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#### 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).

#### ‘Prohibition’ must ban all instances of anticompetitive behavior

James Lane Buckley 91, Judge on the United States Court of Appeals for the District of Columbia Court, BA and JD from Yale University, Former Undersecretary for Security Assistance at the State Department, Former United States Senator from New York, “Hazardous Waste Treatment Council v. Reilly”, United States Court of Appeals for the District of Columbia Circuit, 938 F.2d 1390, 1395-1396, 1991 U.S. App. LEXIS 16095, 7/26/1991, Lexis

Petitioners claim that the EPA considers a state law to "act as a prohibition" under the regulation only when it bans all treatment, storage, and disposal within a State, and they point to the ALJ's statement, based on his reading of the preamble to the regulations, 45 Fed. Reg. at 33,395, that the EPA "appears to have construed the phrase 'act as a prohibition' in [paragraph (b)] as equivalent to an outright ban or refusal to accept hazardous waste for treatment, storage, or disposal." ALJ Decision at 112. Petitioners contend that the regulation must embrace any law that would even indirectly, as in the instant case, prohibit any treatment facility; otherwise, a State could accomplish a total ban one facility at a time. Senate Bill 114, they charge, epitomizes the "NIMBY" syndrome: In response to the needs of the nation for treatment of hazardous waste, North Carolina has simply said, "Not in my backyard." By refusing to respond, petitioners urge, the EPA ignores its duty to monitor state programs.

Although, at oral argument, government counsel [\*\*13] attempted to defend the "ban on all treatment" position that petitioners ascribe to the EPA, that is not the basis on which the agency concluded that Senate Bill 114 did not act as a prohibition within the meaning of section 271.4(b). In explaining why the second condition of paragraph (b) had not been met, the Regional Administrator emphasized that of the 485 riparian miles available in North Carolina for a facility of the kind proposed by GSX, 333 remained available under the Act, and noted that a smaller plant could be built at the Laurinburg site. Final Decision at 2. We therefore construe the EPA's decision to mean that a state law "acts as a prohibition" on the treatment of hazardous wastes when it effects a total ban on a particular waste treatment technology within a State, and nothing more.

[\*1396] Such a construction is reasonable and merits deference. The language of paragraph (b), which uses the word "prohibit[]" rather than "impede[]" or "restrict[]" as in the case of paragraph (a), suggests that the former allows States greater latitude in regulating particular treatment facilities before a prohibition is found to exist. This is consistent with the preamble's expression of [\*\*14] a desire to encourage the development of state programs by avoiding the establishment of "very tight standards." See 45 Fed. Reg. at 33,385. Second, defining prohibition in terms of the ban of a particular technology falls well within the language of paragraph (b). Finally, we see nothing inconsistent between this construction and the language of the underlying statute, 42 U.S.C. § 6926(b), which merely asserts that a state program may not be authorized if "such program is not consistent with the Federal and State programs applicable in other States." This language allows the agency enormous latitude in structuring its own implementing regulations and in interpreting them.

#### Limits and grounds --- Key to link uniqueness and a unidirectional topic --- Explodes the number of aff’s and makes topic unmanageable

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#### The United States federal government should establish a framework for contingent international cooperation that protection of competition is the purpose of antitrust law and favor structural remedies, including blocking mergers and instituting breakups, over conduct remedies.

#### The CP’s framework multilateralizes antitrust---explicit reciprocity bypasses generic barriers AND spills over to deep economic integration

Dr. Daniel Francis 21, Climenko Fellow and Lecturer on Law at Harvard Law School, Doctorate of Laws Degree from the NYU School of Law, Master of Laws Degree from Harvard University, JD from Trinity College at Cambridge University, Former Deputy Director of the Federal Trade Commission, “Choices and Consequences: Internationalizing Competition Policy after TPP”, in Megaregulation Contested: The Global Economic Order After TPP, Ed. Kingsbury, Revised 8/26/2021, p. 40-48

B. Between Contracts and Networks: Frameworks

Another dichotomy that dominates the integration of competition policy pertains to the forms of internationalization, which in the competition policy space have generally been dominated by contract-style treaties on the one hand and by open networks on the other.166 Between these two models lies what seems to be an under-utilized alternative, which I call a “framework for contingent cooperation.”

[FOOTNOTE] 166 This binary view dominates the literature. See, e.g., Edward M. Graham, “Internationalizing” Competition Policy: An Assessment of the Two Main Alternatives, 48 Antitrust Bull. 947, 949 (2003) (“[M]echanisms [for antitrust internationalization] range from bilateral treaties creating arrangements for cooperation between or among national competition law enforcement agencies to informal working arrangements among agencies.”); Eleanor M. Fox, International Antitrust and the Doha Dome, 43 Va. J. Int’l L. 911, 912 (2003) (contrasting “horizontalism” with “globalism”); Anu Piilola, Assessing Theories of Global Governance: A Case Study of International Antitrust Regulation, 39 Stan. J. Int'l L. 207, 247 (2003) (“Rather than drafting overarching multilateral agreements on antitrust laws, cooperation efforts in the immediate future are more likely to succeed in managing existing diversity and promoting voluntary convergence based on approximation of domestically applied standards. Networks of antitrust authorities are well-suited to facilitate this process of cooperation and voluntary convergence.”). [END FOOTNOTE]

A “framework” in the sense that I am using that term is a facilitative arrangement that does not constitute a treaty under international law,167 and which does not carry the charge of international legal obligation, but which involves an exchange of specific and reciprocally contingent commitments by participant jurisdictions to engage in mutually beneficial conduct. Specifically, each party states that it will extend certain benefits to each other party so long as each other does likewise; the parties may also create supplementary mechanisms to monitor and/or adjudicate compliance with these commitments.168

A framework of this kind is not a treaty: it is what Kal Raustiala calls a “pledge,”169 and what Charles Lipson calls an “informal” agreement,170 involving no legal obligation, and it involves no commitment of the parties’ reputation for law-abiding behavior.171 On the other hand, it differs from an open, information-sharing network because it precisely specifies behavioral commitments, and because each of the parties shares an understanding that concrete consequences will promptly follow—exclusion from the benefits provided by others—if its behavior materially deviates from the terms of the commitment.172 A framework is therefore essentially a specific declaration of intention to engage in conduct that benefits others, contingent upon parallel behavior by other participating states, without obligatory status under international law.

This is, in some sense, the direct opposite of the approach typically taken in competition policy chapters in trade agreements. The provisions of competition policy chapters partake of the substance of treaty law, but are generally framed in broad terms rather than specifics, and generally do not reflect a shared understanding that specific consequences will attend breach. By contrast, frameworks do not bind in international law, are framed in specific terms than aspirational generalities, and reflect an understanding that the benefits of cooperation will be withdrawn in the event of violation.

Contingent cooperation thus depends for its effectiveness primarily upon three important dynamics. The first and most important of these is the rationality of strategic cooperation. A familiar mainstream view holds that to a significant extent states behave in international society in ways that rationally serve their interests.173 And when cooperation over a series of interactions is overall in the interests of each member of a group, but when each member faces a rational incentive to defect from the terms of cooperation in individual cases, familiar economic theory teaches that a strategic cooperative equilibrium can be maintained among the parties.174 In contingent cooperation, each party understands that if it defects materially from the terms of the framework, the other participants will withdraw the excludable benefits of cooperation, and this provides the incentive to comply.175

Contingent cooperation can be made more stable by the introduction of certain structures designed to monitor compliance (just as with a cartel among private companies).176 This might among other things involve the creation of a central “facilitator” that is responsible, in a general sense, for obtaining, collecting, and processing information necessary to sustain a cooperative equilibrium.177 Depending on the purpose and scope of the cooperation project, this could include (for example): reviewing the text of laws, regulations, and policy documents for consistency with the terms of the framework; conducting peer-review-style evaluations and certifications; hosting voluntary dispute resolution processes, including mediation and/or arbitration, to determine whether and when the framework has been violated; or even receiving and handling complaints of violations ombudsman-fashion (i.e., receiving the complaint, giving the subject of the complaint an opportunity to respond, and publishing findings and conclusions). A central facilitator could also go beyond a policing function and offer a common forum for certain forms of cooperation and information sharing. The nature of such broader functions, and the extent to which they would be useful or desirable, would depend on the nature and purpose of the cooperation.

The second dynamic that powers contingent cooperation is the normative appeal of the project itself. The point here is not unlike what Gráinne de Búrca calls “mission legitimacy”: the normative force of the underlying purpose of a cooperative project, and specifically the power of that normativity to secure the acceptance and cooperation of those who participate.178 Parties joining projects of contingent cooperation can be expected to be in some sense self-selecting: they join such endeavors because, in part, they are genuinely committed to promoting and achieving the ends that the project represents, and they embrace the project of cooperation as worthwhile.179 It may sound a little naïve to suggest that a project of cooperation may be more likely to “stick” if it has some normative appeal to the participating polities, but legal scholarship has long recognized that states do what they undertake to do more often than strictly rational analysis would predict.180 And I think the proposition that genuine commitment to a goal can contribute to compliance is in truth somewhat less naïve than the converse idea that compliance is just as likely without it.

The third source of a framework’s effectiveness is to be found in the acculturative and socializing effects of interaction in an environment in which values and practices are shared and reinforced as normative, and in which attention is paid to the existence and nature of violations. There is a rich and complex literature on the ways in which states, state actors, and the individuals within them may be “socialized” or “acculturated” by repeated engagement with others through common institutions and shared environments of normativity, eventually contributing to the emergence of obligations with genuine normative force.181 Jutta Brunnée and Stephen Toope have pointed out ways in which the force of legal obligation itself arises from shared communities of practice grounded in social reality and shared understandings, not formal commitments.182 As they put it, “[s]tability may be aided by explicit articulation of a norm in a text, but it is ultimately dependent upon [an] underlying shared understanding and a continuous practice of legality.”183

Participation in an endeavor of contingent cooperation may help to engender the development of such understandings and practices, and these may contribute to the effectiveness of the framework. In the longer term, this may even result in the creation of a legal instrument. But this progression is not necessary for acculturation to exert a reinforcing effect: for, as Anu Bradford accurately notes, there is no reason to think that “the pathway from nonbinding to binding rules” is an inevitable or even a natural one.184

The distinctive value of a framework is that it provides a low-cost way for jurisdictions to explore and participate in possible arrangements of mutual benefit that depend upon shared concrete understandings regarding future behavior, but without bearing the burden of an obligation under international law, without running the reputational risk of having to break a treaty, and without facing the domestic hurdles (or political scrutiny) that a treaty would necessitate.185 Use of such a framework may help to reduce the concerns grounded in political morality that might otherwise attend inter-jurisdictional action in sensitive areas:186 to use a term I have coined elsewhere, as contingent practices from which states could withdraw at any time, frameworks would benefit from considerable resources of “exit legitimacy.”187

Frameworks are not suited to every application. They seem particularly apt for types of international cooperation that generate excludable benefits for other participants and can be reasonably well monitored: in the sphere of competition policy, for example, this would include commitments to provide nondiscriminatory access to procurement markets as well as many forms of antitrust cooperation (including cooperation with one another’s investigations, coordination of enforcement activity, the operation of joint filing systems for merger review and cartel leniency programs, and so on). Certain guarantees of nondiscriminatory treatment by SOEs could also be extended on a selective basis. On the other hand, contingent cooperation is much less suitable for projects that require strong and highly credible guarantees of commitment from the participants (in which case a traditional treaty-contract would seem more appropriate188) or groups of parties still lacking the prerequisite agreement on the terms and ambit of desirable cooperation. Nor is it suitable in the absence of sufficient confidence in the ability or incentive of other parties to deliver on their commitments: in these cases, open dialogue and information exchange through a network would seem preferable. Nor, obviously, is it a good fit for projects in which the benefits of cooperation are non-excludable.189 To pick an obvious example, contingent cooperation would not recommend itself as a natural choice for an international project to introduce SOE discipline: the benefits are non-excludable (there is no obvious way to withdraw them selectively in the event of defection) and compliance is very difficult to monitor, so the use of a framework is unlikely to make much of a contribution.190

#### Normative convergence through antitrust harmonization prevents extinction from resource depletion, human rights abuse, and war

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A. The international political environment

At the root of international political theory is the fundamental maxim that relations between sovereign nations in the absence of mitigating factors is characterized by intense competition, mutual distrust, the inability to make credible commitments, and war.20

[FOOTNOTE] 20 Political scientists characterize the international system as “anarchic.” In the absence of world government (or other mitigating force), competition between states is largely unregulated by external laws or enforcement. The world is characterized by mistrust, the inability to contract, and the ultimate reliance on a state’s own devices. See THOMAS HOBBES, LEVIATHAN 80 (Edwin Curley ed., 1994) (in the state of nature “the condition of man . . . is a condition of war of everyone against everyone”). In fuller terms:

There is no authoritative allocator of resources: we cannot talk about a ‘world society’ making decisions about economic outcomes. No consistent and enforceable set of comprehensive rules exists. If actors are to improve their welfare through coordinating their policies, they must do so through bargaining rather than by invoking central direction. In world politics, uncertainty is rife, making agreements is difficult, and no secure barriers prevent military and security questions from impinging on economic affairs.

ROBERT O. KEOHANE, AFTER HEGEMONY: COOPERATION AND DISCORD IN THE WORLD POLITICAL ECONOMY 18 (1984). Efficiency-enhancing gains from trade are difficult to appropriate because trade itself (and any other form of exchange or agreement between nations) is characterized by the absence of credible commitments to future behavior. And underlying the problem is the ever-present threat of the use of force. See, e.g., Kenneth N. Waltz, Anarchic Orders and Balances of Power, in NEOREALISM AND ITS CRITICS 98, 98 (Robert O. Keohane ed. 1986) (“The state among states . . . conducts its affairs in the brooding shadow of violence . . . . Among states, the state of nature is a state of war.”). Although this dire characterization of the international environment is, of course, a stylized approximation of the real world—there are always overlying constraints on sovereign behavior in the form of norms, reputational effects, and customary international law, HEDLEY BULL, THE ANARCHICAL SOCIETY: A STUDY OF ORDER IN WORLD POLITICS (1977)—it is a useful and widely accepted heuristic for crafting a theory of international politics. [END FOOTNOTE]

As one commentator notes, “Nations dwell in perpetual anarchy, for no central authority imposes limits on the pursuit of sovereign interests.”21 And states are “unitary actors who, at a minimum, seek their own preservation and, at a maximum, drive for universal domination.”22 As a result, states operating on the international stage are unable to judge the sincerity of each others’ stated intentions when those intentions are contrary to this manifest interest. Because of self-help rules, states are forced in the main to assess their own security environment by assessing the capabilities of competitors, downplaying their motives. Given that the nature of the competition can implicate the fundamental survival of one (or more) of the actors, actions taken by one state to improve its own security must necessarily decrease the security of its competitor; in the absence of mitigation, security is a zero-sum game.23 In a world where cooperation is exceedingly difficult (because there is no authority to enforce agreements, nor any basis for assessing the reliability of another state’s commitments), international relations are characterized by a continuous race to the bottom, a mindless arms race rather than the opportunity to realize gains from cooperation.

It is obvious that not all relations between states are characterized by the security dilemma, however. Canada, for example, shares an unprotected border with the most powerful nation in the world without degenerating into a destructive and costly arms race. By some mechanism, then, Canada must be able reliably to judge U.S. intentions, even absent the apparent ability by the United States credibly to bind itself to a nonaggressive policy toward Canada. The key to mitigating the pressures of the security dilemma is the ability to distinguish a state with aggressive and expansionist tendencies from a benign one.24 States can be distinguished by their fundamental type. They can be classified as “revisionist,” that is, they seek to subvert the dominant order, or they can be classified as “status quo,” that is, they seek to support it.25 But, as noted, a state’s ability to judge another’s intentions (as opposed simply to counting its armaments) is extremely tenuous and comes at great cost. In fact, political science offers few well-understood mechanisms for judging a state’s propensity for aggression.

At the same time, hegemonic states have an abiding interest in spreading and maintaining their dominant worldview.26 Not only is it imperative that dominant states receive credible signals about other states’ intentions, but it is also important that dominant states attempt to inculcate their norms within other states that, over time, might mount credible challenges to the dominant states’ security.27 The spread of hegemony through internalization of norms occurs for three reasons. First, states with similar institutions and sympathetic domestic norms are simply better and more reliable trading partners, and it is in the hegemon’s economic interest to instill its norms.28 Second, states with defensive military postures and that adhere to the status quo present significantly less security risk to dominant states.29 And finally, the hegemon has a normative interest in the spread of its culture, its worldview, and its norms.30 This conception of the playing field upon which states interact leads to the conclusion that, entirely apart from the immediate and substantial economic benefits to a state from well-ordered interactions with other states, hegemonic states also have a national security and a normative interest in the information to be gleaned from the fact that these interactions are, in fact, well ordered.

In the absence of centralized enforcement, privately held and nonverifiable information as to a state’s fundamental type is the critical problem in assessing motives.31

[FOOTNOTE] 31 See KEOHANE, supra note 20, at 31 (“Order in world politics is typically created by a single dominant power [or hegemon].”). States are consequently classified as one of two types, “revisionist” or “status quo,” based on their acceptance and adherence to the political norms, institutions, and rules created by the hegemon. Status quo states are those that try to improve their condition from within the framework of the accepted world order. Revisionist states, by contrast, seek to gain position both by working outside that order and by working to subvert the hegemonic order itself. For instance, the existing world order is generally accepted to be that created by the United States after World War II. It comprises a liberal international economic order, the use of multilateral institutions (such as the United Nations and the WTO), negotiation for dispute resolution rather than the threat of violence, and the promotion of liberal democratic moral norms. See, e.g., Schweller, supra note 24, at 85; HANS J. MORGENTHAU, POLITICS AMONG NATIONS: THE STRUGGLE FOR POWER AND PEACE 32 (1948). Trade disputes between status quo states (like tariff disputes between the United States and Europe) are resolved through peaceful negotiation rather than the threat of war. Although status quo states do not entirely eschew the use of violence, they typically seek international authorization and legitimization before employing military force, as in the multilateral operations in Iraq, Kosovo, and Afghanistan. Revisionist states, on the other hand, such as North Korea, Iran, and China, will more readily use military force as a bargaining tool and are more reluctant fully to participate in transparent military, economic, and political negotiations. [END FOOTNOTE]

States wishing to escape the pressures of the security dilemma and engage in cooperative behavior need a means of conveying their preferences to others in a credible manner. There are, in general, two means by which such information can be transmitted: states can either bind themselves in such a way that they are unable to deviate from a stated behavior (known as “hands tying” in Schelling),32 or they can signal their intention to engage in a specified course of action by incurring costs sufficiently large that they discourage the misrepresentation of preference.33

International institutions can play a crucial role in facilitating the transmission of this information.34 In particular, international agreements over the terms of trade, even without binding supranational enforcement authority, provide a means for states to bind themselves to a desirable course of behavior in the short run and, more importantly, to signal their acquiescence to the ruling world order in the long run. Because compliance with treaty obligations often requires signatories to alter their domestic laws to reflect the terms of the treaty, the costs of compliance can be substantial. In the short run, to the extent that states enforce their domestic laws they can bind themselves to a certain course of behavior. In the long run, a state’s willingness to incur the substantial costs of changing its laws, both the transaction costs inherent in changing domestic laws and the even more substantial costs in domestic political capital, signals a willingness to engage other states on the terms set by the reigning international power. Moreover, there may be unintended effects, as changes in domestic laws result in a new set of domestic incentives to which actors respond, and new windows of opportunity may open up through which policy entrepreneurs can push for the internalization of new norms.35 Competition laws in particular are susceptible to this mode of analysis.

Most nations have adopted competition laws as a way to actualize (as well as to symbolize) a degree of commitment to the competitive process and to the prevention of abusive business practices . . . . The introduction of competition laws and policies has also gone hand in hand with economic deregulation, regulatory reform, and the end of command and control economies.36

The surest way to remove the threat of war, increase wealth, conserve resources, and protect human rights is through fundamental agreement between all states (or at least effective agreement between verifiably status quo states) under a normative umbrella that promotes all of those values. This normative convergence can be effected through the stepwise internalization of the sorts of economic and democratic values inherent in international economic liberalization, perhaps most notably through the adoption of principled international antitrust standards.37

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#### Bill passes - Biden is using PC in negotiations with Manchin - all portions of the party are moving toward agreement

Meyer and Alemany, 1-3 (Theodoric Meyer, National political reporter and co-author of the Power Up newsletter, and Jacqueline Alemany, Anchor of The Early 202, “Here we go again: Build Back Better is back on the Senate stage”, Washington Post, 1-3-22, https://www.washingtonpost.com/politics/2022/01/03/here-we-go-again-build-back-better-is-back-senate-stage/)//babcii

[Never gonna give you up](https://www.youtube.com/watch?v=dQw4w9WgXcQ)**:** President Biden and White House aides spent part of the holiday recess working the phones with Senate Democrats on how to get the Build Back Better Act (BBB) through the Senate, according to a White House aide. But the dynamics of getting the big health care, child care and climate change package through the evenly divided chamber remain as tough as they were the week before the holidays, when Sen. Joe Manchin (D-W.Va.) announced he [opposed](https://www.washingtonpost.com/us-policy/2021/12/19/manchin-build-back-better-biden/?itid=lk_inline_manual_10) the current plan and opened a rift with the White House.

It's unclear how much Biden and his legislative emissaries have been in touch with Manchin since their unusually sharp pre-Christmas war of words. Biden and Manchin[did speak](https://www.politico.com/news/2021/12/20/biden-and-manchin-speak-525788)and pledge to continue negotiating after Manchin's bombshell announcement. Manchin's concerns are [rooted](https://www.washingtonpost.com/us-policy/2021/12/20/manchin-biden-child-tax-credit/?itid=lk_inline_manual_11) in his opposition to an extension of the beefed-up child tax credit — which expired on New Year's Day since Congress did not act — included in the House version of the bill, as well as some climate provisions.

And Senate Majority Leader Chuck Schumer (D-N.Y.) told Senate Democrats in a virtual caucus meeting days before Christmas that he would push to vote on the bill by the end of January, according to a person familiar with the call.

Manchin isn't the only thing standing in the way of passage; Sen. Kyrsten Sinema (D-Ariz.) also hasn't committed to voting for the bill.

New ideas floated over the recess to pass the package through the Senate include breaking it up into smaller pieces.

“Well, that's a strategy decision that's being negotiated," Sen. Ben Cardin (D-Md.)[told "](https://cnsnews.com/article/washington/susan-jones/sen-cardin-dems-plan-pare-down-bbb-weve-got-find-sweet-spot)Fox News Sunday" on Dec. 26. “We are open to a way to reach the finish line. We want to make it as comprehensive as possible, because the needs are just there."

The biggest problem with such strategy is that Senate rules limit the number of bills that can be passed via reconciliation, and there's little to no appetite among Republican senators to support any elements of BBB. Democrats also decided against trying to pass a separate bill last month to extend the child tax credit before it expired.

Meanwhile, many progressives are furious with Manchin. “The Progressive Caucus will continue to work toward legislation for [BBB], focused on keeping it as close to the agreed-upon framework as possible. At the same time, we are calling on the president to use executive action to immediately improve people’s lives,” Rep. Pramila Jayapal (D-Wash.), the CPC's chair, wrote in [a post-Christmas op-ed](https://www.washingtonpost.com/opinions/2021/12/26/pramila-jayapal-joe-manchin-build-back-better/?itid=lk_inline_manual_22) for The Post.

That's not all

Still, Schumer’s legislative to-do list is a little less punishing than it was last month.

Lawmakers this week will mark the first anniversary of the Jan. 6 attack on the Capitol, and Schumer and the White House plan to mount a renewed push this month to pass a voting rights bill. But Schumer isn’t confronting the same avalanche of deadlines he was last month, when the Senate had to pass a government funding bill, raise the debt limit and move a must-pass defense spending bill in only a few weeks.

And some think Manchin will find a way to “yes.”

Hoppy Kercheval, the West Virginia radio host to whom Manchin kvetched the day after he said he couldn’t back BBB, said Democrats shouldn’t be under any illusion that Manchin has given up.

“I’ll leave it to Washington insiders to suss out any moment-by-moment, event-by-event issues that led Manchin to finally put his foot down,” Kercheval wrote in [an op-ed](https://www.wvgazettemail.com/opinion/op_ed_commentaries/hoppy-kercheval-some-line-mustve-been-crossed-with-manchin-opinion/article_d7e77ecc-372a-5d64-97cc-81e60786bdd3.html) in West Virginia’s Gazette-Mail newspaper after Manchin dropped his pre-Christmas bombshell. “But know this after Manchin — he wants a deal, he craves a deal.”

#### Antitrust reform decks PC and trades off with infra

Carstensen, 21 (Peter C. Carstensen, the Fred W. & Vi Miller Chair in Law Emeritus, University of Wisconsin Law School, February 2021, “THE “OUGHT” AND “IS LIKELY” OF BIDEN ANTITRUST,” https://www.concurrences.com/en/review/issues/no-1-2021/on-topic/the-new-us-antitrust-administration-en)

14. Similarly, despite bipartisan murmurs about competitive issues, the potential in a closely divided Congress that any major initiatives will survive is limited at best. In part the challenge here is how the Biden administration will rank its commitments. If it were to make reform of competition law a major and primary commitment, it would have to trade off other goals, which might include health care reform or increases in the minimum wage. It is likely in this circumstance the new administration, like the Obama administration’s abandonment of the pro-competitive rules proposed under the PSA, would elect to give up stricter competition rules in order to achieve other legislative priorities.

15. Another key to a robust commitment to workable competition is the choice of cabinet and other key administrative positions. Here as well, the early signs are not entirely encouraging. In selecting Tom Vilsack to return as secretary of agriculture, the president has embraced a friend of the large corporate interests dominating agriculture who has spent the last four years in a highly lucrative position advancing their interests. Given the desperate need for pro-competitive rules to implement the PSA and control exploitation of dairy farmers through milk-market orders, the return of Vilsack is not good news. Who will head the FTC and who will be the attorney general and assistant attorney general for antitrust is still unknown, but if those picks are also centrists with strong links to corporate America the hope for robust enforcement of competition law will further attenuate!

16. In sum, this is a pessimistic prognostication for the likely Biden antitrust enforcement agenda. There is much that ought to be done. But this requires a willingness to take major enforcement risks, to invest significant political capital in the legislative process, and to select leaders who are committed to advancing the public interest in fair, efficient and dynamically competitive markets. The early signs are that the new administration will be no more committed to robust competition policy than the Obama administration. Events may force a more vigorous policy—I will cling to that hope as the Biden administration takes shape.

#### BBB solves climate change – massive transition and international follow-on

Davenport, 21 (Coral Davenport, NYT Staff, President Biden unveiled a revised spending plan in an effort to try to pass a $1.85 trillion social safety net bill and a $1 trillion infrastructure measure, 10-28-21, <https://www.nytimes.com/2021/10/28/climate/climate-change-framework-bill.html>, y2k)

WASHINGTON — **Climate** has emerged as the **single largest category** in President Biden’s **new** **framework** for a huge **spending bill**, placing **global warming** at the center of his party’s **domestic agenda** in a way that was hard to imagine just a few years ago. As the bill was pared down from $3.5 trillion to $1.85 trillion, paid family leave, free community college, lower prescription drugs for seniors and other Democratic priorities were dropped — casualties of negotiations between progressives and moderates in the party. But $555 billion in climate programs remained. It was unclear on Thursday if all Democrats will support the package, which will be necessary if it is to pass without Republican support in a closely divided Congress. Progressive Democrats in the House and two pivotal moderates in the Senate, Joe Manchin III of West Virginia and Kyrsten Sinema of Arizona, did not explicitly endorse the president’s framework. But Mr. Biden expressed confidence that **a deal was in sight.** If enacted, it would be the **largest action** ever taken by the **U**nited **S**tates to address **climate change.** And it would **enshrine** climate action **in law**, making it **harder** to be **reversed by a future president.** In remarks Thursday, Mr. Biden called it “the most significant investment to deal with the climate crisis that ever happened, beyond any other advanced nation in the world.” The centerpiece of the climate spending is $300 billion in **tax incentives** for **producers** and **purchasers** of **wind**, **solar** and **nuclear power**, inducements intended to speed up a **transition** away from **oil**, **gas** and **coal**. Buyers of **e**lectric **v**ehicles would also benefit, receiving up to $12,500 in tax credits — depending on what portion of the vehicle parts were made in America. The rest would be distributed among a mix of programs, including money to construct **charging stations** for electric vehicles and update the **electric grid** to make it more conducive to transmitting wind and solar power, and money to promote **climate-friendly farming** and **forestry** programs. The plan would still fall short of the ambitious pledge Mr. Biden has made to halve the country’s greenhouse gases, from 2005 levels, by the end of this decade. Scientists say that nations must quickly and deeply cut emissions from burning oil, gas and coal to avert the most harrowing impacts of climate change. As many of the social spending programs fell by the wayside, the primacy of climate remained during weeks of tense negotiations between the White House and progressive and centrist lawmakers. Mr. Manchin, who played an outsized role in shaping the debate, was able to kill the most powerful mechanism in Mr. Biden’s climate plan — a program that would have rewarded power companies that moved from fossil fuels to clean energy, and penalized those that did not. Mr. Manchin’s state is a top coal and gas producer, and he has personal financial ties to the coal industry. But during negotiations, Democratic lawmakers of different political leanings all made climate policy a priority. Rising activists and a sustained push Many Democrats said they were newly energized to take on climate change after cascading climate disasters over the past year. Record droughts, flooding, wildfires and heat waves — which scientists said are worsened by climate change — devastated nearly every corner of the country. Liberals and many moderates in Congress, including vulnerable House members in swing districts, pushed the administration to focus on the issue. One group of moderate House Democrats even suggested that Democrats not worry about offsetting climate spending with tax increases. There was also a sustained drive inside the administration to elevate the issue. Mr. Biden has repeatedly linked cutting emissions to job creation, echoing the views of many of his top economic advisers, like Brian Deese, who heads the National Economic Council. Mr. Deese has said he sees the fate of America’s middle class over the coming decades entwined with the country’s ability to dominate the industries powering emissions reduction. At the same time, a new generation of climate activists has been advising the president on his agenda, and warning lawmakers that they risk losing young voters if they do not act. Mr. Biden seemed to nod at the generational aspect of the crisis on Thursday, when he spoke about meeting an electrical worker in Pittsburgh worried that climate change threatened his children’s future. “Folks, we all have that obligation, an obligation to our children and to our grandchildren,” Mr. Biden said. In Congress, House Speaker Nancy Pelosi and Senate Majority Leader Chuck Schumer instructed committees to draft climate change legislation that would meet Mr. Biden’s targets to cut emissions. And Mr. Biden has been under **growing pressure** to demonstrate that the **U**nited **S**tates, as the country that has **fueled** climate change by emitting the most greenhouse gases, is taking action when he appears Monday at a pivotal **United Nations summit** on climate. Showing up empty-handed would damage the United States’ credibility on the world stage.

#### Warming causes extinction.

Bill McKibben 19. Schumann Distinguished Scholar at Middlebury College; fellow of the American Academy of Arts and Sciences; holds honorary degrees from 18 colleges and universities; Foreign Policy named him to their inaugural list of the world’s 100 most important global thinkers. "This Is How Human Extinction Could Play Out." Rolling Stone. 4-9-2019. https://www.rollingstone.com/politics/politics-features/bill-mckibben-falter-climate-change-817310/

Oh, it could get very bad. In 2015, a study in the Journal of Mathematical Biology pointed out that if the world’s oceans kept warming, by 2100 they might become hot enough to “stop oxygen production by phyto-plankton by disrupting the process of photosynthesis.” Given that two-thirds of the Earth’s oxygen comes from phytoplankton, that would “likely result in the mass mortality of animals and humans.” A year later, above the Arctic Circle, in Siberia, a heat wave thawed a reindeer carcass that had been trapped in the permafrost. The exposed body released anthrax into nearby water and soil, infecting two thousand reindeer grazing nearby, and they in turn infected some humans; a twelve-year-old boy died. As it turns out, permafrost is a “very good preserver of microbes and viruses, because it is cold, there is no oxygen, and it is dark” — scientists have managed to revive an eight-million-year-old bacterium they found beneath the surface of a glacier. Researchers believe there are fragments of the Spanish flu virus, smallpox, and bubonic plague buried in Siberia and Alaska. Or consider this: as ice sheets melt, they take weight off land, and that can trigger earthquakes — seismic activity is already increasing in Greenland and Alaska. Meanwhile, the added weight of the new seawater starts to bend the Earth’s crust. “That will give you a massive increase in volcanic activity. It’ll activate faults to create earthquakes, submarine landslides, tsunamis, the whole lot,” explained the director of University College London’s Hazard Centre. Such a landslide happened in Scandinavia about eight thousand years ago, as the last Ice Age retreated and a Kentucky-size section of Norway’s continental shelf gave way, “plummeting down to the abyssal plain and creating a series of titanic waves that roared forth with a vengeance,” wiping all signs of life from coastal Norway to Greenland and “drowning the Wales-sized landmass that once connected Britain to the Netherlands, Denmark, and Germany.” When the waves hit the Shetlands, they were sixty-five feet high. There’s even this: if we keep raising carbon dioxide levels, we may not be able to think straight anymore. At a thousand parts per million (which is within the realm of possibility for 2100), human cognitive ability falls 21 percent. “The largest effects were seen for Crisis Response, Information Usage, and Strategy,” a Harvard study reported, which is too bad, as those skills are what we seem to need most. I could, in other words, do my best to scare you silly. I’m not opposed on principle — changing something as fundamental as the composition of the atmosphere, and hence the heat balance of the planet, is certain to trigger all manner of horror, and we shouldn’t shy away from it. The dramatic uncertainty that lies ahead may be the most frightening development of all; the physical world is going from backdrop to foreground. (It’s like the contrast between politics in the old days, when you could forget about Washington for weeks at a time, and politics in the Trump era, when the president is always jumping out from behind a tree to yell at you.) But let’s try to occupy ourselves with the most likely scenarios, because they are more than disturbing enough. Long before we get to tidal waves or smallpox, long before we choke to death or stop thinking clearly, we will need to concentrate on the most mundane and basic facts: everyone needs to eat every day, and an awful lot of us live near the ocean. FOOD SUPPLY first. We’ve had an amazing run since the end of World War II, with crop yields growing fast enough to keep ahead of a fast-rising population. It’s come at great human cost — displaced peasant farmers fill many of the planet’s vast slums — but in terms of sheer volume, the Green Revolution’s fertilizers, pesticides, and machinery managed to push output sharply upward. That climb, however, now seems to be running into the brute facts of heat and drought. There are studies to demonstrate the dire effects of warming on coffee, cacao, chickpeas, and champagne, but it is cereals that we really need to worry about, given that they supply most of the planet’s calories: corn, wheat, and rice all evolved as crops in the climate of the last ten thousand years, and though plant breeders can change them, there are limits to those changes. You can move a person from Hanoi to Edmonton, and she might decide to open a Vietnamese restaurant. But if you move a rice plant, it will die. A 2017 study in Australia, home to some of the world’s highest-tech farming, found that “wheat productivity has flatlined as a direct result of climate change.” After tripling between 1900 and 1990, wheat yields had stagnated since, as temperatures increased a degree and rainfall declined by nearly a third. “The chance of that just being variable climate without the underlying factor [of climate change] is less than one in a hundred billion,” the researchers said, and it meant that despite all the expensive new technology farmers kept introducing, “they have succeeded only in standing still, not in moving forward.” Assuming the same trends continued, yields would actually start to decline inside of two decades, they reported. In June 2018, researchers found that a two-degree Celsius rise in temperature — which, recall, is what the Paris accords are now aiming for — could cut U.S. corn yields by 18 percent. A four-degree increase — which is where our current trajectory will take us — would cut the crop almost in half. The United States is the world’s largest producer of corn, which in turn is the planet’s most widely grown crop. Corn is vulnerable because even a week of high temperatures at the key moment can keep it from fertilizing. (“You only get one chance to pollinate a quadrillion kernels of corn,” the head of a commodity consulting firm explained.) But even the hardiest crops are susceptible. Sorghum, for instance, which is a staple for half a billion humans, is particularly hardy in dry conditions because it has big, fibrous roots that reach far down into the earth. Even it has limits, though, and they are being reached. Thirty years of data from the American Midwest show that heat waves affect the “vapor pressure deficit,” the difference between the water vapor in the sorghum leaf’s interior and that in the surrounding air. Hotter weather means the sorghum releases more moisture into the atmosphere. Warm the planet’s temperature by two degrees Celsius — which is, again, now the world’s goal — and sorghum yields drop 17 percent. Warm it five degrees Celsius (nine degrees Fahrenheit), and yields drop almost 60 percent. It’s hard to imagine a topic duller than sorghum yields. It’s the precise opposite of clickbait. But people have to eat; in the human game, the single most important question is probably “What’s for dinner?” And when the answer is “Not much,” things deteriorate fast. In 2010 a severe heat wave hit Russia, and it wrecked the grain harvest, which led the Kremlin to ban exports. The global price of wheat spiked, and that helped trigger the Arab Spring — Egypt at the time was the largest wheat importer on the planet. That experience set academics and insurers to work gaming out what the next food shock might look like. In 2017 one team imagined a vigorous El Niño, with the attendant floods and droughts — for a season, in their scenario, corn and soy yields declined by 10 percent, and wheat and rice by 7 percent. The result was chaos: “quadrupled commodity prices, civil unrest, significant negative humanitarian consequences . . . Food riots break out in urban areas across the Middle East, North Africa, and Latin America. The euro weakens and the main European stock markets lose ten percent.” At about the same time, a team of British researchers released a study demonstrating that even if you can grow plenty of food, the transportation system that distributes it runs through just fourteen major choke-points, and those are vulnerable to — you guessed it — massive disruption from climate change. For instance, U.S. rivers and canals carry a third of the world’s corn and soy, and they’ve been frequently shut down or crimped by flooding and drought in recent years. Brazil accounts for 17 percent of the world’s grain exports, but heavy rainfall in 2017 stranded three thousand trucks. “It’s the glide path to a perfect storm,” said one of the report’s authors. Five weeks after that, another report raised an even deeper question. What if you can figure out how to grow plenty of food, and you can figure out how to guarantee its distribution, but the food itself has lost much of its value? The paper, in the journal Environmental Research, said that rising carbon dioxide levels, by speeding plant growth, seem to have reduced the amount of protein in basic staple crops, a finding so startling that, for many years, agronomists had overlooked hints that it was happening. But it seems to be true: when researchers grow grain at the carbon dioxide levels we expect for later this century, they find that minerals such as calcium and iron drop by 8 percent, and protein by about the same amount. In the developing world, where people rely on plants for their protein, that means huge reductions in nutrition: India alone could lose 5 percent of the protein in its total diet, putting 53 million people at new risk for protein deficiency. The loss of zinc, essential for maternal and infant health, could endanger 138 million people around the world. In 2018, rice researchers found “significantly less protein” when they grew eighteen varieties of rice in high–carbon dioxide test plots. “The idea that food became less nutritious was a surprise,” said one researcher. “It’s not intuitive. But I think we should continue to expect surprises. We are completely altering the biophysical conditions that underpin our food system.” And not just ours. People don’t depend on goldenrod, for instance, but bees do. When scientists looked at samples of goldenrod in the Smithsonian that dated back to 1842, they found that the protein content of its pollen had “declined by a third since the industrial revolution — and the change closely tracks with the rise in carbon dioxide.” Bees help crops, obviously, so that’s scary news. But in August 2018, a massive new study found something just as frightening: crop pests were thriving in the new heat. “It gets better and better for them,” said one University of Colorado researcher. Even if we hit the UN target of limiting temperature rise to two degrees Celsius, pests should cut wheat yields by 46 percent, corn by 31 percent, and rice by 19 percent. “Warmer temperatures accelerate the metabolism of insect pests like aphids and corn borers at a predictable rate,” the researchers found. “That makes them hungrier[,] and warmer temperatures also speed up their reproduction.” Even fossilized plants from fifty million years ago make the point: “Plant damage from insects correlated with rising and falling temperatures, reaching a maximum during the warmest periods.”

### OFF

#### The United States federal judiciary should substantially increase prohibitions on the private sector by making purpose of antitrust law and favor structural remedies, including blocking mergers and instituting breakups, over conduct remedies.

#### The courts have broad authority

Hanley, 21 (Daniel A. Hanley, a policy analyst at the Open Markets Institute., 4-6-2021, accessed on 8-10-2021, Slate, "How Antitrust Lost Its Bite", https://slate.com/technology/2021/04/antitrust-hearings-congress-legislation-bright-line-rules.html)//Babcii

History has consistently shown that only bright-line rules will lead to an effective and vigorous enforcement environment, as they do in other areas of law, and prevent the judiciary from favoring dominant economic enterprises and distorting the antitrust laws to preference increased concentration. The Supreme Court’s original development of the rule of reason and its subsequent gutting of the enforcement of the Clayton Act in the 1930s is particularly illustrative of why bright-line rules are necessary. A critical weakness of the Sherman Act when it was passed in 1890 was that it did not incorporate bright-line rules and left the interpretation of the act almost entirely to the judiciary. Despite its broad moral intentions, the first 15 years of its enforcement were anemic against concentrated private power and even [hostile to organized labor](https://escholarship.org/uc/item/8cj0z1tq). Eventually the federal government would obtain its first significant victory [in 1904](https://en.wikipedia.org/wiki/Northern_Securities_Co._v._United_States), but the legal standard that the court would use to determine the legality of antitrust violations was not fully decided until the 1911 Standard Oil case, in which the Supreme Court codified the rule of reason. [Standard Oil v. United States](https://en.wikipedia.org/wiki/Standard_Oil_Co._of_New_Jersey_v._United_States) is widely known for breaking up the company. However, the case was actually a pyrrhic victory for antitrust enforcers. In the case, the court created the foundation for the rule of reason by declaring that only “unreasonable” trade practices (known as restraints of trade) were illegal under the Sherman Act. In other words, the judiciary in Standard Oil anointed itself with unilateral discretionary power to manage and organize the economy and neutered the Sherman Act’s application. Outrage from Congress and the public over the judiciary’s seizure of power resulted in swift action. Less than three years later, Congress would try to reassert its position to ensure a deconcentrated marketplace with the Clayton Act. When Congress enacted the Clayton Act in 1914, its primary goal was to supplement the Sherman Act by bolstering a plaintiff’s ability to arrest certain enumerated conduct in its incipiency—to nip monopolistic behavior in the bud. The Clayton Act explicitly lessened the litigation burden on plaintiffs for certain exclusionary practices, including certain forms of tying (conditioning the purchase of a product on the purchase of another product), price discrimination, and exclusive dealing (contracts or coercive behavior that prevents suppliers or distributors from engaging with a firm’s rivals). Most importantly, Congress included in the Clayton Act a highly deferential and plaintiff-friendly legal standard meant to prohibit mergers (although only limited to acquisitions of assets and not for stock) that only “may be to substantially lessen competition” or “tend to create a monopoly.” The Clayton Act made clear that Congress was trying to arrest certain antitrust violations such as mergers as a means to grow corporate operations, and to reverse the Supreme Court’s declaration in [Standard Oil](https://en.wikipedia.org/wiki/Standard_Oil_Co._of_New_Jersey_v._United_States). However, the Supreme Court would instead successfully hijack this antitrust law too, in order to favor its own prescription for managing the economy.

### OFF

#### The United States federal government should increase prohibitions on the private sector without using anti-trust law by establish a purpose-built competition agency comprised of industry and subject matters experts that goal is to protect competition as the purpose of antitrust law and favor structural remedies, including blocking mergers and instituting breakups, over conduct remedies.

#### CP solves --- establishes a new agency with full authority and acts fast

Lohr, 20 (Steve Lohr, Pulitzer Prize for Explanatory Reporting, a foreign correspondent for a decade, , 10-22-2020, accessed on 5-16-2021, The New York Times, "Forget Antitrust Laws. To Limit Tech, Some Say a New Regulator Is Needed.", <https://www.nytimes.com/2020/10/22/technology/antitrust-laws-tech-new-regulator.html)//Babcii>

But even as the [Justice Department filed an antitrust suit against Google](https://www.nytimes.com/2020/10/20/technology/google-antitrust.html) on Tuesday for unlawfully maintaining a monopoly in search and search advertising, a growing number of legal experts and economists have started questioning whether traditional antitrust is up to the task of addressing the competitive concerns raised by today’s digital behemoths. Further help, they said, is needed.

Antitrust cases typically proceed at the stately pace of the courts, with trials and appeals that can drag on for years. Those delays, the legal experts and economists said, would give Google, Facebook, Amazon and Apple a free hand to become even more entrenched in the markets they dominate.

A more rapid-response approach is required, they said. One solution: a specialist regulator that would focus on the major tech companies. It would establish and enforce a set of basic rules of conduct, which would include not allowing the companies to favor their own services, exclude competitors or acquire emerging rivals and require them to permit competitors access to their platforms and data on reasonable terms.

The British government has already said it would create a digital markets unit, with calls for a Big Tech regulator to also be introduced in the European Union and in Australia. In the United States, recommendations for a digital markets regulator have also been made in expert reports and in congressional testimony. It could be a separate agency or perhaps a digital division inside the Federal Trade Commission.

Significantly, the leading proponents of this path in the United States are mainstream antitrust experts and economists rather than break-’em-up firebrands. Jason Furman, a professor at Harvard University and chair of the Council of Economic Advisers in the Obama administration, led [an advisory group to the British government](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/785547/unlocking_digital_competition_furman_review_web.pdf) that recommended the creation of a digital markets unit in 2019.

Breaking up the big tech companies, Mr. Furman said, is a bad idea because that would risk losing some of the consumer benefits these digital utilities undeniably deliver. A regulator is necessary to police digital markets and the behavior of the tech giants, he said.

“I’m a small ‘c’ conservative, and I’m not a fan of regulation generally,” Mr. Furman said. “But it’s needed in this space.”

Regulators that focus on specific sectors of the economy are common in the United States. For financial markets, there is the Securities and Exchange Commission; for airlines, the Federal Aviation Administration; for pharmaceuticals, the Food and Drug Administration; for telecommunications, the Federal Communications Commission; and so on.

There is also precedent for picking out a handful of big companies for special treatment. In banking, the biggest banks with the most customers and loans are classified as “systemically important financial institutions” and subject to more stringent scrutiny.

Several supporters of a new tech regulator were officials in the Obama administration, which was known for being friendly to Silicon Valley. But the advocates said that experience — as well as the conservative, pro-big business drift of court rulings in recent years — left them [frustrated with antitrust law](https://www.nytimes.com/2018/09/07/technology/monopoly-antitrust-lina-khan-amazon.html) as the only way to restrain the growing market power and conduct of the big tech companies.

“The mechanism of antitrust is not working to protect competition,” said Fiona Scott Morton, an official in the Justice Department’s antitrust division in the Obama administration, who is an economist at the Yale University School of Management. “**So let’s do something else — use a different tool.”**

### OFF

#### Massive consumer spending and confidence secures growth even through upcoming uncertainty

Entenmann, 1-3 (Kenneth J. Entenmann is chief economist and chief investment officer at NBT Wealth Management, “Despite labor constraints and inflation, cautious optimism expressed for 2022”, Hartford Business, 1-3-22, https://www.hartfordbusiness.com/article/despite-labor-constraints-and-inflation-cautious-optimism-expressed-for-2022)//babcii

The term “cautiously optimistic” comes to mind with the seemingly collective reservations regarding supply chains and labor — and I have to say I agree with the sentiment. I think you’re on to something, Connecticut.

The 2021 economy fought through significant challenges but has still improved materially. The U.S. GDP is estimated to have grown by 5.6% in 2021 and the consensus forecast for 2022 calls for 4.1% growth.

Both numbers are considerably better than the pre-COVID pace of 2% to 3%. So, it is more than just a positive attitude — there is good reason to be optimistic.

As a result of our collective COVID experience, consumers and companies were forced to adjust their behavior. That adjustment resulted in a great deleveraging of consumer and corporate balance sheets.

The personal savings rate skyrocketed to 35% during the initial COVID lockdown and still hovers around 10%. Many consumers took the COVID lockdown as an opportunity to pay down their debt; credit card, home equity and mortgage balances all declined significantly.

On the corporate front, a similar deleveraging has occurred. The original CARES Act provided a material safety net for companies of all sizes. Most significantly, the act created the Paycheck Protection Program that provided loans ($350 billion, mostly forgiven) to small businesses. The PPP loans allowed companies to remain solvent while adjusting to the new COVID world.

While the PPP loans provided support for revenue shortfalls and supported employment levels, non-labor expenses dropped materially. Expenses such as marketing, travel, training and development, fleet expenses and entertainment all plummeted.

Today, companies are flush with cash, expenses continue to run below “normal,” and debt has been paid down. Why is this great deleveraging important? It provides plenty of ammunition for economic growth when the uncertainties surrounding COVID diminish.

The combination of strong balance sheets, a continuing reopening of the economy and historically low interest rates provide fuel for growth and reason for cautious optimism as the economy works through a host of challenges.

#### Antitrust regs causes uncertainty and expands rent-seeking

Crews and Young 19 (Clyde Wayne Crews, Vice President for Policy and Senior Fellow @ Competitive Enterprise Institute, Ryan Young is a Senior Fellow @ Competitive Enterprise Institute, “The Case against Antitrust Law”, Competitive Enterprise Institute, 04/16/2019, <https://cei.org/studies/the-case-against-antitrust-law/>)//babcii

Uncertainty. Antitrust regulation creates an enormous amount of economic uncertainty. Nobody knows how it will be used at a given time. If antitrust statutes are interpreted literally, potentially any firm, no matter how small, can be charged with an antitrust violation—or for dominating its relevant market, however defined. If a business sells goods at a lower price than its competitors, it can be charged with predatory pricing. If it sells goods at the same price as its competitors, it can be charged with collusion. And if it sells goods at a higher price than its competitors, it can be charged with abusing market power. A century of case law has evolved some guidelines, but judicial precedents can be overturned any time a new case is brought. There are few bright-line legislative or judicial standards for antitrust enforcement. It is mostly guided by a mix of inconsistently enforced judicial precedents, regulators’ personal discretion, and political factors unrelated to market competition. Even the mere threat of antitrust enforcement can have a preemptive chilling effect on innovation, business strategies, and potential efficiency-enhancing arrangements. Rent-seeking. Neo-Brandeisians rightly want to reduce rent-seeking, but they routinely propose policies that will backfire because of a common misunderstanding of how governments work in practice. Government employees do not operate with only the public interest in mind. They are human beings, with the same incentives and flaws as other human beings. They want to increase their budgets and power and enjoy the publicity that accompanies big cases. It also makes regulators especially vulnerable to what is known as a Baptist-and-boot- legger dynamic. In Clemson University economist Bruce Yandle’s classic example, a moralizing Baptist and a profit-seeking bootlegger will both favor a law requiring liquor stores to close on Sundays, though for different reasons. A true-believing “Baptist” in Congress or at the Justice Department or the FTC would be inclined to listen seriously to the entreaties of corporate “bootleggers” who can come up with virtuous-sounding reasons for why regulators should give their businesses special favorable treatment.36 Oracle, one of Microsoft’s rivals, ran its own independent Microsoft investigation during that company’s antitrust case, for what it alleged were Baptist-style reasons. “All we did is try to take information that was hidden and bring it to light,” said Oracle CEO Larry Ellison. “I don’t think that was arrogance. I think it was a public service.”37 Former Sen. Orrin Hatch (R-UT), who counted Oracle among his constituents, was one of the loudest anti-Microsoft voices in Congress. Around that time, he also received $17,500 donations from executives at Netscape, AOL, and Sun Microsystems. Perhaps heeding Hatch’s admonition that, “If you want to get involved in business, you should get involved in politics,” Microsoft expanded its presence in Washington from a small outpost at a Bethesda, Maryland, sales office to a large downtown Washington office with a full-time staff plus multiple outside lobbyists.38 Microsoft quickly went from a virtual non-entity in Washington to the 10th-largest corporate soft money campaign donor by the 1997-1998 election cycle. Sen. Hatch’s campaign was among the beneficiaries.39 The lines between Baptist and boot- legger can be blurry, and some actors play both parts. But such ethical dynamics are an integral part of antitrust regulation in practice.

#### Slow growth goes nuclear – breaks down global cooperation

**Landay 17** (Jonathan – Reuters National Security Correspondent, 1/9/17, “U.S. intelligence study warns of growing conflict risk”, <https://www.reuters.com/article/us-usa-intelligence-future-idUSKBN14T1J4>)

WASHINGTON (Reuters) - The risk of **conflicts** between and within **nations** will **increase** over the next five years to levels not seen since the Cold War as **global growth slows**, the post-World War Two order erodes and **anti-globalization** fuels **nationalism**, said a U.S. intelligence report released on Monday. “These **trends** will converge at an unprecedented pace to make governing and **cooperation** harder and to change the **nature of power** – fundamentally altering the **global landscape**,” said “Global Trends: Paradox of Progress,” the sixth in a series of quadrennial studies by the U.S. National Intelligence Council. The findings, published less than two weeks before U.S. President-elect Donald Trump takes office on Jan. 20, outlined factors shaping a “dark and difficult near future,” including a more assertive **Russia** and **China**, **regional conflicts**, **terrorism**, rising **income inequality**, **climate change** and **sluggish economic growth**. Global Trends reports deliberately avoid analyzing U.S. policies or choices, but the latest study underscored the complex difficulties Trump must address in order to fulfill his vows to improve relations with Russia, level the economic playing field with China, return jobs to the United States and defeat terrorism. The National Intelligence Council comprises the senior U.S. regional and subject-matter intelligence analysts. It oversees the drafting of National Intelligence Estimates, which often synthesize work by all 17 intelligence agencies and are the most comprehensive analytic products of U.S intelligence. The study, which included interviews with academic experts as well as financial and political leaders worldwide, examined political, social, economic and technological trends that the authors project will shape the world from the present to 2035, and their potential impact. ‘INWARD-LOOKING WEST’ It said the threat of **terrorism** would grow in coming decades as small groups and individuals harnessed “**new technologies**, ideas and relationships.” **Uncertainty** about the **U**nited **S**tates, coupled with an “inward-looking West” and the weakening of international human rights and conflict prevention standards, will encourage **China** and **Russia** to challenge **American influence**, the study added. Those challenges “will stay below the threshold of hot war but bring **profound risks** of **miscalculation**,” the study warned. “Overconfidence that material strength can manage escalation will **increase** the **risks** of **interstate conflict** to levels not seen since the Cold War.” While “hot war” may be avoided, differences in values and interests among states and drives for regional dominance “are leading to a **spheres of influence** world,” it said, The latest Global Trends, the subject of a Washington conference, added that the situation also offered opportunities to governments, societies, groups and individuals to make choices that could bring “more hopeful, secure futures.” “As the paradox of progress implies, the same trends generating near-term risks also can create opportunities for better outcomes over the long term,” the study said. THE HOME FRONT The report also said that while globalization and technological advances had “enriched the richest” and raised billions from poverty, they had also “hollowed out” Western middle classes and ignited backlashes against globalization. Those trends have been compounded by the largest migrant flows in seven decades, which are stoking “nativist, anti-elite impulses.” “**Slow growth** plus technology-induced **disruptions** in **job markets** will threaten poverty reduction and **drive tensions** within countries in the years to come, fueling the very **nationalism** that contributes to tension between counties,” it said. The trends shaping the future include contractions in the working-age populations of wealthy countries and expansions in the same group in poorer nations, especially in Africa and South Asia, increasing **economic**, employment, urbanization and welfare **pressures**, the study said. The world will also continue to experience weak **near-term growth** as governments, institutions and businesses struggle to overcome **fallout** from the Great **Recession**, the study said. “**Major economies** will confront **shrinking workforces** and **diminishing productivity** gains while recovering from the 2008-09 financial **crisis** with **high debt**, **weak demand**, and doubts about globalization,” said the study. “China will attempt to shift to a consumer-driven economy from its longstanding export and investment focus. **Lower growth** will **threaten poverty reduction** in developing counties.” **Governance** will become **more difficult** as issues, including global **climate change**, **environmental degradation** and **health threats** demand **collective action**, the study added, while such cooperation **becomes harder**.

## Case

### 1NC --- Innovation

#### China loses the race now

Frey and Osborne, 20 (CARL BENEDIKT FREY is Oxford Martin Citi Fellow and Future of Work Director at the Oxford Martin School at Oxford University and the author of The Technology Trap: Capital, Labor, and Power in the Age of Automation, MICHAEL OSBORNE is Professor of Machine Learning at the University of Oxford, a Fellow at the Oxford Martin School, and Co-Founder of Mind Foundry, “China Won’t Win the Race for AI Dominance”, Foreign Affairs, June 19, 2020, https://www.foreignaffairs.com/articles/united-states/2020-06-19/china-wont-win-race-ai-dominance)//babcii

As scholars who study the applications and implications of artificial intelligence, we respectfully disagree. China, if anything, looks less likely to overtake the United States in artificial intelligence than Japan looked to dominate in computers in the 1980s. For while China is rich in data and has excelled in refining technology invented elsewhere, much impedes it from becoming the site of the next big breakthrough that artificial intelligence sorely needs. DATA ALONE ARE NOT ENOUGH China made international headlines by effectively leveraging its surveillance technology for contact tracing in response to COVID-19, the disease caused by the novel coronavirus. And yet the country’s alleged data advantage is hugely overblown. One reason is that data are highly domain specific and don’t often solve more than the problem for which they were gathered. China’s disregard for privacy enables it to snoop on its citizens, but not much else. And an abundance of surveillance data doesn’t give China an advantage in applying artificial intelligence to such ends as drug discovery or self-driving cars, for example. The puzzle of artificial intelligence lies not in the quantity of data to which its algorithms have access but in the efficiency with which it learns from that data. Even with huge amounts of data, artificial intelligence systems are easily tricked into making errors. The Google researcher Christian Szegedy and his collaborators [proved this point](https://www.nature.com/articles/d41586-019-03013-5) by fooling an algorithm that had once confidently and correctly classified images of dogs and school buses. The researchers manipulated the pixels of images in a manner that would have been completely undetectable to the human eye—but that led the algorithm to classify both dogs and school buses as ostriches. Artificial intelligence algorithms can often identify objects, but they lack any conceptual understanding of the relationships between those objects or of their respective properties. As the deep learning researcher Yoshua Bengio has [warned](https://books.google.com/books?id=65iEDwAAQBAJ&pg=PT62&lpg=PT62&dq=%22We+can%E2%80%99t+realistically+label+everything+in+the+world+and+meticulously+explain+every+last+detail+to+the+computer%22&source=bl&ots=bDk91gna75&sig=ACfU3U0SNS1VFf5a6hmE_2Q-YeFlmWjV_g&hl=en&sa=X&ved=2ahUKEwjpsbTV0PLpAhUNj3IEHUAtAJIQ6AEwAHoECAYQAQ#v=onepage&q=%22We%20can%E2%80%99t%20realistically%20label%20everything%20in%20the%20world%20and%20meticulously%20explain%20every%20last%20detail%20to%20the%20computer%22&f=false), “We can’t realistically label everything in the world and meticulously explain every last detail to the computer.” Artificial intelligence systems are easily tricked into making errors. Many think of China as “the Saudi Arabia of data.” But if data are the new oil, they might just be China’s natural resource curse. For example, in the early twentieth century, electric cars looked more promising than gasoline-powered cars. Huge oil discoveries, among other things, tipped the balance in favor of the internal combustion engine. A century later, we are trying to get back into electric cars. The current focus on data-thirsty AI applications could lead to a similar lock-in into the wrong sort of AI. We have seen this movie before. In the 1980s, the grand promises and overwhelming focus on symbolic AI prompted immense funding and media hype. This meant that funding for “deep learning” dried up. But deep learning has its own problems and has recently caused companies to focus on easy AI problems, such as classifying cats and dogs, where data are abundant. This approach alone is likely to run into diminishing returns that could even prompt another AI winter. Data efficiency is the holy grail of further progress in artificial intelligence. The reason most people associate the steam engine with James Watt and not Thomas Newcomen (who developed a coal-powered steam engine decades earlier) is that Watt’s separate condenser first made the technology energy efficient. Artificial intelligence is still waiting for its separate condenser moment. Indeed, to learn enough to win a game of Go against [Lee Sedol](https://www.nytimes.com/2019/08/01/opinion/peter-thiel-google.html), a champion of the strategic board game, DeepMind’s AlphaGo software first had to play many millions of games against itself. It learned to play far slower than any human. Humans are incredibly data efficient; recent breakthroughs in artificial intelligence are much less so. Whether the United States or China will lead the world in artificial intelligence depends far less on who controls the most data than on who will be the first to innovate past this impasse. EXPERIMENTATION DRIVES INNOVATION Those who warn of China’s inexorable advance in the field of artificial intelligence worry that because the technology is by nature centralizing, authoritarian governments are better able to encourage AI innovation than democratic ones—and that AI technology, in turn, will advantage authoritarian governments. The concern recalls a belief about electricity that held sway a century ago—and like that belief, today’s is also misplaced. In 1923, the pioneering electrical engineer Charles Steinmetz—whose work for the General Electric Company around the turn of the twentieth century made him [a celebrity](https://www.smithsonianmag.com/history/charles-proteus-steinmetz-the-wizard-of-schenectady-51912022/) of the time—[predicted](https://books.google.com/books?id=Ka8eAQAAIAAJ&pg=PA116&lpg=PA116&dq=charles+Steinmetz+electricity+collectivism&source=bl&ots=OWNEd5KOra&sig=ACfU3U32eUBKLQazyEAqq4JcwspEtwis6g&hl=en&sa=X&ved=2ahUKEwjrpazI0IjqAhWBQzABHXgUDXcQ6AEwEnoECAsQAQ#v=onepage&q=charles%20Steinmetz%20electricity%20collectivism&f=false) that electricity would give rise to a more collectivist society. Steinmetz argued, somewhat circularly, that the development of a national electrical grid would lead to socialism, because only a socialist system could effectively manage the new interdependencies that progress toward a national grid would require. The Rural Electrification Act of 1936 did indeed provide funds to rural cooperatives that had been neglected by major private power companies. But the real transition to electrical power came out of capitalist competition, in the form of experimentation on the factory floor. When engineers figured out how to equip every machine with its own electrical motor, rather than relying on one central power source, they could sequence the machines according to the natural flow of production—a breakthrough that gave rise to mass production. Decentralized experimentation and decision-making are critical to harnessing the benefits of AI. Decentralized experimentation and decision-making will likewise be critical if the world is to harness the benefits of artificial intelligence. China is at a disadvantage in this regard. The country’s recent surge in [patent filings](https://www.natlawreview.com/article/china-s-upsurge-patent-filings-continue-post-coronavirus-lockdown) is often cited as evidence of its innovativeness, but simply counting patents isn’t a good way to measure innovation: studies [show](https://link.springer.com/chapter/10.1007/978-1-4757-3750-9_13) that ten percent of patents account for roughly 90 percent of total patent value, meaning that the vast majority are of little value. Patent citations offer a more useful indicator, and if we look at the 100 most cited patents since 2003, not a single one comes from China. Moreover, China’s leading artificial intelligence companies, including Tencent, Alibaba, and Baidu, are merely copies of Facebook, Amazon, and Google, tailored to the Chinese market. As the late economic historian Alexander Gerschenkron observed, when a country lags behind the technological frontier, imitation and the adoption of foreign technology can take it a long way—and, in general, the further a country has fallen behind, the greater the role the state must play in driving industrial catch-up. Thanks to state investment in mass production technology, the Soviet Union grew rapidly during much of the Cold War, as did Japan, South Korea, and Taiwan. Indeed, numerous scholars have attributed the “Asian Miracle” to state-driven industrial catch-up. But while they were successful in closing some of the gap, these countries never managed to overtake the United States. Unlike imitation, which can be planned and coordinated, innovation is a voyage of exploration into the unknown, to paraphrase the economist and philosopher Friedrich von Hayek. And switching from imitation to innovation is hard: if it were easy, most countries would be innovating at the technological frontier. By observing that China is unlikely to overtake the United States in technological innovation, we mean in no way to downplay China’s tremendous economic achievements since Deng Xiaoping came to power in 1978. China has plenty of talent, but the fact remains that, so far, Chinese innovation has mainly focused on incrementally improving technologies that were conceived elsewhere. Chinese companies currently lead the world in the [development of 5G](https://www.wsj.com/articles/in-the-race-to-dominate-5g-china-has-an-edge-11567828888), for example, but their work builds on several previous generations of telecommunications technology. What Huawei demonstrates is that China has significant engineering capabilities, just like Japan and indeed the Soviet Union. DYNAMISM VERSUS STABILITY Artificial intelligence is not yet a mature technology, and continued progress will require radical innovation on multiple fronts. Breakthroughs will happen the way they usually do: through serendipity and recombination, as inventors and entrepreneurs interact and exchange ideas. China’s strong state and collectivist structure have significant advantages in swiftly building infrastructure or mounting a coherent response to a pandemic. But radical innovation is a different matter, and historically, the most innovative societies have always been those that allowed people to pursue controversial ideas. As the eminent economic historian Joel Mokyr has argued, that is why the Industrial Revolution happened in the West rather than in China in the first place. China’s efforts to restrict the flow of ideas on the Internet and elsewhere are likely to hold back innovation. Since [September 2019](http://prod-upp-image-read.ft.com/ec34d7aa-70e6-11ea-95fe-fcd274e920ca), China and Huawei have been proposing [radical changes](https://www.ft.com/content/c78be2cf-a1a1-40b1-8ab7-904d7095e0f2) to the Internet infrastructure that underpins networks worldwide. If implemented, the changes would likely splinter the Internet and further reduce Chinese citizens’ exposure to new ideas from outside the country. The initiative underlines Beijing’s preference for maintaining the political status quo, even if that means slower innovation and less dynamism.

#### US innovation and start-ups are beating China now BUT antitrust reform destroys investor confidence and innovation

**Moore, 21** (Steve Moore, a senior economic advisor to Donald Trump and a memberof President Trump’s Economic Recovery Task Force. B.A from university of Illinois and a masters in economics from GMU, May 2021, accessed on 6-7-2021, Committee to unleash prosperity, "The New “Trust Busters” Are A Danger to American Prosperity and Tech Dominance", https://committeetounleashprosperity.com/wp-content/uploads/2021/05/CTUP\_TheNewTrustBusters.pdf)//Babcii

In recent years the Justice Department has tried to block a number of blockbuster deals, especially in the technology sector. The Trump administration challenged the $85 billion AT&T and Time Warner merger and is now looking into the $26 billion merger between two large telecommunications giants: T-Mobile and Sprint. Fortunately, the government lost its case, and we now have an American company with the scale and resources to move the United States into the lead in the global race for 5G. Still, the popular press portrays the take-over artists in almost universally unflattering and monopolistic terms. Targeted companies, their shareholders, and their customers are warned that they are the victims of Wall Street greed. “Eat or be eaten,” is the way one news story described the breakneck pace of M&A activity. Private equity deal makers are described as “on the prowl” and no company large or small is “safe” from the corporate raiders. All that has been missing is the theme music from Jaws That interpretation is precisely backwards. Virtually all of the recent evidence and academic studies confirm that when the M&A sharks start swallowing the minnows, the biggest financial winners are the minnows—and their shareholders. On average, the raiders bid up the share prices by 20 to 30% and in some cases, as in the takeover bid for Dow Jones, more than 50%. A 2019 study by the consulting firm, Towers Perrin, reveals that “M&As from the year 2004 onwards are outperforming the market by 7% in terms of shareholder value.” We’ll see if that outperformance holds up over time. Regardless of that, corporate take-overs, both friendly and hostile, have big but mostly invisible benefits for the efficiency of the financial markets, for shareholders and the economy at large. M&A activity creates a powerful incentive for entrepreneurs to set out a shingle and start a new business. Small business activity is a hallmark of the U.S. economy’s dynamism. The entrepreneurs who launch these enterprises and the angel investors who put capital at risk to finance them often do so with the very intention of someday being bought out at high price by a competitor or a Blackstone Group. M&As also help restructure companies that are ineptly managed. Even the hated corporate raiders can help enrich shareholders by ridding corporations of arrogant, abusive, excessively compensated, and ineffective management. For all the vilification of Michael Milliken, his firm Drexel Burnham easily created more wealth for American shareholders singlehandedly than all the trustbusters in American history combined. One of the biggest corporate raiders in the world today is General Electric, which budgets roughly $500 million a year for corporate acquisitions. Those who are convinced that company CEOs and top management are grossly overpaid relative to the value they provide to shareholders should be the biggest fans of the M&A industry and its chopping block. The economic literature is clear that the biggest gainers from M&A activities are not the acquiring firms, but the owners of the acquired firms. One value of the raiders is that they serve as the ultimate oversight on the financial market beat, searching out and destroying flab and inefficiencies. Virtually every hostile takeover, even those financed with “junk bonds,” made hundreds of millions, if not billions of dollars for stockowners. Some trust busters at the Federal Trade Commission and Justice Department have argued against ever allowing two of three leading competitors in an industry attempt to consolidate, and the Justice Department treats this as a de facto monopolistic endeavor. If the Beatles came along today, the Bush Justice Department would no doubt try to break up Lennon and McCartney for cornering too much of the pop music market. Companies should have the economic freedom to pursue mergers and acquisitions as part of their business strategy and the government should retain the burden of proof in a merger challenge. Given that our country’s antitrust enforcement agencies, the Department of Justice and the Federal Trade Commission, have won nearly 85 percent of the merger challenges they brought over the last 20 years, it seems that the system is already unfairly stacked in the government’s favor.16 Adding restrictions on mergers and acquisitions will only serve to hurt U.S. workers, consumers, and shareholders as well as reduce U.S. competitiveness globally. The popular narrative accompanying these merger reform proposals is that preventing consolidation will help the start-up and small business community. In reality, these proposals will discourage entrepreneurs and innovative U.S. start-ups from entering the market in the first place by blocking the critical exit strategy of being acquired by a larger company. Data shows that most start-ups or small businesses rely on the potential promise of being acquired by a larger company as part of their initial business plan.17 Recent estimates show that approximately 50% of venture-backed companies exit through a merger or acquisition, while only 15% exit through IPOs.18 The presence of trillion dollar companies like Google and Apple with hundreds of billions of dollars for asset acquisitions is one of the greatest spurs to new companies being formed in the history of America. A firm that starts with $2 or $5 million of startup capital lures venture capital and angel investors on the promise that in five years the firm can be sold to a large buyer at ten or twenty times the startup finances. The promise of potential acquisition enables start-ups and small businesses (and the venture capitalists that often fund them) to justify the upfront costs and R&D investments necessary to develop and launch innovative new products and services. And the U.S. start-up and venture capital ecosystem is thriving. In 2019, the United States had the most new “unicorn” companies—venture-backed privately held companies valued at $1 billion or more—in the world, outpacing the closest rival (China) by 56 companies.19 Merger reforms risk discouraging venture capital investment in the U.S. start-up community due to increased risk on potential returns. Reports show that the share of global venture capital invested in the United States has already fallen more than 30% in the last 15 years so new regulatory uncertainty will likely only add to this alarming trend and cause innovative start-ups and venture capital funding to move to other countries with more business-friendly policies.20

#### Foster is NEG evidence --- Wyoming cut the strawman --- Antitrust hurts innovation --- Consolidation outweighs because small firms can’t access innovation (JCCC Blue)

Dakota 1AC Foster 20. graduate student at Oxford University and a former visiting researcher at the Center for Security and Emerging Technology, 6/2/20, “Antitrust investigations have deep implications for AI and national security,” <https://www.brookings.edu/techstream/antitrust-investigations-have-deep-implications-for-ai-and-national-security/>

Secretary of Defense Mark Esper has argued that artificial intelligence is likely to shape the future of warfare, and the national-security community has largely backed that conclusion. The most recent National Defense Strategy, released in 2018, highlights AI’s importance, noting that the Pentagon will seek to harness “rapid application[s] of commercial breakthroughs…to gain competitive military advantages.” With defense officials arguing that U.S. military superiority may hinge on artificial intelligence capabilities, antitrust action aimed at America’s largest tech companies—and leading AI innovators—could affect the United States’ technological edge. But the effects of such action are highly uncertain. Will a less concentrated tech sector comprised of slightly smaller firms fuel innovation and create openings for a new generation of tech companies? Or will reductions to scale significantly hurt leading tech firms’ ability to leverage the traditional building blocks of AI innovation—like computing power and data—into breakthroughs? The answers to these questions aren’t clear cut but offer a way to begin thinking about how antitrust enforcement could impact artificial intelligence innovation and national security more broadly. Unlike some earlier national-security technologies, the commercial sector plays an outsize role in AI development. As a result, government access to both AI products and innovation hinges, in large part, on industry. While academia, private research labs, and AI start-ups offer important contributions to AI development, major American technology companies have traditionally led the field. Last year, Microsoft, Facebook, Amazon, Google, and Apple ranked among the ten largest recipients of U.S. artificial intelligence and machine learning (ML) patents

\*Wyoming Starts\*

Changes to the composition of America’s tech sector might boost net AI innovation. From 2013-2018, [**90 percent**](http://uchicagogate.com/articles/2019/10/20/its-time-break-big-tech/) of successful Silicon Valley AI start-ups were purchased by leading tech companies. This is a potentially worrisome trend for AI innovation. After all, incumbent firms and emerging companies can have very different incentives. Entrenched tech giants may be more focused on maintaining market share than disrupting markets altogether.

As Big Tech increasingly moves to acquire AI start-ups, individual firm dynamics also shift. Instead of “building for scale,” start-ups begin to “build for sale,” adopting a **mentality** that may be **ill-**suited for moonshot innovations. Would a company like DeepMind (now owned by Google parent-company Alphabet), for example, have developed AlphaGo—the ground-breaking computer program that became the first to beat a human player in Go—if the firm’s primary goal was to be acquired by a bigger player?

Antitrust action could shift these incentives and spur competition, potentially opening the door for new AI innovations—and for a new wave of AI companies. With their smaller statures, some of these firms might **focus on more niche AI applications**, including **defense**-related products, as start-ups like Anduril and ShieldAI have done. Today’s tech giants have every financial incentive to cater to foreign markets and the average consumer, not to the U.S. federal government. Indeed, with its global user-base, it is hard to imagine Google tailoring its AI innovation decisions to U.S. defense needs. The same may not hold within an AI ecosystem where some companies built, for example, in the mold of Palantir (a data-analytics company with clear national-security applications) consider government their primary customer and subsequently concentrate on its demands.

National-security agencies, from the Pentagon to the U.S. intelligence community, could stand to benefit from more targeted innovation—and from an industrial base better attuned to their needs. As Christian Brose [points out](https://www.wsj.com/articles/the-end-of-americas-era-of-military-primacy-11590155833), **only a fraction of** the U.S.’s billion-dollar tech “unicorns” have **operated in** the **defense** sector, leaving the U.S. military “**shockingly behind** the commercial world in many critical technologies.”

\*Wyoming ends\*

As Silicon Valley’s largest companies consolidate AI talent and novel ideas through acquisitions, these companies gain an ever-larger say in the future of AI. This consolidation, which antitrust action could disrupt, may not favor innovation. But breaking up major tech firms also has potential pitfalls for AI innovation. With scale comes resources, and AI innovation is resource-intensive, requiring large quantities of data, diverse datastores, and vast computing power—known as “compute” in industry jargon. American tech giants’ huge revenues uniquely equip them to fund costly AI research. Google’s DeepMind, arguably the world’s leading AI-research organization, is billions of dollars in debt and lost over $500 million in 2018 alone. Google’s fortress-like balance sheet can easily absorb the costs associated with such cutting-edge research, but smaller firms likely cannot. The economics of compute offer a concrete example of this dynamic. The rapidly increasing volume of compute required for deep learning research, coupled with compute’s prohibitively expensive prices, creates significant barriers to entry and innovation for smaller AI firms. As Microsoft co-founder Paul Allen noted in 2019, the “exponentially higher” costs of compute may leave the U.S. with only “a handful of places where you can be on the cutting edge.” Even the most well-funded independent AI organizations rely on Big Tech’s compute resources. OpenAI’s billion-dollar compute partnership with Microsoft, reached after OpenAI spent millions renting compute from leading tech firms, offers one example. Changes to firms’ scale also may impact their access to data, another key resource required for AI innovation. Studies have linked the performance of deep learning models to the quantity of data fed into them. At present, tech giants have access to unprecedented volumes of data about their users. Google, for example, can harness data from Google Search, Maps, YouTube, Gmail, and other sources. If antitrust enforcement leads to divestment or broader break-ups, access to data may diminish, lessening innovation. Would reduced access to large, internal datastores hurt U.S. tech companies’ ability to innovate relative to China, whose biggest firms have largely evaded antitrust action? Big Tech executives, including Mark Zuckerberg, have argued that antitrust action could hinder U.S. competitiveness. Data access is a growing point of concern along these lines. The U.S. National Security Commission on AI has reportedly discussed the possibility of data pooling among allied countries to “offset” any data advantage held by China. However, it remains unclear just how central big data will be to the future of AI innovation (promising ML techniques like few-shot learning are not data intensive) and how well big companies can utilize their large datasets in the first place. National security and antitrust are rarely part of the same conversation. The realities of today’s AI ecosystem should challenge that dynamic. American AI innovation is concentrated in the private sector—particularly within its largest, most dominant firms. As these firms face antitrust scrutiny, policymakers and lawmakers alike need to consider the AI ecosystem that they will have a hand in creating. They will need to contemplate its competitiveness, its innovativeness, its responsiveness to defense and national-security needs, and its accessibility to government. Will its companies have the resources to access and acquire key inputs for AI innovation like compute and data? Will the sector’s composition encourage competition at every level? Or will it stifle new growth and engage in anti-innovative practices? American leadership in AI—a key national security technology—may hinge on an AI ecosystem shaped by antitrust action. It will be imperative that innovation considerations play a role in forging it.

### 1NC --- Inequality

#### Labor markets good now --- Job hopping places upward pressure on wages and tightens the labor market

Caldwell, 12/3 (Preston Caldwell is an equity analyst for Morningstar, “What the Great Resignation Does and Doesn’t Mean for Economic Recovery”, Morning Star, Dec 3, 2021, https://www.morningstar.com/articles/1070401/what-the-great-resignation-does-and-doesnt-mean-for-economic-recovery)//babcii

the labor market presents a minor puzzle in the economic recovery, with the increase in employment in recent months seeming somewhat slow given the record rate of job openings.

While we don't see much evidence of a "Great Resignation" involving people leaving the workforce, we do see an elevated rate of job hopping, which is helping to put moderate **upward pressure on wages**. Additionally, several temporary factors are probably weighing on the return to work, including childcare, coronavirus risk, and accumulated savings from unemployment and stimulus. That said, we expect each of these factors to diminish in impact over the next year and beyond.

What’s Going on in the Labor Market?

It doesn't look yet like the labor market is a main factor in holding back the economic recovery, with other supply-side constraints playing a bigger role in the third quarter's weak gross domestic product growth--only 2% annualized, the slowest rate so far in the economic recovery.

Nevertheless, the labor market will ultimately be the most important factor in how far the economy can recover. Our [bullishness on GDP growth through 2025](https://www.morningstar.com/articles/1070015) is driven mostly by our expectation for further recovery in the labor market, specifically the labor force participation rate. Additionally, a tight labor market is the most plausible reason we could see for sustained high inflation.

**We do see clear signs of the labor market tightening**, with the starkest sign being the quits rate reaching its highest on record in September 2021. Strong **demand is pushing businesses to hire new workers** to expand their output. This has led to **a surge in job openings, which in turn has enticed workers to switch jobs** at an extraordinary rate.

While the rate at which people are rejoining the workforce has slowed, we **don't think the supply of new workers is drying up** entirely, which would put an end to the economic recovery. We expect the unemployment rate to fall to its pre-pandemic level (3.6%) by the fourth quarter of 2022, and tight labor markets should help push up labor force participation in 2022 and beyond, just as was occurring before the pandemic.

#### No populism impact – the squo solves

Strobaek 17 (Michael – global chief investment officer at Credit Suisse, “From the cacophony of populism, is a stronger middle emerging?”, CNBC, 5 July 2017, <http://www.cnbc.com/2017/07/05/from-the-cacophony-of-populism-is-a-stronger-middle-emerging.html>)

One would presume that anger breeds irrationality, radicalism and political as well as economic instability. But it need not. Anger – or let us call it, less dramatically, dissatisfaction with current affairs – can also lead to renewal and progress. Indeed, this year's elections in Europe suggest that voters are rather heading in that direction, i.e. seeking greater stability as well as reform while rejecting angry populism which has no real solutions to offer for today's major issues. With this in mind, it should thus come as no surprise that the radical right was soundly defeated in Austria, the Netherlands and France, and that the AfD (Alternative for Germany) is in rapid decline in Germany. In Finland, the radical right has just split into two, pragmatists and "purists." In Italy, too, recent local elections suggest that populist promises alone do not convince the electorate. Similarly, the setbacks for the Conservatives in the U.K. election in part represented a rejection of simplistic chauvinistic slogans. Leftist populism in demise? Conversely, we see few signs that the radical left is benefiting from this trend. Those who believe that the gains of the Labour party in the U.K. – headed by a rather dogmatic old-style socialist – suggest that leftist populists stand a good chance to govern are likely to be disappointed. Quite to the contrary, even in countries that have suffered deep crises – Spain and Greece come to mind – voters have become disillusioned with their recipes. Bernie Sanders would not, we believe, have won the U.S. election had he been the Democratic opponent of Donald Trump. Returning to what looks like a detail of the U.K. election, the very strong performance of the Conservative leader in Scotland, Ruth Davidson, an avowed "(EU) remainer" and opponent of the Scottish National Party suggests that separatism, another form of "anger," may also be on the way out. The outcome of the Catalan vote in the fall, should it take place, will be a further test of this thesis. Finally, beyond Europe, recent political shifts in Argentina and the upheaval in Brazil also suggest that leftist populism is in demise. Let us hope that Venezuela will soon be able to rid itself of one of its more extreme forms. Return to the center Putting these observations together suggests to me that voters have in fact started to head away from the extremes back to the center. Emmanuel Macron won the French election on an openly centrist platform. The state elections in Germany recently boosted Angela Merkel's centrist CDU, but even if the SPD and Martin Schulz were to win in September, this would hardly signal a turn of the electorate in a radical direction. Voters seem to be seeking politicians who offer pragmatic solutions to the complex problems of the day rather than simplistic recipes. The next U.S. president, I dare predict, is quite likely to be an avowed centrist as well. Maybe the disillusionment with radicalism – in this case of a truly brutal nature – will even strengthen forces of compromise in the Middle East at some point in the not-too-distant future. All in all, fears of significant political destabilization and systemic disruptions thus seem overdone, which may be one reason why markets, equities in particular, have been so stable and calm until recently despite rather stretched valuations. Does this mean that we will, after all, experience the unabashed victory of economic and political liberalism that Francis Fukuyama proclaimed? This remains rather unlikely, in my view, for three reasons: First, our multipolar world suggests that national and regional interests will take precedence over those promoting free markets and unfettered globalization. Second, distrust of market solutions has not been overcome, not least due to the "misdeeds" during the financial crisis.

#### Liberal International order is resilient – US leadership isn’t key

Ikenberry 18 (G. John, Professor of Politics and International Affairs in the Woodrow Wilson School of Public and International Affairs at Princeton University, “Why the Liberal Order Will Survive,” 2018, Ethics & International Affairs 32(1):17-29) \*Note: question mark symbols due to number font issues

In this essay I look at the evolving encounters between rising states and the post-war Western international order. My starting point is the classic “power transition” perspective. Power transition theories see a tight link between international order—its emergence, stability, and decline—and the rise and fall of great powers. It is a perspective that sees history as a sequence of cycles in which powerful or hegemonic states rise up and build order and dominate the global system until their power declines, leading to a new cycle of crisis and order building. In contrast, I offer a more evolutionary perspective, emphasizing the lineages and continuities in modern international order. More specifically, I argue that although America’s hegemonic position may be declining, the liberal international characteristics of order—openness, rules, multilateral cooperation—are deeply rooted and likely to persist. This is true even though the orientation and actions of the Trump administration have raised serious questions about the U.S. commitment to liberal internationalism. Just as importantly, rising states (led by China) are not engaged in a frontal attack on the American-led order. While struggles do exist over orientations, agendas, and leadership, the non-Western developing countries remain tied to the architecture and principles of a liberal-oriented global order. And even as China seeks in various ways to build rival regional institutions, there are stubborn limits on what it can do. Power Transitions and International Order There is wide agreement that the world is witnessing a long-term global power transition. Wealth and power is diffusing, spreading outward and away from Europe and the United States. The rapid growth that marked the non-Western rising states in the last decade may have ended, and even China’s rapid economic ascendency has slowed. But the overall pattern of change remains: the “rest” are gaining ground on the “West.” While there is wide agreement that the world is witnessing a global power transition, there is less agreement on the consequences of power shifts for international order. The classic view is advanced by realist scholars, such as E. H. Carr, Robert Gilpin, Paul Kennedy, and William Wohlforth, who make sweeping arguments about power and order. These hegemonic realists argue that international order is a by-product of the concentration of power. Order is created by a powerful state, and when that state declines and power diffuses, international order weakens or breaks apart. Out of these dynamic circumstances, a rising state emerges as the new dominant state, and it seeks to reorganize the international system to suit its own purposes. In this view, world politics from ancient times to the modern era can be seen as a series of repeated cycles of rise and decline. War, protectionism, depression, political upheaval—various sorts of crises and disruptions may push the cycle forward. This narrative of hegemonic rise and decline draws on the European and, more broadly, Western experience. Since the early modern era, Europe has been organized and reorganized by a succession of leading states and would-be hegemons: the Spanish Hapsburgs, France of Louis XIV and Napoleon, and post-Bismarck Germany. The logic of hegemonic order comes even more clearly into view with Pax Britannica, the nineteenth-century hegemonic order based on British naval and mercantile dominance. The decline of Britain was followed by decades of war and economic instability, which ended only with the rise of Pax Americana. For hegemonic realists, the debate today is about where the world is along this cyclical pathway of rise and decline. Has the United States finally lost the ability or willingness to underwrite and lead the post-war order? Are we in the midst of a hegemonic crisis and the breakdown of the old order? And are rising states, led by China, beginning to step forward in efforts to establish their own hegemonic dominance of their regions and the world? These are the lurking questions of the power transition perspective. But does this vision of power transition truly illuminate the struggles going on today over international order? Some might argue no—that the United States is still in a position, despite its travails, to provide hegemonic leadership. Here one would note that there is a durable infrastructure (or what Susan Strange has called “structural power”) that undergirds the existing American-led order. Far-flung security alliances, market relations, liberal democratic solidarity, deeply rooted geopolitical alignments—there are many possible sources of American hegemonic power that remain intact. But there may be even deeper sources of continuity in the existing system. This would be true if the existence of a liberal-oriented international order does not in fact require hegemonic domination. It might be that the power transition theory is wrong: the stability and persistence of the existing post-war international order does not depend on the concentration of American power. In fact, international order is not simply an artifact of concentrations of power. The rules and institutions that make up international order have a more complex and contingent relationship with the rise and fall of state power. This is true in two respects. First, international order itself is complex: multilayered, multifaceted, and not simply a political formation imposed by the leading state. International order is not “one thing” that states either join or resist. It is an aggregation of various sorts of ordering rules and institutions. There are the deep rules and norms of sovereignty. There are governing institutions, starting with the United Nations. There is a sprawling array of international institutions, regimes, treaties, agreements, protocols, and so forth. These governing arrangements cut across diverse realms, including security and arms control, the world economy, the environment and global commons, human rights, and political relations. Some of these domains of governance may have rules and institutions that narrowly reflect the interests of the hegemonic state, but most reflect negotiated outcomes based on a much broader set of interests. As rising states continue to rise, they do not simply confront an American-led order; they face a wider conglomeration of ordering rules, institutions, and arrangements; many of which they have long embraced. By separating “American hegemony” from “the existing international order,” we can see a more complex set of relationships. The United States does not embody the international order; it has a relationship with it, as do rising states. The United States embraces many of the core global rules and institutions, such as the United Nations, International Monetary Fund (IMF), World Bank, and World Trade Organization. But it also has resisted ratification of the Law of the Sea Convention and the Convention on the Rights of the Child (it being the only country not to have ratified the latter) as well as various arms control and disarmament agreements. China also embraces many of the same global rules and institutions, and resists ratification of others. Generally speaking, the more fundamental or core the norms and institutions are—beginning with the Westphalian norms of sovereignty and the United Nations system—the more agreement there is between the United States and China as well as other states. Disagreements are most salient where human rights and political principles are in play, such as in the Responsibility to Protect. Second, there is also diversity in what rising states “want” from the international order. The struggles over international order take many different forms. In some instances, what rising states want is more influence and control of territory and geopolitical space beyond their borders. One can see this in China’s efforts to expand its maritime and political influence in the South China Sea and other neighboring areas. This is an age-old type of struggle captured in realist accounts of security competition and geopolitical rivalry. Another type of struggle is over the norms and values that are enshrined in global governance rules and institutions. These may be about how open and rule-based the system should be. They may also be about the way human rights and political principles are defined and brought to bear in relations among states. Finally, the struggles over international order may be focused on the distribution of authority. That is, rising states may seek a greater role in the governance of existing institutions. This is a struggle over the position of states within the global political hierarchy: voting shares, leadership rights, and authority relations. These observations cut against the realist hegemonic perspective and cyclical theories of power transition. Rising states do not confront a single, coherent, hegemonic order. The international order offers a buffet of options and choices. They can embrace some rules and institutions and not others. Moreover, stepping back, the international orders that rising states have faced in different historical eras have not all been the same order. The British-led order that Germany faced at the turn of the twentieth century is different from the international order that China faces today. The contemporary international order is much more complex and wide-ranging than past orders. It has a much denser array of rules, institutions, and governance realms. There are also both regional and global domains of governance. This makes it hard to imagine an epic moment when the international order goes into crisis and rising states step forward—either China alone or rising states as a bloc—to reorganize and reshape its rules and institutions. Rather than a cyclical dynamic of rise and decline, change in the existing American-led order might best be captured by terms such as continuity, evolution, adaptation, and negotiation. The struggles over international order today are growing, but it is not a drama best told in terms of the rise and decline of American hegemony. Sources of Continuity in Liberal International Order If the liberal international order endures, it will be because it is based on more than American hegemonic order. To be sure, the United States did give shape to a distinctive post-war liberal hegemonic system, and many of its features— including the American-led alliance system and multilateral economic governance arrangements—are themselves quite durable. But the broader features of the modern international order are the result of centuries of struggle over its organizing principles and institutions. Rising states face an international order that is long in the making, one that presents these non-Western developing states with opportunities as well as constraints. The struggles over the existing international order will reshape the rules and institutions in the existing system in various ways. But rising states are not simply or primarily “revisionist” states seeking to overturn the order; rather, they are seeking greater access and authority over its operation. Indeed, the order creates as many safeguards and protections for rising states as it creates obstacles and constraints. For example, the World Trade Organization provides rules and mechanisms for rising states to dispute trade discrimination and protect access to markets. After all, more generally, it was this liberal-oriented international order—its openness and rules—that provided the conditions for China and other rising states to rise. Indeed, if the liberal international order survives, it will be in large part due to the fact that the constituencies for such an order that stretch across the Western and the non-Western worlds are larger than the constituencies that oppose it. We can look more closely at these sources of continuity and constituency.

# 2NC

## BBB DA

### 2NC --- O/V

#### outweighs nuke war

McDonald, 19 writer and geography PhD student at University of Oxford studying the intersection of grassroots movements and energy transition. (Samuel Miller, 1-4-2019, “Deathly Salvation”, *The Trouble*, https://www.the-trouble.com/content/2019/1/4/deathly-salvation)

A devastating fact of climate collapse is that there may be a silver lining to the mushroom cloud. First, it should be noted that a nuclear exchange does not inevitably result in apocalyptic loss of life. Nuclear winter—the idea that firestorms would make the earth uninhabitable—is based on shaky science. There’s no reliable model that can determine how many megatons would decimate agriculture or make humans extinct. Nations have already detonated 2,476 nuclear devices. An exchange that shuts down the global economy but stops short of human extinction may be the only blade realistically likely to cut the carbon knot we’re trapped within. It would decimate existing infrastructures, providing an opportunity to build new energy infrastructure and intervene in the current investments and subsidies keeping fossil fuels alive. In the near term, emissions would almost certainly rise as militaries are some of the world’s largest emitters. Given what we know of human history, though, conflict may be the only way to build the mass social cohesion necessary for undertaking the kind of huge, collective action needed for global sequestration and energy transition. Like the 20th century’s world wars, a nuclear exchange could serve as an economic leveler. It could provide justification for nationalizing energy industries with the interest of shuttering fossil fuel plants and transitioning to renewables and, uh, nuclear energy. It could shock us into reimagining a less ~~suicidal~~ civilization, one that dethrones the death-cult zealots who are currently in power. And it may toss particulates into the atmosphere sufficient to block out some of the solar heat helping to drive global warming. Or it may have the opposite effects. Who knows? What we do know is that humans can survive and recover from war, probably even a nuclear one. Humans cannot recover from runaway climate change. Nuclear war is not an inevitable extinction event; six degrees of warming is.

#### Turns every impact.

Torres, 16 (Phil Torres; author, Affiliate Scholar @ Institute for Ethics and Emerging Technologies, founder of the X-Risks Institute, published articles for Bulletin of the Atomic Scientists, Salon, Journal of Future Studies, and the Journal of Evolution and Technology; 7-22-2016, "Op-ed: Climate Change Is the Most Urgent Existential Risk," FLI - Future of Life Institute, http://futureoflife.org/2016/07/22/climate-change-is-the-most-urgent-existential-risk/, accessed 8-9-2016)

For example, according to the Intergovernmental Panel on Climate Change, the effects of climate change will be “severe,” “pervasive,” and “irreversible.” Or, as [a 2016 study](http://www.climate.unibe.ch/~stocker/papers/clark16natcc.pdf) published in Nature and authored by over twenty scientists puts it, the consequences of climate change “will extend longer than the entire history of human civilization thus far.” Furthermore, [a recent article](http://advances.sciencemag.org/content/1/5/e1400253.full?con=&dom=pscau&src=syndication) in Science Advances confirms that humanity has already escorted the biosphere into the sixth mass extinction event in life’s 3.8 billion year history on Earth. Yet [another study](http://www.nature.com/nature/journal/v486/n7401/full/nature11018.html) suggests that we could be approaching a sudden, irreversible, catastrophic collapse of the global ecosystem. If this were to occur, it could result in “widespread social unrest, economic instability and loss of human life.” Given the potential for environmental degradation to elevate the likelihood of nuclear wars, nuclear terrorism, engineered pandemics, a superintelligence takeover, and perhaps even an [impact winter](https://en.wikipedia.org/wiki/Impact_winter), it ought to take precedence over all other risk concerns — at least in the near-term. Let’s make sure we get our priorities straight.

#### Independently Wasted political capital causes extinction --- laws won’t be followed and triggers war.

Sensiba, 20 (MA in Emergency Management and Homeland Security at American Military University (Jennifer - long time efficient vehicle enthusiast and writer, “Don’t Encourage Biden To Waste Political Capital,” <https://cleantechnica.com/2020/11/06/dont-encourage-biden-to-waste-political-capital/>, 11/6/2020)

It’s All About Political Capital

In short, political capital is a way to think about political power in democratic countries. Yes, winning elections does give some political power, but you can’t effectively use it unless you have coalitions, alliances, trust, goodwill, and influence. Your earned trust and connections are like money (capital). You can work hard to earn it and build it up, but it’s easy to spend it and even waste it, just like money.

If you get power from an election and then quickly spend all of the political capital impressing loyalists, you’ll get to the point where you can’t win future elections (Trump is a great example of this), can’t get votes together for legislation, and can’t get people to help you in a variety of other ways. At worst, a political leader who has run completely out of political capital might not even be able to get normal citizens to follow laws. As the consent of the governed is withdrawn, you see protests, riots, violence, terrorism, and even war.

### 2NC --- AT: manchild

#### Build back better passes now – biden is hell bent but PC and focus key to get manchin on board

Mervis 1-3 (Jeffrey Mervis, Jeff reports on science policy in the United States and around the world in an effort to explain to scientists how government works, 1-3-2022, "Will Congress deliver big funding boosts for science? Here’s your guide," Science, <https://www.science.org/content/article/will-congress-deliver-big-funding-boosts-science-here-s-your-guide> accessed: 1-3-21)//bp

BBB Unlike USICA, the $2.2 trillion BBB package would, if passed, immediately allow new government spending. But BBB, which is seen by both parties as a test of Biden’s ability to advance his agenda, is much more politically contentious than USICA. It faces universal Republican opposition and will require the support of all 50 Democrats in the Senate to pass. So far, however, Biden has been unable to get them to agree on a final bill. Most of the battles over BBB have focused on its efforts to strengthen the nation’s social safety net, including universal prekindergarten and expanded housing and health care benefits. But it also includes aggressive steps to reduce the devastating impacts of climate change and tens of billions of dollars for fundamental research. NSF would get $3.5 billion, for example, with half going to the new technology directorate. DOE science would receive almost $1 billion, and DOE’s applied research programs an additional $4.5 billion, whereas NIST would get $1.25 billion. Those amounts were much lower than what was in Biden’s original $3.5 trillion blueprint. (The initial House allocation was $11 billion for NSF, for example, and $12.8 billion for DOE science.) But they are still substantial, says lobbyist Leland Cogliani, who tracks energy programs for Lewis-Burke Associates. “Build Back Better was supposed to be our savior, the rising tide that would lift all boats,” he says. The House acted first on Biden’s pared-down proposal, approving it on 19 November on a party line 220-to-213 vote. The bill’s fate is now in the hands of the Senate, where Democratic leaders hope to pass it using an arcane process, known as budget reconciliation, that allows legislation to advance with just 50 yes votes, instead of the usual 60. The biggest sticking point for Democrats has been Senator Joe Manchin (D–WV), who has long objected to the bill’s overall size. His latest declaration of opposition, on 19 December 2021, dashed Biden’s hope of achieving a pre-Christmas victory. But many science lobbyists believe Manchin and the White House will ultimately strike a deal on a slimmed-down BBB—or a series of related bills—that is likely to retain many of its science and climate provisions. “Yes, if you compare it to a year ago, a lot of air has come out of the Build Back Better balloon,” says lobbyist Joel Widder, co-founder of Federal Science Partners. “But I think there will be a resurrection in January.” And he and other science advocates are heartened by the fact that Manchin included $5 billion for DOE science when the Energy and Natural Resources Committee he chairs was asked last month to provide its input on the bill. “The research component—both in climate and in energy—has never been an issue for Manchin,” Widder says. Annual spending bills The media attention given to the BBB fight has obscured another important challenge facing Congress in the weeks ahead—adopting a budget for the 2022 fiscal year that ends on 30 September so that the government doesn’t shut down. Last fall, legislators took the increasingly common path of avoiding a shutdown by freezing spending at existing levels. But that temporary solution, called a continuing resolution, expires on 18 February. Its adoption halted progress on 12 individual spending bills covering various clusters of agencies. And, for researchers, the stopgap measure cast doubt on the fate of healthy increases that lawmakers had proposed for key research agencies, including the National Institutes of Health, NASA, NSF, DOE, the U.S. Geological Survey, and NIST’s in-house labs. But those increases won’t go into effect unless lawmakers agree on overall 2022 spending levels—which could be difficult. Pro-defense legislators, for example, want to boost Biden’s proposed minimal increase for military spending and to whittle down his sizable boost to domestic programs. (Science budgets historically have risen in step with an overall increase in domestic spending.) There’s also the perennial fight over retaining antiabortion language. If agreement can’t be reached, lawmakers could decide to sacrifice their authority to set spending on myriad programs in favor of a yearlong continuing resolution that would sidestep those contentious issues. If Congress goes that route, scientists will need to shelve their expectations for a major increase in federal research spending this year. And they will have to hope that Biden’s 2023 budget request, which he is expected to send to Congress in early spring, once again asks for increases at most science agencies. Optimism amid complications Despite the ample complications and uncertainty surrounding USICA, BBB, and the annual spending bills, science lobbyists remain cautiously optimistic that research will get a boost from Congress this year. They concede that political battles have disrupted what the Biden administration and congressional Democrats had hoped would be an orderly, sequential legislative process that would have first provided guidance to federal research agencies through USICA, then used BBB to set overall spending levels for key agencies, and finally filled in the details with individual appropriations bills. “That would have been the logical sequence,” says one veteran lobbyist and former congressional staffer. “But it’s probably not going to happen that way.” Still, they see Schumer’s determination to finalize USICA, and the bipartisan support it has received, as a good sign. And they believe Biden has a reasonable chance of pushing some version of BBB through the Senate. “Biden is hell-bent on another significant legislative accomplishment before the mid-term [elections],” Widder says. “And the research provisions don’t have any enemies. I like its chances.”

#### Progressives going on offense and massive ad campaigns will get Manchin to blink

Frazao, 1-3 (Kristine Frazao is an Emmy Award winning journalist, working as a National Correspondent for Sinclair Broadcast Group, “New year brings old routine for Democrats: courting Joe Manchin”, Local12, 1-3-22, https://local12.com/news/nation-world/new-year-brings-old-routine-for-democrats-courting-joe-manchin)//babcii

WASHINGTON (TND) – A new year on Capitol Hill may bring back an old routine for Democrats: courting Joe Manchin.

At a[Dec. 20 press conference](https://www.youtube.com/watch?v=Lvoe7Hl0WSU) in San Francisco, House Speaker Nancy Pelosi, D-California, was asked about the West Virginia senator's decision to not support the Build Back Better bill in its current form.

“I have confidence that Senator Manchin cares about the country, and that at some point very soon we can take up the legislation," she said.

Democrats had hoped to pass that legislation – which needed support from all 50 Democrats – before Christmas, but that plan fell apart after Manchin said [this on Fox News Sunday](https://www.youtube.com/watch?v=h61hhGMe_oA&t=560s)on Dec. 19:

“I cannot vote to continue with this piece of legislation.”

But there is [growing evidence](https://www.politico.com/news/2021/12/20/biden-and-manchin-speak-525788) he may be returning to the negotiating table. Axios [reported](https://www.axios.com/scoop-manchin-new-play-2cb59ff0-1577-44bf-81a4-a0d72b7e9be2.html?utm_source=twitter&utm_medium=social&utm_campaign=editorial&utm_content=politics-manchin)he’s "open to re-engaging" and "stayed in touch with White House officials over the holidays."

Some **Progressives have been on offense.**

Rep. Pramila Jayapal, D-Washington, wrote [an op-ed](https://www.washingtonpost.com/opinions/2021/12/26/pramila-jayapal-joe-manchin-build-back-better/?utm_campaign=wp_main&utm_medium=social&utm_source=twitter)in The Washington Post, suggesting that the legislative process can be bypassed and calling on the White House to use executive action.

Other Democrats are instead trying to appeal to Manchin's constituents, making the case that President Joe Biden’s agenda is good for West Virginians.

In a Dec. 31 interview with CNN, Rep. Barbara Lee, D-California, said,

"It's an ethical issue that we have to step up to, so I’m hoping that Joe Manchin understands that his constituents like many of mine live below the poverty line and they need the child tax credit.”

The child tax credit has been a major sticking point for Manchin, who is calling for far more accountability and argues it should only go to those who need it.

In [an interview](https://wvmetronews.com/channel/talkline/)with Hoppy Kerheval on Talkline with WV Metro News, Manchin said, “Do you believe people making $200,000 and $400,000 should still get the child tax credit, the same as someone making $50, $60 or $70,000, that really needs it ?”

And it’s not just lawmakers hoping to win over the West Virginia senator – special interest groups have **launched all-out ad wars**, spending $10 million in ads directly targeting Manchin, [according to Punchbowl news,](https://email.punchbowl.news/t/ViewEmail/t/997F6EBEEFD59FBB2540EF23F30FEDED/E92ECDC31263986E74AF8F7A76570606?alternativeLink=False)with about a third of that money specifically focused on Build Back Better.

#### Manchin is in talks now – at worst they remove the CTC

Elkind, 1-3 (Elizabeth Elkind, Politics reporter for dailymail, “[Manchin open to Build Back Better if child tax credits are cut: Report](https://www.dailymail.co.uk/news/article-10364623/Manchin-reopen-talks-Biden-Build-Better-child-tax-credits-limited-Report.html)”, dailymail, 1-3-22, https://www.dailymail.co.uk/news/article-10364623/Manchin-reopen-talks-Biden-Build-Better-child-tax-credits-limited-Report.html)//babcii

West Virginia Senator Joe Manchin could get back on board with President Joe Biden's Build Back Better bill, provided Democrats cut out or severely limit the spending bill's enhanced child tax credit extension, a report out Monday suggests.

Manchin is willing to talk about the $1.75 trillion package's provisions on climate change and child care measures, indicating Biden's agenda may not be dead in the water before the November midterm elections, sources told Axios.

But the enhanced child tax credit, an extension of a measure in Biden's American Rescue Plan, would either have to be eliminated altogether or its income cap for eligible families significantly raised.

The boost, which raised the child tax benefit from $2,000 per child to up to $3,600 for children under 6, expired last week at the end of 2021.

The moderate Democrat delivered a death blow to Senate Majority Leader Chuck Schumer's goal of passing the president's agenda before the end of the year when he announced on Fox News Sunday that he couldn't vote for the social and climate reform legislation.

In the following days it was revealed Manchin had presented his own alternate Build Back Better proposal to the White House which did include climate and healthcare measures but notably excluded the child tax credit, the Washington Post first reported.

The key centrist also reportedly told Biden that he'd be open to some form of a billionaire's tax to pay for the progressive spending bill.

#### More ev

Benen, 1-3 ([Steve Benen](https://www.nbcnews.com/author/steve-benen-ncpn433601), producer for "The Rachel Maddow Show," the editor of MaddowBlog and an MSNBC political contributor, “Senate Democrats set the stage for action on multiple fronts”, MSNBC, 1-3-22, https://www.msnbc.com/rachel-maddow-show/senate-democrats-set-stage-action-multiple-fronts-n1286868)//babcii

At this point two weeks ago, the Democrats' Build Back Better agenda was [effectively dead](https://www.msnbc.com/rachel-maddow-show/joe-manchin-rejects-build-back-better-what-happens-now-n1286297). Democratic Sen. Joe Manchin of West Virginia announced on Fox News that he wouldn't back the legislation; the White House was apoplectic; and the intra-party recriminations were well under way.

But the door wasn't completely closed. President Joe Biden took [incremental steps](https://www.msnbc.com/rachel-maddow-show/democrats-rally-keep-biden-s-build-back-better-agenda-alive-n1286428) to keep the negotiations going, and Politico [reported](https://www.politico.com/newsletters/playbook/2021/12/22/schumer-and-manchin-face-off-on-zoom-495536?8) on Dec. 22, "[F]or the first time since Manchin blew up everything, we are hearing some notes of optimism from Democratic senators."

It was against this backdrop that Axios [reported](https://www.axios.com/scoop-manchin-new-play-2cb59ff0-1577-44bf-81a4-a0d72b7e9be2.html) overnight:

Sen. Joe Manchin (D-W.Va.) is open to reengaging on the climate and child care provisions in President Biden's Build Back Better agenda if the White House removes the enhanced child tax credit from the $1.75 trillion package — or dramatically lowers the income caps for eligible families, people familiar with the matter tell Axios.

It's still difficult to envision what a final deal might look like, but the fact that the talks are ongoing reinforces the impression that the BBB package has a pulse. Axios' report added the conservative West Virginian remained "in touch with senior White House officials over the holidays."

For Democrats and those who might benefit from the Build Back Better agenda, difficult negotiations are preferable to no negotiations.

### 2NC --- AT: warming gets zapped

#### Climate provisions won’t get zapped – it’s the one thing guaranteed to pass with PC

**Becker, 1/3** (Bernie Becker, Becker has degrees from the College of William and Mary and the University of Maryland, 1-6-2022, accessed on 1-4-2022, POLITICO, "It's 2022. How does the BBB look now?", https://www.politico.com/newsletters/weekly-tax/2022/01/03/its-2022-how-does-the-bbb-look-now-799633)//Babcii

Majority Leader Chuck **Schumer has said the Senate will vote on the social spending package early this year**, though he hasn't offered many more details than that. (Axios reported that Senate Democrats will start working through that question as soon as today.)

But there are plenty of people who still believe there’s a **chance for Manchin, Biden and** Democratic congressional **leaders** to find some sort of agreement, by choosing just a handful of the policy initiatives currently in Build Back Better and enacting them more long-term.

For months now, lobbyists and aides have thought that the most likely fallback option for Democrats would center around **climate provisions** and the newly expanded Child Tax Credit, though those monthly child payments might need some changes to get Manchin’s approval.

But there’s definitely incentive for Senate Democrats to move quickly, with it already a midterm election year and their House counterparts not pleased that they passed a big tax-and-spend package only to see it stall across the way.

### 2NC --- Link Wall (Tech)

#### 3. The plan is controversial

Folio 21 Joseph Charles Folio III Of Counsel, David J. Shaw Partner, and Alexander Paul Okuliar Co-chair Global Antitrust Law Practice Group, 3-25-2021, " FTC Lays Groundwork for Rulemakings: Are New Substantive Competition Rules Coming?," No Publication, https://www.mofo.com/resources/insights/210511-ftc-lays-groundwork-rulemakings.html

In addition to the rulemaking proposal at the FTC, there is heightened activity on the Hill that may lead to reform in one way or another. The antitrust subcommittees in the Senate and the House have held numerous hearings on these competition issues, and legislators from both parties are debating different proposals to change the antitrust laws. In particular, in 2020, the House Judiciary Committee’s Antitrust Subcommittee conducted a bipartisan investigation into competition in digital markets. At the conclusion of the Subcommittee’s investigation, the Democratic majority issued a lengthy report finding that major digital companies were violating existing antitrust laws and recommending extensive changes to the law that could dramatically reshape how companies are allowed to operate.[17] Significantly, the report questioned the consumer welfare standard—the touchstone of antitrust enforcement for the past 50 years—and criticized the Supreme Court for “adopting a narrow construction of ‘consumer welfare’ as the sole goal of the antitrust laws.”[18] The report’s recommendations “for future consideration” included breaking up major digital companies in order to separate “adjacent lines of business,” mandating nondiscrimination and prohibiting self-preferencing, requiring interoperability and data portability, prohibiting mergers and acquisitions by “dominant platforms,” and prohibiting “abuses of superior bargaining power.”[19] Although the House Judiciary committee officially adopted the report on a party-line vote, aspects of its findings had bipartisan support. The Republican minority’s (more limited) companion report identified several areas of agreement, including concerns that tech companies were “using ‘killer acquisitions’ to remove up-and-coming competitors from the marketplace,” and that the burdens of proof for mergers and predatory pricing cases required reevaluation.[20] These narrow areas of agreement reflect a shared interest in action, which may embolden reformers, but most of the antitrust bills introduced this Congress seem intended more to “signal” to core constituencies rather than make new law. For these reasons, aside from modest proposals to increase funding for antitrust enforcement, significant bipartisan antitrust legislation remains unlikely. In an environment where broad antitrust legislation remains out of reach, the committee report is more likely to serve as a roadmap for future FTC rulemaking, especially insofar as one of its authors is set to become an FTC commissioner.

#### 4. The tech lobby fights the aff – they are *absurdly* powerful – that eats up PC and causes fights

-The tech lobby would get involved, might even have to intervene…

Kang 19 (Cecilia Kang and Kenneth P. Vogel, 6-5-2019, "Tech Giants Amass a Lobbying Army for an Epic Washington Battle (Published 2019)," NYT, <https://web.archive.org/web/20210810105317/https://www.nytimes.com/2019/06/05/us/politics/amazon-apple-facebook-google-lobbying.html> accessed: 8-22-21)

WASHINGTON — Faced with the growing possibility of antitrust actions and legislation to curb their power, four of the biggest technology companies are amassing an army of lobbyists as they prepare for what could be an epic fight over their futures. Initially slow to develop a presence in Washington, the tech giants — Amazon, Apple, Facebook and Google — have rapidly built themselves into some of the largest players in the influence and access industry as they confront threats from the Trump administration and both parties on Capitol Hill. The four companies spent a combined $55 million on lobbying last year, doubling their combined spending of $27.4 million in 2016, and some are spending at a higher rate so far this year, according to the Center for Responsive Politics, which tracks lobbying and political contributions. That puts them on a par with long-established lobbying powerhouses like the defense, automobile and banking industries. As they have tracked increasing public and political discontent with their size, power, handling of user data and role in elections, the four companies have intensified their efforts to lure lobbyists with strong connections to the White House, the regulatory agencies, and Republicans and Democrats in Congress. Of the 238 people registered to lobby for the four companies in the first three months of this year — both in-house employees and those on contract from lobbying and law firms — about 75 percent formerly served in the government or on political campaigns, according to an analysis of lobbying and employment records. Many worked in offices or for officials who could have a hand in deciding the course of the new governmental scrutiny. The influence campaigns encompass a broad range of activities, including calls on members of Congress, advertising, funding of think-tank research and efforts to get the attention of President Trump, whose on-again, off-again streak of economic populism is of particular concern to the big companies. Last month, the industry lobbying group, the Internet Association, which represents Amazon, Facebook and Google, awarded its Internet Freedom Award to Ivanka Trump, the president’s daughter and White House senior adviser. “They are no longer upstarts dipping a toe in lobbying,” said Sheila Krumholz, the executive director of the Center for Responsive Politics. “They have both feet in.” Facebook and Google are dogged by concerns over their handling of consumer data, harmful content and misinformation. Amazon’s rapid expansion has been met with unease over labor conditions and the company’s effect on small businesses. Apple’s control over its app store makes it hard for new apps to get discovered, some rivals say. Earlier this week, the threat of government action became more real, driving down their stock prices. The House Judiciary Committee announced a broad antitrust investigation into big tech. And the two top federal antitrust agencies agreed to divide oversight over Apple, Amazon, Facebook and Google as they explore whether the companies have abused their market power to harm competition and consumers. “Unwarranted, concentrated economic power in the hands of a few is dangerous to democracy — especially when digital platforms control content,” Speaker Nancy Pelosi tweeted after the Judiciary Committee announced its investigation. “The era of self-regulation is over.” The industry’s troubles mean big paydays for the lawyers, political operatives and public relations experts hired to ward off regulations, investigations and lawsuits that could curtail the companies’ huge profits. The companies all had earlier ties to Democrats but have also worked to develop closer relationships with Republicans. Facebook is paying two lobbyists who worked for Ms. Pelosi, including her former chief of staff Catlin O’Neill, who now serves as a director of United States public policy for the social media company. Ms. Pelosi received nearly $43,000 in total donations for her 2018 re-election campaign from employees and political action committees of Facebook, Amazon and Alphabet, Google’s corporate parent — each of which ranked among her top half-dozen sources of campaign cash. She had been a champion of tech companies, which have a robust presence in her district in California. But her support for the industry appeared more tenuous last month, when she said Facebook’s refusal to take down a doctored video of her that made her appear drunk demonstrated how the social network contributed to misinformation and enabled Russian interference in the 2016 election. Google is paying two contract lobbyists who worked as lawyers on the Republican staff of the House Judiciary Committee. One of the lawyers, Sean McLaughlin, also served as a deputy assistant attorney general under President George W. Bush. “Having conducted congressional investigations from the inside, Sean is able to counsel clients on how to respond to them from the outside,” reads Mr. McLaughlin’s biography on the website of his firm, Hunton Andrews Kurth LLP, which was paid $50,000 by Google to lobby Congress during the first three months of the year, according to lobbying records. The Washington office of Amazon, whose chief executive, Jeff Bezos, has drawn regular criticism from Mr. Trump, is led by a former Federal Trade Commission official, Brian Huseman. And its roster of outside lobbyists includes three Democratic former members of Congress — Norm Dicks of Washington, Vic Fazio of California and Kendrick B. Meek of Florida — as well as two former Justice Department lawyers. One of them, Seth Bloom, was a trial lawyer in the department’s antitrust division in the late 1990s before going on to work on antitrust issues for the Senate Judiciary Committee’s Democratic staff. He went on to lobby for Amazon, including in connection with its purchase in 2017 of the grocery chain Whole Foods, which required a review of competition concerns by the Federal Trade Commission. Amazon paid $30,000 to Mr. Bloom’s firm to lobby Congress on issues “related to competition in technology industries” during the first three months of the year. In that span, Amazon also paid $70,000 to the lobbying firm of a top Trump fund-raiser, Brian Ballard, to lobby Congress and the administration. Top-tier lobbyists in Washington can make millions of dollars a year. One of the lobbyists on the account for Mr. Ballard’s firm, Daniel F. McFaul, worked on Mr. Trump’s presidential transition team and then briefly as chief of staff for Representative Matt Gaetz, Republican of Florida. Mr. Gaetz is a member of a House Judiciary subcommittee that is planning a set of hearings, testimony from executives of top companies and subpoenas for internal corporate documents. Even before Senator Josh Hawley, Republican of Missouri, was sworn in at the beginning of the year, the tech companies reached out to him. Mr. Hawley had investigated Google as his state’s attorney general, and the industry saw him as a threat. Facebook called, as did Twitter and Google. This winter, in Mr. Hawley’s windowless temporary office, the lobbyists for the companies came to meet with Mr. Hawley’s aides, arguing that their companies contributed to Missouri’s economy and were innovative businesses that did more good than harm for consumers, according to a person familiar with the meetings. “There is a burgeoning awareness that there is a big problem with the dominance of big tech,” Mr. Hawley said in a recent interview. “Big tech may be more socially powerful than the trusts of the Roosevelt era, and yet they still operate like a black box.” The internet giants have learned from the hard lessons of Microsoft, which was caught flat-footed with a sparse lobbying presence in the 1990s when federal antitrust officials called for a breakup of the software giant. Google has especially been forced to deal with regulatory issues, both in Europe, where it has been hit with three multibillion-dollar penalties, and in the United States, where it escaped an Obama administration-era Federal Trade Commission investigation without any action being taken. The companies have separately argued that they have not violated antitrust laws. Google and Facebook say that their services are free and do not harm competitors and that consumers can turn to alternative search and social networking apps. Amazon has said it has a large share of online commerce but only a small fraction of the overall retail market. And Apple argues that the majority of apps in its store are free and that the company rejects only apps that violate its policies on hate speech and pornography, for instance, or try to take too much data from users. “We have seen these tech companies escape accountability for years,” said Lisa Gilbert, the vice president of legislative affairs for the government watchdog group Public Citizen. The group, which has called for more user data protections and for breaking up Facebook, published a study last month showing that in the last two decades, 59 percent of top Federal Trade Commission officials who left the agency entered financial relationships with technology interests regulated by it. The head of the Justice Department’s antitrust division, Makan Delrahim, was paid as a contract lobbyist by Google in 2007 to win approval for its acquisition of DoubleClick, which had drawn antitrust concerns. He is now facing pressure to recuse himself if the Justice Department pursues an investigation of the company. Federal employees are barred from working on specific issues that affect their former private sector employers or interests, and generally face “cooling off” periods of one to two years after leaving government, during which they cannot lobby their former colleagues. But there are all manner of loopholes. Ms. Gilbert’s group has called for stricter conflict-of-interest provisions. She said that “in this moment of enhanced scrutiny, the tech companies are going to be looking for those who have the Rolodexes that matter to try to stop regulation and legislation of the type that’s required to protect consumers.” It is hard to avoid the increasing prominence of the companies in Washington. They finance some of the most influential think tanks from across the political spectrum, sometimes making it difficult for critical voices to win funding. Google and Facebook have provided funding to hundreds of influential trade groups and think tanks across the ideological spectrum, including the U.S. Chamber of Commerce, the American Conservative Union, the Brookings Institution and the Center for American Progress. In the spring of 2018, Facebook moved into a new office with room for as many as 200 lobbyists, policy experts and engineers for its Washington-based security team. With a full cafeteria, soaring ceilings, wall-size abstract art and concrete floors, the office copies its look from Facebook’s Frank Gehry-designed headquarters in Menlo Park, Calif. Apple is preparing to move into a bigger office, and Google recently opened one of the city’s biggest corporate lobbying offices. Amazon also opened a new office near Capitol Hill, where it regularly hosts policy events with members of Congress. And Amazon recently announced that it would place a second corporate headquarters across the Potomac River from downtown Washington, in Arlington, Va. Last December, in the evening after Google’s chief executive, Sundar Pichai, testified for the first time at a House hearing, the company hosted a holiday party with hundreds of government officials at the trendy Wharf along the Potomac. Scores of lawmakers, including Representatives Debbie Wasserman Schultz, Democrat of Florida, and Darrell Issa, Republican of California, gathered under neon displays of YouTube and Google. Mr. Issa, who had questioned Mr. Pichai earlier in the day and was within weeks of leaving office, was waiting near one of several open bars for a cocktail.

### 2NC --- AT: impact defense

#### Warming leads to extinction.

Kareiva 18, Ph.D. in ecology and applied mathematics from Cornell University, director of the Institute of the Environment and Sustainability at UCLA, Pritzker Distinguished Professor in Environment & Sustainability at UCLA, et al. (Peter, “Existential risk due to ecosystem collapse: Nature strikes back,” *Futures*, 102)

In summary, six of the nine proposed planetary boundaries (phosphorous, nitrogen, biodiversity, land use, atmospheric aerosol loading, and chemical pollution) are unlikely to be associated with existential risks. They all correspond to a degraded environment, but in our assessment do not represent existential risks. However, the three remaining boundaries (climate change, global freshwater cycle, and ocean acidification) do pose existential risks. This is because of intrinsic positive feedback loops, substantial lag times between system change and experiencing the consequences of that change, and the fact these different boundaries interact with one another in ways that yield surprises. In addition, climate, freshwater, and ocean acidification are all directly connected to the provision of food and water, and shortages of food and water can create conflict and social unrest. Climate change has a long history of disrupting civilizations and sometimes precipitating the collapse of cultures or mass emigrations (McMichael, 2017). For example, the 12th century drought in the North American Southwest is held responsible for the collapse of the Anasazi pueblo culture. More recently, the infamous potato famine of 1846–1849 and the large migration of Irish to the U.S. can be traced to a combination of factors, one of which was climate. Specifically, 1846 was an unusually warm and moist year in Ireland, providing the climatic conditions favorable to the fungus that caused the potato blight. As is so often the case, poor government had a role as well—as the British government forbade the import of grains from outside Britain (imports that could have helped to redress the ravaged potato yields). Climate change intersects with freshwater resources because it is expected to exacerbate drought and water scarcity, as well as flooding. Climate change can even impair water quality because it is associated with heavy rains that overwhelm sewage treatment facilities, or because it results in higher concentrations of pollutants in groundwater as a result of enhanced evaporation and reduced groundwater recharge. Ample clean water is not a luxury—it is essential for human survival. Consequently, cities, regions and nations that lack clean freshwater are vulnerable to social disruption and disease. Finally, ocean acidification is linked to climate change because it is driven by CO2 emissions just as global warming is. With close to 20% of the world’s protein coming from oceans (FAO, 2016), the potential for severe impacts due to acidification is obvious. Less obvious, but perhaps more insidious, is the interaction between climate change and the loss of oyster and coral reefs due to acidification. Acidification is known to interfere with oyster reef building and coral reefs. Climate change also increases storm frequency and severity. Coral reefs and oyster reefs provide protection from storm surge because they reduce wave energy (Spalding et al., 2014). If these reefs are lost due to acidification at the same time as storms become more severe and sea level rises, coastal communities will be exposed to unprecedented storm surge—and may be ravaged by recurrent storms. A key feature of the risk associated with climate change is that mean annual temperature and mean annual rainfall are not the variables of interest. Rather it is extreme episodic events that place nations and entire regions of the world at risk. These extreme events are by definition “rare” (once every hundred years), and changes in their likelihood are challenging to detect because of their rarity, but are exactly the manifestations of climate change that we must get better at anticipating (Diffenbaugh et al., 2017). Society will have a hard time responding to shorter intervals between rare extreme events because in the lifespan of an individual human, a person might experience as few as two or three extreme events. How likely is it that you would notice a change in the interval between events that are separated by decades, especially given that the interval is not regular but varies stochastically? A concrete example of this dilemma can be found in the past and expected future changes in storm-related flooding of New York City. The highly disruptive flooding of New York City associated with Hurricane Sandy represented a flood height that occurred once every 500 years in the 18th century, and that occurs now once every 25 years, but is expected to occur once every 5 years by 2050 (Garner et al., 2017). This change in frequency of extreme floods has profound implications for the measures New York City should take to protect its infrastructure and its population, yet because of the stochastic nature of such events, this shift in flood frequency is an elevated risk that will go unnoticed by most people. 4. The combination of positive feedback loops and societal inertia is fertile ground for global environmental catastrophes Humans are remarkably ingenious, and have adapted to crises throughout their history. Our doom has been repeatedly predicted, only to be averted by innovation (Ridley, 2011). However, the many stories of human ingenuity successfully addressing existential risks such as global famine or extreme air pollution represent environmental challenges that are largely linear, have immediate consequences, and operate without positive feedbacks. For example, the fact that food is in short supply does not increase the rate at which humans consume food—thereby increasing the shortage. Similarly, massive air pollution episodes such as the London fog of 1952 that killed 12,000 people did not make future air pollution events more likely. In fact it was just the opposite—the London fog sent such a clear message that Britain quickly enacted pollution control measures (Stradling, 2016). Food shortages, air pollution, water pollution, etc. send immediate signals to society of harm, which then trigger a negative feedback of society seeking to reduce the harm. In contrast, today’s great environmental crisis of climate change may cause some harm but there are generally long time delays between rising CO2 concentrations and damage to humans. The consequence of these delays are an absence of urgency; thus although 70% of Americans believe global warming is happening, only 40% think it will harm them (http://climatecommunication.yale.edu/visualizations-data/ycom-us-2016/). Secondly, unlike past environmental challenges, the Earth’s climate system is rife with positive feedback loops. In particular, as CO2 increases and the climate warms, that very warming can cause more CO2 release which further increases global warming, and then more CO2, and so on. Table 2 summarizes the best documented positive feedback loops for the Earth’s climate system. These feedbacks can be neatly categorized into carbon cycle, biogeochemical, biogeophysical, cloud, ice-albedo, and water vapor feedbacks. As important as it is to understand these feedbacks individually, it is even more essential to study the interactive nature of these feedbacks. Modeling studies show that when interactions among feedback loops are included, uncertainty increases dramatically and there is a heightened potential for perturbations to be magnified (e.g., Cox, Betts, Jones, Spall, & Totterdell, 2000; Hajima, Tachiiri, Ito, & Kawamiya, 2014; Knutti & Rugenstein, 2015; Rosenfeld, Sherwood, Wood, & Donner, 2014). This produces a wide range of future scenarios. Positive feedbacks in the carbon cycle involves the enhancement of future carbon contributions to the atmosphere due to some initial increase in atmospheric CO2. This happens because as CO2 accumulates, it reduces the efficiency in which oceans and terrestrial ecosystems sequester carbon, which in return feeds back to exacerbate climate change (Friedlingstein et al., 2001). Warming can also increase the rate at which organic matter decays and carbon is released into the atmosphere, thereby causing more warming (Melillo et al., 2017). Increases in food shortages and lack of water is also of major concern when biogeophysical feedback mechanisms perpetuate drought conditions. The underlying mechanism here is that losses in vegetation increases the surface albedo, which suppresses rainfall, and thus enhances future vegetation loss and more suppression of rainfall—thereby initiating or prolonging a drought (Chamey, Stone, & Quirk, 1975). To top it off, overgrazing depletes the soil, leading to augmented vegetation loss (Anderies, Janssen, & Walker, 2002). Climate change often also increases the risk of forest fires, as a result of higher temperatures and persistent drought conditions. The expectation is that forest fires will become more frequent and severe with climate warming and drought (Scholze, Knorr, Arnell, & Prentice, 2006), a trend for which we have already seen evidence (Allen et al., 2010). Tragically, the increased severity and risk of Southern California wildfires recently predicted by climate scientists (Jin et al., 2015), was realized in December 2017, with the largest fire in the history of California (the “Thomas fire” that burned 282,000 acres, https://www.vox.com/2017/12/27/16822180/thomas-fire-california-largest-wildfire). This catastrophic fire embodies the sorts of positive feedbacks and interacting factors that could catch humanity off-guard and produce a true apocalyptic event. Record-breaking rains produced an extraordinary flush of new vegetation, that then dried out as record heat waves and dry conditions took hold, coupled with stronger than normal winds, and ignition. Of course the record-fire released CO2 into the atmosphere, thereby contributing to future warming. Out of all types of feedbacks, water vapor and the ice-albedo feedbacks are the most clearly understood mechanisms. Losses in reflective snow and ice cover drive up surface temperatures, leading to even more melting of snow and ice cover—this is known as the ice-albedo feedback (Curry, Schramm, & Ebert, 1995). As snow and ice continue to melt at a more rapid pace, millions of people may be displaced by flooding risks as a consequence of sea level rise near coastal communities (Biermann & Boas, 2010; Myers, 2002; Nicholls et al., 2011). The water vapor feedback operates when warmer atmospheric conditions strengthen the saturation vapor pressure, which creates a warming effect given water vapor’s strong greenhouse gas properties (Manabe & Wetherald, 1967). Global warming tends to increase cloud formation because warmer temperatures lead to more evaporation of water into the atmosphere, and warmer temperature also allows the atmosphere to hold more water. The key question is whether this increase in clouds associated with global warming will result in a positive feedback loop (more warming) or a negative feedback loop (less warming). For decades, scientists have sought to answer this question and understand the net role clouds play in future climate projections (Schneider et al., 2017). Clouds are complex because they both have a cooling (reflecting incoming solar radiation) and warming (absorbing incoming solar radiation) effect (Lashof, DeAngelo, Saleska, & Harte, 1997). The type of cloud, altitude, and optical properties combine to determine how these countervailing effects balance out. Although still under debate, it appears that in most circumstances the cloud feedback is likely positive (Boucher et al., 2013). For example, models and observations show that increasing greenhouse gas concentrations reduces the low-level cloud fraction in the Northeast Pacific at decadal time scales. This then has a positive feedback effect and enhances climate warming since less solar radiation is reflected by the atmosphere (Clement, Burgman, & Norris, 2009). The key lesson from the long list of potentially positive feedbacks and their interactions is that runaway climate change, and runaway perturbations have to be taken as a serious possibility. Table 2 is just a snapshot of the type of feedbacks that have been identified (see Supplementary material for a more thorough explanation of positive feedback loops). However, this list is not exhaustive and the possibility of undiscovered positive feedbacks portends even greater existential risks. The many environmental crises humankind has previously averted (famine, ozone depletion, London fog, water pollution, etc.) were averted because of political will based on solid scientific understanding. We cannot count on complete scientific understanding when it comes to positive feedback loops and climate change.

## Advantage 2

### 2NC --- Wages

#### They are also wrong about wages – that’s their internal link to inequality – high now proves no risk of aff

Patti Domm 21—CNBC Markets Editor. (“Workers’ wages are rising at the fastest pace in years. Companies’ profits could take a hit,” May 22, 2021, from CNBC, https://www.cnbc.com/2021/05/22/wages-rise-at-the-fastest-pace-in-years-firms-profits-could-take-a-hit.html)

Workers are getting higher wages, but at some point that could bite into companies’ profits. As the economy reopens, costs are climbing for everything from packaging and raw materials to shipping. In addition to these expenses, companies are also paying more to get workers to come in the door. But the disparity between labor costs and profits has been so wide for so long, that employers should be able to increase pay if they can raise prices for goods and services or improve productivity. McDonald’s said last week that it was boosting wages for the 36,500 hourly workers at company-owned stores by 10%, and Chipotle announced it will raise wages to an average of $15 an hour by the end of June. Bank of America said it would raise minimum wages for its hourly workers to $25 an hour, from the current $20, by 2025. Sports equipment company Under Armour also announced it would boost the minimum hourly wage for its retail and distribution workers to $15 from $10. “It’s some of the strongest wage growth we’ve seen in a quarter century,” said Mark Zandi, Moody’s Analytics chief economist. He said the 3% wage growth for private workers in the first quarter was the strongest since the 1990s and productivity has picked up at the same time. “All the anecdotes we were getting in the last few months would suggest it’s continuing,” he said.

#### Wages are flyin up now – solves the advantage – their uniqueness cards are years old – predictive evidence says it will continue to grow

Decker 11-5 (Christopher Decker, 11-5-2021, "Wages up as Americans are encouraged back to work and into the office – 3 takeaways from the latest jobs report," Conversation, <https://theconversation.com/wages-up-as-americans-are-encouraged-back-to-work-and-into-the-office-3-takeaways-from-the-latest-jobs-report-171336> accessed: 11-6-21) //bp

After a lackluster jobs report in September 2021, the latest news on employment gives Americans plenty of cheer about ahead of the holiday season. In total, 531,000 jobs were added in October – outstripping the already optimistic predictions of economists. This caused the unemployment rate to fall 0.2 percentage points to 4.6%. Even with those gains, the U.S. is still below pre-pandemic employment levels. But as an economist, I see details in the latest jobs report that suggest the workforce is emerging from 18 months of what has been the “new normal” and getting back to, well, the “normal normal.” Remote working in the rear-view mirror? Americans are returning to offices after a year-and-a-half of Zoom meetings and digital water cooler moments. The pandemic had opened the eyes of many potential workers to the possibility that working from home might be preferable to on-site work. But the jobs report shows that this may be passing. In October, 11.6% of employees worked remotely due to the pandemic, down from 13.2% in the previous month. Working from home offered flexibility, especially to people who held down two jobs. A lot of people found they could get by with one job, work from home and save money on commuting and child care. The drop in remote working could indicate that some families came to realize that while this worked to cover a shorter-term period during the pandemic, it ate away at household savings, getting to a point where working on site was necessary again. It also signifies a change of attitude that may explain why employment in the leisure and hospitality sector has bounced back. One possible reason for lower-than-expected job gains in September was that people were hesitant to return to worksites where they would have to mix with people – such as at bars, restaurants and in stores – preferring to spend more time at home. October’s jobs report – which saw strong gains in leisure and hospitality – suggests that peoples’ ability to delay returning to work may be coming to an end and potentially that they are more open to returning to on-site jobs, perhaps encouraged by vaccination rates and falling case numbers. Wages up, workers back … time for the Fed to act? There is some evidence that the “great resignation” – or more accurately, the great “not taking up low-paid jobs” – era was short-lived and winding down. Many potential workers had seemingly been hesitant to return to lower-paid food service jobs as well as employment in the leisure and hospitality sector due to relative low wages and rigid work schedules. But the latest report shows evidence of increases in wages and salaries. In October, average hourly earnings increased by 11 cents to US$30.96 – continuing the upward trend of recent months. It means that average earnings are almost 5% higher that they were a year ago. Wage increases look set to continue for some time. The latest report shows that labor costs increased 8.3% year-on-year in the third quarter as job opening rates remained pretty high, putting further upward pressure on pay.

# 1NR

## Multilat

#### Squo antitrust sufficient

Eric Watkins, 21, (Eric Watkins, 7-15-2021, 8-17-2021, Lloyds Loading List, < https://www.lloydsloadinglist.com/freight-directory/news/US-agencies-to-collaborate-on-maritime-competition-concerns/79506.htm#.YRwjK-hKhPZ > Blucas

Acting Assistant Attorney General Richard A. Powers and FMC Chairman Daniel Maffei signed a memorandum of understanding this week following the [executive order](https://www.whitehouse.gov/briefing-room/presidential-actions/2021/07/09/executive-order-on-promoting-competition-in-the-american-economy/) on competition announced by President Joe Biden. The order aims “to combat the excessive concentration of industry, the abuses of market power, and the harmful effects of monopoly and monopsony” through increased antitrust enforcement, rulemaking, and cooperation within the administration. “The agreement we announced today shows how the department and other agencies are moving quickly to implement the president's executive order on competition,” Mr Powers, who heads the Antitrust Division, said [in a statement](https://www.fmc.gov/new-fmc-and-doj-mou-supports-interagency-collaboration-on-antitrust-issues/). “Collaboration between the Antitrust Division and the FMC is important to ensuring healthy competition in the maritime industry. The staffs of both agencies are developing a good working relationship on a number of matters of mutual interest.” Mr Maffei said the move “supplements and strengthens” the FMC’s ability to “detect, address, and pursue” violations of the law or anticompetitive behaviour by “those we regulate”. The **two agencies will promote competitive conditions** in the US-international ocean liner shipping industry, including terminal services provided to ocean liners,” according to the MoU. “A co-operative relationship between the agencies will be of substantial benefit to the agencies in carrying out their respective oversight and enforcement responsibilities,” it [said](https://www.justice.gov/opa/press-release/file/1411101/download). A Department of Justice spokesman said some carrier alliances are covered by the FMC and are “immune” from the antitrust laws “even though we in the antitrust division still have jurisdiction over mergers between ocean carriers.” That immunity has been in place since 1916 as an exemption “in one form or another, from the antitrust laws for ocean shipping carriers to engage in rate discussions and price-fixing agreements”, DOJ documents [show](https://www.justice.gov/atr/file/823411/download). That exemption falls under the jurisdiction of the FMC, but conduct that does not satisfy the statutory requirements for the antitrust exemption remains subject to the country’s antitrust laws — the DOJ’s domain. “And so, because there's this fine line which is on each side of our respective jurisdictions, I think it's really positive for us to be able to try to develop a better working relationship,” the spokesman said. The memorandum comes amid an [investigation](https://www.fmc.gov/wp-content/uploads/2021/06/061021DyeTestimonyExecutiveSummary.pdf) by the FMC into alleged anti-competitive behaviour by the three alliances of ocean carriers.

#### Statistical and empirical analysis prove they’re wrong

Carden 16 – James W Carden, Contributing writer for The Nation and editor of The American Committee for East-West Accord’s eastwestaccord.com. He previously served as an advisor on Russia to the Special Representative for Global Inter-governmental Affairs at the US State Department, Trump, Trade and War, June 2nd, 2016, <https://consortiumnews.com/2016/06/02/trump-trade-and-war/>

Contrary Facts

Yet, is there any compelling reason to give credence to Dalmia’s claim that “the more countries trade and the more partners they trade with, the less likely they are to go to war?” Not really.

To see why, lets examine the years leading up to the First World War. In The Economic Consequence of the Peace, John Maynard Keynes opens his account of the Versailles negotiations by describing the situation on the continent as it obtained during the mostly peaceful 45-year period from 1870-1914.

“What an extraordinary episode in the economic progress of man that age was which came to an end in August 1914!” he exclaimed.

What was taking place was nothing less than what the neo-imperialist economist and historian Niall Ferguson has called “the first age of globalization.”

Keynes tells us that before the war, an illusion of permanence held sway over the middle and upper European classes, indeed, “the projects and politics of militarism and imperialism, of racial and cultural rivalries … appeared to exercise almost no influence at all on the ordinary course of social and economic life, the internationalization of which was nearly complete in practice.” [emphasis mine]

Still more, according to Keynes, “the interference of frontiers and of tariffs was reduced to a minimum, and not far short of three hundred millions of people lived within the three Empires of Russia, Germany and AustriaHungary … over this great area there was an almost absolute security of property and of person.” Keynes observed that “the statistics of economic interdependence of Germany and her neighbors are overwhelming.”

Sounds like a free trader’s paradise, one which Dalima and the rest of Washington’s neoliberal cheerleaders would happily approve. And yet, by August 1914, the war came. Trade was no match for the toxic brew of nationalism and populism unleashed by an assassination in Sarajevo.

Nevertheless, while the idea that free trade paves the way for peaceful inter-state relations is wholly unsupported by the historical record, it remains oddly pervasive over a century after the commencement of the Great War. Even worse, it becomes the trusted panacea that prevents a critical examination of other foreign policy illusions that could be laying the groundwork for another war.

## Advantage 1

### 2NC --- No China Win

#### U.S. innovation is high and globally dominant---big business is key.

Wolf ’21 [Martin; April 27; Chief Economics Commentator, M.A. in Economics from Oxford University; Financial Times, “China is wrong to think the US faces inevitable decline,” <https://www.ft.com/content/8336169e-d1a8-4be8-b143-308e5b52e355>]

The Chinese elite are convinced that the US is in irreversible decline. So reports Jude Blanchette of the Center for Strategic and International Studies, a respected Washington-based think-tank. What has been happening in the US in recent years, particularly in politics, supports this perspective. A stable liberal democracy would not elect Donald Trump — a man lacking all necessary qualities and abilities — to national leadership. Nevertheless, the notion of US decline is exaggerated. The US retains big assets, notably in economics.

For one and half centuries, the US has been the world’s most innovative economy. That has been the basis of its global power and influence. So how does its innovative power look today? The answer is: rather good, despite competition from China.

Stock markets are imperfect. But the value investors put on companies is at least a relatively impartial assessment of their prospects. At the end of last week, 7 of the 10 most valuable companies in the world and 14 of the top 20, were headquartered in the US.

If it were not for Saudi Arabian oil, the five most valuable companies in the world would be US technology giants: Apple, Microsoft, Amazon, Alphabet and Facebook. China has two valuable technology companies: Tencent (at seventh position) and Alibaba (at ninth). But those are China’s only companies in the top 20. The most valuable European company is LVMH at 17th. Yet LVMH is just a collection of established luxury brands. That ought to worry Europeans.

When we look only at technology companies, the US has 12 of the top 20; China (with Hong Kong but excluding Taiwan) has three; and there are two Dutch companies, one of which, ASML, is the largest manufacturer of machines that make integrated circuits. Taiwan has the Taiwan Semiconductor Manufacturing Company, the world’s biggest contract computer chipmaker, and South Korea has Samsung Electronics.

Life sciences are another crucial sector for future prosperity. Here there are seven European companies (with Switzerland and the UK included) in the top 20. But the US has seven of the top 10, and 11 of the top 20. There is also one Australian and one Japanese company, but no Chinese businesses.

In sum, US companies are globally dominant and nearly all the most valuable non-US firms are headquartered in allied countries.

### 2NC --- Link --- Resources

#### Specifically true for Military AI --- Only big tech can produce corporate clouds needed to secure US primacy

Bateman, 19 (Jon Bateman, Jon Bateman is a fellow in the Cyber Policy Initiative of the Technology and International Affairs Program at the Carnegie Endowment for International Peace. JD, Harvard Law SchoolBA, Johns Hopkins University , 10-22-2019, accessed on 5-18-2021, Carnegie Endowment for International Peace, "The Antitrust Threat to National Security", https://carnegieendowment.org/2019/10/22/antitrust-threat-to-national-security-pub-80404)//Babcii

Consider cloud computing. The Defense Department is planning a massive global cloud called JEDI. Unlike corporate clouds, the “war cloud” must support life-or-death missions on austere battlefields despite virtual or physical onslaughts. The Pentagon found only two eligible bidders: Amazon and [Microsoft](https://quotes.wsj.com/MSFT). Three defense secretaries, a federal judge and the Government Accountability Office have upheld this bidding process.

It is no coincidence the two eligible bidders have a combined market value of $1.9 trillion. Vast resources were needed to fund global networks of hardened data centers linked by undersea cables. The U.S. military’s unique demands required companies of unique scale. Yet one JEDI bidder faces a concerted breakup campaign (Amazon), and the other was nearly dissolved in 2001 (Microsoft).

Scale also matters in intelligence collection. The Foreign Intelligence Surveillance Act compels U.S. companies to hand over data on suspected foreign agents. U.S. intelligence analysts increasingly rely on FISA to monitor terrorist communications or warn of cyberattacks. Tech giants have particular FISA value because their sheer popularity attracts users from around the world, including hostile actors. The largest tech companies provide some of the fastest-growing intelligence streams.

Splitting up Big Tech would reduce its intelligence value. First, smaller companies would lose global market share to foreign rivals such as Alibaba or Baidu, which can ignore FISA. Small U.S. sites can’t leverage the “network effect,” a gravitational force that helps large sites stay dominant. Intelligence collected from small sites would also be less useful. They see only narrow slices of online activity, whereas tech giants track users across sprawling internet ecosystems. Dismantling these ecosystems would put greater burden on intelligence agencies to “connect the dots” of potential threats.

### 2NC --- Arnold

#### This whole advantage is so backwards it’s funny --- im gonna go line by line --- Arnold says aff is a bad idea

Arnold, 20 – Switch Ventures founder

[Paul Arnold, "Antitrust Can Enliven American Innovation — Switch Ventures," Switch Ventures, 2020, https://www.switch.vc/big-ideas/antitrust-and-american-innovation, accessed 6-27-2021]

The other view is less rosy. This perspective recognizes that market concentration is a dampener on innovation. Venture capitalists are less likely to fund startups that compete against monopolies’ core products. There is a name for this: Innovation kill zones.

Innovation kill zones are real. Try pitching a venture firm on your new search engine. Or how about that ad network you have dreamt up. You get the idea. Big tech has moats that entrench their market power. These moats drive down the odds of funding a startup that competes against them.

As a startup investor, I see this often. For example, I will meet yet another founder who wants to disrupt Microsoft’s LinkedIn. They will have a clever plan to build a better professional social network. I always pass on the investment. It is nearly impossible to overcome the monopoly LinkedIn enjoys. It is but one example of an innovation kill zone.

The entrenchment of big tech has worsened. The five largest domestic companies by market value are Apple, Microsoft, Amazon, Google, and Facebook. Combined they represent 18% of the total market value of the United States stock market. In a clear signal of their market power, they operate with gross profit margins between four to eight times the S&P 500 average.

In the twentieth century, the United States led on antitrust. We ensured that we had competitive free markets. But we can no longer claim this. Europe adopted the United States’ regulatory model and has kept truer to it than we have. For the last twenty years, Europe has taken the lead in creating competitive markets.

Competition requires free entry of new competitors. A company competes not only with existing firms but with upstarts building better products and approaches. You do not have robust free-market competition without this. This innovation drives the American economy. Without free entry into markets, innovation grinds to a halt.

\*Wyoming card ends\*

The solution is to restore the free entry by startups. The Department of Justice and Federal Trade Commission must root out kill zones so that startup innovation can thrive. These agencies have both the authority and the support of the country to do so.

In some cases, this could involve traditional breakups. **Breakups, though, are an old frame for thinking about antitrust. With technology companies, breakups risk the double sin of doing too much and not enough**—**too much by degrading tech products’ integrated consumer experiences**; too little when a breakup leaves behind the same problems we seek to fix. Splitting Facebook into parts replaces one entrenched data monopoly with several.

#### VC funding will abandon the market immediately, killing startups

Feiner 21 - Lauren, "Start-ups will suffer from antitrust bills meant to target Big Tech, VCs charge," Jul 24, https://www.cnbc.com/2021/07/24/vcs-start-ups-will-suffer-from-antitrust-bills-targeting-big-tech.html

Many lawmakers are eager to rein in the power of the largest tech companies: Amazon, Apple, Facebook and Google. But some of their proposals could actually hurt the smaller companies they’re meant to protect, venture capitalists warned CNBC. VCs are particularly concerned about efforts in Congress to restrict mergers and acquisitions by dominant platforms. Some of those proposals would work by shifting the burden of proof onto those firms in merger cases to show their deals would not harm competition. While proponents argue such bills would prevent so-called killer acquisitions where big companies scoop up potential rivals before they can grow — Facebook’s $1 billion acquisition of Instagram is a common example — tech investors say they’re more concerned with how the bills could squash the buying market for start-ups and discourage further innovation. Of course, venture capitalists and the groups that represent them have an interest in maintaining a relatively easy route to exiting their investments. A trade group representing VCs, the National Venture Capital Association, counts venture arms of several Big Tech firms among its members. (Comcast, the owner of CNBC parent company NBCUniversal, is also a member.) But their concerns highlight how changes to antitrust law will have an impact far beyond the largest companies and how smaller players may have to adjust if they’re passed. Why start-ups get acquired When venture capitalists invest in a start-up, their goal is to make a large return on their spend. While most start-ups fail, VCs bank on the minority having large enough exits to justify their rest of their investments. An exit can occur through one of two means: through an acquisition or by going public. When either of these events occurs, investors are able to recoup at least some of their money, and in the best case scenario, reap major windfalls. About ten times as many start-ups exit through acquisitions as through going public, according to the NVCA. Venture capitalists say that number shows just how important it is to keep the merger path clear. The top five tech firms aren’t the only ones scooping up tech deals. Amazon, Apple, Facebook, Google and Microsoft have accounted for about 4.5% of the value of all tech deals in the U.S. since 2010, according to public data compiled by Dealogic. Reform advocates have pointed to some acquisitions, like that of Instagram by Facebook, as examples of companies selling before they have the chance to become standalone rivals to larger firms. But VCs say that’s often not the case. “They all think they could be public companies one day, but the realities are, it’s not realistic for most of these companies to achieve the size and scale to survive the public markets as of today,” said Michael Brown, general partner at Battery Ventures. While going public is a often the goal, VCs say it can be impractical for start-ups for various reasons. First, some start-ups may simply not have a product or service that works long-term as a standalone business. That doesn’t mean their technology or talent isn’t valuable, but just means it could be most successful within a larger business. Kate Mitchell, co-founder and partner at Scale Venture Partners, gave the example of a company called Pavilion Technologies that made predictive technology for manufacturers and agriculture, which sold to manufacturing company Rockwell Automation in 2007. “That’s a company that just couldn’t get to escape velocity,” she said of Pavilion. “Because they were selling globally to large plants, we couldn’t figure out how to sell the technology cost effectively.” It was still a useful technology, but needed the infrastructure of a larger business to accelerate further, she said. After Rockwell acquired it, it became incorporated into its offerings and several employees stayed for years. Sometimes, she said, an acquisition is a last resort before bankruptcy, and at least helps investors get some of their money back. “It is better that they’re sold for even 80 cents on the dollar than that they go bankrupt,” she said. In addition, going public can be difficult. The IPO process is expensive and VCs said that small cap companies often struggle on the public market in part because of the lack of analyst coverage of such businesses. Clate Mask, co-founder and CEO of venture-funded email marketing and sales platform Keap, said greater merger restrictions on the largest companies would likely “change the calculus” for start-ups. But the shift would not be between getting and acquired and going public. Instead, he said, it could make entrepreneurs think harder about whether to raise venture funding at all. “When you have capital behind you, you can think and operate differently,” he said, adding that entrepreneurs can take more risks with that backing. Loss of investment and innovation Several VCs told CNBC they were worried about the trickle-down effect that merger restrictions on the largest firms would have on the entire entrepreneurial ecosystem. Their fear is that if companies no longer have enough viable exit paths, institutional investors that back VCs — like endowments and pension funds — will shift their money elsewhere. In turn, VCs will have fewer funds to dole out to entrepreneurs, who may see less reason to take the risk of starting a new company. The ultimate concern is for a loss of innovation, they say, which is exactly what lawmakers are hoping to fend off with merger restrictions on the largest buyers. “If you restrict the potential to generate exciting rewards and returns from investment, entrepreneurs could find other things to do with their time,” said Patricia Nakache, general partner at Trinity Ventures. Nakache said placing restrictions on the largest tech firms’ ability to make acquisitions could actually discourage entrepreneurs from building companies that compete with their core businesses. That’s because many entrepreneurs like having a back-up plan incorporating possible acquirers if they can’t go public. With greater uncertainty about whether the Big Tech companies could be potential buyers, they may seek to build businesses outside of the largest players’ core offerings, she said. VCs also warned that without the biggest players in the mix, sale prices for start-ups would drop significantly. But outside the industry, some believe these concerns won’t be as bad as VCs fear. “These sorts of laws, if they work as intended, you’re going to have a more competitive marketplace generally, so there’s going to be more potential buyers,” said Michael Kades, director of markets and competition policy at the non-profit Washington Center for Equitable Growth. “I get it if you’re at the VC today, what you’re concerned about is the next couple of years or what your company can get, but increasing the number of potential buyers for firms ... also means that there’s still a very thriving market for these sorts of acquisitions, just not by dominant firms.” Bhaskar Chakravorti, dean of global business at Tufts University’s Fletcher School, said while venture capitalists are probably right that acquisition prices could slide under new merger restrictions, entrepreneurs will still have a drive to innovate. “Ultimately people are going to adapt and yes, some of the valuations, some of the bidding may be stunted. Some of the acquisitions may go for ten, 20% less,” he said. “But ultimately, I don’t think it’s going to make that much of a difference because entrepreneurs are going to go after ideas, they’re going to build them, they’re going to put together teams, and venture money needs a place to invest.” Kades agreed that good ideas will still likely get funding even if the largest firms can’t bid on them or would have a harder time completing an acquisition. Restricting mergers from those companies is about “trying to limit the anticompetitive premium,” he said. Shifting capital VCs are also concerned the new rules could accelerate the shift of venture investment outside the U.S. Mitchell said while other countries including Canada have been adding incentives for entrepreneurs to come and stay in their borders, regulations under consideration in the U.S. will push them away. “We would be making it difficult just at a time when everyone else is trying to make it attractive” to be an entrepreneur in their country, she said. According to the NVCA, the U.S. has seen its share of global venture capital fall from 84% to 52% in the last 15 years. That’s why lawmakers shouldn’t rest on their laurels that U.S. venture capital can keep up with the rest of the world under new arduous regulations, VCs contend.

### 2NC --- Cunningham

#### Those are good and sustain innovation

Kelyl Fayne & Kate Foreman 20, Fayne is an associate in the San Francisco office of Latham & Watkins LLP, where she advises clients on government reviews of mergers and acquisitions, antitrust compliance and counseling, and government conduct investigations; Foreman is a Senior Consultant in the San Francisco office of NERA Economic Consulting, where she consults on mergers and acquisitions in life sciences, tech, and energy, “To Catch a Killer: Could Enhanced Premerger Screening for “Killer Acquisitions ” Hurt Competition?,” Antitrust, Vol. 34, No. 2, https://www.lw.com/thoughtLeadership/premerger-screening-killer-acquisitions

Motivating Innovation

As the Cunningham et al. paper acknowledges, 28 acquisitions of innovative targets in the early stages of development by established firms can be procompetitive. This is partly because “firms who are better at exploiting technologies acquire innovative targets to realize synergies, effectively enabling specialization and subsequently increasing innovation and overall welfare.”29 Accordingly, if we align our thinking with the economic theory and begin with the viewpoint that firms are motivated to maximize profits, then we can begin to look at the motivation for acquisitions from a more balanced perspective. There are, of course, many potential procompetitive motivations for a small firm to be acquired and for an established firm to acquire a startup. Motivations for Being Acquired. There are many reasons why a smaller firm might seek to be acquired. The Silicon Valley Bank (SVB) conducts an annual survey of startups. The results of the latest survey are published in the SVB’s US Startup Outlook 2019. 30 The survey comprises 1,377 respondent companies, the majority of which were privately owned, small (fewer than 25 employees), young (less than five years old), in the technology sector in the United States and had less than $25 million in revenue. 31 Over half were expecting their next sources of funding to come from venture capital. 32 When asked what the longterm goals for their companies were, 50 percent answered that they were looking at being acquired and 15 percent said they did not know, “underscoring the difficulty of planning an exit amid increased market volatility.”33 Thus, the promise of being acquired might be spurring innovation and incentivizing startups that otherwise would not have been born. Indeed, as Cunningham et al. point out, “[I]t is possible that the presence of an acquisition channel also has a positive effect on welfare if the prospect of entrepreneurial exit through acquisition (by an incumbent) spurs ex-ante innovation.”34 Why would a startup want to be acquired instead of taking a chance at the potentially more lucrative route of an IPO? Aiming for an IPO can be challenging: 2019 was supposed to be a banner year for IPOs, with many companies looking to the stock market to make a splash. But the year proved not to live up to the hype, with newly public companies suffering losses and other would-be public companies reassessing their plans to go public. A New York Times article dubbed 2019’s public offerings the “I.P.O. Fizzle.”35 Indeed, at the end of 2019 only 24 percent of 2019’s public offerings were expected to have positive incomes in 2020. 36 When Lyft made its initial public offering in March 2019, its shares opened at $87, and as of January 24, 2020, shares were trading at $48. 37 Uber made its initial public offering in May 2019, with shares opening at $42, and as of January 24, 2020 (even pre-COVID-19 related declines), shares were trading at $37.38 This was despite the fact that Uber was the tech startup that had the highest level of equity funding ($15 billion) in the United States from 2014 to 2019. 39 Pinterest and SlackTechnologies have met similar fates. Airbnb decided to delay its IPO. WeWork put its IPO on hold since hitting a rocky path with its troubled leader, and its valuation has plummeted. There are some recent success stories, such as Zoom Video Communications, which went public in April 2019, with a share price of $65; as of January 24, 2020, shares were trading at $75. 40 However, if it is this difficult for well-known, well-established startups to go public, it is no wonder many startups are looking to be acquired rather than trying to strike it rich by going public. The probability of a startup carrying out an IPO has dropped significantly in recent years.The number of IPOs in the United States has declined from 486 in 1999 to 159 in 2019. 41 Besides planning toward acquisition as an exit strategy, firms might want to be acquired if they come up against the constraints that often face small innovative firms. For example, startups often face limits on the venture capital they can raise and the timing of when that capital comes in. Without cash on hand, it is hard to attract a competent workforce— offering a share in the venture can only go so far. As small firms get bigger, they also run into more regulation. For example, tipping from 49 to 50 employees sets off HR-related compliance requirements. Smaller firms also run into limitations on their legal resources and ability to comply with other regulations, such as the EU General Data Protection Regulation and the recently enacted California Consumer Privacy Act. Thus, using its small size and agility to get started and then selling itself to a larger firm to launch or grow can make a lot of sense for a small firm.

#### The link turn outweighs the risk of the link

Huddleston 21 (Jennifer Huddleston – American Action Forum Technology and Innovation Policy Director and former Mercatus Center research fellow, February 10, 2021, “Implications of the Competition and Antitrust Law Enforcement Reform Act”, https://www.americanactionforum.org/insight/implications-of-the-competition-and-antitrust-law-enforcement-reform-act/, accessed 8/16/21,)

As the Information Technology & Innovation Foundation’s Joe Kennedy points out, studies have found that “killer acquisitions” do not decrease the level of innovation but in fact may lead to increased innovation. Despite claims of a “kill zone,” the United States continues to see record-breaking venture capital investment in new tech companies and new, successful companies that both get acquired and remain independent. While some innovators may wish to take their companies public or create an industry disruptor, this can be a risky and costly choice. As the Center for Growth and Opportunity’s Will Rinehart describes, “For startups, going public isn’t a sure path to success. Companies typically sign away 4 to 7 percent of their gross proceeds to an investment bank to sell shares of the stock. They also tend to incur an additional $4.2 million in costs to go through the process of getting listed. On top of this, a company will have to fork over another $1 to $2 million for federal compliance every year.” As a result, some innovators may find acquisition a more financially feasible option to their product’s ultimate success than incurring these costs. Increasing regulatory barriers to acquisitions in the tech sector might prevent “killer acquisitions,” but this moniker is misleading at best. In the process of stopping these anti-competitive acquisitions, it would also deter beneficial ones. The result would not be an increase in innovation, but rather limiting a valid exit strategy for startups and in the process limiting innovation by both large and small companies.

### 2NC --- Kamepalli

#### Kamepalli concludes the aff is a bad idea

1AC Kamepalli, 21 – Economics Ph.D. Student at Columbia University [Sai Krishna, Raghuram Rajan, University of Chicago Distinguished Service Professor of Finance, and Luigi Zingales, finance professor at the University of Chicago Booth School of Business, “Kill Zone,” Becker Friedman Institute for Economics Working Paper No. 2020-19, February 2021, https://ssrn.com/abstract=3555915, accessed 6-29-21]

6. Conclusions

Venture capitalists claim that acquisitions in the start-up space done by powerful incumbent platforms, such as Facebook and Google, **create a “kill zone.” This idea seems at odds not only with standard textbook economics, but with logic itself**. Why should the prospect of being acquired at hefty multiples discourage new entry? In this paper we construct a simple model that rationalizes this result. In the presence of network externalities, early adopters generate an important externality: they facilitate the adoption by less sophisticated customers, helping the market converge to the platform with the superior technology. These early adopters, however, face significant switching costs, thus they will switch only if the benefit of switching is reasonable large. This benefit is a function not only of the technological difference of the new platform, but also of its persistence as independent entity. Since a merger immediately transmits the superior technology to everybody, it reduces the benefit of adoption for early adopters. The prospect of a merger reduces adoption, making it harder for a technological superior entrant to acquire ordinary customers. This difficulty in acquiring customers reduces the stand-alone price of any new entrant, decreasing the price at which they can be acquired and thus reducing their incentive to innovate. **It would be wrong to conclude from our analysis that all acquisitions from incumbent platforms should be prohibited**, since there is a trade-off between static efficiency (the consumer welfare created by mergers) and dynamic efficiency (incentives to innovate). We argue that mandating interoperability eliminates this trade-off, increasing welfare.

#### It's warrant is Radical innovation --- That’s wrong--- big firms are the largest contributors to R&D spending, anticipate new competition, and create new markets

Jan Rybnicek 20—Antitrust Attorney, former Advisor at FTC, Editor for the Antitrust Law Journal. ("Innovation in the United States and Europe," November 11, 2020, from The Global Antitrust Institute Report on the Digital Economy 13, <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3733698>) edited for ableist language

A key indicator of a vibrant economy that is characterized by vigorous competition and intense innovation is high levels of spending on research and development. Research and development fuels economic growth, job creation, and competition by allowing researchers and entrepreneurs to discover new technologies, design new products, tap new markets, and improve efficiency and enhance performance. Critics of U.S. competition policy have argued that today’s largest firms have become so large that they are untouchable by competition from current or future rivals and, as a result, have lost the incentive to innovate that once may have been part of their core identity as scrappy upstarts but that has since faded as they rest on their laurels, happy in their dominant positions.37 They further argue that dominant firms snuff out would-be entrants that otherwise would be devoting capital to research and development initiatives to build competing offerings for consumers.38 These critics allege that this purported dampening in the incentive to innovate has deprived consumers of better products and services that would otherwise arise through the push and pull of competition.

But the actual data tell a different story about the state of research and development in the United States and how it compares to its counterparts in Europe. In fact, companies in the United States lead the world in research and development. As shown in Figure 6, out of the top companies globally investing in research and development spending, 11 out of the top 20 (55 percent) and seven out of the top 10 (70 percent) are based in the United States as of 2018.39 By comparison, only six of the top 20 are located in Europe (30 percent), and only two find themselves in the top 10 (20 percent). The remaining firms on the list based on research and development spend are based in Asia.

Contrary to critics’ claims, there is no lack of research and development in the United States, and U.S. firms continue to outpace global counterparts in investing in new technologies and products. The reality is that companies in the United States invest in a broad range of research and development initiatives despite the presence of large, successful tech companies. Unsurprisingly, just as no one today would invest in developing a new combustion engine-powered car that would have to compete against established and mature competitors that have considerable expertise in the market, it would be unwise to try to compete against any of the large tech companies with a “me too” product. Instead, innovators (and, as discussed below, the venture capital and other sources of capital that fund them) devote resources to discovering new and different solutions that may indirectly replace incumbents by disrupting old markets and creating new ones. Indeed, this how many of today’s most successful tech firm achieved success— by building new products and creating new markets, not by mimicking yesteryear’s giants, such as IBM, Microsoft, and Intel.

A closer look at research and development investment in the United States further shows that tech firms are leading the way. In fact, many of the tech firms that have allegedly contributed to the decline of competition and innovation in the United States are the biggest spenders. As shown in Figure 7, Amazon, Alphabet, Intel, Microsoft, and Apple comprise the nation’s topic five spenders, with investments totaling more than $75 billion in 2018.40 These companies are pouring money into innovation not because they have nothing else to do with it but because they are attempting to stay ahead of the competition in their core markets by introducing even better products and services, and to break into adjacent markets where they see opportunities to use their expertise to be disruptive forces