubious enforcement actions can have serious consumer-harming effects on U.S. businesses, consumers, and workers.

#### Statistics agree regs are better

Sumit Majumdar 21. Professor of Information Systems, University of Texas, Dallas. “Stick Versus Carrot: Comparing Structural Antitrust and Behavioral Regulation Outcomes.” *The Antitrust Bulletin*. June 2021. DOI: 10.1177/0003603X211023463.

The issue is which method works better, the antitrust (structural) or the regulatory (behavioral)? Using a standard test of differences in magnitude between two variables, as natural experiment 3 I evaluate if the antitrust (structural) approach or the regulatory (behavioral) remedy has had a greater impact in enhancing efficiency. Results are in Table 4. Column (A) relates to the performance outcome variable comparatively evaluated. Column (B) reports if the antitrust (structural) impact is less than that of the regulatory (behavioral) measures, on performance, and column (C) reports if the difference has been statistically significant.

[CHART EXCLUDED]

For the productive efficiency score, the regulatory (behavioral) remedy has statistically had a greater impact than the antitrust (structural) method in enhancing efficiency. (Recollect that Tables 2 and 3 reported results on how the structural vs. behavioral remedies impacted efficiency scores. The impacts were 2.23% for the structural remedy (column [A] in panel [B] of Table 2) and 4.33% (column [A] in panel [B] of Table 3) for the behavioral remedy.)

B. Robustness Check

An evaluation of why price caps, as endogenous phenomena,64 were implemented would depend on firm-level factors, such as past performance; these would have influenced the implementation of price cap regulatory schemes for specific firms. As a robustness check, controlling for inclusion of endogenous factors, past performance variables have been included as price caps determinants for each observation, in a selection equation with the price cap variable then determining performance in an outcome equation. The results show the price cap estimates to be of relatively the same magnitude (in fact, they are larger), sign, and significance as the estimate values already reported in this article.65

C. Summary

Overall, significantly larger positive outcomes have emerged from sector-specific regulatory (behavioral) remedy applications vis-à-vis the concurrent antitrust (structural) remedy application. The use of further performance variables to comparatively test the ideas has yielded very similar results. Such additional results are available on request.

### Forecasting CP – 1NC

#### The United States should only allow the continuation of blockchain-related Standard Essential Patents that do not have fair, reasonable, and non-discriminatory terms as specified in a standard setting organization under antitrust law only when a team of the Good Judgment Project’s “super-forecasters” has determined that the activity reduces the numerical probability of lack of innovation from an unacceptably high level.

\* The Good Judgment Project’s “Super-forecasters” are team members of the Good Judgement Project that have ended in the top 2% of forecasters tournaments, selected by Tetlock’s team.

#### It competes---the counterplan is a regulation not prohibition.

James Broaddus 50. February 6; Judge on the Kansas City Court of Appeals, Missouri; Westlaw, “City of Meadville v. Caselman,” 240 Mo. App. 1220. https://casetext.com/case/city-of-meadville-v-caselman-1

"Under power conferred on cities of the fourth class `to regulate and license' dramshops, there is no authority to wholly prohibit or suppress. Where there is mere power in a municipality to regulate in a state, with a general policy of conducting licensed saloons, authority to prohibit is excluded. The difference between regulation and prohibition is clear and well marked. The former contemplates the continuance of the subject-matter in existence or in activity. The latter implies its entire destruction or cessation.'" (Citing text writers and cases.)

#### ONLY the counterplan solves the case---the plan can’t keep up with market changes.

AMC 07. Antitrust Modernization Commission. Deborah A. Garza, Chair. Bobby R. Burchfield ,Commissioner. W. Stephen Cannon, Commissioner. Dennis W. Carlton, Commissioner. Makan Delrahim, Commissioner. Jonathan M. Jacobson, Commissioner. Jonathan R. Yarowsky, Vice-Chair. Donald G. Kempf, Jr., Commissioner. Sanford M. Litvack, Commissioner. John H. Shenefield, Commissioner. Debra A. Valentine, Commissioner. John L. Warden, Commissioner. “Report and Recommendations.” https://govinfo.library.unt.edu/amc/report\_recommendation/amc\_final\_report.pdf

To determine whether and when particular forms of business conduct may harm competition requires an understanding of the market circumstances in which they are undertaken. Antitrust agencies and the courts have long looked to economic learning for assistance in understanding market circumstances and the likely competitive effects of particular business conduct.23 Indeed, economics now provides the core foundation for much of antitrust law. Not surprisingly, as economic learning about competition has advanced over the decades, so have the contours of antitrust doctrine.

Antitrust law also must keep pace with developments in the business world. Business practices may change, especially as technological innovation and global economic integration alter the competitive forces at work in particular markets. To protect competition and consumer welfare, antitrust analysis must offer sufficient flexibility to take account of these changes, while maintaining clear and administrable rules of antitrust enforcement.

B. Periodic Assessments of the Antitrust Laws Are Advisable

The antitrust laws in the United States require ongoing evaluation and assessment to ensure they are keeping pace with both economic learning and the ever-changing economy.24 In past decades, various entities have empowered six different commissions to assess how well antitrust law operates to serve consumers. The Antitrust Modernization Commission is the seventh such commission in almost seventy years.25 Prior commissions have made recommendations about both the substance and procedure of antitrust law.

#### Flexibility is key to super forecasting competition policy---the aff locks in policy failure.

Michelle Baddeley 17. Institute for Choice, University of South Australia. Journal of Behavioral Economics for Policy, Vol. 1, No. 1, 27-31, 2017. “Experts in policy land - Insights from behavioral economics on improving experts’ advice for policy-makers”. https://sabeconomics.org/wordpress/wp-content/uploads/JBEP-1-1-4-F.pdf

Whichever side one takes on these political divides, if the modern fashion is to allow subjective, partisan opinions to trump expert advice, what are the likely implications? Is it wise to be so mistrustful of experts? Expert advice is irreplaceable. Scientific experts and academics play a crucial role in developing new findings and insights to help inform policy, with implications across the range of human activity – from health and environmental policy through to competition policy, consumer protection and financial regulation – to name just a few. But to what extent are experts objective and impartial? Is their advice really impartial and unbiased, based around a cool and calculating objective assessment of evidence, after the careful application of robust research methodologies? In practice - uncertainty, insufficient information, unreliable data or flawed analysis can limit the expert’s ability to untangle the truth, and make it difficult for the policy-maker to assess the extent to which expert advice is reliable. Robust statistical methods, careful experimental design and clear hypotheses can guide the expert but impartial advice is also compromised by a range of economic, behavioural and socio-psychological constraints, some of which may be beyond the expert’s conscious control. Heuristics, biases and social influences driving experts can have significant negative consequences for the public, especially if misleading research findings are used to guide public policy.

This paper will explore some of these influences on experts’ judgement. In Section 2, some of problems around information, risk and uncertainty are outlined; in Section 3, key economic and socio-psychological constraints are explored. Policy implications and solutions are suggested in Section 3, focussing on how we can ensure that expert advice is devised and applied in the most robust and objective ways possible.

Information, risk and uncertainty

Risk and uncertainty is an unavoidable problem, especially for the scientific research that backs up expert judgement because it is about investigating novel, poorly understood phenomena. When information is scarce, a situation is profoundly uncertainty, and/or we have had no prior experience of an event or phenomenon, we cannot quantify the risk of one event versus another. Frequency ratios capturing the incidence of similar events in the past are of no use when there have been no similar events in the past. Given uncertainty, it is not possible to tell before the fact whether experts are right or wrong. It is not like we have given them a difficult mathematical problem which we can double check ourselves using a computer or calculator. With scientific research and expert advice – there is no way to know what the truth might be, and that is why we need experts to find it. And we can only judge expert judgements with the benefit of hindsight, if at all. This is a Catch-22: we need expert evidence to judge expert evidence.

An example of how policy-makers confront these problems of uncertainty and poor information affecting expert advice is the work of the Hazardous Substances Advisory Committee (HSAC) – an advisory committee to the UK’s Department for Environment, Food and Rural Affairs. This committee focuses on another complication arising from uncertainty – the difference between a risk and a hazard. Hazards exist, they are there – but if we know where they are, we can avoid them and thereby minimize our risk. The problem comes in knowing what and where the hazards are. Scientific experts on HSAC – including a range of toxicologists, environmental scientists and biochemists, as well as social scientists – assess evidence to help to inform the UK’s regulatory policy with respect to chemicals harmful to the environment and human health. Often a key constraint is that they are asked to provide advice around the likely environmental impacts of hazardous substances such as endocrine disruptors, antiobiotics and nanomaterials – often we do not know too much about these substances and their long-term impacts, especially for innovative technologies such as nanomaterials. HSAC has therefore devised a structure for assessing the quality of evidence when information is scarce and uncertainty is endemic –spanning not only the usual scientific evidence around experiments and field observation, but also including computational modelling and anecdotal evidence (Collins et al. 2016). For experts used to analysing large data sets, the latter would seem like an anathema but when experts are facing fundamental uncertainty the types of evidence they might use must expand accordingly. If we are forced to rely on anecdote, we need to understand what distinguishes good anecdotal evidence from bad anecdotal evidence: anecdotes that are corroborated across a range of sources are more reliable than single anecdotes, for example.

Economic and socio-psychological constraints

The problems of poor information, risk and uncertainty are not about the fallibility of individuals or even differences between individuals – either in terms of their individual differences and characters, and/or their susceptibility to biases and social influences. Once we introduce these additional constraints – which reflect the characters of the experts not the nature of the evidence – the opportunities for mistakes and misleading guidance increase significantly.

Individual differences

Individual differences seem to play a role, including in terms of innate ability to make judgements about uncertain futures. Philip Tetlock conducted a study which showed that, in forecasting uncertain future events, most experts are only just better than an ordinary person guessing at random (Tetlock 2006). In a second study, however – a collaboration with Dan Gardner – he showed that some particular individuals – experts or not – are “super-forecasters” who have a particular aptitude for forecasting (Tetlock and Gardner 2015). What ideal characteristics might enable these super-forecasters to predict so well? In a complex world, we need experts who are able to understand and analyse a wide range of evidence. Do we need experts who can cover a broad range, or experts who know a narrow field very well? Linking to Isaiah Berlin’s distinction between the fox-types who have a wide but relatively superficial knowledge, and the hedgehog-types who have a deep but relatively narrow knowledge, Tetlock (2006) argues that we may prefer to be advised by foxes – who know many little things, can draw on an eclectic range of evidence and are able to improvise relatively easily when evidence shifts. The hedgehogs, who know one area very well and focus on one tradition may be too inclined to impose formulaic and inflexible solutions.

#### Binding forecasting is key to spillover---solves security.

J. Peter Scoblic and Philip E. Tetlock 20. J. Peter Scoblic is Co-Founder of Event Horizon Strategies, a Senior Fellow in the International Security Program at New America, and a Fellow at Harvard’s Kennedy School. Philip E. Tetlock is Leonore Annenberg University Professor at the University of Pennsylvania, Co-Founder of Good Judgment, and a co-author of Superforecasting: The Art and Science of Prediction. “A Better Crystal Ball The Right Way to Think About the Future”. https://www.foreignaffairs.com/articles/united-states/2020-10-13/better-crystal-ball

The greatest barrier to a clearer vision of the future is not philosophical but organizational: the potential of combining scenario planning with probabilistic forecasting means nothing if it is not implemented. On occasion, the intelligence community has used forecasting tournaments to inform its estimates, but that is only a first step. Policymakers and consumers of intelligence are the ones who must understand the importance of forecasts and incorporate them into their decisions. Too often, operational demands—the daily business of organizations, from weighty decisions to the mundane—fix attention on the current moment.

Overcoming the tyranny of the present requires high-level action and broad, sustained effort. Leaders across the U.S. government must cultivate the cognitive habits of top forecasters throughout their organizations, while also institutionalizing the imaginative processes of scenario planners. The country’s prosperity, its security, and, ultimately, its power all depend on policymakers’ ability to envision long-term futures, anticipate short-term developments, and use both projections to inform everything from the budget to grand strategy. Giving the future short shrift only shortchanges the United States.

### Cap K – 1NC

#### Anti-trust is capitalist – competition inevitably replicates market collapse.

Richard Wolff 19 Professor Emeritus of Economics at University of Massachusetts, Amherst. Transcript from YouTube video: “Economic Update: Competition and Monopoly in Capitalism.” Democracy @ Work. December 9th, 2019. https://www.democracyatwork.info/eu\_competition\_monopoly\_in\_capitalism.

Today I'm going to devote the program to something many of you have asked me to present, to talk about, to analyze, and that is the question of monopoly. It has to do with the assertions we hear often these days that somehow our capitalist system, here in the United States and beyond, is being negatively affected because monopolies have replaced or displaced competition. The idea here is if only we can get competition back, recreate a competitive capitalism, why then the problems we face will go away. Today's program is a design to show you how and why that is not the case, to think about these things in a different way from this nice story that capitalism is basically fine; it's just the monopoly form we have to get rid of so we get back to the competition which we're all supposed to believe is wonderful and presents us with no problems to solve. So let's go, and let's do it in a systematic way.

First, it is of course easier, faced with a declining capitalism, a capitalism that's all around us with its extreme inequalities, with its instabilities – here we are, trying to cope with the effects of the Great Crash of 2008, even while we anticipate the next downturn coming down the road soon – an economic system that has shown (that is, capitalism) that it is not respectful of the natural environment; it is not, as the words now go, sustainable in a reasonable way. Yeah, we're surrounded by problems of capitalism. So it's comforting in that situation to get the idea from somewhere that this really isn't a problem of capitalism as a system but rather the problem brought in somehow from the outside – monopoly – a situation in which competition among many companies gives way in some way we're not quite sure about to a domination by one or a small handful of companies. And so the argument goes, we don't have to be critical of capitalism; we don't have to think about an alternative system. No, no, we just have to deal with this little detail, the monopoly problem. And if we can deal with that, well, we'll get back to a competition, to a competitive capitalism that is good.

There are three big mistakes involved in this way of thinking, which is nonetheless very widespread and very popular, more so now than in quite some years. First mistake: Capitalism has been wrestling with the problem of monopoly from day one. We have had repeated periods of monopoly. They have eventually led to movements, often of many people, to destroy or remove monopoly. We used to call that in America trust-busting, or antitrust. We even have a department within the Department of Justice in Washington devoted to antitrust activities. Yeah, we've been waging battles against monopoly over and over again, and you know why? Because we keep having monopolies over and over again. Google is a monopoly. Amazon is a monopoly. They're all around us: companies that have effectively no real competition. This is a problem that capitalism has always displayed. And that ought to lead you to wonder whether thinking about it as something we can do away with isn't maybe the best possible example of wishful thinking.

The second big mistake is to imagine that competition is some unmixed blessing. It never was, and it isn't today. A competitive market is a human institution. Like every other human institution, it has strengths, and flaws, and weaknesses. To think of competition as some magical perfection is a silly abnegation of your own rational capability to evaluate something. It's sort of advertising thinking. By that, I mean the advertiser tells you what's good about the product they've been told to advertise; they don't tell you what's bad about it. If you want to evaluate it, you don't talk to an advertiser because they only give you one side. The people who promote competition use advertising logic. We're not going to do that here. Competition is no unmixed blessing.

And finally, I'm going to show you that competition is itself the major cause of monopoly. So that even if we ever got back to a competitive capitalism, all that would mean is we're back in the process that produces monopoly – as it always has.

All right, so let's begin. I'm going to start with explaining how competition has all kinds of consequences that most of you, like me, don't like, don't want. It's a discussion, if you like, of competition's other side: you know, the part that the advertiser doesn't tell you about. The used-car salesman who wants you to buy that junk doesn't tell you about what happened last week in the car crash that that was part of, etc., etc.

All right, let's begin. One of the major reasons that American corporations shut down their operations in the United States and moved them to China, among other places, is because of – you guessed it – competition. They wanted to make more money than they had been before. They were afraid of other companies beating them in the competitive game, so they said wow, let's go to China, because there you can pay workers a lot less. There you don't have the same rules to obey. There they don't care that much about pollution as they do here. So we can save on all kinds of costs, and that will allow us to undercut our competitors. Yeah, one of the consequences of competition was the exodus of American companies to other parts of the world, and the enormous unemployment that resulted from it. Yeah, that was a result, among other things, of competition.

Here's another one: Capitalists, employers, seeking to compete with one another, often engage in what we call automation. They bring in machines that are cheaper to use than human laborers, and that gets them a step ahead of their competitors. Okay, if we replace people with machines, we throw those people out of work. That has an impact on them, their self-esteem, their relationship to their spouse, their relationship to their children, their relationship to alcohol – should I continue? What are the social costs of automation? They're huge. They've been documented over and over again. Competition provokes and produces automation.

Let me give you another example: Companies are competing, say, in the food business – you know, trying to get a customer like you or me to buy this kind of cereal rather than another. So they get their labs to go to work, and they discover we can replace wheat, which we used to put in our little flakes, with – Lord help us – some chemical that is cheaper than wheat. We're not going to worry about what that chemical does to your chemistry in your body because we can now lower the price of our cereal, because we're saving on wheat, and undercut the competitor. The human beings who eat this stuff will suffer, now and in the future, but competition left our producer of cereal no choice.

And in case you think I'm making some up, let me give you some concrete ones. The Boeing Corporation, the major producer of airplanes in this country, is in a crisis as a corporation. You know why? Because the 737 Max crashed a couple of times, killing hundreds of people. And you know why? It turns out they economized on safety measures, and training measures. And you know why they did that? Because they're in a very tight competition with European and other airplane manufacturers, and that leads them – as it usually does – to look to cut corners: that race for, quote, "efficiency." Yeah, it was competition that contributed to those deaths and to that problem. That's competition too. You can't whitewash this story; they're real. One of the ways Amazon beats its competition is it speeds up the work process. It has figured out ways to make people work much more intensely, using up their brains, their muscles, their nerves, in ways that cause real long-term physical damage to working people. That, too, is a result of the competitive effort.

And you know, it wasn't so long ago that children were part of the labor force. That's right, kids as young as five and six years of age. We were told they have little fingers, you see. They can be more productive than people who are adults with big fat fingers, you know – that doesn't work. And by the way, you should be grateful because poor kids are the ones we hire, and that gives their poor families more income than they would otherwise have. We heard those arguments. Competition, the companies said, required them to use the more productive, and the lower-wage, children rather than adults. So child labor was also a result of competition. It was so ugly and so troubling to so many people that finally there were movements in the United States and many other countries simply to outlaw child labor. So it became a crime for any employer to use a worker who was under 16 or 18 years of age. That was a way in which people said we are not going to allow competition among capitalists to destroy our children. They were recognizing that competition has an awful effect in what it does to children.

Well, it has many awful effects. So let's be clear: In the history of capitalism, the monopoly problem (which we're going to get to in the second half of today's program) is no worse, it's just different, from the competition problems. Capitalism goes through phases of competition and monopoly, going from one to the other, as I will explain. But we shouldn't bemoan the one in favor of the other, any more than vice-versa. These are neither of them solutions; they are both phases of the problem. And the problem is capitalism, which does its number on us both in the period when it's competitive and in the period when it's monopoly. People who want us to engage one more time in an anti-monopoly crusade are doing something that in the end evades the problem, which is the system – capitalism – not this or that form of that system, such as competition and monopoly.

We've come to the end of the first half of today's Economic Update. This gives me an opportunity to remind you, please, to sign up if you haven't already, to subscribe to our YouTube channel. It's a way easily for you to support us, doesn't cost any money, and it is a big help to us in terms of our reputation and what we can accomplish. Likewise, please make use of our websites. They are there for your communication with us. They are there for you to be able to, with a click of a mouse, to follow us on Facebook, Twitter, and Instagram. And finally, a special thanks goes, as always, to our Patreon community for their ongoing enthusiastic support. It means the world to us. My final, very final for this first half, is about a new book that we have just produced and released. It's a follow-up to an earlier volume I have spoken to you about that was called Understanding Marxism. For the same reason, we have now produced a brand-new book, just out, called Understanding Socialism. It is a response, as this program is, to issues, questions, comments you have sent to us in large numbers. It's an attempt to give an overview of the different interpretations of what socialism means, of what happened in countries like Russia and China that tried to create this – the strengths, the weaknesses, the lessons to be learned, what to do, and what not to do. Please, if you're interested and want to follow up, check us out, check the book out: lulu.com is how you find both books. And I will be right back; stay with us.

Welcome back, friends, to the second half of today's Economic Update. This program, as I explained, is devoted to the analysis of competition and monopoly as two interactive, sequential phases of capitalism as a system. The first part of the program was devoted mostly to competition, so let's turn now to monopoly. What is the basic definition and criticism of monopoly? Strictly speaking, monopoly is defined simply as a situation in which the producers of a particular commodity – shoes, software programs, haircuts, it doesn't matter – have been reduced to only one. Literally one seller – a monopolist. But in general language, it includes also situations where many producers who once competed with one another have been reduced to only a handful. The strict term for only a handful is "oligopoly," but we don't have to split hairs about this. "Monopoly" will be the word we use for either one or a very small number.

For example, there were once dozens of automobile companies, but very quickly their competition reduced them to basically three for much of the post-World War II period, and you know their names: Ford, General Motors, and Chrysler. And likewise there were once many cigarette producers, there were once many television-set producers, and they became very few, whose names, therefore, we all know.

What's the criticism of a monopoly or oligopoly situation? Again, very simple: The idea is, if there's only one seller of something, that seller can jack up the price way above what he might have otherwise because he doesn't have any competitor. If he had a competitor, if he raised the price, the competitor would get all the business because we'd all go to the competitor who hadn't raised the price rather than buy it at a higher price from the monopolist. So we don't like monopolies, because they can jack up their prices and their profits because they don't have a competitor. And if it's a few, a handful, well then we talk about things like cartels: arrangements when a few get together over dinner, or out on the golf course, and tell us what the price is. If you ever wondered why the prices of different cars, different cigarettes, and so on, are so close to one another – mm-hmm – that's because there are few sellers, and somehow they worked it all out. But the basic criticism is that a monopoly is a situation in which the seller of something jacks the price up way beyond what they could otherwise get because there are no more competitors.

So let's talk about this monopoly problem and where the monopolies come from. Well, the first and most important lesson is this: Competition produces monopoly. It's not something external, imposed on competition. It has nothing to do with human greed or anything else. Are people greedy? You betcha – some more, some less – but that's really a separate matter. It's competition that produces monopoly, and let me show you how that works. In competition, we have, by definition, a whole bunch of producers. They all produce the same thing. They compete with one another, hoping we, the consumer, will buy from one rather than the other. They compete in the quality of what they produce and in the price of what they produce. And we are supposed, as consumers, to go look for the best quality at the lowest price, and to patronize that one who offers that to us better than the others that we could buy from but choose not to.

Okay, that's a fair definition. Now let's follow the logic. Company A produces – however it manages it – a better quality and/or a lower price than Company B. So we all go to Company A. Company B can't find any buyers because it's not competitive. Or to say the same thing in other words, Company A outcompetes Company B. Here's what happens: Company B collapses. Because it can't sell its goods, we're all going to Company A. So Company B sooner or later declares bankruptcy. It can't continue. It lays off its employees, it stops buying inputs, because it can't compete. Good. Now what happens in Company A? Company A says hey, there's a whole bunch of workers that have just lost their job at Company B; they're trained in producing what we produce; let's go hire some of them. And likewise, Company A says, they're not using their computers, or their trucks, or their other inputs. They're going to have to sell them on the secondhand market. We can get some important inputs we need at a lower price than we would have to pay if we bought them new. So what begins to happen is, where before there were two companies, A and B, there's now one larger A, and B has disappeared. Or to say the same thing in simple English, A – the winner in the competitive struggle – eats, absorbs into itself, what's left of Company B.

And this process is repeated over and over, until 30, or 300, companies have become one, or two, or three. That's the result of competition. That's how competition is supposed to work. That's how competition does work. It's important to understand: Monopoly is where competition leads. And as if that weren't enough, let me make sure you understand this from the business point of view: It is the great dream of every entrepreneur to become the last one standing in the competition, to win the competition, not just because it makes you feel good you outmaneuvered your competitors, but because if you're the last one standing, you're the monopolist. The reward for having outcompeted the others is that you're now in a position to jack up the profits, and the prices, way beyond what you could have done before.

So we have a system that produces monopoly, and all the incentives for every entrepreneur in competition to work as hard as possible to become the monopolist. So why is anyone surprised that monopolies keep happening, because they're the whole point and purpose of capitalist competition. If you ever were – and we never have, but if you ever were – able to get rid of all the monopolies and re-establish competition, all you would be doing is setting this same process in motion again for the umpteenth historical time. In other words, fighting against monopoly is pointless as long as you have capitalism, because it is the endless reproducer of this problem – as it always has been.

Now, how do monopolies maintain themselves? If you're the only one standing, you're a monopolist. Or you're an oligopoly, you're a few, and you get together and jack up your prices together. The question becomes look, a monopolist makes very high profits – much higher than a competitor can achieve – and isn't that an enormous incentive for other capitalists to get in on that business? Because look at the profits they're earning, because they're the only one. Apple, Amazon, Google – the profits are staggering. Everybody wants to get in. So the way a monopolist has to think is, I've got to create obstacles that block other people from coming in to get a piece of the enormous profits my monopoly allows me to get. We call that in economics "barriers to entry." Monopolists need to create barriers. Let me give you a couple of examples.

The major soft drink makers in the United States – basically Coca-Cola and Pepsi Cola – they produce a drink that has sugar and coloring in it, and lots and lots of water. Let me assure you, there is nothing difficult or complicated about producing a mixture of sugar, color, and water. It doesn't take a genius; it never did. Pepsi and Coca-Cola make a fortune off of their product, as we know, and they have for decades. They have a virtual monopoly. Now, lots of other people could produce water, sugar, and color close to, if not identical with, whatever they produce, but they can't break through. They can't really get to that status. And you know why? Because Coca-Cola and Pepsi erected a barrier to entry. And the way they did that was with advertising. Every billboard, every magazine cover, every doorway of every institution you've ever been to has a picture of smiling, happy people drinking one or the other. You've learned: that's the drink, that's the drink. Another company might make a perfect substitute, but they can't afford the enormous cost of advertising. The advertising costs more than the water, and the sugar, and the color. What you pay for when you buy Pepsi and Coke is the advertising that got you to buy it. You're paying for being hustled. But it works, because it means other companies know that they can't get in there by cheaply producing an alternative, because you have to produce the advertising that goes with it, or else you can't do it. And so their monopoly is maintained.

Here's another way to maintain a monopoly: Get the government to step in. Here the famous example is the milk producers. Some years ago, there was a crisis with milk. There was contamination; people were getting sick. So the clever milk monopolies came in and said, we're going to support the enormously expensive, special equipment to guarantee pasteurization, and so on, of milk. Why did they support it? Because your small farmer, your small dairy producer, can't afford it, so they go out of business. Only the big, rich few that are left can afford the enormous equipment. They used governmental rules to create a barrier to entry.

Here's another way: corrupt public officials. President Trump denounces Huawei corporation because it compromises our national security. It denounces European car producers because somehow their shipping cars here compromises our security. Who cares? As long as the president blocks other companies from getting into the business that might compete with an American, a barrier to entry exists. Monopolists have been very creative in coming up with ways to preserve their monopolies.

I don't want to lose the basic point. The basic point is: Capitalism oscillates, back and forth between competition and monopoly – first this industry, then that one. For a while, Ford, General Motors, and Chrysler were the monopolies – or the oligopoly, if you like – in automobiles. But eventually, Toyota, and Nissan, and Peugeot, and Fiat broke the monopoly. In that case, it was foreigners who did it. And then we had some competition, and that, then, is now shrinking. The French – the last two producers in France – have just agreed to merge. You get the picture. Industry by industry, first this one, then that one, go through one phase or another.

The important point is: The phases are not our problem. They merge into, and incentivize, each other. Each provokes movement in the other direction. The point to understand is that the problems of a capitalist system are not about this oscillation of phases. We're not going to solve the problem of monopoly by getting rid of them and re-establishing competition. We've been there; we've done that; it reproduces monopoly; and it doesn't change the basic inequality, unsustainability, instability of capitalism. We need to get beyond that stale, old debate – competition versus monopoly – and face the underlying reality: Capitalism is the problem, and getting beyond it is the solution.

#### Covid, labor surplus, automation, population collapse cap – attempts to resuscitate cause extinction.

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This competitive logic interacts both with the ‘third international division of labour’ and ‘relative surplus population’ driven (un)employment effects. Interconnected sets of mutually dependent firms located across geographically remote national localities produce parts of single commodities are brought together for final assembly (Taylor 2008). Global capitalist firms technologically enabled by advanced systems of information and communication command this global supply-side-chain form of production. Simpler parts of the production process are sub-contracted to firms located in the industrially developing countries where high ‘formal subordination’ of labouring populations facilitates ‘absolute surplus value’ strategies. In turn, conception and the more technically advanced parts of the production process that Marx identifies with ‘relative surplus value’ are located in industrially advanced countries. In sum, a contractual chain of global capitalist coordination connects specialised production units across nationally diverse locations that enable global corporations to optimise surplus value by combining absolute and relative surplus value accumulation.

However, the terms of locational competition across unevenly developing countries are actually more complex. To begin with, the second international division of labour still exists, most extensively in the form of China’s belt and road initiative. As well, developed and developing countries move somewhat towards more hybrid two-speed national economies that include both low tech or low pay peripheral, and high tech or high pay metropolitan, sectors. In sum, neoliberal globalisation has unleashed a complex competitive advantage logic for countries that has led to their reduced self-sufficiency, and thus integrally, to their dependence on the global mode of accumulation.

Second, this neoliberal-led competition-driven version of uneven development has been intensified by the zero-sum logic implied by capital scarcity caused by a growing ‘relative surplus population’ (Marx 1976; Neilson & Stubbs 2011). An increasing relative surplus population driven by redundancy of industrial production workers in the advanced capitalist countries is being intensified, not just by the transfer of material production to the recently proletarianised workers of newly industrialising capitalist countries, but also by rapid automation. Simultaneously, by extending the ‘coercive whip of competition’ to the countryside of the Global South, the first wave of the relative surplus population tendency driven by peasant dispossession has been brutally activated across previously protected peasant modes of agriculture. For newly industrialising competition states, a necessary but not sufficient source of competitive advantage has been low wages enabled by labour’s high ‘formal subordination’ driven by a growing relative surplus population. In general, growing demand to facilitate employment – but hastening ecological destruction – is prevented by the demand-depressing effects of global market competition that is intensified by labour’s increasing oversupply that inversely increases the scarcity of capital.

Moreover, ‘relative surplus population’ employment logic has particular relevance to the present virus-led crisis because labour made redundant by increasing productivity in agriculture and industry spreads to the service sector (Neilson & Stubbs 2011). Although outside the core necessary economy in Marx’s sense, the service sector has become a significant source of employment and economic viability for many countries. With this neoliberal-led zero-sum terms of international competition, a significant proportion of service sector employment has become dependent on nation states’ capacity, in competition with other nation states, to attract overseas tourists. In turn, this process has unleashed a global movement of people that now spreads the virus.

Especially for countries struggling to retain or achieve international competitiveness, which is central to local employment, there is entailed an international race to the bottom in wages, working conditions and, relatedly, in ecological standards (Olney 2013). In sum, the neoliberal model of development has activated a zero-sum international competition for scarce capital, including money coming in through overseas tourists.

Regressive nationalism and the rise of neo-fascism

Defenders of the neoliberal model of development do their best to cast the ‘regressive nationalism’ of the Alt. Right as the antithesis of its cosmopolitan project. Actually, regressive nationalism is the degenerate effect of the neoliberal project’s competition-driven globalisation logic (Neilson 2020c). However, the deep causes of regressive nationalism that lie with the effects of the neoliberal model of development are mystified both by neoliberals and Alt. Rightists (Gray 2018).

The volatility of national economic competitiveness under neoliberal globalisation implies employment insecurity and uncertainty for local populations, which is heightened further by importing overseas labour. In particular, both legal and illegal low-paid workers are imported from the relative surplus populations of competitively struggling countries into more economically successful countries. Both indirectly and directly, foreign forces and peoples can thus be cast as the cause of local economic insecurity and of undermining pre-existing cultural identities. Insecure local labouring populations are invited to release their anxiety as xenophobic anger towards scapegoated immigrant labour forces. In turn, the Alt. Right argue that the solution is to expel residing immigrant populations and halt further immigration.

In their aggressive pursuit of proactive regulation domestically, agents of the Alt. Right are degenerately vulgar neoliberals. However, they break more fundamentally with neoliberalism because they directly oppose both neoliberal cultural cosmopolitanism and neoliberal market globalisation. In particular, regardless of moral, legal or political implications, all strategies that may render a national advantage can be rationalised because there are no rules in their worldview of a primordial zero-sum war between warring nations fighting for survival. Therefore, they wilfully oppose and transgress the strictly prescribed and transparent rules of economic competition that define the project of the neoliberalised global market. As the world descends into recurring, escalating and viciously interacting crises, mistrust and economic competition fed by the primordial ideology and amoral practices of the agents of regressive nationalism threaten to spill over into direct forms of civil and international war.

The global pandemic

The global spread of COVID-19 is also related to limitations arising from the neoliberal model of development’s modes of regulation and accumulation. Its proactively capitalist mode of competitive regulation has been ideologically promoted, institutionally constructed and managed by key United Nations based regulatory agencies, and is now also embedded in the institutions and expectations of national agents. However, it is radically unsuited to the forms of international cooperation that are needed for controlling a global pandemic. Indeed, when such a global crisis occurs, the present mode of global regulation can trigger blaming, disorganisation and intensified competition. At the same time, national dependence on the global structure of the neoliberal mode of accumulation is highly destabilising. Specifically, because dependent on the global scale system of accumulation, nation states are in a weak position to be able to sustain themselves locally. This dependence manifests as a direct contradiction between maintaining national economic viability and stopping the pandemic’s spreading into a nation state from off-shore.

Directly contrary to the neoliberal ideology of self-sufficiency, national economic viability under the neoliberal mode of accumulation is dependent on achieving specialised export competitiveness within complex global commodity chains that now ‘are breaking in numerous places’ (Foster & Suwandi 2020: 9; Moody 2020). This dependence on their position within a disintegrating global system is in direct tension with the need to pursue economic localisation in order to stop COVID-19 entering the nation sate. A global crisis thus becomes a local crisis, but also a local economic crisis can have ripple effects across other countries.

The original breakout of a pandemic in one place is in-itself related to the destructive capitalism-led march of humanity into the wilderness (Wallace 2016; Wallace et al. 2020; WWF International 2020). The neoliberal model of development constitutes the perfect environment for the virus to spread rapidly from this particular locality to the whole of humanity because its forms of regulation and accumulation have generated unparalleled movement of people backwards and forwards across the planet. The global flow of things and people unleashed by the neoliberal model of development spreads the virus everywhere. Inversely, because of global market capitalist dependence and corresponding lack of local self-sufficiency, all nation states struggle to – but must – break from this global system if they are to avoid being overwhelmed by the contagion’s local invasion from off-shore.

In sum, this viral-led crisis is centrally related to capitalism’s neoliberal-led global form. On one hand, its intensification of human movement across and within national borders that now engulfs the whole planet is also what spreads the virus everywhere. It only stops spreading when we stop moving. On the other hand, as we struggle to stop moving to halt the virus, the prevailing global form of the capitalist mode of production upon which basic human existence now depends cannot be maintained. The shocking immediate choice confronting political actors is thus between containing the virus’ spread and avoiding economic breakdown. The worst case scenario is where neither goal is achieved, that is, where the spread of the virus is reactivated every time countries are driven to return to ‘business as usual’ before it has been properly stamped out. Thus, economic breakdown follows when a country locks down, and the spreading of the virus follows when a country re-opens.

The extremely unstable and inflexible nature of this form of the capitalist mode of production spreads COVID-19 to the whole world in an uneven process of refracted diffusion. This complicated transmission logic has interacting international, political and class dimensions. The movement of the virus into and within nation states initially spreads most rapidly among industrially advanced capitalist countries where the frequency and distance of human movement is highest. In contrast, spread of the virus is delayed and reduced for the shorter and less frequent moving of people and things that occurs in the non-developed countries of the Global South. With fewer economic reserves and less developed national health systems, non-developed countries have the least structural capacity to respond to this double-headed economic or health crisis. However, they do have the pre-existing advantage of more localised economies and they have time to learn from other national experiences and thereby more chance to implement successfully lockdowns and social distancing rules. Furthermore, regardless of the economic stage of capitalist industrialisation, countries with strong state capacity, decisive political leadership and a collectively responsible citizenry may be able to stop the virus by reducing citizens’ movement outside of their immediate locations while at the same time promoting ‘social distancing’.3

Despite complexly overdetermined form, a class process of diffusion overlaid by cultural inequalities is discernible. The virus is internationally carried, first, by the cosmopolitan members of the capitalist class and middle class who move freely for business and pleasure back and forth across countries. Second, it is carried by low-paid labour forces imported from poorer countries to richer countries to do informal, temporary, unskilled work in the industrial and service sectors of richer countries. Once landing in a new national territory, through cosmopolitan classes and imported labour, the virus spreads towards the local labouring population. In particular, the cosmopolitan classes who tour the world transmit the virus to low-paid service sector workers. Thus, the virus moves towards the strata of the ‘relative surplus population’, which is also overrepresented by subaltern ethnic groups. These strata are very vulnerable due to insecure, close and impoverished living conditions around working, food and housing. In the advanced capitalist countries, the virus spreads towards workers located in vulnerable parts of service and manufacturing sectors, and from there to more desperate segments of the relative surplus population including the homeless and the incarcerated. In the Global South, it spreads towards the street dwelling inhabitants of the city slums.

When the economies of the countries of the Global South are closed to stop the spread of virus, there is rapid loss in the survival capacity of those in the relative surplus population with only daily stores to meet their basic material needs. In this situation, the poor and the dispossessed confront an increasingly precarious double effect. Both as breakdown of their precarious employment based material existence, because living in vulnerable material circumstances without adequate public health, and perhaps already having compromised physical constitutions, these groups become simultaneously exposed and vulnerable to the virus while lacking the means to combat it (Foster & Suwandi 2020: 12; Onyishi et al. 2020).

Descent towards the terminal crisis of western capitalism

In one concentrated conjuncture of viciously interacting crises, the coronavirus brings to the surface symptoms of the terminal stages of the western capitalist project. The global capitalist organisation of material existence spreads the virus while undermining viable local economic responses that can contain it. Simultaneously, closing national economies in response to the virus is bringing on the deepest and most comprehensive economic crisis in human history. These manifesting contradictions that now threaten the whole of Gaia, also bring to the surface the spectre of the original epistemological and ontological contradictions of the western capitalist project’s ‘primitive’ ascendancy that have been reproduced to this day.

Especially in the United States, the present global exemplar and leader of the western capitalist project, all these viciously interacting contradictions are concentrated. The capitalist expression of Enlightenment theories that have legitimated Western capitalism’s absolute exploitation particularly through the destruction of Indigenous civilisations and the brutal industrial scale absolute exploitation of enslaved African peoples, live on to the present. Racist mentalities are reproduced across the major institutional forms centrally including labour market, education and the repressive apparatuses of the state that are also reflected in COVID-19 vulnerabilities (Pirtle 2020). Thus, there is destructive intersection of class and race oppressions (Saad-Filho 2020: 480). The present (as I write) social uprising united under the banner ‘Black Lives Matter’ may lead to a fundamental break with the institutions and mentalities of systemic racism. However, a last gasp backlash White supremacy movement, led in this case by the President, is promoting deepening social division and conflict.

Even more fundamentally, the destructively expansive logic of the capitalist mode of production, legitimated by the western modernist meta-narrative that celebrates human-centred exploitation of the natural world and that has been extended and intensified under the neoliberal model of development, now expresses itself as a steady march towards ecocatastrophe. Today, dynamically expanding material capital accumulation unleashed globally by the neoliberal model of development threatens Gaia as capital scours all the world in search of dwindling raw materials, as species go extinct daily and as the manifold effects of global warming undermine the most basic conditions of life on the planet. At the same time, the human component of Gaia is suffering, more or less, as a result of this ecological destruction, and by the relative-surplus-population-led descent of human civilisation into a chaotically disorganised ‘planet of slums’ ravaged by global viruses and deep social dislocation (Davis 2006, 2020; Foster & Suwandi 2020). In sum, the present conjuncture condenses the manifold contradictions of the western capitalist project in a terminal cycle of interacting crises.

#### Vote neg for global syndicalism – pressures towards socialist state action are building, forces the hand of monopolies.

Cecilia Rikap 21. Professor of Economics and Coordinator of YSI States and Markets Working Group, Institute for New Economic Thinking. “Tilting the Scale Against Intellectual Monopoly Capitalism.” *Capitalism, Power and Innovation Intellectual Monopoly Capitalism Uncovered*. Routledge. 2021. 287-289

Capitalism is a system based on asymmetries and inequalities (of income, wealth, between classes, genders, races, countries and more). Quite striking for a system born from the motto “Liberté, égalité, fraternité”. As time passes by, this broken promise of modernity becomes all the more apparent. Inequalities deepen as knowledge is monopolized, digital surveillance reinforces firms and states control capacities over workers and citizens, and political conflicts never cease – with the US-China tech cold war at the current epicentre.

Social disrupts are an expected recurring outcome, and we have seen them everywhere in the 21st century. The specific motives differed, but there is a common root: people are fed up with capitalism’s growing inequalities, with a stagnant or even declining “middle class” in developed countries for several decades already and the highest gains accumulating at the global level for those in the richest 5% (Milanovic, 2016).

There is another shared feature; demonstrations are increasingly being organized online. The same technology that is used for surveillance, for broadcasting extreme right and even fascist ideas, and that drives the USChina world hegemony conflict, is also being used as a counterbalancing weapon. Internet, particularly social networks, is a powerful tool for the organization of grassroots movements. Workers’ unions can also learn from each other’s experiences online.

The absence or weakness of unions and social movements in some parts of the world has benefited intellectual monopolies rentiership and predation. For instance, hiring workers with a vendor contract not only hides the working relation (see Chapter 10) but also impedes unionization as it currently stands. Still, unions are adapting and workers organizing. In 2018, Google employees managed to stop the company from renewing an artificial intelligence contract with the Pentagon and to cancel its plans for a censored search engine for China. And, in 2020, 2,000 employees urged the company to cease selling technology to the US police after George Floyd’s killing. These initiatives should be taken by workers in other companies and contribute to unionization. Unions should be reconceived as a political actor capable of exercising their influence beyond wage claims. Workers’ organization is indispensable to counterbalance the power of intellectual monopolies, given both their global reach and states’ internal contradictions and limitations.

Peripheral countries should cease competing to attract outsourcing and offshoring by allowing worse wages and working conditions. As mentioned above in this chapter, world cooperation agreements to establish minimum labour regulations, forbidding new and old forms of informality and granting minimum working conditions are urgent. However, these agreements require great social pressures to take place. When it comes to transforming capitalism, social disrupts, grassroots social movements and unions play a crucial role.

To illustrate their paramount importance, let us briefly consider taxes. It is crystal clear that the global taxing system has failed. As pointed out in Chapters 7 and 10, global intellectual monopolies declare profits and IPRs in tax havens and use tax loopholes to minimize paid taxes. Global tax reform should consider the separation between ownership and control. Intellectual monopolies control production and innovation networks beyond their legal ownership and have the capacity to trickle down the burden of taxes. However, the intertwined relationship between global intellectual monopolies and their home (core) states renders highly unlikely to accomplish such global tax reform without intense social pressure. Even the recent US corporate tax reform was not – at least so far – successful in this respect (Clausing, 2020). Then, as far as tax havens are not eliminated, there will still be room for tax avoidance and evasion (Zucman, 2015). Countries acting as tax havens will not comply with a global reform unless huge social disrupt forces them to do so.

Additionally, workers’ protests must be coordinated at the level of the global production network because the production unit is no longer the factory but the network. The same applies to global innovation networks. Intellectual monopolies’ recognized employees have greater bargaining power than workers in subordinate firms, which are precisely those that generally need a more urgent improvement in their salaries and working conditions. “Workers of the world unite, you have nothing to lose but your chains” (Marx & Engels, 1848) can and must become an everyday reality for the French Revolution motto to be more than aspirational.

### FTC DA – 1NC

#### FTC’s increasing enforcement in privacy now – it’s focused on algorithmic bias

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The new acting FTC chair, Rebecca Kelly Slaughter, recently signaled that the FTC may increase enforcement and penalties in the privacy and data security realm. Slaughter pointed to several areas of focus for the FTC this year, which companies will want to keep in mind: Notifying Consumers About FTC Allegations: Slaughter referred favorably to two recent cases: (1) the Everalbum biometric settlement from earlier this year (which we wrote about at the time); and (2) the Flo Health settlement over alleged deceptive data sharing practices (which we also wrote about at the time). In drawing on these two cases, Slaughter indicated that in future cases the FTC intends to include as part of any settlement a requirement to notify customers of any FTC allegations. This, she said, would allow consumers to “vote with their feet” and help them decide whether to recommend their services to others. FTC Intent to Plead All Relevant Violations: According to Slaughter, another lesson the FTC is taking from the Flo case is to include in the cases it brings all potentially applicable violations of all relevant privacy-related laws. In the Flo case, Slaughter said the FTC should have pleaded a violation of the Health Breach Notification Rule, which requires that vendors of personal health records notify consumers of data breaches. Focus on Ed Tech and COPPA: Given the explosive growth of education technology during COVID-19, the FTC is conducting an industry sweep of the industry. Related to this, the FTC is reviewing its Children’s Online Privacy Protection Act Rule. This goes beyond the refresh the agency did of their FAQs earlier in the pandemic (which we wrote about at the time). For now, Slaughter reminds companies that parental consent is needed before collecting information online from children under the age of 13. Examination of Health Apps: The FTC will take a closer look at health apps, including telehealth and contact tracing apps, as more and more consumers are relying on such apps to manage their health during the pandemic. Overlap Between Competition and Privacy: Slaughter also indicated that it is worth looking at situations where there may be not only privacy concerns, but antitrust as well. Because the FTC has a dual mission (consumer protection and competition) she notes that it has a “structural advantage” over other regulators in that it can look at these issues, especially since -she states- “many of the largest players in digital markets are as powerful as they are because of the breadth of their access to and control over consumer data.” Racial Equality and AI/Biometrics/Geotracking: Slaughter noted that COVID-19 is exacerbating racial inequities. She pointed to the unequal access to technology, as well as algorithmic discrimination (the idea that discrimination offline becomes embedded into algorithmic system logic). The FTC intends to focus on algorithmic discrimination, as well as on the discrimination potentially embedded into facial recognition technologies. (This mirrors concerns that gave rise to the recent Portland facial recognition law, which we recently wrote about). Finally, Slaughter commented on the use of location data to identify characteristics of Black Lives Matter protesters, and said she is concerned about the misuse of location data to track Americans engaged in constitutionally protected speech. Putting it Into Practice: Companies that operate health apps, that are in the education technology space, or that use algorithms or facial recognition tools will want to keep in mind that these are areas of focus for the FTC. And for everyone, keep in mind that the FTC has indicated it will beef up privacy law penalties and will ask for more notification to injured consumers.

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

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

#### That trades off with the necessary resources for privacy enforcement

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The FTC needs more resources to adequately address the nation’s growing privacy concerns. Currently, the FTC oversees both consumer protection—encompassing privacy—and antitrust,249 making the FTC the chief federal agency on privacy policy and enforcement250 and the nation’s de-facto privacy agency.251 The agency has long-standing experience in enforcing privacy statutes252 and also has special privacy assets, such as an internet lab capable of high-quality tech forensics to track invasions of privacy.253 The FTC, however, has failed to keep pace with the massive growth of privacy concerns—a phenomenon also driven by modern technology. Very few Americans feel conﬁdent in the privacy of their information in the digital age.254 According to a 2019 study, over 80% of Americans feel that they have little to no control over the data collected on them by companies and the government.255 To adequately address privacy concerns, the FTC needs more resources.256 The agency has been explicit that it needs more manpower to police tech companies. In requesting increased funding from Congress, FTC Director Joseph Simons said the money would allow the agency to hire additional staff and bring more privacy cases.257 A former director of the FTC’s Bureau of Consumer Protection, which houses the privacy unit, has called the FTC “woefully understaffed.”258 As of the spring of 2019, the FTC had only forty employees dedicated to privacy and data security, compared to 500 and 110 employees at comparable agencies in the UK. and Ireland, respectively.259 Without more lawyers, investigators, and technologists, the FTC will be forced to conduct privacy investigations less thoroughly, and in some cases, forgo them altogether.260 Currently, the FT C’s resources are spread thin across multiple missions, to the detriment of its privacy efforts. Removing the agency’s antitrust responsibilities would reallocate resources from the antitrust department to its privacy unit and other areas of consumer protection. Further, it would free up the scarce time of the commissioners to oversee this essential effort.261

#### Unchecked algorithmic bias risks massive inequality and extinction

Mike Thomas 20. Quoting AI experts including MIT Physics Professors, Senior Features Writer for BuiltIn. THE FUTURE OF ARTIFICIAL INTELLIGENCE: 7 ways AI can change the world for better ... or worse, Updated: April 20, 2020, <https://builtin.com/artificial-intelligence/artificial-intelligence-future>

Klabjan also puts little stock in extreme scenarios — the type involving, say, murderous cyborgs that turn the earth into a smoldering hellscape. He’s much more concerned with machines — war robots, for instance — being fed faulty “incentives” by nefarious humans. As MIT physics professors and leading AI researcher Max Tegmark put it in a 2018 TED Talk, “The real threat from AI isn’t malice, like in silly Hollywood movies, but competence — AI accomplishing goals that just aren’t aligned with ours.” That’s Laird’s take, too. “I definitely don’t see the scenario where something wakes up and decides it wants to take over the world,” he says. “I think that’s science fiction and not the way it’s going to play out.” What Laird worries most about isn’t evil AI, per se, but “evil humans using AI as a sort of false force multiplier” for things like bank robbery and credit card fraud, among many other crimes. And so, while he’s often frustrated with the pace of progress, AI’s slow burn may actually be a blessing. “Time to understand what we’re creating and how we’re going to incorporate it into society,” Laird says, “might be exactly what we need.” But no one knows for sure. “There are several major breakthroughs that have to occur, and those could come very quickly,” Russell said during his Westminster talk. Referencing the rapid transformational effect of nuclear fission (atom splitting) by British physicist Ernest Rutherford in 1917, he added, “It’s very, very hard to predict when these conceptual breakthroughs are going to happen.” But whenever they do, if they do, he emphasized the importance of preparation. That means starting or continuing discussions about the ethical use of A.G.I. and whether it should be regulated. That means working to eliminate data bias, which has a corrupting effect on algorithms and is currently a fat fly in the AI ointment. That means working to invent and augment security measures capable of keeping the technology in check. And it means having the humility to realize that just because we can doesn’t mean we should. “Our situation with technology is complicated, but the big picture is rather simple,” Tegmark said during his TED Talk. “Most AGI researchers expect AGI within decades, and if we just bumble into this unprepared, it will probably be the biggest mistake in human history. It could enable brutal global dictatorship with unprecedented inequality, surveillance, suffering and maybe even human extinction. But if we steer carefully, we could end up in a fantastic future where everybody’s better off—the poor are richer, the rich are richer, everybody’s healthy and free to live out their dreams.”

## Innovation

### Patents Fine – 1NC

#### Patents don’t stymie innovation.

Alexander Galetovic et. al. 14. Professor of Economics at the Universidad de los Andes in Santiago. \*\*Stephen Haber is the A.A. and Jeanne Welch Milligan Professor at Stanford University. \*\*Ross Levine is the Willis H. Booth Chair in Banking and Finance at the University of California at Berkeley. Patent Holdup: Do Patent Holders Holdup Innovation?" Hoover Institute. May 2014. https://www.semanticscholar.org/paper/Working-Paper-Series-No-.-14011-Patent-Holdup-%3A-Do-Galetovic-Haber/ea38063babc29affc2139254e0ec0d14c5192f2a

5 Conclusions

Given the widespread, bipartisan calls for patent reform, there is stunningly little evidence that the current patent system is stymieing the commercialization of technology. Although reform proponents point to the rise in patent cases and the increased role of “trolls” in those cases, there is no evidence that litigation and trolls have materially hurt what actually matters: the products that we buy and the prices that we pay.

In this paper, we find that the rate of innovation—as reflected in prices—has rarely, if ever, been faster than it is today in exactly those industries that reform advocates point to as embodying the patent holdup problem. For example, the prices of goods produced by patent intensive SEP industries relative to other good produced in the economy have fallen by 90% since the early 1990s. Indeed the prices of goods produced by patent-intensive SEP industries have fallen at about twice the rate of other patent-intensive industries. Although reform advocates point to patent-intensive SEP industries as most prone to patent holdup, it is in these industries were innovation seems fastest. If patent holdup is slowing innovation, it is slowing it down to perhaps the fastest rate in human history.

Our analyses also shed a skeptical light on the direction of major reform proposals that envisage a greater role for regulatory-type bodies and a smaller role for the courts. Current reform proposals compare the messy reality of the current court-based system with an imaginary ideal—a perfectly functioning regulatory system. But, an enormous body of economic research suggests that such regulatory-based institutions are more prone to subversion than the courts.

Regulatory capture might be a bigger concern than the high cost of litigation. Before materially altering the U.S. intellectual property system—a bedrock institution underlying long-run economic growth—more serious work is need.

### 1nc – blockchain fails

#### Blockchain sucks

Stuart Madnick, 1-13-19. the John Norris Maguire Professor of Information Technologies in the MIT Sloan School of Management, a professor of engineering systems in the MIT School of Engineering, and codirector of Cybersecurity at MIT Sloan (CAMS). “Blockchain Isn’t as Unbreakable as You Think”. https://sloanreview.mit.edu/article/blockchain-isnt-as-unbreakable-as-you-think/

The truth is that blockchain is not as secure as it is believed to be, and its features can rebound in unfortunate ways. In research I conducted with Jae Lee, described in detail in his graduate thesis[2](https://sloanreview.mit.edu/article/blockchain-isnt-as-unbreakable-as-you-think/#ref2) and a forthcoming paper for the Cybersecurity at MIT Sloan (CAMS) initiative, we cataloged 72 breaches reported between 2011 and 2018. These breaches cost users a grand total of more than $2 billion. Many of these breaches were possible because blockchain is actually vulnerable in some of the same ways that conventional, centralized record-keeping systems are. The rest are even more troubling, because bad actors were able to exploit the very features that make blockchain revolutionary: transparency, distributed control, anonymity, and immutability. In this article, we will look closely at both categories of vulnerabilities so that organizations can weigh the risks and decide whether to make use of blockchain. Old-Fashioned Chinks in Blockchain’s Armor Blockchain is widely viewed as unbreakable because advanced cryptographic techniques are used to encode the data and ensure that it is not altered. But there are vulnerabilities to be exploited. Let’s focus first on the ones that have long been present in more conventional systems as well. Private keys. Much like traditional passwords, private keys must be written down, whether on paper or in a digital wallet, because they are such large numbers. Once they’re written down, of course, they can be found. A cocky bitcoin owner actually printed his blockchain key as a QR code on his T-shirt just to see what would happen. This is what happened: Someone took a photo of him and used it to drain his account.[3](https://sloanreview.mit.edu/article/blockchain-isnt-as-unbreakable-as-you-think/#ref3) (Before you laugh at his foolishness, ask yourself if you’ve ever scribbled a password on a sticky note.) In another breach, a TV news anchor showed viewers a Bitcoin that was being gifted, and a Reddit user scanned the digital QR code with his phone and nabbed the funds for himself.[4](https://sloanreview.mit.edu/article/blockchain-isnt-as-unbreakable-as-you-think/#ref4) Software flaws. The blockchain itself is essentially just data. To add information to the blockchain or make use of the existing information requires software code — and, like any software, it can have flaws. In fact, it often has more flaws than you would usually expect to encounter. In the distant past, I worked as a software developer for IBM. There was typically a six-month delay between the time I completed an update to the system and the date it was made available to users because a quality assurance (QA) group needed time to run extensive tests. That kind of due diligence is increasingly a thing of the past. The early applications of blockchain, such as Bitcoin, were relatively simple, mostly involving the transfer of funds. The open source code was stable for long periods of time. Users didn’t need to be professional software developers — they just needed to know how to download the open source code. Newer applications are much more complicated. The transition happened incrementally but rapidly enough that QA did not keep pace. Furthermore, because of fierce competition, there is enormous pressure to rush to market, which can make QA seem like a nuisance. As a result, there are often subtle flaws in the writing of blockchain system software. Consider the Ethereum hack, where an intruder discovered a programming mistake and used it to move money into his or her account. (More about this case a bit later.) In another instance, flaws were introduced by developers rushing to meet new regulations actually aimed at improving security. The changes were not carefully reviewed, the flaws were exploited, and money was stolen. The cost of this lesson in irony was roughly $60 million.[5](https://sloanreview.mit.edu/article/blockchain-isnt-as-unbreakable-as-you-think/#ref5) New Weaknesses Specific to Blockchain Some of the things that make blockchain so attractive also make it vulnerable. Let’s revisit the four prized values mentioned earlier. Transparency. The logic goes that blockchain software is sound precisely because so many people can see it and verify that there are no flaws, like a Wikipedia entry everyone is double-checking for accuracy. Unfortunately, this also means a bad actor can study the code and uncover flaws no one else has noticed yet. Distributed control. A traditional, centralized system simply stops if the computer fails. In a blockchain system, the software operates simultaneously on such a preponderance of servers that even if one or more servers fail, the system continues running. That has obvious benefits. But it also means there is no central on-off switch, and, to put it plainly, there are times when you need to shut things off. The U.S. Securities and Exchange Commission, for instance, mandated the creation of “circuit breakers” after the May 6, 2010, flash crash that saw the S&P 500 drop 8.6% in a single day. The system now automatically shuts down trading if there is a sudden, steep market decline.[6](https://sloanreview.mit.edu/article/blockchain-isnt-as-unbreakable-as-you-think/#ref6) In contrast, blockchain systems are not intended to ever stop. Even if an attack is discovered on a blockchain system, servers around the world still operate. In the example of the software flaw on the Ethereum system, in particular the smart contract for the distributed autonomous organization (DAO), there was no way to stop the intruder from continuing to siphon off money. The ad hoc solution, such as it was, was to have a group of “good guys” use the same flaw to siphon off the money faster than the “bad guy” and then return as much money as possible to its rightful place. Blockchain’s transparency may have made matters worse during the race against the clock. There was an active public blog, mostly used by smart contract developers, where suspicions about possible flaws were posted for over a month. The blog probably aided the attacker in learning about the suspected flaw and how to exploit it; furthermore, by monitoring posts, the attacker knew when the hack had been discovered and, hence, when it was time to disappear. In the end, about $50 million was stolen. Based on the blockchain principle that “code is law,” the DAO attacker in an open letter to the community claimed that the stolen funds were legal compensation in light of binding smart contracts. The attacker threatened to take legal action against any attempt to invalidate what he or she did. Other such cases have been reported, including the Komodo hack.[7](https://sloanreview.mit.edu/article/blockchain-isnt-as-unbreakable-as-you-think/#ref7) In a centralized system, the hierarchy makes clear who is in charge of security. As for a decentralized system like blockchain, it’s useful to keep in mind that the Wild West was also decentralized.

#### Banks kill it.

Bernard Marr, 18. a world-renowned futurist, influencer and thought leader in the fields of business and technology who is a best-selling author of 20 books, writes a regular column for Forbes and advises and coaches many of the world’s best-known organisations. "The 5 Big Problems With Blockchain Everyone Should Be Aware Of". Bernard Marr. 2-19-18. https://bernardmarr.com/the-5-big-problems-with-blockchain-everyone-should-be-aware-of/

5. The “Establishment” has a vested interest in blockchain failing Let’s be honest – despite the huge interest in adopting blockchain technology from the established financial industry, the subtext behind much of what is said about it is “it would probably be better if it just quietly disappeared.” Banks make huge amounts of profit from playing the middle-man role, and because the cost is distributed among their millions of customers, end users usually pay very little individually. Back in 2015 [one former boss at Barclays](https://www.businessinsider.com/banks-approach-to-bitcoin-is-cynical-says-an-ex-barclays-tech-chief-2015-10?r=UK&IR=T) described the interest and apparent enthusiasm of his sector as “cynical” – stating that it stems from a desire to exert control or even block the usefulness of the emerging technology. Banks carry huge lobbying power with governments and legislators. It’s conceivable that should they decide it is in their interests, the established financial services industry could, if not kill blockchain, dramatically reduce its usefulness and restrict its availability.

#### It fails.

Bernard Marr, 18. a world-renowned futurist, influencer and thought leader in the fields of business and technology who is a best-selling author of 20 books, writes a regular column for Forbes and advises and coaches many of the world’s best-known organisations. "The 5 Big Problems With Blockchain Everyone Should Be Aware Of". Bernard Marr. 2-19-18. https://bernardmarr.com/the-5-big-problems-with-blockchain-everyone-should-be-aware-of/

4. Blockchains can be slow and cumbersome Once again due to their complexity and their encrypted, distributed nature, blockchain transactions can take a while to process, certainly compared to “traditional” payment systems such as cash or debit cards. Bitcoin transactions can take several hours to finalise, which means there are inherent problems in the idea that you will be able to use them to pay for a cup of coffee in your lunch hour, unless the vendor is willing to take on an element of risk. And wasn’t that something which the “trustless” nature of blockchains was expected to remove from the equation? In theory the principle extends to blockchain networks which are used for something other than as a store of value, for example logging transactions or [interactions in and IoT environment](https://www.forbes.com/sites/bernardmarr/2018/01/28/blockchain-and-the-internet-of-things-4-important-benefits-of-combining-these-two-mega-trends/). These chains – really just computer files, after all – have the potential to become slow and unwieldy as they grow in size, and the number of computers accessing and writing to the network grows. Hopefully this is a problem which will be solved with advances in engineering and processing speeds, but at this point in time it remains a problem, nonetheless.

### 1NC – No Food Wars

#### No food wars---no causal evidence, only maybe true for the poorest countries, and government responses solve the impact

Mark W. Rosegrant 13, Director of the Environment and Production Technology Division at the International Food Policy Research Institute, et al., 2013, “The Future of the Global Food Economy: Scenarios for Supply, Demand, and Prices,” in Food Security and Sociopolitical Stability, p. 39-40

The food price spikes in the late 2000s caught the world’s attention, particularly when sharp increases in food and fuel prices in 2008 coincided with street demonstrations and riots in many countries. For 2008 and the two preceding years, researchers identified a significant number of countries (totaling 54) with protests during what was called the global food crisis (Benson et al. 2008). Violent protests occurred in 21 countries, and nonviolent protests occurred in 44 countries. Both types of protest took place in 11 countries. In a separate analysis, developing countries with low government effectiveness experienced more food price protests between 2007 and 2008 than countries with high government effectiveness (World Bank 201la). Although the incidence of violent protests was much higher in countries with less capable governance, many factors could be causing or contributing to these protests, such as government response tactics, rather than the initial food price spike.

Data on food riots and food prices have tracked together in recent years. Agricultural commodity prices started strengthening in international markets in 2006. In the latter half of 2007, as prices continued to rise, two or fewer food price riots per month were recorded (based on World Food Programme data, as reported in Brinkman and Hendrix 2011). As prices peaked and remained high during mid-2008, the number of riots increased dramatically, with a cumulative total of 84 by August 2008. Subsequently, both prices and the monthly number of protests declined.

Several researchers have studied the connection between food price shocks and conflict, finding at least some relationship between food prices and conflict. According to Dell et al. (2008), higher food prices lead to income declines and an increase in political instability, but only for poor countries. Researchers also found a positive and significant relationship between weather shocks (affecting food availability, prices, and real income) and the probability of suffering government repression or a civil war (Besley and Persson 2009). Arezki and Bruckner (2011) evaluated a constructed food price index and political variables, including data on riots and anti-government demonstrations and measures of civil unrest. Using data from 61 countries over the period 1970 to 2007, they found a direct connection between food price shocks and an increased likelihood of civil conflict, including riots and demonstrations.

Other researchers have broadened the analysis by considering government responses or underlying policies that affect local prices, and consequently influence outcomes and the linkage between food price shocks and conflict. Carter and Bates (2012) evaluated data from 30 developing countries for the time period 1961 to 2001, concluding that when governments mitigate the impact of food price shocks on urban consumers, the apparent relationship between food price shocks and civil war disappears. Moreover, when the urban consumers can expect a favorable response, the protests only serve as a motivation for a policy response rather than as a prelude to something more serious, such as violent demonstrations or even civil war.

Many in the international development community see war and conflict as a development issue, with a war or conflict severely damaging the local economy, which in turn leads to forced migration and dislocation, and ultimately acute food insecurity. Brinkman and Hendrix (2011) ask if it could be the other way around, with food insecurity causing conflict. Their answer, based on a review of the literature, is "a highly qualified yes," especially for intrastate conflict. The primary reason is that insecurity itself heightens the risk of democratic breakdown and civil conflict. The linkage connecting food insecurity to conflict is contingent on levels of economic development (a stronger linkage for poorer countries), existing political institutions, and other factors. The researchers say establishing causation directly is elusive, considering a lack of evidence for explaining individual behavior. The debate over cause and effect is ongoing.

Policies can nevertheless be implemented to reduce price variability. Less costly forms of stabilization, at least in terms of government outlays, include reducing import tariffs (and quotas) to lower prices and restricting exports to increase food availability. However, these types of policy responses, while perhaps helping an individual country's consumers in the short run, can lead to increased international price volatility, with potential for disproportionate adverse impacts on other countries that also may be experiencing food insecurity.

## China

### No China Rise---1NC/2AC

#### No violent China rise---it isn’t a threat to the LIO.

Koh King Kee 20. President, Centre for New Inclusive Asia (CNIA). Associate Fellow, Institute of China Studies, University of Malaya. “China’s Rise Is No Threat to the Liberal International Order “ China Focus. 01-22-2020. http://www.cnfocus.com/china-s-rise-is-no-threat-to-the-liberal-international-order/

China has given the world a sterling report card for its economic reform over the last four decades. Its achievements have won admirations and applauses across the world, from men on the street to political elites. Its success stories are inspirations to leaders of the emerging economies who see in China an alternative development model, a growth path that is strikingly different from the conventional economic text. But its meteoric rise has also **stirred concerns and fears in the West**. To the advocates of Western democracy, China is a centralized authoritarian regime, the rise of which is a threat to the liberal international order. Particularly, America views China as a revisionist power that poses an imminent challenge to its global hegemony. In a radio interview last year, U.S. Secretary of State Mike Pompeo alleged that China is “buying an empire” with its Belt and Road Initiative, and America intends to “oppose them at every turn”. **Are such allegations justified** or misguided? What sets China’s political system apart from the rest of the world? China’s centralized system is rooted in its history “The Chinese tradition of order imposed by a centralized system” is “a pattern that goes back at least 3,500 years”, says Newt Gingrich, former US House Speaker in his newly published book “Trump Vs China: Facing America’s Greatest Threat”. Newt Gingrich, a harsh critic of the Communist Party of China (CPC) has no empathy for China. However, he is right in pointing out that China’s political system under CPC is rooted in thousands of years of its history, a system that is inextricably embedded in its millennial-old civilization. Centralization has been China’s mainstream political philosophy spanning from the ancient dynasties to modern days. China has remained a unified nation after Qinshihuang’s conquest of the Warring States more than 2,000 years ago despite the rise and fall of the dynasties, thanks to the centralized system. It glues the immense territory together and prevents China from falling into the fate of Europe – disintegration into small nation states. China’s centralized system of governance is run based on meritocracy – a key tenet of Confucianism, which is the **bedrock of Chinese civilization**. “When the Great Principle prevails, the world belongs to all, rulers are selected according to their wisdom and ability (⼤道之⾏也，天下为公，选贤与能),” said Confucius. In ancient China, talents were picked based on the principle of meritocracy through an open imperial examination system to serve the ruler of the day. Likewise, in present day China, leaders are selected after they have passed through tiers of ability and loyalty mill tests. Centralization and meritocracy are the foundation of Chinese polity. Despite regime change, they have remained China’s unchanged statecraft throughout its history. CCP’s consultative democracy is, in fact, a blend of centralization and meritocracy. Advantages of China’s political system Many factors have contributed to China’s startling economic rise. Free trade and globalization are unequivocally important drivers. However, many countries with a huge population or immense territory such as India, Russia and Indonesia have not been able to achieve the same economic growth as that of China, even though the same international environment and opportunities were availed to them. Many political pundits and economists have failed to recognize that what sets China apart from others in its development path is, in fact, its unique political system. China’s centralized CPC-led system has obvious advantages over electoral democracy as it allows the government to formulate long-term economic development plans for the country as opposed to focusing on short term populist policies for voters’ satisfaction. It is not uncommon for a new government to reverse development policies of the previous regime due to different ideologies in a parliamentary democracy. Meritocracy and political stability enhance government efficiency and accountability. China is well acknowledged for its high efficiency in delivering mega infrastructure projects. It builds highways, railways, bridges, dams, power plants, airports and other infrastructure projects in record time, now come to know as “China Speed”. Typically, a HSR project in China takes about 4 years to complete irrespective of its size, whilst in other countries, a similar project may take up to a decade to build. “China Speed” speeds up China’s economic growth as infrastructure is not only the prerequisite, but also the catalyst for economic development. BRI – a platform for international cooperation China’s Belt and Road Initiative (BRI) is the biggest infrastructure built out in the history of mankind. It is a mammoth transcontinental development project that aims to build connectivity across the Eurasian landmass based on the principles of mutual consultation, joint contribution and shared benefits. “China will actively promote international cooperation through the Belt and Road Initiative. In doing so, we hope to achieve policy, infrastructure, trade, financial, and people-to-people connectivity and thus build a new platform for international co-operation to create new drivers of shared development,” said President Xi Jinping at the 19th CPC National Congress. Sound infrastructures are the prerequisite for economic development. According to ADB’s estimate, Asia alone requires $26 trillion of infrastructure investment from 2016 to 2030 in order to maintain its growth momentum, eradicate poverty and respond to climate change. China is well positioned to contribute to the global infrastructure investment needs in view of its technology and expertise in building infrastructure projects, coupled with its huge pool of foreign reserves. To deepen its reform, China must move up the global value chain, migrate its low technology industries and alleviate its excess industrial capacities by opening-up new markets. BRI connects China’s landlocked northwest provinces to the world with overland highways and railways. It opens a safe passageway to the Indian Ocean through the China-Pakistan Economic Corridor. BRI is thus a **win-win transnational development project** benefiting China and the partner countries. However, in the eyes of Washington, BRI is China’s grand strategy to project its global influence and a challenge to America’s world supremacy. Washington accused China of coercive economic diplomacy by indiscriminate lending to developing countries with poor repayment ability, eventually seizing the strategic assets of the recipients when they failed to repay the loans – a scheme propagated by the West as “debt trap”. China is developing through interaction with the world China is a member of the global village. It is developing through interactions with the world. “China has been seeking development with its door open. China has **embraced the world**, learned from the world, and contributed to the world, **through positive interaction** and shared development.” China sums up its relationship with the world in “ China and the World in the New Era”, a White Paper commemorating the 70th Anniversary of the founding of the People’s Republic of China. China promotes interconnected development and **benefits from the existing international order.** It advocates **free trade and multilateralism.** When China started its reform and opening-up to the world, the West cast a mould, expecting China to grow accordingly. However, China took a path not traversed by others – a mixed economy under the centralized authoritarian system, or as CPC puts it, Socialism with Chinese Characteristics. It is a system rooted in thousands of years of its history and civilization, a development model that suits China and produces an economic miracle never seen in human history. The Belt and Road Initiative is China’s mega initiative for globalization **aiming at win-win outcome.** It is China’s offer of public goods to the world as an emerging economic superpower, a manifestation of its age-old philosophy, “When you are rich, share your wealth with the world (达则兼济天下）.” China is now the second largest economy and top trading nation in the world, contributing about 30 percent to global growth. Inevitably, the international order should reflect the new economic dynamics of the 21st century. While China’s economic achievements offer valuable lessons to the world, it has no messianic aspirations. As President Xi Jinping has categorically said, “We will not import other countries’ models, and will not export the China model.” China’s growth is being realized within the existing international order. China has **no reason to sabotage** it nor the intention to supplant America’s global preeminence. **China’s rise is no threat to the liberal international order!**

#### No U.S.-China war---assumes gray zones

Abraham Denmark et al 20 is director of the Asia Program at the Woodrow Wilson International Center for Scholars and a former deputy assistant secretary of defense for East Asia, April 16, “SAME AS IT EVER WAS: CHINA’S PANDEMIC OPPORTUNISM ON ITS PERIPHERY”, <https://warontherocks.com/2020/04/same-as-it-ever-was-chinas-pandemic-opportunism-on-its-periphery/>

While Washington and Beijing’s overheated rhetoric and mutual recriminations amid the ongoing coronavirus pandemic are grabbing headlines, equally important is what has been playing out across China’s eastern and southern peripheries over the past several weeks. At a moment when the Chinese Communist Party has been touting the generosity of its approach to COVID-19, there has been a marked increase in the number of incidents between China and its neighbors. Beijing has used its naval and paramilitary forces as well as its increasingly sophisticated information operations to ratchet up tensions, probe responses, and see how much it can get away with. This raises the question of what exactly China is up to. Has Beijing truly embraced a new approach of cooperation with its neighbors? Is it trying to take advantage of the COVID-19 mess to assert its interests more aggressively? Or is this simply an extension — albeit an opportunistic one — of its pre-pandemic strategy? BECOME A MEMBER The novel coronavirus pandemic has not curtailed geopolitics — in fact, it seems to be intensifying preexisting tensions. Understanding if and how China’s foreign policy has shifted is critical for assessing what is happening along China’s periphery and what Beijing might do next. Answering these questions is necessary for the United States and its allies to fashion a proper response. This, in turn, demands understanding what Beijing was doing before the crisis and thinking through what might actually signal a significant shift toward a more confrontational foreign policy. How Did I Get Here? China’s Latest Moves Chinese ships and aircraft have been involved in a spate of recent incidents across China’s maritime periphery. While there have been no fatalities, lives were certainly put at risk. Considering these incidents have involved two of China’s primary regional rivals — Japan and Vietnam — as well as Taiwan, the possibility that Beijing may see the COVID-19 pandemic as an opportunity to press an advantage during a time of geopolitical distraction and uncertainty should be considered. In mid-March, a group of People’s Liberation Army (PLA) aircraft crossed the median line in the Taiwan Strait — an unofficial demarcation line between Taiwan and China — in an exercise intended to intimidate Taiwan by demonstrating China’s ability to conduct operations at night while also testing Taiwan’s ability to react. While PLA ships and aircraft have been operating within the vicinity of Taiwan for several years, the pace and assertiveness of these activities have noticeably increased in recent years: The latest incident was the fourth time in two months that PLA aircraft forced Taiwan’s air force to scramble and intercept. Considering the impending second inauguration of Taiwan’s leader, President Tsai Ing-wen, as well as dwindling levels of support in Taiwan for Beijing’s “One Country, Two Systems” formulation, these exercises are likely to grow even more common and assertive. In late March in the East China Sea, a Chinese fishing vessel collided with a Japanese destroyer. The collision ripped a hole in the destroyer, but the ship was able to move on its own, and its crew suffered no casualties. Beijing announced that one Chinese fisherman had been hurt and blamed the Japanese vessel for the incident, calling for Japan’s cooperation to prevent future incidents. It is unclear if the Chinese vessel was a part of China’s “maritime militia,” described by the U.S. Department of Defense as “an armed reserve force of civilians available for mobilization” that plays a “major role in coercive activities to achieve China’s political goals without fighting.” The South China Sea has also seen several recent incidents involving Chinese vessels. In early March, a Vietnamese fishing vessel was moored near a small island in the Paracel archipelago — islands claimed by both Vietnam and China, among others — when a Chinese vessel chased it and fired a water cannon, causing the boat to sink after hitting some rocks. The crew was rescued by another Vietnamese fishing boat, with Hanoi claiming that the fishing boat was rammed by the Chinese vessel. The U.S. State Department issued a statement in early April expressing its serious concerns about the incident and calling on China “to remain focused on supporting international efforts to combat the global pandemic, and to stop exploiting the distraction or vulnerability of other states to expand its unlawful claims in the South China Sea.” The State Department also noted that since the outbreak of the pandemic, “Beijing has also announced new ‘research stations’ on military bases it built on Fiery Cross Reef and Subi Reef, and landed special military aircraft on Fiery Cross Reef.” Most recently, a Chinese coast guard (CCG) ship — one of several Chinese ships that harassed a Philippine commercial vessel in September 2019 — was seen patrolling near the Scarborough Shoal, representing one of many CCG ships that have been patrolling nearly all of the disputed areas between China and the Philippines in the South China Sea. Are these incidents merely a coincidence? Are they a sign that Beijing is distracted by COVID-19 and the resulting historic economic slowdown, and aggressive local commanders are pushing the envelope of their own accord? Or is this merely the result of China fielding more ships and more aircraft, leading to a predictable increase in incidents and exercises? While these explanations are all plausible, a more likely driver of China’s actions is, in fact, continuity. These incidents are not unprecedented and likely do not indicate a new, post-pandemic Chinese strategy. Rather, these incidents are consistent with a Chinese approach to foreign affairs under CCP General Secretary Xi Jinping’s leadership that even before the outbreak of COVID-19 demonstrated flexibility, assertiveness, and a singular desire to exploit opportunities of external weakness and distraction in order to advance China’s interests. For more than a decade, Chinese leaders have come to see their external security environment as generally favorable, representing a “strategic window of opportunity” in which China could achieve its primary objective of national revitalization through economic and social development, military modernization, and the expansion of its regional and global influence. Since the 2008 to 2009 global financial crisis, Beijing has perceived an opportunity to expand its geopolitical power relative to the United States yet does not seek an explicit conflict with the United States or its allies. As a result, Beijing has intensified its use of “gray zone” tactics that seek to gradually advance Chinese interests using ambiguity and tactics that are tailored to not provoke a military retaliation. These activities also serve as “probing behavior” that tests how far China can go before encountering determined resistance. In recent years, Beijing has used this approach to increase pressure on Japan in the East China Sea and advance Beijing’s territorial claims in the South China Sea against the Philippines, Vietnam, Malaysia, and Indonesia. Throughout, Beijing’s approach to regional geopolitics has been adaptive to specific conditions, flexible to broader strategic trends, and opportunistic to perceptions of weakness or distraction in its adversaries. Chinese actions are not the reckless gambles they may initially appear to be. Rather, they are premeditated probes seeking to identify weakness and opportunity. Chinese pressure is carefully calibrated to fit, but not necessarily to exceed, a given situation. This approach reflects a maxim of Vladimir Lenin, whom the Chinese Communist Party continues to revere to this day: “Probe with a bayonet: if you meet steel, stop. If you meet mush, then push.” In multiple instances, Beijing has continued to push when it perceives that its actions are unlikely to cause a significant response. But when Chinese assertiveness has been met with resolute counterpressure, Beijing’s response has not been predictably escalatory.Beijing has demonstrated flexibility when confronted with determined opposition. Examples include Japan’s response to China’s rollout of an air defense identification zone in the East China Sea in 2013 and President Obama’s reported drawing of a red line around Scarborough Shoal to Xi Jinping in March 2016. Moreover, India’s response to Chinese activities in Doklam did not lead to war.

### 1nc---no tech lead

#### China tech fears are unfounded---they can’t catch up.

Fred Hu 18, economist and chairman of Primavera Capital Group, 8-22-2018, "The U.S. Is Overly Paranoid About China’S Tech Rise," Washington Post, https://www.washingtonpost.com/news/theworldpost/wp/2018/08/22/us-china-3/?utm\_term=.ed8dd0d27f82

But much of the fear over China’s technological rise is unfounded. Fundamentally, China is like most emerging economies around the world: still trying hard to close the enormous technological gap with advanced economies led by America. China has undoubtedly made more progress than many of its developing peers in that race. Its tech industries have grown at a faster pace and achieved a global scale beyond those of most developing countries. In a broad range of manufacturing sectors — notably consumer electronics, steel, ship building, high-speed rail systems and solar panels — China has established itself as the world’s leading producer. In areas such as consumer Internet and financial technology, it has arguably overtaken even the United States and now leads the rest of the world. Yet China hawks such as Robert Lighthizer and Peter Navarro charge that whatever progress China has made on the tech front is due to the country’s blatant theft of U.S. technology. Considering the enormous investments China has made in science and technology over recent decades, such claims do not hold water. China has devoted vast resources to research and development — $409 billion in 2015 (21 percent of the global total), according to the U.S. National Science Foundation. China’s investment in research and development grew over 20 percent annually between 2000 and 2010 and almost 14 percent from 2010-2015. U.S. research and development hovered around 4 percent over the same period. For a country with an average per capita income a mere one-sixth of America’s, China’s research and development investments reflect a real and sustained national commitment. At the same time, China has vastly expanded and improved STEM education and has one of the largest pools of STEM graduates in the world. The devotion of significant resources to research and development and human capital has in turn enabled China to reap some of the early fruits of innovation. China now tops the world in new patent filings. As the first country to receive more than 1 million patent applications in a single year — a record the World Intellectual Property Organization said reflected “extraordinary” levels of innovation — China accounts for almost 40 percent of the global total and more than that of the United States, Japan and South Korea combined. China has also significantly boosted venture capital investment, which supports the commercialization of emerging technologies. While the United States attracts the most investment worldwide (nearly $70 billion), venture capital investment in China rose from approximately $3 billion in 2013 to $34 billion in 2016, climbing from 5 percent to 27 percent of the global share — the fastest increase of any economy. China’s start-up ecosystem is both vast and vibrant; it has successfully incubated more tech unicorns than any other country except the United States. Too often, U.S. critics claim that Chinese industrial policies like Made in China 2025 are behind the country’s ascendancy in tech. In fact, virtually none of China’s leading tech firms, such as Alibaba, Baidu and Tencent, are state-owned or meaningful beneficiaries of state support. They are all founded and led by smart and risk-taking private entrepreneurs, just like their Silicon Valley brethren. Tellingly, many Chinese tech start-ups have received U.S. venture financing. And Chinese technology companies and venture firms have made significant investments in U.S. start-ups. Sadly, the virtuous two-way venture capital flows are now in jeopardy because of Washington’s growing paranoia about China. As impressive as China’s innovation and progress may be, however, it is premature to declare that China has caught up with the U.S. tech industry. Interventionist government bureaucracy, stodgy state-owned enterprises, a rigid school system and — above all — harsh restrictions on individual freedoms continue to stifle independent thinking and creativity and constrain China from realizing its full innovation potential. While China is well positioned to succeed in “strategic” industries such as semiconductors, pharmaceuticals and commercial aircraft due to its vast pool of engineering talent and the size of its domestic market, so far it has remained a laggard. China has failed to develop an indigenous chip industry despite a state-led drive to do so, with tens of billions spent over the past four decades. Despite its status as the “world’s factory,” making everything from cell phones and laptops to numerous other devices, China continues to import 90 percent of its microchips from foreign countries, predominantly from the United States. That is why the U.S. threat to cut off critical chip supply to ZTE, a Chinese telecom equipment firm, has been dubbed the “Sputnik moment” in China: a sober reminder of China’s continued weaknesses in critical technologies. While China has made spectacular progress on the tech front, the United States remains the undisputed global leader in science and technology. The United States holds most of the world’s leading research universities; it deploys the highest amounts of both public and private funding in research and development; attracts the most venture capital; awards the most advanced degrees; provides the most advanced business, financial and information services and is the largest producer in knowledge-intensive, high-tech sectors, from pharmaceuticals to semiconductors. The fear that China will displace the United States as the global tech superpower is grossly exaggerated. Unfortunately, such paranoia dominates the minds of protectionist U.S. politicians and China hawks and has already amplified a destructive trade war between the world’s two largest economies. For China’s part, its soul-searching is overdue. Beijing should resist the prevalent yet ill-justified self-complacency and triumphalism that contributed to the fear in Washington in the first place, and it should make serious efforts to reform and open its domestic economy. Unless Beijing amends its heavy-handed statist approach to economic development, China’s potential as a leading nation in science and technology could be seriously curtailed.

#### U.S. tech leadership is high and resilient.

Gad Levanon 20. Forbes manufacturing contributor. “Reports Of US Decline Are Greatly Exaggerated.” 08/27/20. <https://www.forbes.com/sites/gadlevanon/2020/08/27/reports-of-us-decline-are-greatly-exaggerated/?sh=6253227b26f8>

Despite what many suspect is an eroding US global standing, 2020 may be remembered as the year when the US became even more globally dominant economically. Why? The tech sector’s share of the US economy is much larger than in most countries. And the pandemic-driven recession has greatly accelerated the shift to online activity and digital transformation by businesses and consumers, which would otherwise have taken years. That lead to faster growth in the global demand for technology. In addition, the US is especially dominant in the tech industries that are likely to grow the fastest in the coming years. Stock prices certainly support this story. The S&P 500 is already above pre-pandemic highs despite the deepest recession in 80 years, and most of the stock prices’ strength comes from tech sector. The companies that have seen the strongest gains since the pandemic focus on online shopping and payments, cloud computing services, cyber security, business related software, social media, online advertisement, and on-demand entertainment content. Stock prices are volatile and so are a treacherous guide for predicting the future, but there is a plausible explanation for the large tech gains – and why they might last. [Chart omitted] There are several objective and subjective reasons for why the US is so successful in technology compared with other countries. It has: 1The best universities, which attract many of the best students from all over the world – most of whom tend to stay in the US after completing their studies 2A large inflow of experienced talent from other countries 3 Unrivaled access to venture capital 4 Fluency in English, the global language in both business-dealing and content 5 An economy big enough to make achieving scale relatively easy 6 Silicon Valley, the home and heart of the tech revolution 7 A culture that welcomes innovation and disruption and strongly encourages entrepreneurial behavior Given these factors, US tech leadership should continue. What about the competition? One factor helping the US stand out is the weakness of the European tech sector. The market cap of the largest European tech company, SAP SAP -0.3%, is about one-tenth of Apple AAPL +1.6%’s. In other sophisticated industries like pharmaceuticals, motor vehicles and aircraft, European companies are strong competitors to their US counterparts. Europe’s relative technology weakness is perhaps as unusual as the US strength in the sector, and is only reinforced by the fact that US technology companies are already big players in European economies. Most of the top tech companies from East Asia – places like Japan, Taiwan and South Korea – are in hardware and semiconductors manufacturing. They are serious competitors in these areas, but these technology sectors are not growing as quickly. No discussion of the future of technology is complete without China. The Chinese internet companies are huge and growing rapidly, but their ability to expand beyond China and its periphery is questionable. In almost all sophisticated industries, Chinese companies are not yet major players in Western economies. Also, recent events suggest that Western countries will be more cautious in dealing with China, perhaps limiting its expansion. The latest developments with Huawei and TikTok are good examples. In addition, US companies are slowly moving their supply chain elsewhere, further weakening China. So, the technology sector will perform well in the next several years, benefiting countries that are strong in that area. The US, more than any other country, has a large and successful tech sector that seems to be especially concentrated in the fastest-growing tech industries. What does this mean for the US economy overall? First, it is important to mention that the boost the US is getting from its tech sector has been larger than what most other advanced economies have gotten for quite a while, and is one of the reasons the US has been growing faster than them in recent years. But now, this trend is likely to accelerate. Here is some back of the envelope math for the difference between the technology sector’s contribution to GDP growth in the US versus a typical advanced economy: Suppose in the US the tech sector is 12 percent of GDP and is growing at 10 percent a year. In another typical advanced economy the tech sector is 7 percent of GDP and is growing at 5 percent a year. That means that the annual contribution to GDP from the tech sector is 1.2 percent for the US versus 0.35 percent for the other country. That is 0.85 percent faster growth for the US every year. The net effect may be smaller because some of the growth in tech companies come at the expanse of companies from other sectors. But when the average annual GDP growth rate is 1.5-2 percent in advanced economies, even a 0.5 percent a year difference is meaningful. The gains from the rapid growth in technology would disproportionately go to tech companies’ owners and workers. As most of these are high earners, this trend is likely to increase income inequality. But some of the gains will spread more widely. After all, owners and workers, and the companies themselves, spend a large share of their income in the communities they live and operate in. It will also increase geographic inequalities. Not surprisingly, within the US, areas close to Silicon Valley benefited the most from the technology demand-surge. Between 2013-2018, among the 382 metro areas in the US, San Jose and San Francisco metro areas had the fastest growth in personal income per-capita. During that time, personal income per-capita in the San Jose Metro area rose by 48 percent, more than twice as fast as the national rate (22 percent). The surrounding metro areas, Napa, Santa Rosa-Petaluma, Santa Cruz-Watsonville, Stockton, Vallejo, were all ranked in the top 40. Seattle, another technology Hub, is ranked 13. All of these data points add up to an enduring strength. Despite concerns about US’s standing in the world, its tech sector may keep it at the forefront of the global economy in the foreseeable future.

# 2NC – Navy R4

## Cap

#### 1 – Cap is the root causal to each of the following:

#### 2 – A – Rogue emerging tech.

Xiang 18 [Feng. Professor of law at Tsinghua University and one of China’s most prominent legal scholars. Opinion: AI will spell the end of capitalism. Washington Post. 5-3-2018. <https://www.washingtonpost.com/news/theworldpost/wp/2018/05/03/end-of-capitalism/> ]

BEIJING — The most momentous challenge facing socio-economic systems today is the arrival of artificial intelligence. If AI remains under the control of market forces, it will inexorably result in a super-rich oligopoly of data billionaires who reap the wealth created by robots that displace human labor, leaving massive unemployment in their wake.

But China’s socialist market economy could provide a solution to this. If AI rationally allocates resources through big data analysis, and if robust feedback loops can supplant the imperfections of “the invisible hand” while fairly sharing the vast wealth it creates, a planned economy that actually works could at last be achievable.

The more AI advances into a general-purpose technology that permeates every corner of life, the less sense it makes to allow it to remain in private hands that serve the interests of the few instead of the many. More than anything else, the inevitability of mass unemployment and the demand for universal welfare will drive the idea of socializing or nationalizing AI.

Marx’s dictum, “From each according to their abilities, to each according to their needs,” needs an update for the 21st century: “From the inability of an AI economy to provide jobs and a living wage for all, to each according to their needs.”

Even at this early stage, the idea that digital capitalism will somehow make social welfare a priority has already proven to be a fairytale. The billionaires of Google and Apple, who have been depositing company profits in offshore havens to avoid taxation, are hardly paragons of social responsibility. The ongoing scandal around Facebook’s business model, which puts profitability above responsible citizenship, is yet another example of how in digital capitalism, private companies only look after their own interests at the expense of the rest of society.

One can readily see where this is all headed once technological unemployment accelerates. “Our responsibility is to our shareholders,” the robot owners will say. “We are not an employment agency or a charity.”

These companies have been able to get away with their social irresponsibility because the legal system and its loopholes in the West are geared to protect private property above all else. Of course, in China, we have big privately owned Internet companies like Alibaba and Tencent. But unlike in the West, they are monitored by the state and do not regard themselves as above or beyond social control.

It is the very pervasiveness of AI that will spell the end of market dominance. The market may reasonably if unequally function if industry creates employment opportunities for most people. But when industry only produces joblessness, as robots take over more and more, there is no good alternative but for the state to step in. As AI invades economic and social life, all private law-related issues will soon become public ones. More and more, regulation of private companies will become a necessity to maintain some semblance of stability in societies roiled by constant innovation.

I consider this historical process a step closer to a planned market economy. Laissez-faire capitalism as we have known it can lead nowhere but to a dictatorship of AI oligarchs who gather rents because the intellectual property they own rules over the means of production. On a global scale, it is easy to envision this unleashed digital capitalism leading to a battle between robots for market share that will surely end as disastrously as the imperialist wars did in an earlier era.

For the sake of social well-being and security, individuals and private companies should not be allowed to possess any exclusive cutting-edge technology or core AI platforms. Like nuclear and biochemical weapons, as long as they exist, nothing other than a strong and stable state can ensure society’s safety. If we don’t nationalize AI, we could sink into a dystopia reminiscent of the early misery of industrialization, with its satanic mills and street urchins scrounging for a crust of bread.

The dream of communism is the elimination of wage labor. If AI is bound to serve society instead of private capitalists, it promises to do so by freeing an overwhelming majority from such drudgery while creating wealth to sustain all.

If the state controls the market, instead of digital capitalism controlling the state, true communist aspirations will be achievable. And because AI increasingly enables the management of complex systems by processing massive amounts of information through intensive feedback loops, it presents, for the first time, a real alternative to the market signals that have long justified laissez-faire ideology — and all the ills that go with it.

#### 3 – B – Food insecurity.

Rose 21 [Nick. PhD in Political Ecology from RMIT University. Executive Director of Sustain: The Australian Food Network. From the Cancer Stage of Capitalism to the Political Principle of the Common: The Social Immune Response of “Food as Commons.” Int J Health Policy Manag 2021. 3-31-21. DOI: 10.34172/ijhpm.2021.20 //shree]

If the accelerating biophysical and social contradictions of the capitalist food system were substantively manifesting a decade ago, the advent of the COVID-19 pandemic has brought them into sharp relief.64 Where-ever one turns, the pandemic and the responses to it reveal a fragile food system enmeshed in crisis. From extraordinary levels of food waste caused by supply chain disruptions, to sharply rising levels of food insecurity, to widespread injury and death resulting from exposure to the pandemic amongst highly exploited food system workers, to the origins of the virus itself linked in part to the global grain-livestock and factory farming complex, COVID-19 is a ‘wake-up call for the food system.’65-75 More broadly, the negligence with which governments in Europe, Britain and the United States handled the pandemic, leading to high rates of infection and death that would have been preventable had public health, rather than economic activity, been prioritised, led the British Medical Journal to accuse those in charge of ‘social murder.’76 It is important to note that while the burden of suffering in 2020 fell disproportionately on low-income sectors and people of colour, with as many as 500 million more people falling into poverty, the world’s billionaires experienced a bonanza year, with their collective wealth increasing by nearly $4 trillion.77

Having laid bare the cause of our social and ecological malady – capitalism in its cancer stage - the question becomes: what is to be done?

#### 4 – C – China war – this is competition-specific.

Cecilia Rikap 21. Professor of Economics and Coordinator of YSI States and Markets Working Group, Institute for New Economic Thinking. “The Interplays of the United States, China and their Intellectual Monopolies.” *Capitalism, Power and Innovation Intellectual Monopoly Capitalism Uncovered*. Routledge. 2021. 77-80.

As Strange (1996) anticipated, the decline of the state’s power vis-à-vis corporations can be partly explained by the acceleration of technological change, which tilts the scale in favour of corporations. As identified by Feenberg (2010, p. 5) “political democracy is largely overshadowed by the enormous power wielded by the masters of technical systems”. Indeed, we should consider that powerful intellectual monopolies pass over their home states in specific contexts or respects.11 With this in mind we reconceived core states as one of capitalism’s multiple powerful actors.

Beyond explicit confrontations, since intellectual monopolies organize and plan production and innovation networks taking place in different countries, they generate an overlap of political realms with sometimes contradictory rules and norms. Who oversees production and innovation inside the networks organized by intellectual monopolies? The latter or the different states where intellectual monopolies’ production or innovation networks are based? To whom subordinate firms and other organizations are accountable for their actions? Their state or the intellectual monopoly coordinating the network? The simple answer is both. The complicated part is to identify what happens when they are in contradiction, and what are the consequences of this complex set of power structures for workers and subordinated organizations.

Intellectual monopolies have replaced state functions as policymakers. An extreme example recently disclosed is Eric Schmidt, Alphabet’s former executive chairman, advising the US federal government while still managing Alphabet. He was the chair of the US Defense Innovation Board, which recommended the use of artificial intelligence to the US Department of Defense. He also chaired the National Security Commission on Artificial Intelligence which advises the US Congress on analogous topics (Klein, 2020).

The government’s threat over China is – at least to some extent – driven by US data-driven intellectual monopolies’ concern over Chinese rivals like Alibaba, Tencent and Huawei. The CEOs of Google, Amazon, Facebook and Apple made this clear in their testimonies in the 2020 US Congress Hearing. As a remedy, Schmidt had been pushing for more public investment in research related to artificial intelligence and tech-enabling infrastructure (such as 5G) (Klein, 2020). Furthermore, these data-driven intellectual monopolies make their own rules and norms for their digital republics and, to some degree, replace the role of states. Facebook’s founder and chief executive, Mark Zuckerberg, states it clearly

Every day, platforms like Facebook have to make trade-offs on important social values – between free expression and safety, privacy and law enforcement, and between creating open systems and locking down data.12

(Mark Zuckerberg, Feb 16, 2020)

And immediately afterwards, he advocates for more public regulations and informs that Facebook is working together with different governments to that end. A similar claim was raised by Sundar Pichai, arguing that artificial intelligence needs to be regulated.13

The division of power is not clear, given that corporate power and planning capacities go beyond national frontiers and beyond the capital they own. Overall, there is a legal vacuum in the reach of each state’s power and where the power of the intellectual monopoly controlling a portion of global production and innovation begins. This vacuum allows intellectual monopolies to expand their power and profits.

Another source of conflict between intellectual monopolies and core states concerns the relative absence of the usual benefits of being home to big corporations: employment generation and tax payments. Considering their earnings, global leading corporations do not generate in their home countries expected employment due to outsourcing and offshoring (of production and innovation), which is particularly the case of US and also European intellectual monopolies. This has contributed to the rise in inequalities in these regions. The consequent social distress put pressure on stringent regulations. In the US, we referred in Section 2.1 to the 2017 Tax and Jobs Act (Public Law 115-97), but changes have not been significant.

US intellectual monopolies are masters of tax avoidance. As we mentioned before, operations leading to lower tax bills and financialized profits are easier for companies with higher shares of intangible over tangible assets. Offshoring IPRs to countries where corporations are not required to pay taxes for their intellectual property is a mechanism frequently used to divert profits to tax havens (Bryan et al., 2017) (see Chapter 7 on Apple’s case). By the end of 2016, the top ten companies in terms of offshored savings were: Apple, Microsoft, Cisco, Oracle, Alphabet, Johnson & Johnson, Pfizer, Qualcomm, Amgen and Merck (Pozsar, 2018).

In China, whose global intellectual monopolies sprang from the sustained stimulus and protection of its state, the latter’s central planning capacity is starting to find limits vis-à-vis new intellectual monopolies. These corporations were not born as the chosen ones by the state, but still enjoyed the benefits of China’s protectionism. The recent case of Bytedance provides a good example. The company was spending its Chinese profits to expand its unprofitable business in the US when the US government banned its blockbuster TikTok app. Bytedance was not among Beijing’s favoured companies, among others, because of the difficulties in controlling the videos uploaded to TikTok (Yang, 2020). Regardless of the end of the story between TikTok, the US and Chinese governments and US intellectual monopolies as potential buyers for part of TikTok’s business, what the case put forward was a possible surge of clashes between emerging Chinese (data-driven) intellectual monopolies and their state. Indeed, in late 2020 the Chinese state delayed Ant Group’s IPO, followed by the introduction of antitrust regulation for digital companies.

Meanwhile, Europe remained focused on increasing regulations on foreign data-driven intellectual monopolies, including different accusations of excessive market power and unfair competition. Unlike previous stages in capitalism, Europe risks playing in the subordinate side, where the peripheries have historically been and generally remain. Germany’s fear of falling behind the US and China’s tech giants should also be read as a broader European concern to lag (far) behind those core economies.14 Overall, Europe and Japan are latecomers of the digital economy, and this space is being filled primarily by China, emerging as a digital technological power (UNCTAD, 2019). Moreover, with a drop of eight companies between March 2009 and December 2019, Europe’s share of global top 100 corporations in market capitalization fell from 27% to 15%. This drop was taken over by the US (PWC, 2020). Regulating the digital economy could thus be seen as Europe’s geopolitical rebalancing move.15

5 Final remarks

In this chapter, we argued that core states and certain corporations built a mutually beneficial relationship. We identified US and Chinese policies that contributed to the emergence and spread of global intellectual monopolies. Likewise, we elaborated on how these corporate leaders sustain and expand their respective countries’ geopolitical power. Nevertheless, we also addressed states’ concerns and the overall tensions of the juxtaposition of power between core states and intellectual monopolies.

The US state cannot afford to lose its intellectual monopolies since its global hegemon power significantly depends on those companies. Likewise, it cannot afford to let its intellectual monopolies be given their consequences for income and wealth concentration resulting in increasing social unrest. From the US state perspective, the technological war with China is necessary to remain the only superpower. Nevertheless, this conflict is also a powerful device to redirect public attention and blame – as it has always been the case of the United States – an “other” of the internal consequences of home (and global) capitalism.

Neither can the Chinese state afford to lose its alliance with its intellectual monopolies. Its national innovation system and geopolitical power are based on a strong partnership – although not without tensions – between China’s state and intellectual monopolies, the only ones challenging the US and its intellectual monopolies.

All in all, the US and Chinese states have benefited from their respective intellectual monopolies to build and reinforce their geopolitical power. Meanwhile, in the rest of the world, knowledge and data extractivisms are further expanding inequalities, diminishing social well-being and curtailing development opportunities (see Chapters 11–13). The resulting world scenario is a ticking bomb.

A missing piece in this puzzle that will be addressed in future research concerns integrating international organizations to our analysis, seeking to understand how intellectual monopolies influence them and their role as arenas of core states’ contest for global hegemony. Let us just point out that each time the US withdraws from international coordination, China moves forward. Remarkably, during Trump’s administration, the US withdrew from international treaties and organizations, putting into question its historical openness. A possible interpretation could be that the hegemon fosters an open world economy but as far as it benefits from it.

To conclude, beyond the focus on the US and China, this chapter has also made self-evident that unfolding the interplay between state and corporate power is always context-dependent. While in some contexts the state rules over global leader corporations, the latter overcome even core states’ power in other contexts. As capitalism develops through the interplay of its powerful actors, it is not possible to anticipate concrete outcomes of such a multifaceted relationship. Neither can we anticipate the counter-hegemonic tendencies that, as Cox (1981) emphasized, generally emerge to oppose the state and world order structures of capitalism. The institutions that will lead the counter-offensive to intellectual monopoly capitalism remains to be seen.

#### 5 – D – Space debris and war.

Jocelyn Wills et al 20. Professor of History, Brooklyn College, CUNY. Joseph Entin, Professor of American Studies, Brooklyn College, CUNY. Richard Ohmann, Professor Emeritus of English, Wesleyan University. “’Resist, Rethink, and Restructure’: Teaching About Capitalism, War, and Empire in a Time of COVID-19.” *Radical Teacher* (117): 2-4. DOI: 10.5195/rt.2020.792.

As we sat down, corona-cocooned, to write this introduction to Radical Teacher’s special issue on “Teaching About Capitalism, War, and Empire” during May of 2020, we agreed that the five thought-provoking essays that follow have never seemed more on point, and teaching to the theme more urgent. As if we needed more evidence, COVID-19 has once again exposed both the systemic fragility, inherent instability, and doubling-down cruelty of the capitalist system, as well as the limits of American power and the dysfunctional, destructive, and deadly ways in which the United States and members of its military-industrial-intelligence complex have long responded to global crises: employing code words such as freedom, individual liberty, patriotism, entrepreneurial innovation, mobility, democracy, and especially defense, U.S. business elites and their government allies have always had as their ultimate goal the demolition of any and all alternatives to the expansion of capitalism as an economic system and article of faith, no matter the cost.

Coveting the riches of the continent long before independence, the United States made war central to its political-economy and imperial project from the start. Reducing all social relations to the profit motive, settler- colonists saw the indigenous people of the Americas as nothing more than a barrier to expanding the market economy to the Pacific coast and beyond, and African slave labor a means for accumulating wealth for further expansion. Nikhil Pal Singh and others have described this reality as a social and political process that drove Indian removals, settler in-migration, and nativist restrictions, as well as the “afterlives of Atlantic slavery” as the animating features of the United States’ rise as a capitalist world power long before the 20th century. Although the United States did not invent capitalism and war, it achieved its independence through the violence of both, and was the first nation-state to enshrine private property rights and a blueprint for empire-building within its founding documents.1

Reading the U.S. Constitution as an economic document, it becomes obvious that the nation’s founders perceived the world through imperial eyes, had the interests of capital ever in view, and codified collaborations with business through a commitment to funding technological innovations, expansion, and war. Thus, rather than freeing slaves or including protections for labor and democratic impulses, the Constitution and its tertiary land ordinances framed the competitive posturing, real estate speculation, and land grabs that would guide what Marx and Engels described as capitalism’s “war of each against all,” both among individuals as well as into U.S. domestic and international policies. By the 1820s, those policies included treaties designed to trick and cheat Native Americans into selling their lands when possible, and through force when all other avenues failed. The federal government also sanctioned slave codes and the funding of technologies to enforce them. By the 1840s, it also underwrote and devised land giveaways for railroads—the 19th-century’s first modern corporations and high-technology empire builders—and encouraged the development of the telegraph to gather information and surveil dissenters. Federal, state, and local governments, as well as railroads, additionally sent immigration agents, first to Northern Europe, then elsewhere, to lure vulnerable populations who could assist with the American imperial project, drive down wages, and pit racial and ethnic groups against each other just as the founding fathers had pitted poor whites against members of the African diaspora, whether free or enslaved, during the revolutionary era.

From the United States’ inception, American policies have ensured constant economic booms and busts, ones that have allowed larger firms to gobble up weaker ones when technology and real estate bubbles inevitably burst. By the 1840s, they had also armed railroads and other corporations with the military might to quell labor and civil rights protests. Regardless of the costs, in human lives and environmental degradation, by the time the U.S. had connected the east with the west coast during 1869, members of the government and their corporate allies had already cast their gaze farther afield, into territories they could use as re-fueling stations for more expansion. On the force of that project during World War II, which by then included the development of the computer, more lethal technologies, and the use of nuclear weapons as other imperial powers crumbled, the United States finally achieved the hegemonic status its elite had craved since the nation’s infancy.2

The United States’ post-World War II “Super-Power” status also created an opportunity for business elites, the government, and a new throng of technocrats to sell a more fervent and destructive mantra of “American exceptionalism,” one that privileged whites over people of color, whether native born or immigrant. Perceiving the world as a zero-sum game, where anyone’s gain must come at the expense of someone else, the U.S. government and its corporate allies employed patriotic propaganda so that the government could continue to intervene in the economy to shore up capital, providing unending rationales for increased production, technological innovation, and military spending, as well as upgrades to surveillance capabilities and the creation of corporate-research university clusters, all to serve the country’s agenda to remain the dominant economic and military power on Earth.

The Sputnik humiliation during 1957 then provided a rationale for the U.S.’s “heavenly ambition” to militarize and dominate Outer Space. Thus, throughout the second half of the 20th century, the United States launched military, communications, and earth resources satellites into Space, began the process of systems integration, and engaged in warfare (including proxy wars) that continued to threaten the environment as well as kill and displace millions of people, including but not limited to more than a million civilians who died in the War of American Aggression in Vietnam, Laos, and Cambodia during the “Cold War.” Learning lessons, about the limitations of the draft and the roving reporters who documented American atrocities, U.S. policymakers ended the first and began plans to “embed” the latter in future wars. An “all-volunteer” military force then allowed the federal government, as well as its members of the military-industrial complex, to target the poor, particularly in communities of color, with recruiting stations. Following the formal dissolution of the USSR on 26 December 1991, the federal government then moved swiftly to commercialize the Internet, deregulate communications and financial industries, and assist in the further liberalization of the global economy, all of which the U.S. planned to control as its systems contractors integrated war, space exploration, surveillance capabilities, and empire- building into larger digital networks. Fast-forward to the 21st century.

While the United States’ forever wars began long before the terrorist attacks of 11 September 2001, that pivotal moment in history, and the U.S. response to it, has become intimately intertwined with both an economy as well as a culture dominated by death. Rather than engaging in diplomacy and other non-military responses to the terrorist attacks of 9/11, the United States rushed to war, and has already spent more than $6.4 trillion on endless wars and occupations, both of which have killed more than 800,000 people (at least 310,000 of them civilians), displaced millions (the vast majority of them the world’s most vulnerable—indigenous populations, people of color, women and children, the poor), devastated entire regions (through both warfare as well as resource extraction, labor exploitation, and environmental destruction), and helped to fuel the climate crisis (with its carbon “bootprint” the largest in the world). In 2015, the Pentagon received 54% in federal discretionary spending (or $598.5 billion), while Medicare and Health as well as Education netted a paltry 6% each, Energy and the Environment a mere 4%, Science but 3%, and Food and Agriculture just 1%. Four years into the Trump administration, austerity continues at a rapid clip, health and environmental protections have evaporated, and the Pentagon’s discretionary budget has increased.3 In the fiscal year 2020 budget, the Pentagon will receive at least $750 billion in public funding, where it employs more than 600,000 private contractors both domestic and international. By contrast, spending on global health has declined to about one-seventieth of that number, or just $11 billion. A recent article in Forbes also notes that, despite the focus on Pentagon spending as an economic stimulus, spending on either green infrastructure or healthcare would create nearly two times as many jobs as the military or its private contractors create. Other studies additionally find that spending on education (and the arts) would create even more.4

In a society governed by politicians whose knee-jerk reaction to environmental catastrophes, healthcare crises, poverty, and other non-military challenges is a call to war and who view peaceful protests yet another barrier to the interests of capital, it should come as no surprise that, in the middle of a global pandemic, imperialism remains a higher priority than human health, that global competition has hindered the cooperation necessary to save lives, and that the United States has acquired the dubious distinction of being “first in military spending” and “last in our COVID-19 response.” While war profiteers were among the first to receive bail-outs, and American billionaires have continued to increase their wealth on the profits of disaster capitalism, by the first week of May, news outlets reported that at least 38 million Americans had lost their jobs (and healthcare), food and housing insecurity had mounted at alarming rates, and COVID’s death toll in the United States alone had already surpassed the number of American lives lost in 9/11 and the wars in Iraq and Afghanistan combined by more than a factor of four. As deaths in the United States neared 100,000 over the Memorial Day weekend, TrumpDeathClock.com reported that some 59,000 of those deaths occurred due to the Trump administration’s inaction, dithering, and distractions. The U.S. failure to act in ways appropriate to the pandemic is not just about “us”: it has had ripple effects across the globe, where millions have suffered and will continue to die from the adverse consequences of the U.S. obsession with capital accumulation, war, and empire, no matter the cost. So much for the “greatest economy” and “nation” on Earth.5

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Rather than prioritizing coronavirus briefings centered on the language of health and well-being, compassion and empathy for the victims (disproportionately found in communities of color and among Native Americans and the working poor), and the need for international cooperation, robust physical distancing, and solidarity with front-line workers while scientists seek a cure, U.S. policymakers, government officials, and members of the mainstream media quickly followed the lead of the White House, invoking age-old “war” tropes to talk about meeting the COVID-19 challenge (a framing as inappropriate as previous U.S. Wars on “Poverty,” “Drugs,” and “Climate Change,” to name but three). They have also hailed capitalist production and consumption as the only way forward: that “return to normalcy” that government officials and business elites have long sold. Initially calling the virus a “hoax,” then something that would magically disappear, Trump quickly pivoted to the virus as the “invisible enemy” that came from the “other” in China, an “enemy” of the U.S. economy.

Side-lining epidemiologists and other health specialists, particularly when they reminded all of us about U.S. incompetence, Trump trotted out the usual suspects— military commanders, corporate CEOs, and himself, none of whom have any expertise in finding a cure but who promise to “wage a war” against the pandemic so everyone can “get back to work.” Trump, then Congress, also invoked a “Cold War” relic: the “Defense Production Act,” to “mobilize” the nation to make up for shortages in medical supplies and personal protective equipment that the government failed to provide and no large U.S. corporation seemed able to produce because it had few incentives to do so. The U.S. military proved itself incompetent as well. Among other things, the Pentagon and its agencies and departments have spent millions of dollars on fly-overs to salute doctors and nurses rather than helping them, steaming ships to ports that did little more than take up dock space, conducting raids on vulnerable populations, keeping children in cages, and attempting to silence those who alerted top commanders that COVID-19 was overwhelming and killing military personnel. Trump once again doubled down: unveiling “Operation Warp Speed” and a new flag for his “Space Force,” embracing NASA’s latest space launch as a “MAGA moment,” and signaling that his administration plans to conduct the United States’ first nuclear test since 1992. Although the U.S. media has criticized some of these moves, they continue to applaud space exploration, obscuring its linkages to the U.S. military and its war-making and surveillance contractors. Over the past fifty years, that “exploration” has both escalated the commercialization and militarization of Outer Space, as well as created dangerous orbital debris. Together, these too threaten the sustainability of the Earth and its people.6

Such posturing, mismanagement, and inabilities to focus on the pandemic have confirmed to the world that the U.S. is a hegemon in a downward trajectory, one that can still inflict great violence across the world and beyond but remains ill-equipped to meet its domestic never mind international obligations. If ever there was a time to teach the fraught and interconnected themes of capitalism, war, and empire, it is now.

#### Interpretation – the AFF is an object of capitalist research. Burden of the NEG is to disprove the research practices of the 1AC. Prefer it:

#### 1 – Realism disad – capitalism only sustains itself through limits on debate – those form realist perspectives that come at the preclusion of anti-capitalist literature – assumes their middle ground – turns case.

Mathieu HILGERS, Laboratory for Contemporary Anthropology, Université Libre de Bruxelles, and Centre for Urban and Community Research, Goldsmiths, University of London, 13 [“Embodying neoliberalism: thoughts and responses to critics,” *Social Anthropology*, Vol. 21, No. 1, February 2013, p. 75-89, Accessed Online through Emory Libraries]

The implementation of neoliberalism goes far beyond the mere appearance of its policies. It cannot be reduced to the application of a programme or to institutional changes. This implementation is deployed within a triangle constituted by policies, institutions and dispositions. This last component has remained at the margins of our debate. If we wish to grasp the depth of the changes that neoliberalism causes, we cannot neglect its effects on systems of dispositions. To analyse this impact, it is necessary to describe the symbolic operations that give rise to government-enabling representations as well as to categories that support neoliberalism and are propagated by it. This task requires accounting for the historicity of the spaces in which policies are put into action, the intentional constructions but also involuntary historical formations in which they become entangled, and the transactions, negotiations, associations, working misunderstandings and chains of translation that give them their flexibility and support their deployment.

Neoliberalism is embodied in the agents and representations through which it is put into action. Through a historical process, the dispositions that it generates become, as Bourdieu would say, durable and transposable, as well as increasingly autonomous from their initial conditions of production. As such, when these conditions disappear or transform, or when policies are modified or abandoned, some of them spread into other social spaces and contexts and take on new meanings. Therein lies the importance of broadening the notion of ‘implementation’, so that we may appreciate the role of culture in the dynamics of neoliberal expansion. It is precisely (but not only) because of the embodiment of neoliberalism emphasized in this paper that at the moment we are nowhere near the end of the neoliberal era. Thus I arrive, by a different path, at the same observation that Kalb (2012) formulated in this debate: today it is capitalism that is in crisis, not neoliberalism.

In some parts of the world, information that helps people to stabilize their perceptions, practices and activities is mainly produced within a neoliberal context, forms and procedures. The figures, statistics, norms, audits and discourses that I evoke in this paper are fashioned by a constellation of institutions; they condition, train and shape a mental and practical space. They impact the way in which one conceives and carries out research. Indeed, academia is not outside of this neoliberal world; on the contrary, it is a centre of development and support for neoliberalism. While many academics are critical of neoliberalism, this does not mean that they have a permanent deconstructionist relation to the world and to themselves. In many parts of academia, a neoliberal way of functioning has become common sense. If neoliberalism is so present in our mind and in the way in which academia is designed and works today, it appears more than necessary for researchers to consider how this shapes their relation to production of knowledge.

If we wish to avoid the eviction of critical perspectives in this time of crisis, if we hope to have some chance to think within but beyond the neoliberal age, if we want to develop alternatives and different horizons, one of the first things to do is to decolonize our mind by objectifying our own neoliberal dispositions. The reflexive return to the tools of analysis is thus ‘not an epistemological scruple but an indispensable pre-condition of scientific knowledge of the object’ (Bourdieu 1984: 94), if we are to prevent the object and its definition from being dictated to the researcher by non-scientific logics, such as the necessity of being visible and marketable in the academy. To achieve a break with neoliberal common sense, anthropologists could follow Bourdieu (2003) in his will to engage in a ‘participant objectivation’.14 It is clearly this kind of objectivation even if not phrased in such terms that has led some researchers to call for a radical change in the academy, supported by new arguments and put into practice through the initiation of a ‘slow science’ movement.15 In some places, academia is still a space of critiques and alternatives.

#### 3 – Reciprocity disad – the middle ground interp fails – treat this as a link to their use of fiat.

Detlev ZWICK 13, Associate Professor of Marketing at Schulich School of Business, York University, Toronto [“The myth of metaphysical enclosure: A second response to Adam Arvidsson,” *Ephemera*, Vol. 13, No. 2, May 2013, p. 413-419, Accessed Online through Emory Libraries]

My initial response to Adam Arvidsson's excellent and provocative essay entitled 'The Potential of Consumer Publics,' was met by the author with a thoughtful response in which he provides, I think in very helpful ways, some clarification about the politico-ideological underpinnings of his notions of the productive consumer public and the reputation (or ethical) economy (see also Arvidsson, 2008; Arvidsson, 2009). As his defense against my charges illustrates, Arvidsson represents a position that, with Zizek, we could call 'Fukuyamaist'. This position holds that the collapse of the Communist Bloc put an end to the competition between ideological and economic systems, with the result that

liberal-democratic capitalism is accepted as the finally found formula of the best possible society; all one can do is to render it more just, tolerant and so on. The simple but pertinent question arises here: if liberal-democratic capitalism is, if not the best, then the least bad form of society, why should we not simply resign ourselves to it in a mature way, even accept it wholeheartedly? (Zizek, 2009: 52)

Is this not exactly the question Arvidsson is posing in his response? Is he not asking us to accept the reality of neoliberal capitalism and get on with it? At his Fukuyamaist best, Arvidsson suggests that to keep criticizing what cannot be changed constitutes little more than the immature trolling of Utopian dreamers and tenured radicals, especially when unaccompanied by a clear description of the solution to the problem. In principle, there are two main charges leveled by Arvidsson against my critique of his argument.

First, he rejects my critique for being naïve and Utopian, but he does so not because I suggest that his productive consumer publics reproduce neoliberal capitalist logic. On the contrary, Arvidsson himself seems to agree with my assessment that his concepts of reputation economy and productive consumer publics are at the same time both product and producer of communicative capitalism. What he objects to is the anti-capitalist position from which I state my critique, because, as already mentioned above, Arvidsson has concluded that the rule of capitalism cannot be changed; it is, to put it in Zizek's terms, the real of our lives, a real so powerful that, as Fredric Jameson (2003: 73) puts it, 'it is easier to imagine the end of the world than to imagine the end of capitalism'.

Second, Arvidsson faults my response for articulating a critique without at the same time providing my own constructive vision. In other words, criticizing his neoliberal fantasies is fine as long as it is constructive, which for him means accepting his Fukuyamaist position and thus focusing one's criticism on how to make capitalism more humane and tolerable. After having been too Utopian in my anti-capitalist critique, here I am not Utopian enough for Arvidsson because I refuse to develop a vision of a more just, democratic, tolerant and environmentally sustainable capitalism.

Before I formulate a short response to these two charges, I would like to emphasize that as far as the assessment of Arvidsson's original argument is concerned, we actually do not have a substantial disagreement. My main claim has been that in his essay Arvidsson is advancing a conservative notion of social change that celebrates the global subsumption of digital labour as some kind of postmodern capitalist communism; an argument and vision that very much recalls Hardt & Negri's (2004) notion of the multitude as the new positive form of economic and social productivity and new radical political subjectivities. For Negri (2008), value forms created by autonomous digital collaboration and co- creation by the multitude - or as Arvidsson puts it, 'by putting common resources to work in processes that unfold beyond the direct control of markets and hierarchies' - are already just one small step removed from communism. No matter that the capitalists appropriate autonomous labour, commodify all forms of life and make the rules of the new productive game. Capitalists here are mere parasites leeching off the labour of the multitude and they can, at any moment, be cut off from the various forms of collaboration and common consumptive production, bringing about something we could 'call commonism if we want, or simply an "informational mode of production" to use a less loaded term'.

As I wrote in my earlier response, I see many problems with this theory of informational communism outside markets and hierarchies, not least being that the most convincing examples presented by Arvidsson of such an informal mode of production rely for their continuous existence and viability on markets and hierarchies. But again, the main point here is not that I believe Arvidsson's theory of the productive consumer public is inconsistent and in the final analysis misguided and naïve1. The main point I was trying to make in my initial response was that despite all his anti-capitalist language, Arvidsson is in actuality presenting a conservative vision of social change that takes for granted the continuation of neoliberal capitalism, albeit a version of neoliberal capitalism that over time somehow learns to accommodate and tolerate other forms of economic production and political subjectivities. In short, a neoliberalism with a human face (which is good enough for Arvidsson to move 'beyond neoliberalism', as if just saying it will make it so). And it turns out that Arvidsson, in his reply, admitted that much. Along similar lines, Arvidsson repeatedly states his disappointment about my refusal to

recognize that notions like peer-to-peer production, high-tech gift economies and the like have the power to mobilize the energies of the subjects that are most likely to become the pioneers of a new political vision - today's version of the skilled workers that have taken the lead in most modern political movements. Even though the social theory that they produce might be shallow and imperfect... we cannot simply dismiss these versions as mere ideologies to be replaced by our theoretically more refined ideologies.

I can assure you that I have no difficulty recognizing the real existence of the self- branding, entrepreneurial competitor who, via skilled knowledge work, hopes to change the world. There are plenty of them in my classroom. And I am not concerned about the depth and perfection of the social theories driving their visions for the future. What I am concerned about are the processes that constitute these students as neoliberal subjectivities in the first place and subsequently limit their desire for a better world - a desire that, of course, we should encourage and not dismiss a priori - to variations on neoliberal capitalism (variously called social entrepreneurism, corporate social responsibility, conscious capitalism and so on).

Thus, my point was not at all to moralize about the effects of communicative capitalism but to decry two things: first, that Arvidsson elevates this neoliberal subject to be the legitimate historical subject of radical transformation, and second, that Arvidsson seems to believe that the radical transformation ushered in by this subject is one we should desire. It is one thing to acknowledge the current hegemony of neoliberal governmentality. I have no problem with that. That neoliberalism is a radical social force is plain for all to see. It is something different entirely, however, to suggest, as Arvidsson appears to, that the competitive, self-branding and entrepreneurial subject is the only possible subject we can imagine today - that this subject should be allowed to create the future world. Here, we have to become normative and demand alternatives.

#### No Perm Do Both.

#### 3 – Any combination poisons the alt.

William Curran 16. Editor for the Antitrust Bulletin. Commitment and betrayal: Contradictions in American democracy, capitalism, and antitrust laws. Antitrust Bulletin. 2016. 61(2): 246

Scholars now link antitrust with distributional values. 11 Professor Anthony B. Atkinson wants antitrust to value the individual,1 12 recognizing as Hand did in Alcoa1 13 that "among the purposes of Congress in 1890 was a desire to put an end to great aggregations of capital because of the helplessness of the individual before them." 1 14 And it is the individual-rich and poor, but especially the poor-whom Atkinson wants to protect from the inequities of the marketplace.115 Atkinson sees as Senator John Sherman did in 1890 that the "problems that may disturb [the] social order ... none is more threatening than the inequality of condition of wealth, and opportunity that has grown within a single generation out of the concentration of capital into vast combinations to control production and trade to break down competition." 11 6 Sherman's and Hand's worries were certainly not Bork's. Hand said it best in Alcoa, "[W]e have been speaking only of the economic reasons which forbid monopoly ... [but] there are others, based upon the belief that great industrial consolidations are inherently undesirable, regardless of their economic results.",1 1 7 Bork-regardless of destructive results to democracy-would never find efficient economic results inherently undesirable. Bork would likely find democracy a "cornucopia of social values, all rather vague and undefined but infinitely attractive."iiS A definition that was surely meant to disparage, fails. What makes democracy attractive is its socially related values. 11 9 What makes it infinitely attractive are its regenerative capacities and potential for self-definition. 120 Bork blocked democracy's values so as not to tempt liberal judges. He worried needlessly. An antitrust solution to wealth's severe inequality is simply not plausible. 121 Antitrust has always been the heart of capitalism's ideology. 122 In truth, antitrust's distribution of wealth for the wealthy is more than ideology-it is heartless reality. So was Bork right? Are the fates of capitalism and antitrust intertwined? 123 And if antitrust were repealed? Professor Atkinson wants antitrust saved and used for citizens.124 But like Professors Stiglitz, Krugman, and Reich, he has fallen headfirst into antitrust's heartless ideological trap. And like the other three he would resurrect TR's trust-busting for the twenty-first century. Piketty avoids ideological traps. He learns the facts of history-unencumbered by ideologies like Bork's-and has an unobstructed vision 125 of the unequal and democratically destructive wealth of capitalism. Bork's antitrust is the wrong policy tool for a nation presumed to be dedicated to serving citizens equitably. 126

#### Links are DAs and mean they can’t solve the case.

#### 2 – Boom & Bust: Market competition inevitably creates economic busts and proves capitalism’s contradiction.

Alan Maass 21. Communications staff for Rutgers AAUP-AFT. Marxism Shows Us How Our Problems Are Connected. Jacobin. 1-5-2021. https://jacobinmag.com/2021/01/marxism-capital-socialism-capitalism-book-review

When Things Fall Apart

Marxist economics explains not only how capitalism works but why it regularly doesn’t — during the periodic economic busts that inevitably follow the booms. As Marx and Engels wrote:

Society suddenly finds itself put back into a state of momentary barbarism; it appears as if a famine, a universal war of devastation had cut off the supply of every means of subsistence; industry and commerce seem to be destroyed. And why? Because there is too much civilization, too much means of subsistence, too much industry, too much commerce.

Of course, in a world where billions go without enough food, there’s no such thing as “too much means of subsistence.” There’s only too much from the point of view of the capitalists — too much to sell their products at an acceptable profit.

Thier introduces the chapters on capitalist crisis by unpacking a long quotation from Engels that ends: “The contradiction between socialized production and capitalistic appropriation is reproduced as the antagonism between the organization of production in the single factory and the anarchy of production in society as a whole.”

Under capitalism, production within workplaces is generally highly regimented, but the economy as a whole is a free-for-all. Businesses make their investment decisions behind closed doors, each hoping to get a leg up on the competition — by introducing the most popular model, the new product, the next trend. Success means a greater share of the market and therefore more profits.

All the important questions for society as a whole — how much food should be produced, how many homes to build, what kind of drugs to research and manufacture, how to generate electricity — are decided by the free market.

In economic good times, success seems contagious. Companies make ambitious investments, produce more and more, and watch the money roll in. But when enough companies jump in, the market gets saturated, sales slump, debts grow, and the record profits start to sink. The effects spread from part of the economy to the next, as Thier explains, using the example of oil:

If refineries sit idle because there is an overproduction of oil, the workers are laid off, and the creditors, who financed the investment, are dragged down as well. But as future oil extraction and refining projects are pulled back, so too is demand for the raw materials (steel, concrete, plastics, electricity, etc.) and engineering necessary for the production of oil rigs, pipelines, and so on. The construction business and service and retail companies, which had benefited from the springing up of oil boomtowns, suffer as well.

Because of the complexity of the international capitalist economy, the boom-slump roller-coaster ride can look and feel different each time around. Thier devotes a chapter to analyzing the crash last time: the Great Recession of 2008–9. She explains why and how the parasitical realm of banking and finance was the detonator of this slump but looks beyond popular left explanations about “financialization” to reveal the underlying crisis of global overproduction.

Among Marxist economics writers, there are some disagreements about the details here, specifically about “which aspects of Marx’s writing — falling profitability, overproduction (or in some cases, underproduction), disproportionality among branches, the role of credit — are emphasized and how these pieces fit together,” Thier writes.

In her account, Thier tends to stress overproduction, to the disappointment of those who emphasize falling profit rates. This focus on overproduction crucially emphasizes how an organic mechanism of capitalism — inevitable in a system driven by exchange, exploitation, and competition — repeatedly causes crisis.

Regardless of their ideology or morality (or lack thereof), capitalists are inevitably driven to reduce costs, they inevitably see an advantage in producing more for less, and this inevitably leads to frantic overproduction that undermines profitability and ultimately slams the economy into reverse.

In other words, capitalism stops working not because of a mistake or failed policy, but because it’s been working the way it’s supposed to. As Thier writes:

Competition is the mainstay of capitalism. It can’t be made friendlier or softer because it requires an accumulation of capital at any cost, in order to get ahead or get left behind.… These same processes of accumulation necessarily lead to contradictions that threaten the very profits that capitalists seek. Every contradiction for capitalism is both a great hazard to our lives — since we are made to pay the price — and also an important crack in the system. Every periodic crisis is a potential point around which to organize.

#### 4 – Off-shoring: Domestic competition necessitates global consolidation and protectionism.

Jerry Kopf et al 13 . Professor of Economics, Radford University. Charles Vehorn, Professor of Economics, Radford University. Joel Carnevale, Professor of Economics, Syracuse University. “Emerging Oligopolies in Global Markets: Was Marx Ahead of His Time?” Journal of Management Policy and Practice 14(3): 96-98. <http://www.m.www.na-businesspress.com/JMPP/KopfJ_Web14_3_.pdf>

With firms branching out into global competition and countries lowering their trade barriers to promote such competition, the absence of effective global regulation once again raises Marx concerns. Because of strong federal governments, national governments were able to pass and enforce, through the uses of military or police force where necessary, laws that regulated externalities, such as pollution, and antitrust. At the moment there is no strong federal government at the global level and, therefore, no one to pass and enforce laws that effectively regulate externalities or antitrust. Epstein and Greve raise a Marx like concern, “when firms have international market power, one would expect them to behave as monopolists just like domestic firms with market power” (2004). Therefore, without any dominant form of regulatory governance, industry concentration could very well replicate what was seen in the late 19th century, though, globally instead of nationally. Carstensen & Farmer discusses this tendency towards M&A’s: The transformation of formerly regulated or noncompetitive industries to competition is closely linked with merger movements. The historical record demonstrates that once faced with competition, leading firms in these industries began to merge. This has been the pattern in airlines, banks, railroads, electric and gas utilities, health care and, with great prominence, telecommunications (2008). While some may argue that reaching that level of concentration is unlikely, one should consider current industries that hold a considerable global market share. “Although it may be more difficult to establish and maintain market power internationally, there is no reason to believe that it is impossible or, for that matter, rare. Industries such as pharmaceuticals, passenger aircraft, and software illustrate the phenomenon” (Epstein & Greve, 2004). There are actually quite a few firms who have emerged into the global market that hold what can be considered a significant share within global industries, ranging from manufacturing, financial intermediation, and transport service along with other service industries. For example, The European Aeronautic Defense and Space Company and The Boeing Company combined hold more than 50% market share within the global civil aerospace products manufacturing industry. Goldman and Sachs hav2 20.20% market share within the global investment banking and brokerage industry and Vivendi holds 20.10% within the global music production and distribution industry. United Parcel Service holds 23.80%, within the global logistics – couriers industry (IBISW, 2011). We do not intend to imply that the monopolization that had plagued the United States in the late 19th century has emulated itself at the global level, creating one dominant firm controlling an entire global industry. However, it does appear that a number of industries are starting to exhibit Marx, “inevitable move toward a monopoly.” The increase in oligopoly power at the global level presents unprecedented challenges. Reaching a cross-country consensus on competition policy is a difficult. Epstein & Greve discuss some of the issues that arise when attempting to unite foreign and domestic competition policy. Competition policy embodies imprecise normative judgments that invite controversy and defection rather than consensus and commitment. Because its scope extends to such a wide range of economic activity, it has the potential to inflict significant costs on many transactors. In particular, competition policy tempts states both to impose nominally neutral policies that favor local producers and consumers at the expense of global welfare, and to administer their policies in a discriminatory fashion to similar ends” (2004). While more and more countries are adopting competition policies, this seemingly positive step towards unification of trust law has its negative effects. “Nearly one hundred jurisdictions now have antitrust laws” according to Epstein & Greve, this raises increasing issues of “jurisdictional overlaps” since many countries will assert their “jurisdiction over extraterritorial conduct that has a domestic impact” (2004). Antitrust enforcement agencies around the world have tried to cope with the increased power of global corporations by staying in regular and increasing contact with one another on individual merger cases as well as on general issues of mutual enforcement interest. Through instruments such as the 1995 Recommendation of the Organization for Economic Co-operation and Development (OECD) that its 29 members cooperate with one another in antitrust enforcement and bilateral agreements like that which exists between the United States and the European Community, the antitrust agencies notify one another when a case under investigation affects another's important interests and they share what information they can and otherwise cooperate in the investigation and resolution of those cases (1999). Richard Parker, Senior Deputy Director of the Bureau of Competition FTC, presenting on global merger enforcement, discussed the implementation of the Organization for Economic Co-operation and Development (OECD) and concluded with examples of global merger enforcement. While attempts at unified standards of competition policy are underway, the efforts of the OECD are considered to have substantial limitations on enforcing global merger laws. Epstein and Greve state: Information sharing or “soft” cooperation has also been pursued at the Organization for Economic Co-operation and Development, which has generated several aspirational texts. None of these impose obligations on states, and they are not intended to do so. Their goals are modestly limited to improving communication on competition issues. History shows us that even with a strong federal government with the ability to enforce laws through the use of force where necessary, such as the United States federal government has on its states, firms are very good at ignoring or getting around antitrust laws. If the U.S. government did not have strong federal power over states, and it was up to the states to reach agreements on antitrust laws, one can easily imagine that there would likely be problems resulting in less strenuous competition policy. Take for example state control over age discrimination laws. When these laws originated, states chose whether to enact policies aimed at protecting workers rights. By 1960 only 8 states had age discrimination laws until the federal government enacted such regulations as the Age Discrimination Employment Act of 1967 (ADEA). This, along with the Department of Labor in 1979 giving administrative authority to the U.S. Equal Employment Opportunity Commission (EEOC), established unified laws protecting individual employment rights (Lahey, 2007). Without this dominant authority of the federal government, fair employment practices may still continue to be a regionally dependent right. In the current era of globalization, where industry’s actions domestically can be felt by all corners of the globe and vice versa, without a global entity with strong “federal” powers capable of monitoring and enforcing competition policy, it seems reasonable to conclude that Marx may in fact be proven correct: the inevitable result of the efficient market is increasing concentration of power resulting in global oligopolies or, eventually, monopolies.

#### 2 – Shareholder value maximization ensures green assets can’t solve.

Katharina Pistor 9/21. Professor of Comparative Law at Columbia Law School. “The Myth of Green Capitalism.” Project Syndicate. 9/21/2021. <https://www.project-syndicate.org/commentary/green-capitalism-myth-no-market-solution-to-climate-change-by-katharina-pistor-2021-09>

NEW YORK – Heat waves, floods, droughts, and wildfires are devastating communities around the world, and they will only grow more severe. While climate-change deniers remain powerful, the need for urgent action is now recognized well beyond activist circles. Governments, international organizations, and even business and finance are bowing to the inevitable – or so it seems. In fact, the world has wasted decades tinkering with carbon trading and “green” financial labeling schemes, and the current vogue is merely to devise fancy hedging strategies (“carbon offsets”) in defiance of the simple fact that humanity is sitting in the same boat. “Offsetting” may serve individual asset holders, but it will do little to avert the climate disaster that awaits us all. The private sector’s embrace of “green capitalism” appears to be yet another gimmick to avoid a real reckoning. If business and finance leaders were serious, they would recognize the need to change course drastically to ensure that this planet remains hospitable for all of humanity now and in the future. This is not about substituting brown assets for green ones, but about sharing the losses that brown capitalism has imposed on millions and ensuring a future even for the most vulnerable. The notion of green capitalism implies that the costs of addressing climate change are too high for governments to shoulder on their own, and that the private sector always has better answers. So, for advocates of green capitalism, public-private partnership will ensure that the transition from brown to green capitalism will be cost-neutral. Efficiently priced investments in new technologies supposedly will prevent humanity from stepping over into the abyss. But this sounds too good to be true, because it is. Capitalism’s DNA makes it unfit to cope with the fallout from climate change, which in no small part is the product of capitalism itself. The entire capitalist system is premised on the privatization of gains and the socialization of losses – not in any nefarious fashion, but with the blessing of the law. The law offers licenses to externalize the costs of despoiling the planet to anybody who is smart enough to establish a trust or corporate entity before generating pollution. It encourages the off-loading of accrued environmental liabilities through restructuring in bankruptcy. And it holds entire countries hostage to international rules that privilege the protection of foreign investors’ returns over their own people’s welfare. Several countries have already been sued by foreign companies under the Energy Charter Treaty for trying to curb their carbon dioxide emissions. Two-thirds of total emissions since the Industrial Revolution have come from just 90 corporations. Yet even if the managers of the world’s worst polluters were willing to pursue rapid decarbonization, their shareholders would resist. Fo

r decades, the gospel of shareholder value maximization has reigned supreme, and managers have known that if they deviate from the orthodoxy, they will be sued for violating their fiduciary duties. No wonder Big Business and Big Finance now advocate climate disclosures as a way out. The message is that shareholders, not managers, must spur the necessary behavioral change; solutions must be found through the price mechanism, not through science-based policies. Left unanswered is the question of why investors with an easy exit option and plenty of hedging opportunities should care about the disclosure of future harm to some companies in their portfolio. There is obviously a need for more drastic changes, such as carbon taxes, permanent moratoria on extracting natural resources, and so forth. These policies are often dismissed as mechanisms that would distort markets, and yet they idealize markets that don’t exist in the real world. After all, governments have lavishly subsidized fossil-fuel industries for decades, spending $5.5 trillion (both pre- and post-tax), or 6.8% of global GDP, in 2017. And should fossil-fuel companies ever run out of profits to offset these tax breaks, they can simply sell themselves to a more profitable company, thereby rewarding their shareholders for their loyalty. The script for these strategies has long been written in the law of mergers and acquisitions. 1 But the mother of all subsidies is the centuries-old process of legally encoding capital through property, corporate, trust, and bankruptcy law. It is law, not markets or firms, that protects the owners of capital assets even as they saddle others with enormous liabilities. Advocates of green capitalism are hoping to continue this game. That is why they are now lobbying governments to subsidize asset substitution, so that as the price of brown assets declines, the price of green ones will rise to compensate the asset holders. Again, this is what capitalism is all about. Whether it represents the best strategy for ensuring the planet’s habitability is an entirely different question. Instead of tackling such questions, governments and regulators have once again succumbed to the siren song of market-friendly mechanisms. The new consensus focuses on financial disclosure because that path promises change without having to deliver it. (It also happens to generate employment for entire industries of accountants, lawyers, and business consultants with powerful lobbying arms of their own.) Not surprisingly, the result has been a wave of greenwashing. The financial industry has happily poured trillions of dollars into green-labeled assets that turned out not to be green at all. According to a recent study, 71% of ESG-themed funds (supposedly reflecting environmental, social, or governance criteria) are negatively aligned with the goals of the Paris climate agreement. We are running out of time for such experiments. If greening the economy was really the goal, the first step would be to eliminate all direct subsidies and tax subsidies for brown capitalism and mandate a halt to carbon “proliferation.” Governments should also place a moratorium on shielding polluters, their owners, and investors from liability for environmental damages. Incidentally, these moves would also remove some of the worst market distortions around.

#### 5 – REM shortage –uwreck all industries.

Nafeez Ahmed 18. .A. in contemporary war & peace studies and a DPhil (April 2009) in international relations from the School of Global Studies at Sussex University. We Don't Mine Enough Rare Earth Metals to Replace Fossil Fuels With Renewable Energy. No Publication. 12-12-2018. https://www.vice.com/en/article/a3mavb/we-dont-mine-enough-rare-earth-metals-to-replace-fossil-fuels-with-renewable-energy

A new scientific study supported by the Dutch Ministry of Infrastructure warns that the renewable energy industry could be about to face a fundamental obstacle: shortages in the supply of rare metals.

To meet greenhouse gas emission reduction targets under the Paris Agreement, renewable energy production has to scale up fast. This means that global production of several rare earth minerals used in solar panels and wind turbines—especially neodymium, terbium, indium, dysprosium, and praseodymium—must grow twelvefold by 2050.

But according to the new study by Dutch energy systems company Metabolic, the “current global supply of several critical metals is insufficient to transition to a renewable energy system.”

The study focuses on demand for rare metals in the Netherlands and extrapolates this to develop a picture of how global trends are likely to develop.

“If the rest of the world would develop renewable electricity capacity at a comparable pace with the Netherlands, a considerable shortage would arise,” the study finds. This doesn’t include other applications of rare earth metals in other electronics industries (rare earth metals are widely used in smartphones, for example). “When other applications (such as electric vehicles) are also taken into consideration, the required amount of certain metals would further increase.”

Demand for rare metals is pitched to rise exponentially across the world, and not just due to renewables. Demand is most evident in “consumer electronics, military applications, and other technical equipment in industrial applications. The growth of the global middle class from 1 billion to 3 billion people will only further accelerate this growth.”

But the study did not account for those other industries. This means the actual problem could be far more intractable. In 2017, a study in Nature found that a range of minerals essential for smartphones, laptops, electric cars and even copper wiring could face supply shortages in coming decades.

#### Alt solves [ ]

#### 3 – It solves the disads to blockchain.

Vangelis Papadimitropoulos 20. Department of Philosophy and Social Studies at the University of Crete. “The Commons: Economic Alternatives in the Digital Age” University of Westminster Press. https://doi.org/10.16997/book46

Jeremy Rifkin makes the case that the GPL could be considered a digital version of the regulation of the limited access commons, inasmuch as it incorporates many of Ostrom’s principles: the conditions of inclusion; the restrictions of exclusion; the rights governing access; withdrawal, enhancement and stewardship of the resources; and so on (Rifkin 2014: 175). The difference here is that FOSS is open access rather than limited access. Similar efforts are underway to implement Ostrom’s principles on Blockchain, which is a decentralised ledger on the Internet, allowing for numerous applications with as yet uncertain potential (Rozas et al. 2018). Blockchain is one of the applications of peer production, which makes use of the end-to-end principle of the Internet, allowing content (file sharing, processing cycles, etc.) to be delivered by equal computers along the network. FOSS, Blockchain and the digital commons are instances of peer production, supported by the architecture of the Internet. The general idea behind distributed ledgers such as Blockchain is to use peer to-peer networks to verify the authenticity of a token of value (money), an indicator of personal reputation, a recognised legal agreement among parties or a group encapsulated in smart contracts, or a tool for voting and decision making (Bollier and Helfrich 2019, 326). Distributed ledgers can support the creation of community currencies that enable people to coordinate the terms of their cooperation at scale, without the threat of enclosure. Instead of making decisions through rigid hierarchies with centralised direction and relying on property rights vested in a few people, distributed ledgers can support transparency and democratic decision making. Holochain is another example of a lighter, far more energy-efficient and versatile set of software applications than Blockchain, since there is no single ledger in Holochain to store data. Holochain is based on an open data, distributed architecture that allows every user to have his or her own secure ledger to store their personal data (Bollier and Helfrich 2019, 326). The core idea of Holochain is to enable the ‘renting out’ of user-computing capacity in exchange for Holo Fuel currency to circulate within the network and kick-start a new parallel economy of services (Bollier and Helfrich 2019, 328–332). This establishment of Holo Fuel currency basically constitutes a mutual credit system backed by an asset (computing power). As more enterprises join Holochain and back its value with actual assets and services such as food, transport, energy or elderly care services, a commons-based economy will emerge. Holochain can be further used to build decentralised applications for peer governance, social networks, platform cooperatives, open supply chains, community resource management as well as tokenless mutual-credit cryptocurrencies and reputation systems. Thus, Holochain can express the flows of value that market prices cannot represent such as positive (social relationships and contributions to the commons) and negative externalities (waste, pollution).

#### 3 – It’s reciprocal – fiatting attitudinal, durable enforcement of antitrust despite lack of political will and the ongoing effects of Republican court packing is utopian – we get the equal right to test desirability, not feasibility.

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The power of imagination will become critical. In an information society, no thought, debate or dream is wasted – whether conceived in a tent camp, prison cell or the table football space of a startup company. As with virtual manufacturing, in the transition to postcapitalism the work done at the design stage can reduce mistakes in the implementation stage. And the design of the postcapitalist world, as with software, can be modular. Different people can work on it in different places, at different speeds, with relative autonomy from each other. If I could summon one thing into existence for free it would be a global institution that modelled capitalism correctly: an open source model of the whole economy; official, grey and black. Every experiment run through it would enrich it; it would be open source and with as many datapoints as the most complex climate models. The main contradiction today is between the possibility of free, abundant goods and information; and a system of monopolies, banks and governments trying to keep things private, scarce and commercial. Everything comes down to the struggle between the network and the hierarchy: between old forms of society moulded around capitalism and new forms of society that prefigure what comes next. ... Is it utopian to believe we’re on the verge of an evolution beyond capitalism? We live in a world in which gay men and women can marry, and in which contraception has, within the space of 50 years, made the average working-class woman freer than the craziest libertine of the Bloomsbury era. Why do we, then, find it so hard to imagine economic freedom? It is the elites, cut off in their dark-limo world, whose project looks forlorn It is the elites – cut off in their dark-limo world – whose project looks as forlorn as that of the millennial sects of the 19th century. The democracy of riot squads, corrupt politicians, magnate-controlled newspapers and the surveillance state looks as phoney and fragile as East Germany did 30 years ago. All readings of human history have to allow for the possibility of a negative outcome. It haunts us in the zombie movie, the disaster movie, in the post-apocalytic wasteland of films such as [*The Road*](https://www.theguardian.com/film/movie/131971/road) or [*Elysium*](https://www.theguardian.com/film/2013/aug/22/elysium-review). But why should we not form a picture of the ideal life, built out of abundant information, non-hierarchical work and the dissociation of work from wages? Millions of people are beginning to realise they have been sold a dream at odds with what reality can deliver. Their response is anger – and retreat towards national forms of capitalism that can only tear the world apart. Watching these emerge, from the pro-Grexit left factions in Syriza to the [Front National](https://www.theguardian.com/world/marine-le-pen) and the isolationism of the American right has been like watching the nightmares we had during the [Lehman Brothers](https://www.theguardian.com/business/lehmanbrothers) crisis come true. We need more than just a bunch of utopian dreams and small-scale horizontal projects. We need a project based on reason, evidence and testable designs, that cuts with the grain of history and is sustainable by the planet. And we need to get on with it.

## Innovation

#### 2 – Data disproves holdup---no added benefit since industry is at growth capacity

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3.2 Telephones: From a monopoly to a SEP industry

The alert reader may have noticed in Figure 3 that the price telephone equipment increased between 1992 and 1997. Is that an anomaly? Telephone equipment is interesting, because it turned into a SEP industry only recently. Indeed, until 30 years ago, local telephone services were provided by one monopoly, ATT, which manufactured equipment and did R&D. Thus, the long-run evolution of the relative price of telephone equipment allows us to compare industry performance under both regimes ---integration and SEP decentralization.

Figure 5, shows the price index of telephone and facsimile equipment (as calculated by the BEA’s price indices for personal consumption) and, to compare with a SEP industry, the price index of TV sets. As before, each price series is adjusted for inflation (it is a price relative to the CPI) and now the base year is 1951. We chose 1951 as the initial year of the series because TVs have been included in the CPI since 1951.

The relative price of telephone equipment did not change much between 1951 and 1971. It fell somewhat during the seventies but then shoot up until the late 1990s. Thus, in 1997 telephone equipment was more than 35% more expensive than in 1951. Nevertheless, since its peak in 1997, the relative price of telephone equipment fell precipitously and, as we have already seen, the quality adjusted relative price is roughly one-fourth of what it was 16 years ago in 1997. The original cell phone, Motorola’s DynaTAC 8000X, was introduced in 1983 and its retail value was $3,995, about $9,000 in today’s dollars.

The ATT monopoly was broken up in 1982 and long distance was liberalized. Yet the relative price of telephone equipment began to rise. This should not be surprising, because the ATT breakup created seven independent regional local monopolies ---it didn’t quite change industry structure. The grip of local fixed line monopolies on telephone equipment loosened only when mobile phones began to spread fast in 1999 and became an effective substitute of fixed phones.

Note that the trajectory of the relative price of telephone equipment is the opposite of what the patent holdup hypothesis would predict. As long as telephone equipment was used mainly by vertically integrated monopolies and unaffected by holdup, its relative price remained constant or increased. But when cell phone use diffused and telephone equipment became the quintessential SEP industry, prices plummeted, the opposite prediction of the patent holdup conjecture. Moreover, the trajectory of the relative price of telephone equipment contrast with that of televisions, which has fallen continuously since 1951, to about 1/250th in 2012 (─8.7% p.a.).9

Again, the behavior of the price of televisions is very different from that of other industries. Figure 6 compares the evolution of the real price of televisions between 1951 and 2012 with the evolution of the relative price of soft drinks, household electricity, pharmaceuticals and other medical products and cars, our non SEP industry.

Soft drinks cost about 20% more today than in 1951, and their relative price is constant since the mid-1990s. The price of pharmaceuticals, on the other hand, falls until the mid-1970s, but then increases. And the price of electricity shows ups and downs. The relative price of cars falls about 60% since 1951 (─1.6% p.a.), but this performance is modest compared with televisions.

As in all our analysis confirms our conclusion: over long periods SEP industries tend to show better performance than most other industries. There is no evidence in favor of the patent holdup conjecture.

3.3 Relative to what?

It might still be argued that, were it not for the holdup problem, prices of SEP industries’ goods would have fallen even faster. But the argument, “it could be even better,” begs the question “relative to what?”

A standard finding in the literature is that there is a negative relationship between an industry’s relative growth rate of productivity and the growth rate of its relative prices. Relatively quick price declines are good indicators of relatively quick productivity growth. Indeed, empirical studies show that the regression coefficient is roughly ─1! 10 Hence, if an industry experiences average productivity growth across all industries, its relative price does not change; and if an industry’s rate of productivity growth is one percentage point faster than the average, the industry’s relative price tends to fall by one percent faster as well.

Research also indicates that the maximum rate of long-run (over decades) productivity growth for an industry is typically less than 6% per annum. Thus, if average, cross industry annual productivity growth is 1%, the fastest rate of long-run relative productivity growth is about 5%.

Now, again consider the behavior of the relative prices SEP industry products. We found that the relative prices of SEP industries were falling by much faster than 6% per. Of course, the price data that we are using adjust for quality, so not all of the reported fall in the relative price of a SEP industry is due to productivity increases on the cost side. But it nonetheless shows that the performance of SEP industries is remarkable by any realistic standard. So the “without holdup it could be even better” is apparently saying that it could be even better than anything that is normally observed.

#### 3 – Duplication kills solvency.

Claire Guo 19. Juris Doctor, Peking University School of Transnational Law. Intersection of Antitrust Laws with Evolving FRAND Terms in Standard Essential Patent Disputes, 18 J. MARSHALL REV. INTELL. PROP. L. 259 (2019). Pg. 278

The practice of three major jurisdictions suggests that the intersection of FRAND terms and antitrust laws is not a fixed process. Instead, it changes as the stipulations of FRAND evolve to have clarity and transparency. In particular, the practice suggests a general trend of less antitrust intervention into FRAND breaches when concrete competition harm is not present. One reason is that when FRAND has expanded into negotiation protocols, mere disobedience of FRAND procedurally without follow-up actions, such as filing injunctions or excessive demand, could not possibly give rise to antitrust concerns. The other reason is that the parallel enforcement of FRAND and antitrust laws is duplicative to some extent. Both FRAND and antitrust laws could be used to address the monopoly power and abusive conducts of SEPs owners resulting from the standardization process. Assuming FRAND has functioned effectively as expected, additional antirust intervention seems redundant and risks upset the balance already reached by FRAND obligation.

#### 4 – FTC is cooptive and corrupt

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F. PROBLEMS WITH "ONE SIZE FITS ALL" POLICIES

It is common for commentators to suggest that the rules "should" or "must" be one way or another. For example, Mueller recently proposed that "[a]ny firm that participates in creating an industry standard and thereafter obtains patent rights in some aspect of the standard must, at a minimum, disclose the existence of any patents or pending patent applications that may be relevant to the standard."225

Such a proposal can be understood in one of two ways. The first is as a mandatory rule, specifying what the rules should be-whether as a general matter of public policy or as a consequence of application of antitrust principles-allowing for no deviation. The second is what is often termed a default rule, to be thought of as the general proposition to be applied in the absence of evidence to the contrary, but one that can be changed by the SSO if it chooses to do so. 226

These two interpretations have fundamentally different bases and policy implications. In our opinion, it is simply unnecessary to adopt mandatory rules in this area. SSOs are perfectly capable of adopting their own search, disclosure, and licensing rules, and of adapting those rules to the needs of the SSO participants. The results of Professor Lemley's survey indicate that SSOs have a variety of different rules. 227 There is no reason why a "one size fits all" mandatory-type approach is appropriate. 228

We find it is extremely telling that, at the recent FTC and Department of Justice (DOJ) hearings on the intersection between antitrust and intellectual property, both of the comments from SSOs expressed the belief that the current system worked reasonably well, and expressed concern that the antitrust authorities might adopt a "one size fits all" interventionist approach to standards issues.229 We believe that those comments, coupled with the results of Professor Lemley's survey showing the wide diversity of policies across SSOs, 230 strongly suggest that the antitrust authorities should proceed cautiously in this area.

In particular, we are concerned that antitrust intervention may reduce the clarity of the rules, thereby making participation in SSOs more risky and reducing the willingness of firms with valuable IP (and which therefore presumably have much to contribute to selecting the appropriate standard) to participate. If the SSO's rules are unclear, the obvious public policy solution is to encourage SSOs to adopt clearer rules on a going-forward basis.

Most significantly, we believe that intervention runs a significant risk of slowing down the standards-setting process, thus delaying the adoption of new standards and new products made in accordance with those standards, to the detriment of consumers and of society generally.

This is not, of course, to suggest that there will never be an appropriate role for antitrust scrutiny of the standards-setting actions of SSOs or their participants. There is no question but that the activities of SSOs can affect non-participants, and one rationale for antitrust intervention is to protect the interests of such non-participants from being adversely affected by decisions in which they did not participate or could not exert influence. And there are obvious examples of manipulation of SSO rules/policies, such as the "stuffing the ballot box" example of Allied Tube,231 in which antitrust intervention may be the only solution.

But we believe that the antitrust authorities are likely to give too little weight to the fact that SSOs, as voluntary organizations, must often walk a fine line between competing interests. In our view, ex post intervention runs the serious risk of failing to recognize the ex ante balancing of competing interests.

#### 1 – Blockchain fails – not trustworthy, inefficient

Bruce Schneier, 19. is a security technologist who teaches at the Harvard Kennedy School. He is the author, most recently, of Click Here to Kill Everybody: Security and Survival in a Hyper-Connected World. “There's No Good Reason to Trust Blockchain Technology” February 6, 2019. WIRED https://www.wired.com/story/theres-no-good-reason-to-trust-blockchain-technology/

These issues are not bugs in current blockchain applications, they’re inherent in how blockchain works. Any evaluation of the security of the system has to take the whole sociotechnical system into account. Too many blockchain enthusiasts focus on the technology and ignore the rest. To the extent that people don’t use bitcoin, it’s because they don’t trust bitcoin. That has nothing to do with the cryptography or the protocols. In fact, a system where you can lose your life savings if you forget your key or download a piece of malware is not particularly trustworthy. No amount of explaining how SHA-256 works to prevent double-spending will fix that. Similarly, to the extent that people do use blockchains, it is because they trust them. People either own bitcoin or not based on reputation; that’s true even for speculators who own bitcoin simply because they think it will make them rich quickly. People choose a wallet for their cryptocurrency, and an exchange for their transactions, based on reputation. We even evaluate and trust the cryptography that underpins blockchains based on the algorithms’ reputation. To see how this can fail, look at the various supply-chain security systems that are using blockchain. A blockchain isn’t a necessary feature of any of them. The reasons they’re successful is that everyone has a single software platform to enter their data in. Even though the blockchain systems are built on distributed trust, people don’t necessarily accept that. For example, some companies don’t trust the IBM/Maersk system because it’s not their blockchain. Irrational? Maybe, but that’s how trust works. It can’t be replaced by algorithms and protocols. It’s much more social than that. Still, the idea that blockchains can somehow eliminate the need for trust persists. Recently, I received an email from a company that implemented secure messaging using blockchain received an email from a company that implemented secure messaging using blockc

hain. It said, in part: “Using the blockchain, as we have done, has eliminated the need for Trust.” This sentiment suggests the writer misunderstands both what blockchain does and how trust works. Do you need a public blockchain? The answer is almost certainly no. A blockchain probably doesn’t solve the security problems you think it solves. The security problems it solves are probably not the ones you have. (Manipulating audit data is probably not your major security risk.) A false trust in blockchain can itself be a security risk. The inefficiencies, especially in scaling, are probably not worth it. I have looked at many blockchain applications, and all of them could achieve the same security properties without using a blockchain—of course, then they wouldn’t have the cool name. Honestly, cryptocurrencies are useless. They're only used by speculators looking for quick riches, people who don't like government-backed currencies, and criminals who want a black-market way to exchange money. To answer the question of whether the blockchain is needed, ask yourself: Does the blockchain change the system of trust in any meaningful way, or just shift it around? Does it just try to replace trust with verification? Does it strengthen existing trust relationships, or try to go against them? How can trust be abused in the new system, and is this better or worse than the potential abuses in the old system? And lastly: What would your system look like if you didn’t use blockchain at all? If you ask yourself those questions, it's likely you'll choose solutions that don't use public blockchain. And that'll be a good thing—especially when the hype dissipates.

# 1NR

## Forecasting CP

#### The impact is linear which means any DA to the perm outweighs---even small forecasting differences prevent war.

J. Peter Scoblic and Philip E. Tetlock 16. Scoblic, Fellow in the international security program at New America. "We didn’t see Donald Trump coming. But we could have.". Washington Post. 2-12-2016. https://www.washingtonpost.com/opinions/we-didnt-see-donald-trump-coming-but-we-could-have/2016/02/12/46ece26a-d0db-11e5-abc9-ea152f0b9561\_story.html

The answer lies in measuring a forecaster’s performance over many predictions. Do the things you say will happen 5 percent of the time actually happen about that often? Do you assign high probabilities to events that happen and low probabilities to those that don’t, as opposed to playing it safe with middle-of-the-road predictions? By answering these questions, we can find out whose forecasts are generally the most accurate — even if we can’t say they were “right” — and use the results to refine our beliefs and plan for the future.

Individuals, businesses and policymakers often face choices involving competing priorities and limited resources. Probabilistic predictions, especially from forecasters who have proved their accuracy over time, can enable better decisions, and even small improvements in predictive ability can mark the difference between danger and security, recession and growth, war and peace. Imagine that the intelligence community had been more circumspect in 2002, saying there was a 75 percent chance that Iraq had weapons of mass destruction (and a 25 percent chance it did not) instead of bluntly stating, “Baghdad has chemical and biological weapons.” Would Congress still have authorized the use of force? No one knows for sure, but lawmakers might have been more cautious. Decreasing the odds of multi-trillion-dollar mistakes is not something to sniff at.

What about supposed black swans, though? It’s true that judging the accuracy of forecasts involving extremely unlikely events is harder, because they could take decades or even millennia to play out. But there are still standards we can use to benchmark those odds, especially compared with other unlikely events. So even if we can’t assign an objective probability to an alien invasion, we can presumably say it’s less likely than, say, war with Russia and prepare accordingly.

A purely black swan is, by definition, a completely unforeseeable event, and there are relatively few of those. The 9/11 attacks are often cited as an example, but there were many data points suggesting that al-Qaeda wanted to attack the United States and that terrorists might use airplanes as weapons. (Tom Clancy had even published a book in which a pilot intentionally crashes a jetliner into the Capitol.) As the 9/11 Commission Report put it, the attacks “were a shock, but they should not have come as a surprise.”

Likewise, the intelligence community considered the possibility of the Soviets placing missiles in Cuba, of Islamists overthrowing the shah of Iran and of the Soviet Union collapsing under the weight of communism. That does not mean that its forecasts were accurate! But if these scenarios were imaginable, then they were predictable in a ballpark probabilistic sense. And the accuracy of those predictions could have been used to refine the intelligence community’s models of the world.

Prediction is not positivism: We need to be humble about what we know and what we don’t know — and always remember that a probability is just that. There are limits to our foresight, but better prediction can reduce the uncertainty that erodes confidence in the future. Trump is wrong: America doesn’t need to be made great again. But prediction just might make it better.

#### Economic changes outpace the aff---only the counterplan solves.

AMC 07. Antitrust Modernization Commission. Deborah A. Garza, Chair. Bobby R. Burchfield ,Commissioner. W. Stephen Cannon, Commissioner. Dennis W. Carlton, Commissioner. Makan Delrahim, Commissioner. Jonathan M. Jacobson, Commissioner. Jonathan R. Yarowsky, Vice-Chair. Donald G. Kempf, Jr., Commissioner. Sanford M. Litvack, Commissioner. John H. Shenefield, Commissioner. Debra A. Valentine, Commissioner. John L. Warden, Commissioner. “Report and Recommendations.” https://govinfo.library.unt.edu/amc/report\_recommendation/amc\_final\_report.pdf

Indeed, the evolution of antitrust law—both through case law and agency guidelines—has shown that new or improved economic learning can be incorporated into antitrust analysis as appropriate. Allowing the ongoing incorporation of economic learning into antitrust case law and agency guidelines is preferable to attempts at legislative change to specify different antitrust analyses for industries characterized by innovation, intellectual property, and technological change. Industries that fall into those categories will keep changing over time; attempts to define them would likely be difficult and impermanent at best. Furthermore, economic learning continues to evolve, and antitrust law needs to be able to incorporate this new learning as appropriate. It is important that antitrust develops through mechanisms, such as case law development in the courts and agency guidelines, that allow ongoing reassessments of existing law and economic principles relevant to antitrust analysis.

#### Absolute certainty is bad---always revise.

Walter Frick 15. Harvard Business Review. “What Research Tells Us About Making Accurate Predictions”. https://hbr.org/2015/02/what-research-tells-us-about-making-accurate-predictions

Revision leads to better results. This isn’t quite the same thing as open-mindedness, though it’s probably related. Forecasters had the option to go back later on and revise their predictions, in response to new information. Participants who revised their predictions frequently outperformed those who did so less often.

Together these findings represent a major step forward in understanding forecasting. Certainty is the enemy of accurate prediction, and so the unstated prerequisite to forecasting may be admitting that we’re usually bad at it. From there, it’s possible to use a mix of practice and process to improve.

#### 2---the counterplan is plan minus---it could find the activity procompetitive.

AMC 07. Antitrust Modernization Commission. Deborah A. Garza, Chair. Bobby R. Burchfield ,Commissioner. W. Stephen Cannon, Commissioner. Dennis W. Carlton, Commissioner. Makan Delrahim, Commissioner. Jonathan M. Jacobson, Commissioner. Jonathan R. Yarowsky, Vice-Chair. Donald G. Kempf, Jr., Commissioner. Sanford M. Litvack, Commissioner. John H. Shenefield, Commissioner. Debra A. Valentine, Commissioner. John L. Warden, Commissioner. “Report and Recommendations.” https://govinfo.library.unt.edu/amc/report\_recommendation/amc\_final\_report.pdf

Economic learning has provided the foundation for updated antitrust analysis in part by revealing the potential procompetitive benefits of some business conduct previously assumed to be anticompetitive. The accommodation of such advances in economic learning has increased the flexibility of antitrust law, with courts and the antitrust agencies now considering a wide variety of economic factors in their analyses. Improved economic understanding and greater analytical flexibility have increased the potential for a sound competitive assessment of business conduct in all industries, including those characterized by innovation, intellectual property, and technological change.

## T

#### and causes bidirectionality---or circumvention

Jo Seldeslachts et al. ‘7. Professor of Industrial Organization at KU Leuven and a Senior Research Fellow at DIW Berlin, with Joseph A. Clougherty and Pedro Pita Barros. “Remedy for now but prohibit for tomorrow: the deterrence effects of merger policy tools.” https://www.ssoar.info/ssoar/bitstream/handle/document/25862/ssoar-2007-seldeslachts\_et\_al-remedy\_for\_now\_but\_prohibit.pdf;jsessionid=A244005110FDB5816E0347D9F1B75436?sequence=1

We can now look at the causal relations between the variables of primary interest: the relationship between antitrust actions and merger frequencies: Prohibitions has a statistically-significant negative impact on future merger behavior in five out of the six regression equations (excluding only the OLS estimation in regression #1). The consistent significance and strong impact of this variable suggests that spikes in the use of Prohibitions seem to send a very clear signal of toughness by antitrust authorities—a signal that significantly reduces future merger proclivities.

Remedies, on the other hand, seem to positively influence future Mergers; though, the coefficient estimate is only significant in three regression equations—regressions’ #1, #2, & #4. Accordingly, we can interpret these results as suggesting that the effect of remedies coming at the expense of prohibitions (a lowering of antitrust toughness) is stronger than the effect of remedies coming at the expense of clearances (an increase in antitrust toughness). In other words, we have some evidence that firms seem to interpret spikes in remedies as indicating softer behavior on the part of antitrust authorities. Such an interpretation should be cautioned by the fact that the remedies coefficient estimate is not significant in the fixed- effects estimation (regression #3); thus, suggesting that the remedies effect may only be capturing cross-jurisdictional variation. Nevertheless, the important point here is that the application of Remedies does not seemingly involve a significant deterrence effect.

#### imposing requirements is behavioral

Lisl Dunlop 18. Partner in the New York office and co- chair of the firm’s antitrust and competition practice group of Manatt, Phelps & Phillips, September 2018. “Current Themes in U.S. Merger Control.” https://www.manatt.com/getattachment/311dc3d1-8754-447e-91d2-01bbead87763/attachment.aspx

Two related themes that have emerged over the past year are an increased hostility toward remedies that result in ongoing supervision or monitoring by the agencies (known as “behavioral” remedies) and a sharper focus on vertical merger enforcement. The two are closely related in that the typical “fix” for competition concerns in vertical transactions is often a behavioral remedy—the imposition of requirements that the merged firm act in a certain way after consummation of the transaction, such as an obligation to continue to give access to competitors. In the absence of such a resolution, the agencies are faced with a decision to permit the transaction to proceed, look for a structural solution or challenge the transaction in its entirety.

there’s a precise difference

John E. Kwoka 12. Neal F. Finnegan Professor of Economics, Northeastern University, with Diana L. Moss, Vice President and Director, American Antitrust Institute. “Behavioral merger remedies: Evaluation and implications for antitrust enforcement.” THE ANTITRUST BULLETIN: Vol. 57, No. 4/Winter 2012. ProQuest.

C. Preference for structural remedies in the United States and other major jurisdictions

As noted, the 2004 Remedies Guide expressed a clear preference for structural remedies, citing “speed, certainty, cost, and efficacy” as key factors by which the potential effectiveness of a remedy should be measured.19 By way of explanation, the 2004 Remedies Guide stated that structural remedies were preferred to behavioral remedies because “they are relatively clean and certain, and generally avoid costly government entanglement in the market. A carefully crafted divestiture decree is ‘simple, relatively easy to administer, and sure’ to preserve competition.”20 This preference for structural remedies was illustrated in countless merger cases both before and after issuance of the 2004 Remedies Guide.

In this approach, U.S. policy was consistent with the enforcement posture in Canada, the European Union, the UK, and Canada. In 2001, the European Commission stated:

Commitments that are structural in nature, such as the commitment to sell a subsidiary, are, as a rule, preferable from the point of view of the [Merger] Regulation’s objective, inasmuch as such a commitment pre- vents the creation or strengthening of a dominant position previously identified by the [European] Commission and does not, moreover, require medium or long-term monitoring measures.2

The UK Competition Commission expressed a similar preference in 2008 in this way:

In merger inquiries, the [Competition Commission] will generally prefer structural remedies, such as divestiture or prohibition, rather than behav- ioral remedies because: (a) structural remedies are likely to deal with [a substantial lessening of competition] and its resulting adverse effects directly and comprehensively at source by restoring rivalry; (b) behavioral remedies may not have an effective impact on the [substantial lessening of competition] and its resulting adverse effects, and may create significant costly distortions in market outcomes; and (c) structural remedies do not normally require monitoring and enforcement once implemented.22

#### intent to define and exclude---that’s 1nc **seldeslachts and…**

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

Main Difference – Prohibited vs. Restricted

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

What Does Prohibited Mean

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

Inter-racial marriages were not prohibited by the government.

He was proved guilty of using prohibited substances.

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

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

What Does Restricted Mean

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

The new regulations restricted the free movement of people.

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

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

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

Difference Between Prohibited and Restricted

Meaning

Prohibited means banned or forbidden.

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

Possibility

Prohibited means that there is no possibility of doing something.

Restricted means that something can be done under certain conditions.

Adjective

Prohibited functions as an adjective derived from prohibit.

Restricted functions as an adjective derived from restrict.

Past tense

Prohibited is the past tense and past participle of prohibit.

Restricted is the past tense and past participle of restrict.