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## Off

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#### Reconciliation-bill will pass next week, but it’s not inevitable. There’s more work to be done.

Woodruff, Alcindor and Deese 11-9-2021 (“White House ‘confident’ Congress will pass Build Back Better bill,” *PBS*,” pbs.org/newshour/show/white-house-confident-congress-will-pass-build-back-better-bill)

President Joe Biden is expected to sign the bipartisan infrastructure deal into law, securing a major legislative victory. But his larger economic and social spending package still remains a subject of concern as members of Congress mull its provisions. Yamiche Alcindor talks to Brian Deese, director of the National Economic Council for the Biden administration, about those negotiations. Judy Woodruff: President Biden will soon sign into law one major piece of his agenda, the bipartisan infrastructure deal, securing a major legislative victory. But there is still work to be done to get his larger economic and social spending package over the finish line. Yamiche Alcindor talks to one of the White House's key negotiators on where it all stands. Yamiche Alcindor: Since the infrastructure vote on Friday night, the Biden administration has directed its focus to the Build Back Better package. That's the $1.75 trillion bill with money for child care, health care, and climate change. It needs nearly every House Democrat and all 50 Senate Democrats on board to pass. Brian Deese is the director of the National Economic Council for the Biden administration. He's been a central figure in these negotiations. And he joins me now from the White House. Brian, thank you so much for being here. President Biden will soon pass the bipartisan infrastructure plan, but there were many lawmakers who wanted it tied to the Build Back Better act. What assurances can you give Americans that that Build Back Better act is going to become law? And how soon do you expect that to happen? Brian Deese, Director, National Economic Council: Well, for starters, what I can assure folks is that signing this historic infrastructure bill is going to do a lot of good for the country. We have waited decades to actually do something about infrastructure. And, in that period, the United States has fallen behind. We're 13th in the world in infrastructure. And with this piece of legislation that the president will sign soon, we're going to make historic investments in rebuilding both our physical infrastructure ports, and airports, roads, and bridges, transit, but also provide high-speed Internet to all Americans, clean water by replacing lead service lines across the country. So this is a big set of investments, a capital investment in America that we have waited way too long to do, and we're now finally going to make happen. And I think that's going to build real momentum for getting the second half of the president's economic agenda, the Build Back Better plan, into law. That will start next week, where we anticipate a vote in the House, and then onto the Senate as well.

#### Antitrust reform trades off with other legislative priorities

Carstensen 21, JD and MA @ Yale, Former Chair of U-W Law School, Senior Fellow of the American Antitrust Institute (Peter, “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.

#### Reconciliation is key to pandemic preparedness

Sullivan 9-3-2021 (Peter, “Overnight Health Care — White House proposes $65B strategy for pandemic preparedness,” *The Hill*, <https://thehill.com/policy/healthcare/570812-health-care>)

The Biden administration on Friday unveiled its $65.3 billion plan to improve the U.S.’s pandemic preparedness strategy in the midst of COVID-19 and as the country readies for any future biological threats. The White House wants the $65.3 billion over seven to 10 years to invest in the country’s ability to respond “rapidly and effectively” to future epidemics and pandemics, as the current COVID-19 crisis has disrupted society and killed millions worldwide. Funding effort: Eric Lander, the director of the White House Office of Science & Technology Policy (OSTP), told reporters that “it’s vital” to start with a commitment of $15 billion to $20 billion “to jump-start the efforts.” The White House is also proposing the current budget reconciliation bill dedicate $15 billion to the effort, he said. Officials are in discussions with Capitol Hill about obtaining the $15 billion in the reconciliation and are “very optimistic,” Lander said. “There's a reasonable likelihood of another serious pandemic that could be worse than COVID-19 will occur soon, possibly within the next decade,” he added. “And the next pandemic will very likely be substantially different than COVID-19. So we must be prepared to deal with any type of viral threats.”

#### Extinction

Mooney 21, Senior Communications and Advocacy Manager @ (Coalition for Epidemic Preparedness Innovations) (Tom, “Preparing for the next “Disease X”,” CEPI, <https://cepi.net/news_cepi/preparing-for-the-next-disease-x/>)

We cannot develop vaccines against all potential viral threats, but we could produce a library of prototype vaccines and other biological interventions against representative pathogens from each of these 25 viral families. Having such a library of prototype vaccines, which could be ‘pulled off the shelf’, and advanced into clinical testing as soon as a related threat emerges would dramatically accelerate the development of vaccines. We also know that beta coronaviruses that cause SARS and MERS are associated with case fatality rates of 10-35% (25-88 times worse than COVID-19) and that coronaviruses circulate widely in animal reservoirs. The emergence of a coronavirus variant combining the transmissibility of COVID-19 with the lethality of SARS or MERS would be utterly devastating. We must minimise this threat as a matter of urgency. One way to do this in the long-term would be to develop a vaccine that provides broad protection against coronaviruses in general. If we can produce vaccines against Disease X in a matter of months instead of a year or more, we could revolutionise the world’s ability to respond to epidemic and pandemic diseases. Disease X and other emerging infectious diseases pose an existential threat to humanity. But for the first time in history, with the right level of financial commitment and political will, we could credibly aim to eliminate the risk of epidemics and pandemics.

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#### The United States federal government should

#### ---substantially increase non-dilutive investments and research and development funding for artificial intelligence

#### ---cooperate with the private sector to develop artificial intelligence including at least fast-tracking patents and granting access to all government facilities

#### ---act as an early adopter for artificial intelligence.

#### ---support democracy and human rights around the world, including promoting democracy in concert with allies;

#### ---bipartisan, independent commission to probe the attack on the Capitol;

#### --Prevent challenges to certification of future elections

#### --Avoid implementing overtly protectionist policies

#### Concert of allies solves the LIO

Richard N. 1AC Haass & Charles A. Kupchan, 1AC author, 21. \*President of the Council on Foreign Relations. Former Director of Policy Planning for the United States Department of State and a close advisor to Secretary of State Colin Powell. \*Professor of International Affairs at Georgetown University, a Senior Fellow at the Council on Foreign Relations, and was Director for European Affairs on the National Security Council. “The New Concert of Powers”. Foreign Affairs. 3-23-2021. https://www.foreignaffairs.com/articles/world/2021-03-23/new-concert-powers

The best vehicle for promoting stability in the twenty-first century is a global concert of major powers. As the history of the nineteenth-century Concert of Europe demonstrated—its members were the United Kingdom, France, Russia, Prussia, and Austria—a steering group of leading countries can curb the geopolitical and ideological competition that usually accompanies multipolarity.

Concerts have two characteristics that make them well suited to the emerging global landscape: political inclusivity and procedural informality. A concert’s inclusivity means that it puts at the table the geopolitically influential and powerful states that need to be there, regardless of their regime type. In so doing, it largely separates ideological differences over domestic governance from matters of international cooperation. A concert’s informality means that it eschews binding and enforceable procedures and agreements, clearly distinguishing it from the UN Security Council. The UNSC serves too often as a public forum for grandstanding and is regularly paralyzed by disputes among its veto-wielding permanent members. In contrast, a concert offers a private venue that combines consensus building with cajoling and jockeying—a must since major powers will have both common and competing interests. By providing a vehicle for genuine and sustained strategic dialogue, a global concert can realistically mute and manage inescapable geopolitical and ideological differences.

A global concert would be a consultative, not a decision-making, body. It would address emerging crises yet ensure that urgent issues would not crowd out important ones, and it would deliberate on reforms to existing norms and institutions. This steering group would help fashion new rules of the road and build support for collective initiatives but leave operational matters, such as deploying peacekeeping missions, delivering pandemic relief, and concluding new climate deals, to the UN and other existing bodies. The concert would thus tee up decisions that could then be taken and implemented elsewhere. It would sit atop and backstop, not supplant, the current international architecture by maintaining a dialogue that does not now exist. The UN is too big, too bureaucratic, and too formalistic. Fly-in, fly-out G-7 or G-20 summits can be useful but even at their best are woefully inadequate, in part because so much effort goes toward haggling over detailed, but often anodyne, communiqués. Phone calls between heads of state, foreign ministers, and national security advisers are too episodic and often narrow in scope.

Fashioning major-power consensus on the international norms that guide statecraft, accepting both liberal and illiberal governments as legitimate and authoritative, advancing shared approaches to crises—the Concert of Europe relied on these important innovations to preserve peace in a multipolar world. By drawing on lessons from its nineteenth-century forebearer, a twenty-first-century global concert can do the same. Concerts do lack the certitude, predictability, and enforceability of alliances and other formalized pacts. But in designing mechanisms to preserve peace amid geopolitical flux, policymakers should strive for the workable and the attainable, not the desirable but impossible.

A GLOBAL CONCERT FOR THE TWENTY-FIRST CENTURY

A global concert would have six members: China, the European Union, India, Japan, Russia, and the United States. Democracies and nondemocracies would have equal standing, and inclusion would be a function of power and influence, not values or regime type. The concert’s members would collectively represent roughly 70 percent of both global GDP and global military spending. Including these six heavyweights in the concert’s ranks would give it geopolitical clout while preventing it from becoming an unwieldy talk shop.

Members would send permanent representatives of the highest diplomatic rank to the global concert’s standing headquarters. Although they would not be formal members of the concert, four regional organizations—the African Union, Arab League, Association of Southeast Asian Nations (ASEAN), and Organization of American States (OAS)—would maintain permanent delegations at the concert’s headquarters. These organizations would provide their regions with representation and the ability to help shape the concert’s agenda. When discussing issues affecting these regions, concert members would invite delegates from these bodies as well as select member states to join meetings. For example, were concert members to address a dispute in the Middle East, they could request the participation of the Arab League, its relevant members, and other involved parties, such as Iran, Israel, and Turkey.

#### DoD funding causes private follow-on and rapid scale up

**Decker 18**. (Jeff Decker, PhD is the Program Manager for the Hacking for Defense Project at Stanford University’s Precourt Institute for Energy and an instructor for the Hacking for Defense course. He is an Army Second Ranger Battalion veteran. <KEN> “RENEWING DEFENSE INNOVATION: FIVE INCENTIVES FOR FORMING PENTAGON-STARTUP PARTNERSHIPS,” War on the Rocks. May 3, 2018. DOA: 3/5/19. https://warontherocks.com/2018/05/renewing-defense-innovation-five-incentives-for-forming-pentagon-startup-partnerships/)

Fourth, working with the U.S. military can help truly innovative startups get a head start on future commercial markets before they emerge. The Defense Department often faces problems before they become commercial concerns. Cybersecurity, drones, and counter drones were all relevant to the defense sector before the commercial markets for them were established. For example, Boeing subsidiary Insitu helped the Defense Department tackle intelligence, surveillance, and reconnaissance challenges with its drone ScanEagle and now has a leg up in the commercial market monitoring wildfires to help firefighters. Similarly, SHIELD AI was only able to raise funding from venture capitalists after a 2016 DIUx award signaled that there was a potential market for autonomous drones capable of mapping the interior of structures. Finally, the Department of Defense represents a huge and lucrative market which can be critical to later-stage startups, like those in Series C, looking for large-scale growth in new customer segments and markets. The department is the largest employer in the world and has a budget greater than the total revenue of all Fortune 50 companies combined. The defense marketplace will give startups more access to people with the authority to write large checks. An added benefit is that the Defense Department offers larger margins to suppliers than commercial enterprises do. Additionally, the Pentagon can serve as a stepping stone to the broader U.S. government, and allied countries, where budgets are even larger.

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#### The United States federal government should substantially increase prohibitions on anticompetitive business practices by the private sector by expanding regulatory constraints on mergers and monopolies

#### The counterplan solves and competes

Shelanski 18, Professor of Law @ Georgetown (Howard, “Antitrust and Deregulation,” Yale Law Journal)

A. Antitrust and Regulation as Policy Alternatives

A variety of institutions can govern economic competition. Decentralized, capitalist economies generally rely on markets themselves to provide the incen- tives and discipline necessary to keep prices low, output high, and innovation moving forward.8 But sometimes market forces alone cannot ensure efficiency and economic welfare—for example, when the market structure has changed due to mergers or the rise of a dominant firm, or when the market is an oligopoly susceptible to parallel conduct or collusion. In such cases, governance of competition by a nonmarket institution might be warranted. Because concentrated markets or even monopolies can arise for good reasons related to efficiency, in- novation, and consumer preference, the governance of competition more often involves vigilance than liability or injunctions. Then-Judge Stephen Breyer, long a leading scholar of antitrust and regulation, described the best situation as being an unregulated, competitive market in which “antitrust may help maintain com- petition.”9 Antitrust law aims to prevent the improper creation and exploitation of market power on a case-by-case basis while avoiding the punishment of commercial success justly earned through “skill, foresight and industry.”10 Thus, competition authorities like the FTC and the DOJ’s Antitrust Division review mergers, inves- tigate single-firm conduct, and prosecute collusion.11 Private plaintiffs can pur- sue civil antitrust liability through suits in the federal courts.12 To win their claims, enforcement agencies and private plaintiffs bear the burden of showing that the effect of a firm’s activity is “substantially to lessen competition, or to tend to create a monopoly,”13 or to constitute a “contract, combination, . . . or conspir- acy” in restraint of trade,14 or to “monopolize, or attempt to monopolize” any line of business.15 Antitrust is not, however, the only institution through which government addresses competition concerns and market failures. Congress can give regulatory agencies authority to intervene where they see the need to address competition and market structure—and Congress has often done so. With such statutory authority, “[i]n effect, the agency becomes a limited-jurisdiction enforcer of antitrust principles.”16 For example, the Department of Transportation (DOT) has jurisdiction to approve transfers of routes between airlines carriers, giving it a role in reviewing airline mergers.17 The 1992 Cable Act gave the FCC authority to limit the share of the national cable market that a single operator could serve, thereby giving the agency some control over the industry’s market structure.18 The FCC has long regulated market entry and, through its control over license transfers, reviewed mergers and acquisitions in several sectors of the telecom- munications industry. More recently, the FCC issued,19 and then repealed, 20 “network neutrality” regulations intended to preserve ease of entry and a level playing field for digital services. The Food and Drug Administration (FDA), Securities and Exchange Commission (SEC), Department of Energy, and numerous other federal agencies have various powers that directly affect competition.21 State regulation can be important as well in governing competition, particularly in the insurance and healthcare industries.22 In contrast to the case-by-case approach of antitrust, regulation typically im- poses ex ante prohibitions or requirements on business conduct. The Telecommunications Act of 1996, for example, required incumbent local telephone com- panies to grant new competitors access to parts of their networks and prohibited incumbents from refusing to interconnect calls from their customers to custom- ers of competing networks.23 With the rule in place, the FCC bore no burden of proving that a specific instance of network access was necessary for competition, or that a specific denial of interconnection would harm competition. In contrast to antitrust, where the burden of proving liability is on the agency, under a regulatory regime the burden of seeking a waiver from regulation or challenging an agency’s enforcement decision is usually on the regulated party. Antitrust and regulation therefore present alternative approaches to governing competition and addressing market failures.24 The government can review individual mergers under the antitrust laws, as it does in most markets, or it can set rules that impose clear, ex ante limits on the extent of concentration, as the FCC did for media ownership under the Communications Act.25 Government can investigate under the antitrust laws whether a firm has monopoly power that it has “willful[ly]” acquired or maintained other than “as a consequence of a su- perior product, business acumen, or historic accident.”26 Alternatively, with au- thority from Congress an agency can regulate how much of a market a single firm can serve, as the FCC tried to do with cable companies,27 or require firms to dispose of key assets in order to promote competition in a relevant market, as the DOT has done with airline slots.28

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#### T Prohibition

#### “Prohibition” requires a declaration of per se illegality

Loevinger 61 (Honorable Lee Loevinger- Assistant Attorney General in charge of the Antitrust Division. “THE RULE OF REASON IN ANTITRUST LAW” , *Section of Antitrust Law* , 1961, Vol. 19, PROCEEDINGS AT THE ANNUAL MEETING, ST. LOUIS, MISSOURI, AUGUST 7 THROUGH 11, 1961 (1961), pp. 245-251, JSTOR accessed online via KU libraries, date accessed 9/13/21)

Running through the history of antitrust law are two contrapuntal themes: A prohibition of restraint of trade and a principle lately called the "rule of reason" which limits the prohibition. The legal rule against restraint of trade began in the 15th century in cases holding that a contract by which a man agreed not to practice his trade or profession was illegal.1 However, in the course of development of the common law, it became established that agreements which were ancillary to the sale or transfer of a trade or business and which were limited so as to impose a restriction no greater than reasonably necessary to protect the purchaser's interest.2

Thus, when the Sherman Act incorporated the common-law principles on this subject into federal statutory law 3 by adopting the concept of restraint of trade, it presumably imported both the principle that restrictions on competition are illegal and also the principle that in some circumstances a showing of reasonableness will legalize restrictions on competition. Nevertheless, when the question was first presented to the United States Supreme Court under the Sherman Act, it was clearly held (despite later disavowals4 ) that the justification of reasonableness was not available as a defense to a combination which had the effect of restraining trade.' Indeed, it was intimated that the question of reasonableness was not open to the courts in these actions at common law.6 However, when the Court reviewed this matter in Standard Oil Co. v. United States,7 it said in fairly explicit terms both that the Sherman Act prohibited only contracts or acts which unreasonably restrained competition and that the standard of reasonableness had been applied to all restraints of trade at the common law. The Court's assertion is somewhat weakened by the fact that it construed the rule of reason not as applying a standard for judging the character or consequences of the challenged conduct, but as a technique involving the application of human intelligence, or reason, to the problem of making a judgment about whether the conduct does restrain trade.'

#### The aff violates—they create a new legal standard for courts to decide whether a practice is “unreasonable” based on weighing evidence—not a declaration of illegality without inquiry

#### VOTE NEG

#### FIRST---Ground---balancing tests devastate core links, because they allow the practice when it’s beneficial. AND, creates a moving target, because the disallowed behavior is context-dependent.

#### SECOND---Bidirectionality---rule of reason creates legally protected practices

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#### Inflation’s on the brink. Higher wages trigger a wage-price spiral that cause rate hikes and recession.

Smialek 11-5-2021, writes about the Federal Reserve and the economy for The New York Times. She previously covered economics at Bloomberg News (Jeanna, “Wages are rising, but can they keep up with inflation?,” *New York Times*, <https://www.nytimes.com/2021/11/05/business/economy/wages-inflation.html>)

American workers are taking home bigger paychecks as employers pay up to attract and retain employees. But those same people are shelling out more for furniture, food and many other goods and services these days. It is not yet clear which side of that equation — higher pay or higher prices — is going to win out, but the answer could matter enormously for the Federal Reserve and the White House. There are a few ways this moment could evolve. Wage growth could remain strong, driven by a tight labor market, and overall inflation could simmer down as supply chain snarls unravel and a surge in demand for goods eases. That would benefit workers. But troubling outcomes are also possible, and high on the list of worries is what economists call a “wage-price spiral.” Employees could begin to demand higher pay because they need to keep up with a rising cost of living, and companies may pass those labor costs on to their customers, kicking off a vicious cycle. That could make today’s quick inflation last longer than policymakers expect. The stakes are high. What happens with wages will matter to families, businesses and central bankers — and the path ahead is far from certain. “It’s the several-trillion-dollar question,” said Nick Bunker, director of research for the hiring site Indeed. For now, wage growth is rapid — just not fast enough to keep up with prices. One way to measure the dynamic is through the Employment Cost Index, which is reported by the Labor Department every quarter. In the year through September, the index’s measure of wages and salaries jumped by 4.2 percent. But an inflation gauge that tracks consumer prices rose by 5.4 percent over the same period. A different measure of pay, an index that tracks hourly earnings, did rise faster than inflation in August and September after lagging it for much of the year. And an update to that gauge on Friday showed that wages climbed 0.4 percent in October, which is roughly in line with recent monthly price increases. Over the past year, that measure is up by 4.9 percent. But the data on hourly earnings have been distorted by the pandemic, because low-wage workers who left the job market early in 2020 are now trickling back in, jerking the average around. The upshot is that the tug of war between price increases and pay increases has yet to decisively swing in workers’ favor. Whether wage gains eventually eclipse inflation — and why — will be crucial for economic policymakers. Central bankers celebrate rising wages when they come from productivity increases and strong labor markets, but would worry if wages and inflation seemed to be egging each other upward. The Federal Reserve is “watching carefully,” for a troubling increase in wages, its chair, Jerome H. Powell, said on Wednesday, though he noted that the central bank did not see such a trend shaping up. Recruiters do report some early signs that inflation is factoring into pay decisions. Bill Kasko, president of Frontline Source Group, a job placement and staffing firm in Dallas, said that as gas prices in particular rise, employees are demanding either higher pay or work-from-home options to offset their increased commuting costs. “It becomes a topic of discussion in negotiations for salary,” Mr. Kasko said. But for the most part, today’s wage gains are tied to a different economic trend: red-hot demand for workers. Job openings are high, but many would-be employees remain on the labor market’s sidelines, either because they have chosen to retire early or because child care issues, virus concerns or other considerations have dissuaded them from working. Emily Longsworth Nixon, 27 and from Dallas, is one of Mr. Kasko’s employees. She tried to recruit a woman to an executive assistant position at a technology company that would have given her a $30,000 raise — and saw the candidate walk away for a counter offer of no additional pay but three work-from-home days each week. Covid’s impact on the supply chain continues. The pandemic has disrupted nearly every aspect of the global supply chain and made all kinds of products harder to find. In turn, scarcity has caused the prices of many things to go higher as inflation remains stubbornly high. Almost anything manufactured is in short supply. That includes everything from toilet paper to new cars. The disruptions go back to the beginning of the pandemic, when factories in Asia and Europe were forced to shut down and shipping companies cut their schedules. First, demand for home goods spiked. Money that Americans once spent on experiences were redirected to things for their homes. The surge clogged the system for transporting goods to the factories that needed them — like computer chips — and finished products piled up because of a shortage of shipping containers. Now, ports are struggling to keep up. In North America and Europe, where containers are arriving, the heavy influx of ships is overwhelming ports. With warehouses full, containers are piling up at ports. The chaos in global shipping is likely to persist as a result of the massive traffic jam. No one really knows when the crisis will end. Shortages and delays are likely to affect this year’s Christmas and holiday shopping season, but what happens after that is unclear. Jerome Powell, the Federal Reserve chair, said he expects supply chain problems to persist “likely well into next year.” “After that, I had my tail between my legs for a couple of days; I had never thought to ask that,” she said, adding that employers need to know their candidates like never before as workers flex their power, taking home raises and other perks. “Before Covid, it was an employer-driven market.” Those in-demand workers could end up being better off in the long run, should their pay continue to chug higher even as supply chains heal and prices for used cars and couches moderate, allowing them to afford more. Pay gains might also become more sustainable for employers as virus concerns fade and employees trickle back from the labor market’s sidelines. And even if rapid wage increases persist, it is not absolutely the case that employers will be forced to drastically raise prices. Businesses could stomach a hit to their profits instead, or they could invest in technology that improves worker productivity. If fewer waitresses can sell the same number of dinners because customers are ordering from QR codes, for instance, employers will have leeway to pay more without taking a hit to their bottom line. But a happy outcome is not guaranteed. If today’s high prices do drive tomorrow’s wage negotiations and set off an upward spiral, the result could be a longer period of high inflation that prods the Fed to raise interest rates to tamp down demand and cool off prices, slowing the economy and possibly even sending it back into a recession.

#### Rate hikes crush renewables---locks in warming.

Bornhauser 19, citing Tobias Schmidt, Professor of Energy Politics. (Martin, 9-9-2019, "Interest rates are a decisive factor for competitive renewables", *ETH Zurich*, <https://ethz.ch/en/news-and-events/eth-news/news/2019/09/interest-rates-are-a-decisive-factor-in-the-competitivenessof%20renewable%20energy.html>)

Renewable energy is an essential part of efforts to reduce CO2 emissions. Without it – according to all the climate scenarios – the Paris Agreement’s target of limiting global warming to below 2°C relative to the pre-​industrial age will not be achieved. Policymakers have therefore introduced various support measures for renewable energy, in particular in the EU – and not without success: the generation costs of alternative energy in many European countries today are comparable with the (marginal) costs of existing gas or coal-​fired power stations. The last two years have seen the widespread emergence of photovoltaic plants that can survive and hold their own on the market without subsidies – for example, in Spain and Germany. Green electricity’s new-​found competitiveness is based on more mature technology and higher volumes, which bring down costs. In addition – and this is often overlooked – the low cost of capital has also played its part, as low interest rates boost the economic viability of alternative energy sources. Lower costs thanks to low interest rates But what happens if interest rates rise? ETH researchers have explored this question in two studies. As renewable energy is more capital-​intensive than fossil fuels, the costs rise more sharply with rising interest rates, making it less attractive. “Renewable energy is now very cheap, but that won’t necessarily be the case with higher interest rates,” says Tobias Schmidt, Professor of Energy Politics. According to Schmidt, analysis of 133 photovoltaic and onshore wind projects in Germany over the last 18 years shows that – in the case of wind power, for example – lower financing costs account for about 25% of the savings in electricity-​production costs (see article in Nature Energycall\_made). “Renewable energy has become cheaper – thanks in part to significant improvements in financing conditions,” says Bjarne Steffen, co-​author of the study. Conversely, rising financing costs will lead to disproportionate increases in the price of renewable energy. Less attractive with rising interest rates In a study published today in Nature Sustainability, the ETH researchers calculated various interest rate scenarios in collaboration with a team from the Potsdam Institute for Climate Impact Research (PIK). If interest rates were to return to pre-​crisis levels, electricity production costs in Germany would increase by 11% for solar power plants and 25% for wind power projects – with a knock-​on impact on competitiveness. In a scenario involving a moderate rise in interest rates, the lower costs of solar power plants due to advances in knowledge and technology would be offset by higher interest charges. For wind power stations, it is estimated that electricity generation costs would increase by 9% in such a scenario.

#### 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.

### 1NC

#### Text: The 50 United States and relevant subnational entities should recognize protection of competition as the purpose of antitrust law and favor structural remedies, including blocking mergers and instituting breakups, over conduct remedies

#### State antitrust is enforceable and solvent.

Lange et al. 21, \*Perry A., JD, antitrust lawyer, vice-chair of the ABA Antitrust Section’s Joint Conduct Committee. \*Brian K. Mahanna, JD, former chief of staff and deputy attorney general in the Office of the New York State Attorney General, \*Nicole Callan, JD, vice chair of the Civil Practice and Procedure Committee of the American Bar Association (ABA)'s Section of Antitrust Law, \*Álvaro Mateo Alonso, LLM, Law Degree, antitrust lawyer. (3-5-2021, "Developments in Antitrust Law: Keep an Eye on New York", *WilmerHale*, Full report accessible at: https://www.wilmerhale.com/en/insights/client-alerts/20210305-developments-in-antitrust-law-keep-an-eye-on-new-york)

Although much attention recently has been focused upon debates in Congress, potential legislative changes to U.S. antitrust law are not limited to proposals at the federal level. Many states are considering changes to their own antitrust laws, which usually can be enforced by state attorneys general and private plaintiffs. Importantly, New York legislators have introduced two bills that propose sweeping changes to the State’s antitrust law, the Donnelly Act, building on measures introduced in New York’s last legislative session.

These proposals, if enacted, would make New York’s single firm conduct statutory provisions the most aggressive in the United States and would give the New York Attorney General a more prominent role in reviewing transactions—including by creating a first-of-its-kind state merger notification requirement. These changes would allow New York’s antitrust law to reach a range of conduct not actionable under any existing federal or state antitrust law, and would introduce European-style antitrust standards to New York. Accordingly, this reform would create considerable new compliance challenges and risk for companies potentially subject to New York antitrust law, whether or not those companies are located in New York.

Other U.S. states and territories are considering antitrust law changes, but the New York proposals are the most significant. Although much of the conversation concerning developments in antitrust law has focused on “Big Tech” companies, these proposals would affect businesses across all sectors of the economy. This alert discusses these legislative proposals and key implications for businesses.

### 1NC

#### FTC will litigate health mergers now.

Levine 8-25-2021, master’s degree from the Columbia University Graduate School of Journalism and a bachelor of arts in English from the University of Pennsylvania. She is also an alumna of the Fellowships at Auschwitz for the Study of Professional Ethics, a program in Germany and Poland that explores the ethics of reporting on politics, war and genocide (Alexandra, “How Biden's tech trustbuster could change health care,” *Politico*, <https://www.politico.com/newsletters/future-pulse/2021/08/25/how-bidens-tech-trustbuster-could-change-health-care-797333>)

Lina Khan’s Federal Trade Commission has its eyes on health care. The agency known for efforts to rein in Big Tech companies like Facebook and Amazon is also enmeshed in high-stakes health care and health tech battles that extend well beyond Silicon Valley. Case in point: The FTC trial that kicked off yesterday examining monopoly concerns in the market for cancer screening technology. (More on that below.) That closely watched antitrust case — involving the giant Illumina and startup Grail — predates Khan’s confirmation as FTC chair. But it underscores how health issues are looming over the agenda, particularly heading into the pandemic's second year. The way health care companies and consumer health apps handle sensitive data “is an area that I'm sure [Khan’s] very, very interested in,” said Jessica Rich, former director of the FTC’s consumer protection bureau, adding that the Biden administration's FTC will also be closely scrutinizing hospital mergers. “I expect her and the commission to take a very bold approach to what constitutes harm for both,” Rich said. “I expect her to pay close attention to algorithms and potential discrimination in health care, both denials and pricing issues which the FTC's laws can address.” The FTC’s jurisdiction touches nearly the entire health economy. While its competition bureau looks at health care mergers like the Illumina-Grail deal, its consumer protection side is focused on health privacy and data security issues, as well as fighting bogus medical claims on everything from weight loss to Covid cures. When Congress passed the Covid-19 Consumer Protection Act last year, the agency was granted new authority to police Covid scams. Although Khan hasn't spoken publicly about her health care agenda, she's likely to take issue with health apps and companies whose business models maximize, incentivize and monetize data collection. Of particular concern is how firms disclose what they’re doing with consumers’ data — and whether it may still be deceptive or unfair.

#### Resources are finite---plan draws from merger litigation.

McCabe 18, covers technology policy from The Times' Washington bureau, formerly of Axios (David, “Mergers are spiking, but antitrust cop funding isn't,” Axios, https://www.axios.com/antitrust-doj-ftc-funding-2f69ed8c-b486-4a08-ab57-d3535ae43b52.html)

The number of corporate mergers has jumped in recent years, but funding has stagnated for the federal agencies that are supposed to make sure the deals won’t harm consumers. Why it matters: A wave of mega-mergers touching many facets of daily life, from T-Mobile’s merger with Sprint to CVS’s purchase of Aetna, will test the Justice Department's and Federal Trade Commission’s ability to examine smaller or more novel cases, antitrust experts say. What they’re saying: “You have finite resources in terms of people power, so if you are spending all of your time litigating big mergers … there might be some investigations where decisions might have to be made about which investigations you can pursue,” said Caroline Holland, who was a senior staffer in DOJ’s Antitrust Division under President Obama and is now a Mozilla fellow. What's happening: More mergers are underway now than at any point since the recession. The total number of transactions reported to the federal government in fiscal year 2017, and not including cases given expedited approval or where the agencies couldn't legally pursue an investigation, is 82% higher than the number reported in 2010 and 55% higher than the number reported in 2012. Funding for antitrust officials who weigh the deals hasn’t kept pace. The funding for the Department of Justice’s antitrust division has fallen 10% since 2010, when adjusted for inflation. That's in line with the broader picture: not adjusting for inflation, the Department's overall budget increased just slightly in 2016 and 2017. Funding for the FTC has fallen 5% since 2010 (adjusted for inflation). An FTC spokesperson declined to comment on funding levels and Antitrust Division officials didn't provide a comment. Driving the news: Merger and acquisition activity is up 36% in the United States compared to the same time last year, according to Thomson Reuters data from April. Several deals under government review have gotten national attention, including Sinclair’s purchase of Tribune's TV stations or T-Mobile’s deal with Sprint, which stands to reduce the number of national wireless providers from four to three. Meanwhile, the Justice Department is awaiting the ruling on its lengthy legal effort to block AT&T’s proposed $85 billion purchase of Time Warner. Yes, but: It’s not the attention-grabbing mega-mergers that advocates worry will get less of a close look thanks to a shortage of funds. Instead, some say budget limitations are likely to matter when officials are deciding which smaller or "borderline" deals to investigate further. “Sometimes there’s nothing there,” said Holland of the agency's early investigations. “Other times, it might be, ‘This is kind of a close call, and we’ve got three or four close calls and we need to pick one of them.’" "It could mean settlements get accepted that otherwise wouldn’t, or deals that should be challenged aren’t," said Michael Kades of the Washington Center for Equitable Growth, an antitrust-enforcement-friendly think tank that has done extensive research on the topic, in an email.

#### Health consolidation collapses rural care

Numerof 20, PhD @ Bryn Mawr, internationally recognized consultant and author with over 25 years of experience in the field of strategy development and execution, business model design, and market analysis (Rita, “Covid-Induced Hospital Consolidation: What Are The Impacts On Consumers, And Potentially The President,” *Forbes*, <https://www.forbes.com/sites/ritanumerof/2020/11/11/covid-induced-hospital-consolidation-what-are-the-impacts-on-consumers-and-potentially-the-president/?sh=692d6fc94da0>)

Covid-19 has initiated yet another wave: A wave of hospital mergers and acquisitions that will have devastating consequences for public health if industry doesn’t soon execute an about-face. Whether because they’re on the brink of bankruptcy and have subscribed to the half-truth that size is protective, or because they think they can score some good deals and believe scale and success are synonymous, the financial fallout of Covid-19 has caused many hospital executives to make consolidation a core part of their future plans. With the intent of increasing care quality and decreasing consumer costs despite these challenging times, the merger between Shannon Medical Center and Community Hospital and partnership between Intermountain and Sanford Health are just two examples. There are multiple reasons why consumers absolutely cannot afford for industry to bulk up in an effort to weather this storm. The first is that the positive efforts executives claim consolidation will help them accomplish often prove to be futile. Research shows that wherever market concentration is high, there are also higher prices for both consumers and the employers who provide their healthcare coverage. In the absence of competition, costs increase and quality deteriorates. That’s the opposite of progress. Second, generally speaking, the union of two institutions with operational shortcomings only creates one larger institution with even more operational shortcomings! That’s not progress either. Third, Covid-induced consolidation will only make future progress many times more difficult. The larger an organization is, the more it will struggle to rapidly adapt to healthcare disruptions like we’re seeing today. Retail giants like Walmart, Walgreens, Amazon and CVS are pivoting to cater to healthcare consumer demands for affordability and accessibility. Right now, they’re still a blip on the radar relative to mainstream healthcare delivery, but they are looking to eventually corner the market and drive the industry forward. And as they continue down this path, consolidated healthcare systems will be left behind, potentially at the expense of the consumers in that area. The potential impact of continued consolidation on rural patients is especially concerning. Rural communities may have a limited number of the big-box retailers mentioned above. And the unfortunate fact of the matter is that when a larger hospital or health system purchases a smaller, rural hospital, it’s usually only a matter of time before the purchasing system realizes that unless they drastically pare down and reconfigure operations, the acquired hospital will never be profitable. Many eventually decide to close up shop, in some instances reducing or even eliminating rural patients’ options for care delivery. In the absolute worst-case scenario, this is exactly the reality all consumers could face if consolidation continues at its current pace. In theory and if left unchecked, all of the hospitals in the United States could be owned by only a handful of mammoth systems that then lack incentive to continually deliver quality services at lower total cost of care.

#### Rural care is key to US ag exports

Lichtenwald 16, CEO of Medsphere Systems Corporation (Irv, “Is CMS Efforts Enough to Transform Rural Healthcare?,” <http://hitconsultant.net/2016/02/22/32016/>)

The scenario is far from unrealistic. For the most part, non-urban healthcare organizations are not doing well. In fact, almost every rural hospital in the country is operating near the margin or in the red. According to iVantage Health Analytics Senior Vice President Michal Topchik, speaking to Health Data Management, 67 rural hospitals have closed since 2010, and 283 were vulnerable to closure last year. Already in 2016 iVantage has identified 673 vulnerable rural hospitals, with 210 at very high risk. While only about 15 percent of the American population, roughly 46 million people, live in rural areas, they do some of the nation’s most essential work. Mostly, they grow food, produce energy or provide services to the people that grow food and produce energy. Obviously, the rural healthcare situation matters in terms of food and energy security at home, but also in terms of economics—the United States is by far the largest global exporter of food, with roughly $40 billion separating America from number two, and is on the cusp of ending energy imports for the first time since 1950. In reality, rural healthcare is transitioning, not disappearing, mostly because doing nothing is just bad economics. People in rural areas need care. If they can’t get it locally, they have to be flown to the nearest facility, which ends up being more expensive over the long term than funding a local hospital. To their credit, the Centers for Medicare and Medicaid Services (CMS) are already aware of the situation in rural America and have been taking steps toward fixing it. Speaking recently to the National Rural Health Association, CMS Acting Administrator Andy Slavitt explained that the agency is “establishing a CMS Rural Health Council to work across the entire agency to oversee our work in three strategic priority areas– first, improving access to care to all Americans in rural settings; second, supporting the unique economics of providing health care in rural America; and third making sure the health care innovation agenda appropriately fits rural health care markets.” As Slavitt points out, rural Americans tend to be older, earn less money and they generally lack health insurance—more than 60 percent of citizens without health insurance live in rural areas in states that have not expanded Medicaid through the Affordable Care Act. Nearly 75 percent of government health insurance exchange users make less than 250 percent of the federal poverty level—currently a bit less than $12,000 a year for an individual and slightly more than $24,000 for a family of four. So, if the argument could be made that rural America is home to the greatest number of healthcare challenges, then it also represents the greatest opportunity. If we can make affordable healthcare work outside urban areas, we may have a template applicable to other scenarios. On Slavitt’s first two points—access and economics—CMS is working to sign rural Americans up for health insurance and adjusting requirements and payment models for rural care. Which brings us to the “innovation agenda,” Slavitt’s term for the digitization of healthcare and the all-in bet the federal government has made on the benefits of health IT. The goal here is to transform rural hospitals and clinics into efficient, wired, lean operations that can absorb the realities of rural care and still operate in the black. With 35 percent of rural hospitals losing money and almost two-thirds running a negative operating margin, there’s simply no way rural facilities can invest in health IT without help. From CMS, that help takes the form of several planned or in-process programs: – Medicaid State Innovation Model grants for technical support in smaller rural hospitals – Aggregation of services in rural communities creating benefits from population health – The Frontier Community Health Integration Project (summer 2016), developing and testing new models in isolated areas using telemedicine and integration approaches – The ACO investment model for hospitals that can’t invest in ACO infrastructure; the model now serves 350,000 rural beneficiaries through 1,100 rural providers – Incorporating telemedicine where appropriate; CMS is publishing a Medicaid final rule that for the first time allows for face-to-face encounters using telehealth It’s clear that CMS understands we can’t leave rural hospitals to fend for themselves. But it also seems clear that a lot of hospitals invested in electronic health records (EHRs) they could ill afford to qualify for Meaningful Use funds—dollars that seldom covered implementation costs for solutions that didn’t yield significant cost savings and required additional technical personnel. By and large, that MU money has been dispensed. The carrot has been eaten. What Medicare- and Medicaid-heavy hospitals can expect next is two sticks: more stringent reporting requirements necessitating EHR use and direct penalties (for now) related to Meaningful Use non-compliance. “The high capital and operating costs associated with health IT, specifically EHRs, have put some hospitals in a difficult position,” wrote Becker’s Hospital CFO in a prescient January 2014 article. “Do they absorb the financial hit now, even if they know they can’t afford it? Most organizations are doing so …” Yes, CMS is trying to help lessen the impact of that metaphorical beating, but these rural hospitals also have to make decisions to help themselves. Too many are paying for systems they can’t afford to maintain. Moreover, they are unable to invest in necessary security, leaving them increasingly open to data breaches. Many are also still handicapped by the costs of ICD-10 transition, for which there was no federal reimbursement. Rural hospitals need a comprehensive EHR platform that integrates with a revenue cycle system so they can properly capture charges and manage the billing process, and effectively collect on previously lost billing. These systems need to be available as a subscription service so that rural hospitals don’t have to come up with huge money down. And they can’t require the hiring of an additional 50 application specialists to make the new systems work. “The benefits of IT are still to come,” Standard and Poor’s Marin Arrick told Becker’s Hospital CFO more than two years ago. Still the economic crisis in rural care rages on, certainly lessening access to care for millions of Americans and arguably impacting the labor force that produces food, energy, etc.

#### US ag exports prevent hotspot escalation

Castellaw 17

Lieutenant General John Castellaw is the Founder and CEO of Farmspace Systems LLC, a provider of precision agricultural aerial services and equipment. He is a highly decorated 36-year veteran of the United States Marine Corp where he participated in and led several humanitarian operations in Africa, Asia and Europe. He is also the former President of the non-profit Crockett Policy Institute where he created the “SOLDIER 2 CIVILIAN” program to help veterans find jobs in precession agriculture. He graduated from the University of Tennessee, Martin (UTM) with a degree in Agriculture. He currently operates his family farm in Tennessee. “Opinion: Food Security Strategy Is Essential to Our National Security.” Agri-Pulse. May 1st, 2017. https://www.agri-pulse.com/articles/9203-opinion-food-security-strategy-is-essential-to-our-national-security

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

# Case

## Adv 1

### 1NC---!D---AI Arms Race

#### No AI or autonomous weapons arms race

Elsa Kania 18, Adjunct Fellow with the technology and national security program at CNAS, 4/19/18, “The Pursuit of AI Is More Than an Arms Race,” https://www.defenseone.com/ideas/2018/04/pursuit-ai-more-arms-race/147579/

However, the concept of an “arms race” is too simplistic a way to think of the coming AI revolution. To confront its challenges wisely requires reframing the current debates.

First and foremost, AI is not a weapon, nor is “artificial intelligence” a single technology but rather a catch-all concept alluding to a range of techniques with varied applications in enabling new capabilities. Just in the near term, the utility of AI in defense may include the introduction of machine learning to cyber security and operations, new techniques for cognitive electronic warfare, and the application of computer vision to analyze video and imagery (as in Project Maven), as well as enhanced logistics, predictive maintenance, and more.

Despite the active research and development underway, these technologies remain nascent and brittle enough that “fully autonomous” weapons (or even cars) are hardly imminent. Moreover, militaries – even those that care less about laws and ethics – may be unwilling to relinquish human control due to the risks.

### 1NC- AT: Innovation

#### 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.

## Adv 2

### 1NC- Thumpers

#### Afghanistan and rising nationalism globally

Prince Michael ‘21

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Washington decided to discontinue its military presence in Afghanistan, handing back power to the Taliban after a 20-year intervention. This strange experiment, aiming to create a state based on Western conceptions of “robust” central institutions and pipe dreams of national democracy, has failed miserably. The dream to “make the world a better place” by introducing so-called Western values – a secular gospel of democracy, institutions (and bureaucracy), as well as various undifferentiated rules combined with a neglect of healthy traditional values – has turned out to be an illusion in many places. It is slowly becoming apparent that the “Westernization” of the world will not succeed on this basis. The world could soon become more fragmented Leaving Afghanistan amounts to admitting that Francis Fukuyama’s “end of history” will not take place. After the implosion of the Soviet Union, the American political scientist published an optimistic book declaring that the entire world will soon be democratic, peaceful and free – in other words, the end of history. Meanwhile, both Washington and European countries are worried about who will control the airport in Kabul. The hope is that NATO’s second-largest power, Turkey, will take responsibility for it. End of morals-driven foreign policy In a GIS report on Central Asia, Professor Stefan Hedlund writes: “In recent years, certain nations have begun presenting their culture as an alternative to Western “universal values” and rule-based global order. These “civilizational states,” like China and Russia, have developed narratives that depict their values as fundamentally different from, and superior to, that of the West. India’s Hindu nationalism follows the same approach. The trend could signal the end of foreign and security policies driven by Western ideals. Soon, promoting democracy in faraway lands could go from being merely ineffectual to exacerbating civilizational conflict.” In contrast to his predecessor’s “America First” ideology, United States President Joe Biden has been repeating that “America is back” and intends to revive and strengthen old alliances in Europe and Asia. Feelings of moral superiority will lead nowhere Many believe that the administration of Donald Trump disrupted the rules-based world order, and that the Biden presidency will reinstate it. However, “America is back” rather refers to a traditional coalition of so-called “liberal democracies” than a renaissance of the rules-based system. This was confirmed at the last meeting of the G7, a group comprising seven of the largest industrialized countries (the U.S., Canada, Japan, the United Kingdom, France, Germany and Italy). The organization has decided to finance an initiative to counter China’s Belt and Road infrastructure. In the text mentioned above, Professor Hedlund adds: “Beyond the need to repair old relations, the main challenge that awaits the Biden administration is whether it has what it takes to engage with those it sees as foes. Former Secretary of State Mike Pompeo said: “I don’t think the American people can afford to go back to eight more years of Barack Obama’s foreign policy.” Beyond the apparent spite, the former U.S. diplomacy head touched on a raw nerve, suggesting that the core of the challenge is not to undo what took place during the Trump presidency. Instead, it will be to overcome the legacy of the Obama administration – eight years of incoherent morals-driven foreign policy stratagems that resulted in one mess after another, from Russia and Ukraine to Libya and Syria. From that angle, the task appears formidable.” The end of the American presence in Afghanistan signals the decline of aspirations to build a democratic world order based on Western standards. The world could soon become more fragmented. This poses challenges and requires new ways of thinking. Europe will have to become more adept at understanding its neighbors in this new political environment. Both Russia and Turkey are making their own choices. Turkey is in a delicate position resulting from its proximity to Europe, the Balkans, the Middle East, the Black Sea and the Caucasus. In many areas, its interests clash with those of Russia. Brussels and European countries should show more subtlety and understanding in their dealings with Ankara, especially when it comes to economic zones in the Eastern Mediterranean, instead of opting for its usual aggressive criticism. Similarly, Russia has to manage relations with both Europe and East Asia, especially China, and protect its southern border. In this context, feelings of moral superiority will lead nowhere. The new reality will require realpolitik, while not forgetting oppressed ethnic minorities.

### 1NC- AT: Populism

#### Populism’s inevitable---aging and automation lock it in.

Beckley 20, Associate Professor of Political Science at Tufts University, Jeane Kirkpatrick Visiting Scholar at the American Enterprise Institute. (Michael, 10/06/20, "Rogue Superpower: Why This Could Be an Illiberal American Century", *Foreign Affairs*, <https://www.foreignaffairs.com/articles/united-states/2020-10-06/illiberal-american-century-rogue-superpower>)

Don’t count on it. The era of liberal U.S. hegemony is an artifact of the Cold War’s immediate afterglow. Trump’s transactional approach to foreign policy, by contrast, has been the norm for most of U.S. history. As a result, Trump’s imprint could endure long after Trump himself is gone.

Trump’s approach already appeals to many Americans today. That appeal will grow even stronger in the years ahead as two global trends—rapid population aging and the rise of automation—accelerate, remaking international power dynamics in ways that favor the United States. By 2040, the United States will be the only country with a large, growing market and the fiscal capacity to sustain a global military presence. Meanwhile, new technologies will reduce U.S. dependence on foreign labor and resources and will equip the U.S. military with new tools to contain the territorial expansion of the country’s great-power rivals. As long as the United States does not squander those advantages, it will remain the world’s dominant economic and military power.

Remaining the most powerful country, however, is not the same thing as remaining the guarantor of a liberal international order. Somewhat paradoxically, the same trends that will reinforce U.S. economic and military might will also make it harder to play that role—and make Trump’s approach more attractive. Since the end of World War II, the United States has seen itself as the chief defender of a democratic capitalist way of life and the champion of a rules-based international system built on liberal values. Washington has provided dozens of countries with military protection, secure shipping routes, and easy access to U.S. dollars and markets. In exchange, those countries have offered their loyalty and, in many cases, have liberalized their own economies and governments.

In the coming decades, however, rapid population aging and the rise of automation will dampen faith in democratic capitalism and fracture the so-called free world at its core. The burdens of caring for older populations and the job losses resulting from new technologies will spur competition for resources and markets. Aging and automation will also lay bare the flaws of the international institutions that governments rely on to tackle common problems, and Americans will feel less dependent on foreign partners than they have in generations. In response, the United States might become a rogue superpower. Like the twentieth century, the twenty-first century will be dominated by the United States. But whereas the previous “American century” was built on a liberal vision of the U.S. role in the world, what we might be witnessing today is the dawn of an illiberal American century.

### 1NC---!D---Heg

#### No leadership impact---empirics.

Fettweis 20, Associate Professor of Political Science at Tulane University. (Christopher J., 6-3-2020, "Delusions of Danger: Geopolitical Fear and Indispensability in U.S. Foreign Policy", *A Dangerous World? Threat Perception and U.S. National Security*, https://www.cato.org/publications/publications/delusions-danger-geopolitical-fear-indispensability-us-foreign-policy)

Like many believers, proponents of hegemonic stability theory base their view on faith alone.41 There is precious little evidence to suggest that the United States is responsible for the pacific trends that have swept across the system. In fact, the world remained equally peaceful, relatively speaking, while the United States cut its forces throughout the 1990s, as well as while it doubled its military spending in the first decade of the new century.42 Complex statistical methods should not be needed to demonstrate that levels of U.S. military spending have been essentially unrelated to global stability.

Hegemonic stability theory’s flaws go way beyond the absence of simple correlations to support them, however. The theory’s supporters have never been able to explain adequately how precisely 5 percent of the world’s population could force peace on the other 95 percent, unless, of course, the rest of the world was simply not intent on fighting. Most states are quite free to go to war without U.S. involvement but choose not to. The United States can be counted on, especially after Iraq, to steer well clear of most civil wars and ethnic conflicts. It took years, hundreds of thousands of casualties, and the use of chemical weapons to spur even limited interest in the events in Syria, for example; surely internal violence in, say, most of Africa would be unlikely to attract serious attention of the world’s policeman, much less intervention. The continent is, nevertheless, more peaceful today than at any other time in its history, something for which U.S. hegemony cannot take credit.43 Stability exists today in many such places to which U.S. hegemony simply does not extend.

# 2NC

## Adv Cp

### 2NC – Solvency Overview

#### Funding key in China Race

\*China has 9% of all AI workers, while the US has 14% of AI workers. The US has 5 times as much high-quality talent as China.

\*China is only surging ahead because of funding --- it has two-thirds of global AI funding.

Note: data comes from a study conducted by Tsinghua University.

Waddell 18 — Kaveh Wadell, AI reporter for Axios, former reporter on privacy and surveillance at The Atlantic, BA in International Politics and Economics, 2018 (“Report: China leads U.S. on AI finding but trails on talent,” *Axios,* July 17th, Available Online at https://www.axios.com/china-artificial-funding-talent-jobs-ai-55c2d97c-3748-4ea7-9e87-1f4b3f242076.html, Accessed on 09-26-2018)

Two-thirds of global AI investment today goes to China, ballooning the value of China’s AI market by 67% from 2016 to 2017 and threatening to rob the U.S. of its tenuous AI lead, according to a new study from China’s Tsinghua University. Why it matters: The U.S. and China are jockeying to be an AI superpower, as private investors and governments pour money into research in both countries. The U.S. has a serious talent edge over China for now, but China’s funding advantage keeps it in the running, as top universities like Tsinghua turn out high-quality researchers. Show less The big picture: The U.S. still has a solid talent advantage. According to the study, which was reported on in the South China Morning Post: China’s AI talent pool made up just under 9% of the global total, compared to nearly the 14% of AI talent that’s in the U.S. When it comes to high-level talent — the best of the best — the gap is even wider: China has one-fifth the top talent that the U.S. has. The U.S. and Japan trail China in number of AI patents, and China leads in the quantity of research papers produced and the number of times they’re cited.

#### Causes follow on, answers only 2AC arg

SSTI 16 (SSTI – nationwide network of practitioners and policymakers dedicated to improving the economy through science, technology, innovation and entrepreneurship, supplies information about tech-based economic development; “Recent Research: Local Impacts of Federal R&D Investments,” November 10, 2016. DOA: 4/14/19. <http://ssti.org/blog/recent-research-local-impacts-federal-rd-investments>)

The Domino Effects of Federal Research Funding, a June 2016 article by authors Lauren Lanahan, Alexandra Graddy-Reed and Maryann Feldman, presents substantial evidence that scientific R&D funding from the federal government can help to attract follow-on investments at academic institutions in the United States. Through an empirical analysis, the authors find that a 1.0 percent increase in federal research funding is associated with: a 0.4 percent increase in nonprofit research funding; a 0.2 percent increase in state and local research funding; and a 0.5 percent increase in industry research funding. In addition to supporting investments at the local level where research is being performed, federal funding for scientific research can leverage funding from other sources.

#### We pay companies to do it so they aren’t scared.

\*companies cannot see the gains from tech right away; consequently, they don’t invest in it.

\*the goods the aff wants are public goods, not private goods – they won’t sell on the market because consumers cannot operate [whatever their thing is]

Tassey ’16 (Gregory; 2016; Research Fellow for the Economic Policy Research Center at the University of Washington, former senior economist for the National Institute of Standards and Technology, Ph.D. in Economics from GW, author of The Technology Imperative; “Why the U.S. Needs a New, Tech-Driven Growth Strategy,” <http://www2.itif.org/2016-us-tech-driven-growth-strategy.pdf>)

The most important reason for more and the right kind of federal R&D spending is that investments in (1) technology, especially in its early phases of development, and (2) supporting technical infrastructure (“infratechnologies” and associated standards) have significant degrees of public content. Early-phase technology research is designed to prove technological concepts, often referred to as technology platforms. Although critical for the efficiency of subsequent applied R&D, such concepts are a long way from achieving commercially viable products and services. Companies therefore apply a large time-discounting factor to this research, making it less likely that they invest in it. Further, such proof-of-concept technology research exhibits significant spillovers, meaning companies don’t get anywhere near all the intellectual property benefits from their investments. Finally, the resulting technology platforms exhibit significant economies of scope with respect to potential markets, the set of which is usually broader than the strategic scope of even large firms. The combined impact of these market failures is inadequate expected rates of return on private investment and therefore substantial underinvestment by the private sector. And with the increasing pressure from equity markets for short-term returns, this underinvestment is even more severe today. A major explanation for such underinvestment is the degree and nature of the public-good character of each class of technology assets. This fact explains why industrialized nations promote various forms of cooperative research to pool risk, capture economies of scope, and speed up access to technological advances. Co-location of entire supply chains has become essential, especially for emerging advanced technologies, as suppliers and customers must be closely involved with each other in the development and commercialization of individual components and ultimately their integration into the final product technology system. Similarly, infratechnologies, consisting of measurement and test methods, science and engineering data, and the technical specifications for the physical and especially the functional interfaces between components of modern technology systems become the basis for industry standards and therefore similarly exhibit public-good infrastructure characteristics. For example, in the modern technology system, a large number of hardware and software components must work seamlessly together; that is, functional interfaces must be developed and in put in place. Further, commonly accepted test methods for monitoring and adjusting manufacturing processes (e.g., sensors specifications and equipment calibration standards) must be available to enable quality and process control. Finally, executing market transactions requires product acceptance test standards to reduce transaction costs and thereby lower the effective price of a new product. These multiple functions constitute a ubiquitous role for standards. For example, the semiconductor industry has over 1,000 standards associated with the above functions, without which that industry could not function. The expanding technology-based global economy and the increasing complexity of emerging technologies require government roles at both the federal and state levels to increase the efficiency of the development and deployment of new technologies. In effect, governments around the world now compete against each other as much as do their domestic industries, as they attempt to apply this emerging public-private asset model of economic growth. Under such a model, governments and groups of firms are increasingly co-funding the early phases of a technology’s development and the research that provides the range of technical infrastructures needed by high-tech industries. How efficiently they do this will greatly influence their economies’ overall competitiveness. In terms of specific indicators of policy adequacy, the R&D intensity of an economy indicates the relative amount of an economy’s output of goods and services that are being invested in technology development for future competition. From the 1980s, when the competitive effects of globalization first became apparent, until about 10 years ago, total U.S. national R&D intensity (government and business R&D spending divided by GDP) remained flat, averaging about 2.6 percent. Since 2006, this indicator has risen modestly to about 2.8 percent. Other economies have increased their R&D intensities faster, so that the U.S. ranking has continued to slip to its current 9th place among industrialized nations. With respect to the federal government’s critical role in funding emerging technology development, its spending on R&D exploded in the 1950s and 1960s due to dramatic increases in the areas of aeronautics (defense and space exploration) and a general realization that much more science was needed for the society of the future. But the federal government’s share of national R&D then declined 47 percent between 1970 and 2014. The critical nondefense portion declined by exactly the same percentage. More recently, and therefore more alarming, federal R&D budget authority has declined 16 percent in real terms between 2010 and 2015. Most of this decline was in defense spending (which has considerable spillovers into civilian technology development), but nondefense federal budget authority also declined by 2.8 percent in real terms over this period. Such investment is absolutely essential to leverage productivity growth in the U.S. economy. The long-term decline in federal R&D funding intensity, as well as its share of national R&D, is a critically important problem because, as discussed above, global competitive pressures and growing technological complexity have increased investment risk and extended R&D asset requirements well beyond the capabilities of even the largest R&D-intensive companies. Particularly acute is the need for government funding support in the early phases of a technology’s development and in the increasingly complex set of infratechnologies and associated standards that are required to efficiently execute modern R&D projects and then rapidly gear up for production and commercialization. Without systematic and substantive government support for corporate investment, companies yield to the pressures from Wall Street to deliver short-term benefits. For example, in the period 2009 to 2014, U.S. domestic corporate R&D spending totaled roughly $1.5 trillion, with a growing share on development, rather than basic and long-term technology research. However, during this same period, S&P 500 companies were estimated to have spent $2.1 trillion on stock buybacks.17 Such huge purchases have been enabled by increasingly liquid corporate balance sheets, thanks to the Fed’s largesse. The average corporate debt-to-equity ratio for S&P 500 firms dropped dramatically from its average level in the last decade (1999–2009) of approximately 225 percent to a little over 100 percent in 2015.18 With such pristine balance sheets, companies could have easily financed increased investment. A Harvard Review article estimated that over the period 2003 to 2012, stock buybacks absorbed 54 percent of corporate earnings and attributed the primary motivation to the fact that a majority of corporate managers’ income is stock-based.19 Consequently, while such buybacks provide short-term benefits to corporate managers and shareholders, they contributed significantly to a decline in the average annual growth rate of corporate investment. Likewise, over the last 20 years the share of dividends to capital expenditures has grown steadily, especially after dividend tax rates for individuals were cut significantly in the early 2000s. On the government’s side, the same denial that has led to extreme underinvestment in traditional economic infrastructure prevents adequate investment (through direct spending or tax incentives) in the increasingly critical set of technical infrastructures that are essential for competitive innovation and productivity growth in the global economy.

### 2NC OV---Solves Adv 2

#### The counterplan solves advantage 2 without improving labor conditions.

#### It promotes democracy globally, establishes a democratic concert, promotes domestic decmoracy and avoids rampant protectionism.

#### Domestic and global HR reforms solve “support for internationalism”

Charles A. 1AC Kupchan & Peter L. Trubowitz 21. \*Senior Fellow at the Council on Foreign Relations, Professor of International Affairs in the School of Foreign Service and the Government Department at Georgetown University. \*\*Professor of International Relations at the London School of Economics and Political Science and an Associate Fellow at Chatham House. “The Home Front: Why an Internationalist Foreign Policy Needs a Stronger Domestic Foundation”. May/June 2021. <https://www.foreignaffairs.com/articles/united-states/2021-04-20/foreign-policy-home-front>

Another way to shore up support for internationalism is to repair the American brand by standing up for democracy and human rights around the world. Partners abroad join most Americans in welcoming Biden’s efforts to put the United States back on the right side of history. But to make good on that goal, the United States must exhibit at home the values it seeks to promote abroad. During the 1950s, segregation and racial discrimination eroded U.S. credibility abroad, especially in the developing world. The passage of the watershed 1964 Civil Rights Act did not silence the United States’ most vocal foreign critics, but it did make it easier for Washington to promote social justice beyond its borders. The Trump era, in contrast, seriously compromised American moral authority. Trump’s nativistic appeals exacerbated racial tensions, and his refusal to accept the outcome of the 2020 election constituted an assault on the institutions and norms of American democracy. By the time hundreds of Trump’s supporters launched a violent attack on the U.S. Capitol on January 6, the country’s image among foreign partners had already sunk to historic lows. In the aftermath of these events, Biden will have to couple his defense of democracy abroad with political reform at home if he is to avoid charges of hypocrisy. House Speaker Nancy Pelosi’s proposal to establish a bipartisan, independent commission to probe the attack on the Capitol is a strong step in the right direction and one that Biden has sensibly endorsed. The commission’s charge should include getting to the bottom of what led to the insurrection and why security provisions at the Capitol were so inadequate. In addition, it should address how to prevent bogus challenges to the certification of future elections.

#### Global concert solves the LIO

Albaret et al. 14, Mélanie, \*PhD, lecturer in political science at the Université Clermont-Auvergne. Bertrand Badie, Kanti Bajpai, Oleg Demidov, Nicola Horsburgh, Adam Humphreys. *et al*. (“A Twenty-First Century Concert of Powers – Promoting Great Power Multilateralism for the Post-Transatlantic Era”, *The 21st Century Concert Study Group*, pg. 10, https://www.hsfk.de/fileadmin/HSFK/hsfk\_downloads/PolicyPaper\_ATwentyFirstCenturyConcertofPowers.pdf)

In order to achieve its purpose, a 21st Century Concert will have to rest on a solid foundation of norms that guide the behavior of its members. These norms would include acknowledging the urgency of cooperation, accepting equality between and diversity among great powers, showing empathy and respect for the vital interests of the partners as well as for the interests of non-members, pursuing good neighborhood policies, renouncing the unilateral use of military force and the aim of military superiority in general, and abiding by international law. These norms will likely remain a “work in progress” as it would be unrealistic to expect all of them to be fulfilled at the outset. However, it will be important to “move towards” these norms, lest the Concert should disintegrate.

The Concert and its embedding in the existing world order

The 21st Century Concert would carefully need to integrate itself into the existing world order. Its purpose would not be to substitute but complement existing organizations and institutions. The UN General Assembly and the UN Security Council, for example, should not be marginalized by the Concert; rather, intra-great power deliberations in the Concert should be used to overcome gridlock within these institutions. Relations between the Concert and other international institutions like the G20 and regional security organizations – which are of increasing importance in today’s world – should be characterized by a spirit of cooperation, as opposed to competition. At the same time, the Concert should engage with civil society and care about the legitimacy it enjoys among non-governmental organizations.

The Concert would therefore be embedded within a broader framework of multilateralism. It would help prevent the ultimate common bad, a great power war, and also facilitate cooperation in other areas. Any demands it requires would therefore not mean unacceptable sacrifices, either for member or non-member states; on the contrary, creating a new forum for great power cooperation would serve their own long-term interests. A 21st Century Concert would very likely be able to improve the efficiency of global (security) governance and deepen the culture and practices of cooperation.

## T

### Per Se vs Rule of Reason

#### They are distinct

Report of House Judiciary Committee 10 DISCOUNT PRICING CONSUMER PROTECTION ACT OF 2009, https://www.govinfo.gov/content/pkg/CRPT-111hrpt676/html/CRPT-111hrpt676.htm

``Rule of Reason'' Analysis vs. ``Per Se'' Prohibition Alleged antitrust offenses are generally subject to one of two classes of review, either a per se or rule-of-reason analysis. The category of analysis is significant both in terms of a policy judgment and as an evidentiary burden of proof. Per se offenses\5\ consist of a limited number of business practices deemed so harmful to competition that proof of the practice itself establishes an antitrust violation without further analysis. Per se prohibitions are generally limited to ``conduct that is manifestly anticompetitive,''\6\ that would ``always or almost always tend to restrict competition and decrease output.''\7\ On the other hand, rule-of-reason offenses reflect a recognition that some types of business practices are not always anticompetitive, and may be, on balance, either procompetitive or anticompetitive depending upon the factual circumstances. Rule-of-reason analysis requires a more in-depth look at the practice in question in order to weigh the competitive effects.\8\ Such an analysis generally involves expensive and time-consuming economic research and analysis. Leegin Overturns the Per Se Precedent Set By Dr. Miles In its 1911 decision in Dr. Miles,\9\ the Supreme Court held that an agreement between a manufacturer of proprietary medicines and its dealers to fix the minimum price at which its medicines could be sold was illegal under section 1 of the Sherman Act.\10\ For the next 96 years, Dr. Miles stood for the proposition that agreements between manufacturers and retailers that established a minimum price for the manufacturers' products were illegal on their face. In antitrust parlance, the case established a per se prohibition on vertical minimum price restraints, alternately referred to as ``resale price maintenance,'' or minimum retail price fixing. In its 2007 Leegin decision, the Supreme Court overturned Dr. Miles, holding that minimum retail price fixing would henceforth be judged under the rule of reason, on a case-by- case basis. In a 5-4 decision, Justice Kennedy, writing for the majority, acknowledged that setting minimum retail prices could have anticompetitive effects, but concluded that it could also have procompetitive benefits, and that a per se prohibition could not be justified, as it could not be ``stated with any degree of confidence that retail price maintenance `always or almost always tend[s] to restrict competition and decrease output.'''\11\ The Federal Trade Commission (FTC) and the Department of Justice (DOJ) filed a joint amicus brief in favor of overturning Dr. Miles' per se prohibition; 37 State attorneys general filed one in favor of affirming it.\12\ The effect of Leegin is that minimum retail price agreements are no longer per se prohibited by law. This does not mean that these agreements are now necessarily always legal; they are instead subject to a case-by-case rule-of- reason analysis.

#### The rule of reason is used *in place of* a per se prohibition, as a *distinct alternative*

De Vita 81 (Daniel F. De Vita-St. John's University, J.D., 1982. “The Facial Unreasonableness Theory: Filling the Void Per Se and Rule of Reason” , St. John’s Law Review, Number 4 Volume 55, Summer 1981, Number 4, <https://scholarship.law.stjohns.edu/cgi/viewcontent.cgi?article=2357&context=lawreview> , date accessed 9/13/21)

The Sylvania case represents the first clear attempt by the Supreme Court to limit application of the per se rule. In Sylvania, the defendant television manufacturer used restrictive franchise agreements to limit the locations in which its products could be sold by retailers.130 Although these agreements clearly were illegal under Schwinn because the manufacturer tried to exercise control over its products after title and risk of loss had passed to the buyer, the Supreme Court refused to hold such conduct presumptively violative of section 1 of the Act. 31 Rejecting the Ninth Circuit's attempt to distinguish Schwinn,13 2 the Court reconsidered the applicability of the per se standard to vertical restraints. 33 Noting at the outset that the per se rule should apply only to "manifestly anticompetitive" conduct, the Court assessed the competitive effects of nonprice vertical restrictions.' Notwithstanding that such restrictions reduce intrabrand competition, the Court noted that they tend to increase interbrand competition.'3 5 Thus, because these practices do not have a "pernicious effect on competition,"'3' the Court declined to apply the per se label137[[FOOTNOTE 137 BEGINS]] 137 Id. at 58-59. The Court noted that Schwinn's "per se rule for sale transactions reflected the view that vertical restrictions are 'so obviously destructive' of intrabrand competition that their use would 'open the door to exclusivity of outlets."' Id. at 52. Conversely, the continued application of the rule of reason to nonsale transactions "reflected the view that [vertical restrictions] have too great a potential for the promotion of interbrand competition to justify complete prohibition." Id. at 53. Reviewing the rationale underlying the Schwinn decision, the Sylvania Court was unable to find support for the sale-nonsale distinction. Id. at 54, 56. The Court concluded that the distinction drawn in Schwinn between sale and nonsale transactions is not sufficient to justify the application of the per se rule in one situation and the rule of reason in another. Id. at 57. [[FOOTNOTE 137 ENDS]] and held that the rule of reason is the proper standard by which the legality of vertical restraints is to be determined.138

## DA TradeOff

### 2NC- AT: Turn

#### CP: United States Federal Government should substantially increase it’s funding of the Federal Trade Commission and pass legislation making it easier to deter rural healthcare consolidation

#### Health care enforcement is high, but requires significant resources---new demands require cuts elsewhere

Dafny 21, Professor of Business Administration at the Harvard Business School and the John F. Kennedy School of Government, and former Deputy Director for Healthcare and Antitrust in the Bureau of Economics at the Federal Trade Commission. Professor Dafny’s research focuses on competition in health care markets, and the intersection of industry and public policy. (Leemore, “The Covid-19 Pandemic Should Not Delay Actions to Prevent Anticompetitive Consolidation in US Health Care Markets,” *Pro Market*, <https://promarket.org/2021/06/10/covid-pandemic-consolidation-pandemic-monopoly/>)

Antitrust enforcement vis-a-vis horizontal transactions among health care providers or payers is active, although enforcers do not have sufficient resources to be as active as needed. In the past few years, the DOJ, together with state plaintiffs, successfully blocked two proposed mega-mergers of large health insurers. In the past decade, the FTC and DOJ have successfully challenged over a dozen hospital mergers and a number of mergers among other health care providers, including matters settled with consent decrees requiring divestitures to preserve competition and matters the parties abandoned in the face of agency opposition. However, as Commissioner Rebecca Slaughter, the current acting FTC chair has noted, these efforts have “faced resistance, with two of these recent victories only coming after district court setbacks.” Blocking a horizontal merger, even when it appears to be an “open and shut” case to a layperson, requires extraordinary resources, including large investigation and litigation teams, as well as economic and other subject matter experts who must analyze the transaction, lay out the case for blocking the merger, and rebut arguments advanced by Defendants’ attorneys and experts. To pick a recent example, consider the proposed merger of two hospital systems in the Memphis area, which the FTC filed to block in November 2020. Based on the FTC’s complaint, the merger would have reduced the number of competing systems from four to three and created a system with over a 50 percent market share. In the face of litigation, the parties abandoned the deal—consistent with this being a straightforward case. Although the FTC prevailed without a trial, it took nearly a year from the merger announcement to the abandonment. Over that period, the FTC likely devoted thousands of staff hours to the investigation and lawsuit and expended substantial taxpayer resources on expert witnesses. The higher the payoff from the merger for the merging parties—and the payoff in the case of an increase in market power can be substantial—the greater the incentive for defendants to invest extraordinary resources to fight a merger challenge. Even if there is only a middling (and in some cases, small) chance of getting a merger through, it may well be in the parties’ interest to see if they can prevail, absorbing the agencies’ (i.e., DOJ and FTC’s) scarce resources in that attempt and preventing them from devoting those resources to investigate other transactions or anticompetitive practices.

#### **Enforcement against multiple companies magnifies the link.**

Sutner 20, News Director @ TechTarget. (Shaun, 12-15-2020, "Efforts to break up big tech expected to continue under Biden", *SearchCIO*, <https://searchcio.techtarget.com/news/252493702/Efforts-to-break-up-big-tech-expected-to-continue-under-Biden>)

Biden pushed on antitrust

Antitrust activists, though, are optimistic about the prospects of a Biden administration clamping down on big tech -- an outcome they argue is long overdue, with decades of light enforcement of antitrust laws. They are pushing Biden toward aggressive antitrust policy. Thirty-three antitrust, consumer and progressive groups in a letter on Nov. 30 urged Biden to reject the influence of big tech vendors and to exclude big tech executives, lobbyists, lawyers and consultants from his administration. Prominent among the signatories was Public Citizen, the liberal consumer advocacy group that has called for Biden to triple the FTC's annual funding, from $400 million to $1.2 billion. "At the front end we want these investigations to be pressed. There are supposed to be investigations of Amazon and Apple and we believe there are cases to be brought there," said Alex Harman, competition policy advocate at Public Citizen and former chief legal counsel to Sen. Mazie Hirono (D-Hawaii). "It's a lot to bring big antitrust cases against multiple companies, and that requires resources," Harman said. "As a lawyer, I don't want to say 'Biden does this,' but we want results that structurally change these companies. We don't want quick resolutions and quick settlements."

#### New enforcement priorities trigger a tradeoff from health care

Abbott 21, formerly served as general counsel of the Federal Trade Commission (Alden, “Lack of Resources and Lack of Authority Over Nonprofit Organizations Are the Biggest Hindrances to Antitrust Enforcement in Healthcare,” <https://www.mercatus.org/publications/antitrust-and-competition/lack-resources-and-lack-authority-over-nonprofit>)

Appropriate federal antitrust and consumer protection enforcement is good for the American economy. It promotes enhanced competition and consumer welfare. Regrettably, however, the effectiveness of federal enforcement in achieving these benefits is threatened by insufficient resources. As FTC Acting Chair Rebecca Kelly Slaughter explained in her April 20 testimony before the US Senate Committee on Commerce, Science, and Transportation, FTC employment has remained flat despite a growing workload, with merger filings doubling in recent years. Lauren Feiner reports on that testimony: “The absence of resources means that our enforcement decisions are harder,” [Slaughter] said. “If we think that we have a real case, a real law violation in front of us, but a settlement on the table that is maybe OK but doesn’t get the job done, we have to make difficult decisions about whether it’s worth spending a lot of taxpayer dollars to go sue the companies who are going to come in with many, many law firms worth of attorneys and expensive economic experts, versus taking that settlement.” I can attest to the accuracy of Slaughter’s observation, based on my experience as FTC general counsel in the Trump Administration. During my tenure, the FTC did indeed have to contend with resource limitations that adversely affected merger enforcement decision-making. The problem of resource constraints is particularly acute in the case of healthcare merger reviews, given the increasing consolidation of healthcare institutions. As one noted healthcare scholar stated in 2019, “The Affordable Care Act did not start the consolidation rapidly occurring with hospitals/health systems and medical groups, but it most definitely accelerated the movement to combine. In the last five years, the number and size of consolidations have been at an all-time high.”

## Adv 1

### 2NC---!D---AI Arms Race

#### Everything is in super infancy and open source.

Wadhwa 18, distinguished fellow at Carnegie Mellon University’s College of Engineering. (Vivek, 10-4-2018, "Commentary: The AI Wars Have Not Even Begun", *Fortune*, http://fortune.com/2018/10/04/artificial-intelligence-war-us-china/)

There is no doubt that AI has incredible potential. But the technology is still in its infancy; there are no AI superpowers. The race to implement AI has hardly begun, particularly in business. As well, the most advanced AI tools are open source, which means that everyone has access to them. Tech companies are generating hype with cool demonstrations of AI, such as Google’s AlphaGo Zero, which learned one of the world’s most difficult board games in three days and could easily defeat its top-ranked players. Several companies are claiming breakthroughs with self-driving vehicles. But don’t be fooled: The games are just special cases, and the self-driving cars are still on their training wheels. AlphaGo, the original iteration of AlphaGo Zero, developed its intelligence through use of generative adversarial networks, a technology that pits two AI systems against each another to allow them to learn from each other. The trick was that before the networks battled each other, they received a lot of coaching. And, more importantly, their problems and outcomes were well defined. Unlike board games and arcade games, business systems don’t have defined outcomes and rules. They work with very limited datasets, often disjointed and messy. The computers also don’t do critical business analysis; it’s the job of humans to comprehend information that the systems gather and to decide what to do with it. Humans can deal with uncertainty and doubt; AI cannot. Google’s Waymo self-driving cars have collectively driven over 9 million miles, yet are nowhere near ready for release. Tesla’s Autopilot, after gathering 1.5 billion miles’ worth of data, won’t even stop at traffic lights. Today’s AI systems do their best to reproduce the functioning of the human brain’s neural networks, but their emulations are very limited. They use a technique called deep learning: After you tell an AI exactly what you want it to learn and provide it with clearly labeled examples, it analyzes the patterns in those data and stores them for future application. The accuracy of its patterns depends on completeness of data, so the more examples you give it, the more useful it becomes. Herein lies a problem, though: An AI is only as good as the data it receives, and is able to interpret them only within the narrow confines of the supplied context. It doesn’t “understand” what it has analyzed, so it is unable to apply its analysis to scenarios in other contexts. And it can’t distinguish causation from correlation. The larger issue with this form of AI is that what it has learned remains a mystery: a set of indefinable responses to data. Once a neural network has been trained, not even its designer knows exactly how it is doing what it does. They call this the black box of AI. Businesses can’t afford to have their systems making unexplained decisions, as they have regulatory requirements and reputational concerns and must be able to understand, explain, and prove the logic behind every decision that they make. Then there is the issue of reliability. Airlines are installing AI-based facial-recognition systems and China is basing its national surveillance systems on such systems. AI is being used for marketing and credit analysis and to control cars, drones, and robots. It is being trained to perform medical data analysis and assist or replace human doctors. The problem is that, in all such uses, AI can be fooled. Google published a paper last December that showed that it could trick AI systems into recognizing a banana as a toaster. Researchers at the Indian Institute of Science have just demonstrated that they could confuse almost any AI system without even using, as Google did, knowledge of what the system has used as a basis for learning. With AI, security and privacy are an afterthought, just as they were early in the development of computers and the Internet. Leading AI companies have handed over the keys to their kingdoms by making their tools open source. Software used to be considered a trade secret, but developers realized that having others look at and build on their code could lead to great improvements in it. Microsoft, Google, and Facebook have released their AI code to the public for free to explore, adapt, and improve. China’s Baidu has also made its self-driving software, Apollo, available as open source. Software’s real value lies in its implementation: what you do with it. Just as China built its tech companies and India created a $160 billion IT services industry on top of tools created by Silicon Valley, anyone can use openly available AI tools to build sophisticated applications. Innovation has now globalized, creating a level playing field—especially in AI.

#### It won’t imperil nuclear deterrence because of inherent limitations.

Loss & Johnson 19, \*works at the Center for Global Security Research at Lawrence Livermore National Laboratory. He was a Fulbright fellow at the Fletcher School of Law and Diplomacy at Tufts University and recently participated in the Center for Strategic and International Studies’ Nuclear Scholars Initiative. \*\*Ph.D. candidate in computer science at Brigham Young University. His research focuses on novel applications of game theory and network theory in order to enhance wargaming. (Rafael, Joseph, 9/19/19, "Will Artificial Intelligence Imperil Nuclear Deterrence?", *War on the Rocks*, https://warontherocks.com/2019/09/will-artificial-intelligence-imperil-nuclear-deterrence/)

Yet, some strategists warn that the same AI-infused capabilities that allow for more prompt and precise strikes against time-critical conventional targets could also undermine deterrence stability and increase the risk of nuclear use. Specifically, AI-driven improvements to intelligence, surveillance, and reconnaissance would threaten the survivability of heretofore secure second-strike nuclear forces by providing technologically advanced nations with the ability to find, identify, track, and destroy their adversaries’ mobile and concealed launch platforms. Transporter-erector launchers and ballistic missile submarines, traditionally used by nuclear powers to enhance the survivability of their deterrent forces, would be at greater risk. A country that acquired such an exquisite counter-force capability could not only hope to limit damage in case of a spiraling nuclear crisis but also negate its adversaries’ nuclear deterrence “in one swift blow.” Such an ability would undermine the nuclear deterrence calculus whereby the costs of imminent nuclear retaliation far outweigh any conceivable gains from aggression.

These expectations are exaggerated. During the 1991 Gulf War, U.S.-led coalition forces struggled hard to find, fix, and finish Iraqi Scud launchers despite overwhelming air and information superiority. Elusive, time-critical targets still seem to present a problem today. Facing a nuclear-armed adversary, such poor performance would prove disastrous. The prospect of just one enemy warhead surviving would give pause to any decisionmaker contemplating a preemptive counter-force strike. This is why nuclear weapons are such powerful deterrents after all and states who possess them go to great lengths to protect these assets. While some worry that AI could achieve near-perfect performance and thereby enable an effective counter-force capability, inherent technological limitations will prevent it from doing so for the foreseeable future. AI may bring modest improvements in certain areas, but it cannot fundamentally alter the calculus that underpins deterrence by punishment.

Enduring Obstacle

The limitations AI faces are twofold: poor data and the inability of even state-of-the-art AI to make up for poor data. Misguided beliefs about what AI can and cannot accomplish further impede realistic assessments.

The data used for training and operationalizing automated image-recognition algorithms suffers from multiple shortcomings. Training an AI to recognize objects of interest among other objects requires prelabeled datasets with both positive and negative examples. While pictures of commercial trucks are abundant, much fewer ground-truth pictures of mobile missile launchers are available. In addition to the ground-truth pictures potentially not representing all launcher models, this data imbalance in itself is consequential. To increase its accuracy with training data that includes fewer launchers than images of other vehicles, the AI would be incentivized to produce false negatives by misclassifying mobile launchers as non-launcher vehicles. Synthetic, e.g., manually warped, variations of missile-launcher images could be included to identify launchers that would otherwise go undetected. This would increase the number of false positives, however, because now trucks that resemble synthetic launchers would be misclassified.

Moreover, images are a poor representation of reality. Whereas humans can infer the function of an object from its external characteristics, AI still struggles to do so. This is not so much an issue where an object’s form is meant to inform about its function, like in handwriting or speech recognition. But a vehicle’s structure does not necessarily inform about its function — a problem for an AI tasked with differentiating between vehicles that carry and launch nuclear-armed ballistic missiles and those that do not. Pixilated, two-dimensional images are not only a poor representation of a vehicle’s function, but also of the three-dimensional object itself. Even though resolution can be increased and a three-dimensional representation constructed from images taken from different angles, this introduces the “curse of dimensionality.” With greater resolution and dimensional complexity, the number of discernable features increases, thus requiring exponentially more memory and running time for an AI to learn and analyze. AI’s inability to discard unimportant features further makes similar pictures seem increasingly dissimilar and vice versa.

Could clever, high-powered AI compensate for these data deficiencies? Machine-learning theory suggests not. When designing algorithms, AI researchers face trade-offs. Data describing real-world problems, particularly those that pertain to human interactions, are always incomplete and imperfect. Accordingly, researchers must specify which patterns AI is to learn. Intuitively it might seem reasonable for an algorithm to learn all patterns present in a particular data set, but many of these patterns will represent random events and noise or be the product of selection bias. Such an AI could also fail catastrophically when encountering new data. In turn, if an algorithm learns only the strongest patterns, it may perform poorly — although not catastrophically — on any one image. Consequently, attempts to improve an AI’s performance by reducing bias generally increase variance and vice versa. Additionally, while any tool can serve as a hammer, few will do a very good job at hammering. Likewise, no one algorithm can outperform all others on all possible problem sets. Neural networks are not universally better than decision trees, for example. Because there is an infinite number of design choices, there is no way to identify the best possible algorithm. And with new data, a heretofore near-perfect algorithm might no longer be the best choice. Invariably, some error is irreducible.

### !D---China AI

#### No AI arms race – China has strategic incentives for peaceful development

Lyle Goldstein 19, Research Professor in the China Maritime Studies Institute (CMSI) at the United States Naval War College, 2/1/2019, “China's Olive Branch to Save the World from AI Weapons”, The National Interest, <https://nationalinterest.org/feature/chinas-olive-branch-save-world-ai-weapons-42972>

The fundamental problem with great-power competition as a strategy is that it offers little in the way of concrete, realizable objectives. If China is successfully marketing big, yellow bananas in Bhutan, then Uncle Sam must endeavor to get some bigger, more yellow bananas up into the Himalayan kingdom pronto. The seeming prize of this contest would be a great declaration by the King of Bhutan and splashed across the pages of Thimphu’s most influential newspapers that the “Indo-Pacific” strategy is a great success and that American bananas are indeed far superior to Chinese bananas by any metric.

Such an approach is myopically zero-sum, not to mention that it defies the law of comparative advantage, while attempting to magically overstep cultural, historical and geographic factors too—always a dubious proposition. Significantly more disturbing then the consistent and enormous waste of resources, however, is the fact the apparently endless struggle for “influence” does not pay any particular attention to the dark side of competition, namely the possibility for escalation (both purposeful and inadvertent), as well as preemption and misperception too.

All these concerns are present in the developing strategic rivalry with China over artificial intelligence (AI). Last fall, Kai-Fu Lee, CEO of Sinovation Ventures and notably a former employee of both Apple and also Google, boldly asserted that “AI’s center of gravity [is shifting] . . . away from the United States and toward China.” Yet, even as it is essential to understand Beijing’s strides in the AI domain, it is simultaneously vital to keep our minds open to alternative and even more hopeful futures. For example, examine what appears to be an “olive branch” from the Middle Kingdom in this article from a mid-2018 edition of the prestigious journal Contemporary International Relations [现代国际关系] with the title “Pondering Arms Control and Lethal Autonomous Weapons Systems [致命性自主武器系统及军空思考].” It was written by two authors, Xu Nengwu [徐能武] and Ge Hongchang [葛鸿昌] of China’s National University of Defense Technology located in Changsha.

In the first sentence, the authors note that Xi Jinping has called upon China’s scientists to “accelerate the building of a strong country [加快建设制造强国]” that includes emphasis on “big data, artificial intelligence” and other similar cutting edge technological tools. Without contradicting this top level guidance directly, however, Xu and Ge quite boldly articulate the view that such development should not be without limit: “the international community maintains that the control of autonomous lethal weapons systems is difficult, but necessary.” They recommend a framework negotiated through the UN that emphasizes both “transparency [透明],” as well as “legal principles [法治原则].”

Reviewing the history of AI in modern warfare, these Chinese authors highlight the fact that United States began to experiment with these technologies intensively during the Vietnam War. But it is recognized that “UAVs . . . have become the customary weapon for the US on the counter-terrorism battlefields [无人机 . . . 成为美国反恐战场上的常备武器].” Not surprisingly, the authors recount some of the U.S. Navy’s latest impressive feats with unmanned vehicles, including both the X-47B carrier-launched drone aircraft, as well as the long-range submarine chaser “sea hunter [海上猎手].” Yet, Xu and Ge also observe that Washington does not have a monopoly on such systems, as they conclude that Russia has deployed an unmanned armored vehicle into combat operations in Syria with considerable success. The authors explain that Moscow is “not keen to show weakness [不甘示弱]” in the accelerating contest for AI weaponry. Their conclusion is that lethal autonomous systems are already at work in all domains, including “sea, land, air, and space . . . [海, 陆, 空, 太空].”

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Unlike most defense analysts, who are content to passively observe this process, these authors contend that the intensifying arms race in lethal AI systems constitutes a “Pandora’s box [魔盒]” that could lead the world to “the apocalypse [终结时代].” Great Western thinkers and innovators from Stephen Hawking [霍金] to Elon Musk [马斯克] are cited. It is indeed noted that Musk warned in fall 2017 that an AI arms race could even be the spark for World War III. Western experts may smirk at a Chinese argument that involves discussion of human rights, but Xu and Ge articulate concern that targeted killings by drones violate a “person’s right to a fair trial.” Moreover, they view the characteristics of such robotic systems as lacking in emotion or ethical reasoning and having “psychological distance [心里的距离]” that will lead invariably to “massacres and such humanitarian disasters [滥杀等人道主义灾难].” Illustrating the important point that Chinese defense scientists are also increasingly perturbed by the possibility escalation in an AI strategic environment, Xu and Ge evince the concern that AI weaponry “significantly lowers the threshold of war [这极大降低了战争的门槛].”

The article is not ultra-specific regarding its recommendations, but the authors do state very clearly that China, as both a permanent member of the UN Security Council and also a rising power, should play an active role in arms control. Thus, China will be acting “as a responsible great power [作为负责人大国].” The authors duly note that the UN has several commissions and offices that should take an interest in this matter, including obviously the UN Advisory Committee on Disarmament. True, Xu and Ge see these proposals as partly aimed at “hegemonic country unilateral [反对霸权国家单方]” dominance of rule-making structures. Still, the proposal to create an “international consultative framework” for arms control with respect to lethal autonomous weapons system is an unusual and almost wholly positive step. A relatively concrete initial step, according to the authors, could be formation of a relatively “small expert group [专家小组],” comprising specialists in robotics, computer science, law, ethics, and defense to begin developing both an agenda and a framework for substantive progress.

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Lest one gets too excited, one should realize that the above proposal is really just a scholarly article at this point and is not any kind of official Chinese proposal yet—maybe just a trial balloon. American conservatives, moreover, are certain to howl that this is a “Trojan Horse,” designed to lull the U.S. defense establishment into complacency while China surges ahead in AI weapons capability development. Yet, that is excessively paranoid and ignores the many benefits that could accrue for global security from some kind of basic, foundational agreements limiting AI weaponry. In a parallel with the extremely complex climate change discussions, such negotiations with Beijing on AI weaponry would hardly be easy, but the imperative to explore such options is starkly obvious.

## Adv 2

### 2NC---Thumper---Lateralism

#### 2- Immigration and global Elections: 1AC Flaherty is about European voting data NOT the US AND says immigration backlash is a bigger determiner while explicitly saying inequality isn’t the only faactor- plan can’t solve

1AC Flaherty, 21 – PhD candidate in Political Science, University of California, San Diego

[Thomas, and Ronald Rogowski, UCLA political science professor, "Rising Inequality As a Threat to the Liberal International Order," International Organization, 75.2, 4-12-21, https://www.cambridge.org/core/journals/international-organization/article/rising-inequality-as-a-threat-to-the-liberal-international-order/4CDE05DEB3AB076CE338E1AA4A9C8087, accessed 6-27-21]

The rise of top-heavy inequality—earnings concentration in a very thin layer of elites—calls into question our understanding of the distributional effects of the Liberal International Order. Far more people lose from globalization, and fewer gain, than traditional economic models suggest. We review three modern trade theories (neo-Heckscher-Ohlin-Stolper-Samuelson or H-O-S-S, new new trade theory, and economic geography) that each arrive at the conclusion of top-heavy inequality by introducing some form of unit heterogeneity—an assumption that the actors we once treated as identical actually differ from one another in important ways. Heterogeneity allows the gains from globalization to concentrate in a narrow segment of workers with superlative talents, extraordinarily productive firms, or heavily agglomerated cities. An analysis of European voting data shows that shocks from trade and migration elicit populist opposition only where the top 1 percent have gained the most. With few politically feasible alternatives to protectionism, most notably the failure of democracies to redistribute income, our analysis predicts a persistence of public support for antiglobalization parties, especially those on the Right. Presiding over the November 2016 meeting of the International Political Economy Society, which followed that year's US presidential election by only three days, David Lake began by saying, “To our theories, this result unfortunately comes as no surprise.” And indeed the field at large has believed that the growing “populist”1 backlash against the Liberal International Order (LIO)—not just the Trump victory but Brexit, the election of illiberal governments in Hungary, Poland, Turkey, the Philippines, and Brazil (to name only a few), and growing support for anti-immigrant and illiberal parties and candidates in many other democracies—has followed almost inevitably from the very changes the LIO has wrought, including of course increased trade and migration but also one major concomitant, rising economic inequality within states. According to our traditional economic theories,2 advanced and even middle-income countries are abundantly endowed with human capital, and poorly endowed with low-skill labor. And it is a rudimentary implication of international economics that, in those countries, expanded trade—or, even more, immigration of low-skill workers—will benefit the highly skilled and harm the less educated. Inequality will rise, and—perhaps the most prescient conclusion of the traditional analysis—partisanship will correlate increasingly with possession of human capital: opposition to the LIO will be strongest among the least educated and will decrease monotonically with more years of schooling. The evidence, which we survey briefly, admits of no doubt that in almost all of the wealthier (and not a few semiwealthy) countries, inequality has risen, often quite sharply; returns on education3 have risen markedly; and education, even more than occupational status, has emerged as one of the most important predictors of electoral support for antiglobalization parties. What our theories however did not anticipate, and so far cannot explain, may well prove to have been even more important: 1. Not all who are well endowed in human capital, but chiefly a very thin upper layer—the top 1 percent, or even 0.1 percent—have harvested most of the gains from globalization. 2. The antiglobalization movements we observe adopt a populist rhetoric that often excoriates not just globalization or immigration but also allegedly nefarious elites, who conspire, both domestically and across borders, to enrich each other at the expense of their fellow citizens;4 benefit chiefly parties of the radical Right; and have in important cases attracted non-negligible support among university-educated segments of the electorate, albeit far less than among the less skilled.5 We suggest that the extreme inequality and the anomalies are related, and that some insights from recent work in international economics may help explain them. Three advances in trade theory predict extreme inequality. “New new” trade theory (NNTT), with its emphasis on superstar firms, offers a natural framework. So too does an “enriched” neo-H-O-S-S (Heckscher-Ohlin-Stolper-Samuelson) perspective that explores how superstar workers arise in the context of heterogeneous talent.6 Finally, economic geography, explored thoroughly by Broz, Frieden, and Weymouth in this issue, shows how globalization gives rise to superstar cities.7 These three trade theories predict top-heavy inequality primarily by allowing for unit heterogeneity—an assumption that the actors our traditional theories treated as identical actually differ in important ways. Firms within sectors differ in productivity, workers within a factor class differ in innate talents, and regions within countries differ in agglomeration economies. None of this suggests, of course, that rising inequality is the only, or even necessarily the most important, cause of the growing popular backlash against the LIO. Skill-biased technological innovation and resistance to cultural change also matter, as we discuss more fully later. We do find, however, at least from a cursory analysis of European elections, that backlash against shocks from immigration and imports is conditional on high inequality, disappearing where inequality is low; and we suspect that rising “top-heavy” inequality is related to a particularly prominent strain, within the antiglobalization movements, of anti-elite and anti-expert sentiment. We go on to suggest why rising inequality matters, not only as a source of opposition to the LIO but as an impediment to economic growth and an exacerbant of domestic polarization and international conflict. We assess the implications of top-heavy inequality for the LIO. What remedies have been proposed? And if they lack sufficient political support, what sources of resilience can sustain the LIO under top-heavy inequality? Relatedly, we return to the question of why antiglobalization sentiment has benefited the political Right more than the Left. Finally, we chart a course for future research on models of top-heavy inequality, and discuss how they illuminate “blind spots” in the literature on international political economy. First, however, we survey briefly the extent of growing economic inequality in advanced economies and its seeming relation, chiefly through a human-capital channel, to antiglobalization and anti-elite attitudes and voting. Convergence Across Countries, Divergence Within Them The triumph of the LIO in the 1980s and 1990s—the collapse of Communism, the dismantling of trade barriers, the strengthening of institutions of international governance—coupled with, and facilitated by, breakthrough innovations in transport, communication, and finance, affected economic inequality in two ways that standard factor-endowment theories predicted: inequality declined significantly between countries, thus beginning to erode three centuries of the Great Divergence between rich and poor nations; but inequality within countries, especially among the advanced economies, increased almost as sharply. Between countries. As late as 1990, the richest 10 percent of the world's population earned on average over ninety times what the poorest decile received; only twenty years later, that ratio had fallen to sixty-five times,8 or only slightly more than the within-country ratio of Brazil, where in 2008 the average income of the richest decile was about fifty times that of the poorest.9 Within countries. Beginning even earlier, inequality of incomes, whether measured as the Gini index or the share of total income accruing to the top decile, has risen in virtually all of the advanced economies,10 and indeed in many of the middle-income ones.11 Bourguignon notes that the collapse of the Soviet empire and the opening of China, India, and Latin America injected roughly “a billion workers, for the most part unskilled, into international competition.”12 That will have drastically lowered the global capital-labor ratio and hence further raised returns on human and physical capital, while reducing those on low-skill labor, in virtually all but the poorest, most labor-abundant countries. In short, across much of the globe, the enormous overall gains from trade have benefited the highly skilled, the inventive entrepreneurs, and the owners of capital; the incomes of the less skilled and the capital-poor have risen more slowly, stagnated, or actually declined—exactly the development whose early manifestations alarmed Dani Rodrik two decades ago.13 Surely not all of the rise in inequality stems from globalization.14 Many analyses attribute much of the widening within-country gap—in the US, perhaps as much as four-fifths15—not to globalization but to skill-biased technological innovation.16 Bourguignon contends, to be sure, that innovation has been largely endogenous to globalization: wider markets and intensified competition have raised the returns on cost-reducing innovation.17 Cheaper labor, however, whether from offshoring or the competition of low-wage imports, might be expected to curtail the demand for labor-saving technologies, not to increase it.18 A stronger case is implied by “new new” trade theory: if managerial pay correlates closely with firm size, and if the most successful firms in a globalized economy tend to be the largest, it follows that globalization contributes directly to the rise in top incomes.19 Perhaps most importantly, however, whatever skill-biased innovation may have contributed to the gains of the top quintile or decile, it can say little about the gains of the top 1, or 0.1, percent of the distribution.20 Trade, as we argue, can more readily explain those disproportionate gains. Rising Skills Premia Also consistent with mainstream theory were the rising returns on education and the widening gap between high- and low-skill workers’ attitudes toward trade and migration. Exactly as theory would lead us to expect, antiglobalization sentiment rose sharply, and was increasingly concentrated, among voters with the least human capital—that is, the less educated. Returns on education have indeed risen sharply. In the US in the 1970s, workers with a college degree earned only about a quarter more than ones of comparable ethnicity and age who had completed only high school; by 2010, that gap had risen to almost 50 percent.21 The “raw” difference in annual earnings (i.e., without controlling for ethnicity and age) between college graduates and those who have completed only high school is now 64 percent in the US, and on average in the OECD economies 45 percent.22 At the same time, less educated voters have mobilized strongly against globalization in almost all of the advanced economies. In the US, whites with less than a college education, having up to the year 2000 differed little in their partisanship from whites with university degrees, began to tilt Republican in the early 2000s23 and supported Trump in 2016 by a margin of more than two to one (64 to 28 percent).24 In the Brexit referendum, similarly, 70 percent of voters with only a General Certificate of Secondary Education, roughly equivalent to a US high-school diploma, supported leaving the European Union, while those with university degrees voted by almost the same margin (68 percent) to remain.25 And a recent International Monetary Fund working paper finds that since 2002 tertiary (i.e., university or equivalent) education has correlated, more than any other single variable, with not voting for a populist party in European parliamentary elections—an effect that has grown only stronger since 2012.26 The Riddle of the 1 Percent In many ways, then, a standard factor-proportions picture of globalization's distributional and political effects holds up. What it cannot explain, as economists have by now noted repeatedly,27 is why so much of the bounty has gone to the top 1 percent and why even the remainder of the top decile, let alone the highly educated generally, have benefited comparatively little. This pattern is reflected in average real income trends since 1991 across five advanced economies (Figure 1). Much of the real income growth of the top 10 percent owes to gains by the top 1 percent (compare panels 1 and 2); the next 9 percent (i.e., the remainder of the top decile) have seen a comparatively paltry increase. At the same time, the incomes of next 9 percent, which stagnate or even decline after about 2000, mirror those of the middle 40 percent (compare panels 2 and 3). Taken together, the three panels demonstrate the extent to which a narrow elite has risen above the rest of society's otherwise skilled workers. Haskel and colleagues more vividly make this case in the US with data on returns on education, finding that the median income of the top 1 percent had risen by 60 percent between 1990 and 2010, while the returns on university education, even for holders of advanced degrees, had declined in real terms after about 2000, virtually erasing their modest gains from the previous decade.28 The seemingly inexorable rise of the 1 percent, when contrasted with the relative stagnation of the rest of the top decile, and of owners of human capital in the middle 40 percent, raises at least three questions. Can our standard theories be modified to explain this “top-heavy” form of inequality? Would such a modified theory still provide a plausible link to globalization? And does such a theory help us understand the simultaneously anti-elitist and antiglobalization character of recent populist movements? Heterogeneous Workers, Firms, and Regions: Three Ways Globalization Affects Top-Heavy Inequality We argue that the top-heavy inequality we observe is consistent with three recent advances in trade theory. Each highlights how the bulk of globalization's gains concentrate in a narrow subset of superstar workers, superstar firms, or superstar cities. An “enriched” H-O-S-S model shows how globalization concentrates wages in a small share of highly talented workers. New new trade theory implies that globalization concentrates profits in a few multinational corporations. Finally, economic geography, extensively reviewed by Broz, Frieden, and Weymouth (in this issue), predicts that globalization concentrates economic growth in a few metropolitan regions.29 By producing far more extreme inequality than traditional models suggest, these theories may help explain the puzzling composition of antiglobalization interests and why these movements adopt a populist tone that demonizes elites. In presenting these advances, we spare the reader their mathematical exposition and instead focus on their sometimes subtle intuitions. We then explore their similarities and differences, as well as how they illuminate the puzzles of LIO backlash. Neo-H-O-S-S The first advance injects new life into the increasingly disesteemed, yet still heavily used, factor-endowments framework of Heckscher-Ohlin and Stolper-Samuelson. It turns out that modest enhancements introduced by Haskel and colleagues yield productive insights into the puzzles of LIO backlash.30 The key amendment introduces heterogeneous workers with varying degrees of innate talent. To state briefly the salient and surprising implications of that model, a drop in the relative price of labor-intensive goods, whether induced by globalization or by technology, can not only reduce the wages of low-skill workers, as in traditional models, but also distribute almost all of the resultant gains to a thin layer of highly talented people—and, at least as importantly, induce stagnation, or actual decline, in the earnings of highly skilled but less talented workers.31 And, once we observe that such a shift is both quite recent and plausibly linked to globalization, we may have shed some light on (a) the rabidly anti-elitist and antiglobalization tinge of the populist movements, (b) why such movements have recently peaked, and (c) why they gain (and may well continue to gain) support not only from the “usual suspects” among low-skill workers but also from those with moderate or even relatively high endowments of human capital.32 For those who appreciate a more rigorous introduction, we offer a graphical exposition of the “richer” H-O-S-S model in online Appendix A2. More intuitively, the key to understanding that model is what happens to high-skill workers when the relative price of capital rises.33 First consider the unsurprising fact that within most firms, sectors, and professions, some workers possess natural talent while the majority are perfectly average. Naturally, the most talented employees are far more productive than their average colleagues, even when everyone works with the same amount of capital. In Hollywood, for example, all actors may read the same script, but only A-list talent like Meryl Streep, Denzel Washington, or Tom Hanks can turn that script into an Oscar-winning performance. In the classic model, trade lowers wages and raises the relative cost of capital; in the enriched model, the owners of capital make up for that higher cost by lowering the wages of mediocre employees and raising the wages of superstars. Capital owners become less able to afford mediocre workers whose productivity cannot keep up with rising capital costs. Instead, they hire the superstars, whose superior productivity can more than cover the increased costs of capital. Consider the Hollywood example that Haskel and colleagues used, where film scripts represent intellectual capital, indeed the most important form of capital for the entertainment industry. As the world's tastes and purchasing power increase demand for Hollywood entertainment, the price of scripts rises—those of stellar scripts, most of all. As that price rises, studios or streaming services become less and less likely to hire actors of only middling quality to perform such a script. The studios’ investment in a high-quality script will pay off, and bring their film the requisite audience, only if it stars actors of extremely high talent: Robert Downey Jr., Scarlett Johansson, or Samuel L. Jackson (or all three in the same film!).34 Admittedly, this analysis assumes, rather than explains, that we can attribute the rise of the top 1 percent to differences in talent but a lot of evidence supports the thesis. For one thing, in almost all countries—including such improbable cases as France and Spain—half to two-thirds of the income of the top 1 percent consists of salaries (compensation for work). Rarely, in any present-day advanced economy, do returns on capital constitute more than a quarter of the incomes of the top 1 percent (in the US, it is less than 15 percent), Thomas Piketty's arguments notwithstanding.35 As one observer notes, “The fact that so many of [today's] top earners work for a living is striking,”36 given that a century ago the great majority of elite incomes came from investments in property, bonds, or equities. For another, the model accurately predicts the kind of “fractal” inequality that so far has seemed to prevail almost everywhere in advanced and semi-advanced economies.37 That is, inequality seems to have grown not only between, but within firms and occupations: the top lawyers, academics, physicians, middle managers, and even shop floor workers, have begun to earn far more than the median member of their profession, or even the median co-worker of equal qualifications in their firm. Once we grant that such differences in talent can become important, the model suggests that any globalization-induced rise in the relative price of capital-intensive goods (or, equivalently, decline in the relative price of labor-intensive products) in advanced economies will depress (or threaten to depress) the wages not only of low-skill workers but also of high-skill ones of less than superlative talent. It thus raises the prospect that the growing resistance to global markets may be embraced, sooner rather than later, not only by low-skill workers but by a growing segment of those with higher education or advanced training. New New Trade Theory “New new” trade theory (NNTT) offers an alternative firm-centric view of top-heavy inequality.38 Whereas neo-H-O-S-S focuses on how workers of different talents select into different sectors, NNTT focuses on how firms of different productivity levels sort into import-export activities. One of its salient implications is that increases in foreign trade concentrate the distribution of profits into the largest and most productive firms in each sector.39 The intuition is simple: import and export activities require large upfront costs, such as setting up global logistics networks and investing overseas—costs that only the largest firms can afford. The benefits of trade, access to larger markets, for example, then make these large firms even larger, which subsequently allows them to out-compete their smaller domestic rivals. Armed with global economies of scale, superstars like Walmart and Amazon flood the domestic market with low-cost goods and services. This squeezes out the smallest firms, for example, local mom-and-pop establishments, while reducing the profits of the midsize firms, whose middling productivity permits them to sell only domestically. In sum, NNTT implies, and offers evidence to show, that superstar firms in each sector reap the lion's share of the gains from globalization. In its earliest formulation, NNTT implied no wage inequality, because it assumed workers to be homogeneous. Recent advances draw implications for wage inequality by allowing some profits to pass through to workers—what the literature calls rent-sharing. One modification allows firms to screen, and bargain over quasi-rents with, workers of varying abilities.40 More productive exporting firms pay higher wages to attract higher-ability talent. In the end, rent-sharing allows inequality in firm profits to spill over into inequality in workers’ wages.41 NNTT implies that globalization-induced inequality should manifest itself principally at the level of the firm, pulling up the compensation of all workers in the larger and more successful firms, and leaving behind all of those employed in smaller, domestically oriented firms (or those unemployed through the demise of the smallest firms). This is exactly what Helpman and colleagues find in Brazil, where 70 percent of overall inequality occurs within sectors and occupational categories; similar results were obtained by Akerman and co-authors in an analysis of wage inequality in Sweden from 2000 to 2007.42 Economic Geography Economic geography explores the origins and effects of one of society's most readily observable features: the unequal distribution of economic activity across space, a phenomenon commonly called agglomeration.43 Broz, Frieden, and Weymouth (in this issue) document how globalization's effects appear most clearly at the level of communities, and operate through the mechanisms specified by economic geography.44 Here we complement their account by situating economic geography within only the broader set of trade models that contribute to extreme inequality. Globalization, we contend, exacerbates regional inequality by inflicting economic stagnation and decline on all but a handful of superstar cities. The mechanism works through the joint effect of agglomeration forces and trade costs. Globalization facilitates the lowering of trade costs (not just those of transportation and communication, but also costs imposed by tariff policies), and this frees up firms to locate in the places that confer the greatest advantage. The literature identifies many advantages to urban agglomerations. Large cities increase access to suppliers of intermediate inputs, as well as to transportation infrastructure, large pools of specialized talent, and diverse consumers. Moreover, they facilitate the exchange of information about changes in competition, technology, and consumer tastes.45 Some locations also offer a fixed advantage such as access to deep ports or natural resources. Overall, large cities exist and continue to grow because they confer some large basket of benefits on those who locate there.46 The link to globalization seems obvious: the cheaper transportation becomes, and the farther tariff barriers fall, the easier it is for firms and workers to realize the benefits of agglomeration. For regional inequality to speak to the puzzle of earnings inequality, it must be true that changes in regional growth both reflect and pass through to the wages of resident workers. We find this plausible and consistent with evidence of the stark spatial inequality in returns on skills. A growing literature documents the “end of spatial wage convergence” since 1980, with the bulk of wage gains going to high-skill workers concentrating in just a handful of large cities.47 However, enormous wage inequality within the largest cities suggests that between-region inequality provides only a partial picture. In reality, heterogeneity among workers and firms likely overlaps with, and is accentuated by, the effects of large cities. Notable Similarities and Differences All three advances in trade theory point to the same pessimistic outcome, that globalization produces extreme inequality, where a narrow segment of society benefits to the exclusion of the rest. Each theory identifies a different set of “superstars” within this narrow segment: workers with superlative talents, extraordinarily productive firms, or urban agglomerations. Despite varying mechanisms, each arrives at the conclusion of extreme inequality by introducing some form of unit heterogeneity—an assumption that the actors we once treated as identical actually differ from one another in important ways. Workers of similar education differ in innate talent; firms in the same sector vary in productivity; and regions in the same country vary in their advantages of agglomeration. This heterogeneity suggests a radically different perspective on the politics of globalization, one where we should not be surprised that populist protectionist movements arise; that they vilify elites; or that, despite finding their base constituency among low-skill workers, they enjoy nontrivial support from high-skill workers across many sectors. We highlight two differences among these theories. First, they arrive at the implication of extreme inequality by varying degrees of theoretical complexity. In this regard, neo-H-O-S-S offers a clear advantage: its general framework requires no added assumptions about heterogeneous firms, economies of scale, locational mobility, or rent sharing. Second, and at least as important, is the empirical accuracy of key theoretical assumptions. In the case of NNTT, evidence for the crucial rent-sharing assumption is decidedly mixed.48 For economic geography, countries almost certainly differ in the degree to which factors are spatially mobile. The neo-H-O-S-S model of differently talented workers will enjoy the most traction in longer-run analyses of wage outcomes, where factors are fully mobile across sectors and regions. Overall, the evident variance in empirical support for different modeling assumptions should caution users to validate these assumptions in their particular research contexts. Finally, these unit heterogeneity models are not mutually exclusive—they likely reinforce one another in interesting ways. The most talented workers can earn the highest wage by working for the largest firms that can afford them. Regional agglomeration facilitates this advantageous match by locating these superstar workers and superstar firms in the same city. Thus, the top-heavy inequality we observe may very well arise at the intersection of heterogeneous workers, firms, and regions. Hypothesis Under any of the three trade theories described here, globalization produces top-heavy inequality, wherein a thin margin of workers benefits while the rest are left behind. This drives a populist strain of backlash that views globalization as a struggle of the masses versus the elites. To our mind, this casts a different light on recent research that sees the backlash as a response to shocks from immigration or imports. To state our key hypothesis: H when top-heavy inequality is high, shocks from trade, whether in goods, services, or factors of production, increase public support for populist parties. 49 In the absence of top-heavy inequality, however, such shocks have no effect on support for populism. 50 This assumes that inequality reflects the long-run wage effects of trade and migration. That is, if our trade theories accurately predict wage outcomes, then we should observe extreme, or top-heavy, inequality. As previously discussed, even though much of the inequality we observe does reflect trade patterns, inequality also derives from other sources, such as technological change.51 Inequality and Antiglobalization: Evidence from European Elections We offer a very preliminary test of this hypothesis in the context of two recent studies of populist far-right vote shares in Europe. Their wide empirical coverage, spanning between them twenty-eight countries over twenty-six years (1988 to 2014), affords a high degree of external validity, at least among economically developed nations in recent decades. Also, the two studies focus on different aspects of globalization-related shocks, one on immigration and the other on imports. Finally, both papers offer rigorous research designs. In further examining and extending their findings, we introduce as few modifications as possible to the original designs. Immigration and Inequality The study by Georgiadou, Rori, and Roumanias (hereafter GRR) requires the least modification.52 It explores the role of immigration shocks and inequality in all national and European Parliament elections in the twenty-eight member states of the European Union between 2000 and 2014. In particular, the authors study, at the level of Eurostat's NUTS-2 regions,53 the vote shares obtained by “populist radical right” parties,54 which rose dramatically in the wake of the 2008–09 financial crisis (from 0.05 to 0.15 mean vote share across all countries). In their original analysis, GRR find a positive association between right-populist vote share and both inequality and immigration, controlling for unemployment, immigration, and economic growth.55 Figure 2 replicates this result under the model labeled GRR2018.56 IO2020 extends that model simply by interacting their measures of inequality and immigration. We report the coefficients in standardized units for visual comparability and ease of interpretation. These models are also posted in Table A2 in the online appendix. Two findings follow from our analysis. First, GRR's original finding remains intact: an increase of one standard deviation in national-level inequality, all else equal, is associated with a 2.8-percentage-point increase in populist vote shares (p < .01). Since this exercise holds immigration constant, it suggests that inequality independently undermines support for the LIO. This likely reflects, as we discuss later in the paper, inequality's well-known effects on economic growth, polarization, and external conflict. Second, our interaction model produces strong evidence for our key hypothesis, that surges in populist support from immigration shocks (which GRR found to have a modest and imprecisely estimated effect) are important but highly conditional on the level of inequality: magnifying backlash at extreme levels and nullifying backlash at lower levels. We visualize this result in a marginal effects plot in Figure 3. The differences in magnitudes are impressive. A one-standard-deviation (0.3 percentage point) increase in the share of migrants in the local population is associated with precisely zero change in vote shares for populist parties at even moderate levels of inequality (Gini < 0.29). At high levels of inequality (Gini > 0.34), the same one-standard-deviation increase in the share of migrants relates to a twenty-point increase in vote share for populist parties. These magnitudes are striking, given that the average NUTS-2 vote share for these parties is 6 percent, with a maximum of 54 percent. Rising immigration, it seems, poses a populist threat to the LIO only when paired with an income distribution that is, or has become, highly unequal. Imports and Inequality That inequality mediates shocks from immigration raises the obvious parallel question: does it similarly mediate import-related shocks? To this end, we repeat the earlier analysis, this time employing the data set from Colantone and Stanig (hereafter CS), who examine “China trade shocks” in the European context: fifteen Western European countries over the years 1988 to 2007.57 They report strong effects of Chinese imports on vote shares for radical Right parties58 at the level of the electoral district.59 We replicate their principal results, including their two-stage least squares estimators,60 in specifications 1 and 2 of Table A3 (in the online appendix). The CS data set does not include a measure of income inequality. To test our interactive hypothesis, we employ inequality measures from the World Inequality Database.61 We report top 1 percent shares of post-tax income at the country level.62 We also apply logarithmic transformations to address issues of fit resulting from extreme outliers.63 Finally, we adopt a multilevel estimator that serves our particular data needs.64 The results rely on this preferred hierarchical estimator.65 Table A3 (in the online appendix) documents how these modifications affect the original CS findings.66 The results for import shocks closely mirror those for immigration. Figure 4 plots the coefficients of our preferred model (IO2020) alongside a baseline model in CS (CS2018). As expected, the positive association between Chinese imports and populist vote shares is highly conditioned by inequality. The coefficient on the China shock remains significant only when interacted with top-1-percent income shares. The marginal effects plot in Figure 5 translates this into real-world terms. At low to medium top-heavy inequality (top 1 percent shares < 0.09), a one-standard-deviation increase in imports (approximately 170 EUR per NUTS-2 worker) relates to no statistically significant change in district vote shares for populist parties—that is, no populist backlash from rising imports. However, in countries where the top 1 percent earns approximately 10 percent or more of national income, the same magnitude of imports is associated with a 25-to-50-percent increase in district vote shares, on average, for right-populist parties. In combination with the results from immigration shocks, this analysis provides strong support for our hypothesis that the politics of LIO backlash are best understood from the perspective of the three recent advances in trade theory that predict top-heavy inequality. Trade in goods, or in factors of production, in the context of heterogeneous firms, workers, and regions, produces top-heavy inequality that, we argue, sets the stage for a particularly populist form of backlash. We provide suggestive evidence from European elections that is largely consistent with this; migration and imports drive support for populist parties only where we observe high inequality. Possible Remedies and Sources of Resilience An optimistic reading of this analysis is that national redistribution provides an effective remedy against right-populist backlashes. This finding is consistent with the “compensation hypothesis,” that government redistribution to globalization's losers increases public support for trade.67 Our paper contributes to this literature by suggesting that redistribution targeted at top-heavy inequality (superstar earners, regions, and firms) to the benefit of otherwise skilled workers in smaller firms and cities would be especially effective. However, democracies famously fail to address rising inequality with redistribution.68 This leads us to a more pessimistic conclusion that, even though lower inequality increases support for globalization, there is little evidence that governments will redistribute in countries with already high top-heavy inequality. We therefore agree with Atkinson that more redistribution of the large gains from globalization would be both possible and effective; but mass support for it, paradoxically, is weak.69 There is hope for other policy suggestions, as well. Investment in education, even if it could achieve the requisite political support, would fail to address the central problem: outsized gains from “superstar” talent, cities, and firms. Global forms of redistribution, such as the world “Tobin tax” on cross-border financial transactions, promise to tax capital without encouraging capital flight. However, such visions have been dismissed as “utopian.”70 They would also raise the substantial issues of global governance that Rodrik's “globalization trilemma” has highlighted: who would enact such a tax, and to whom would the revenues flow?71 Instead, governments are far more likely to enact protection—restrictions on imports and immigration that reduce welfare but undeniably also reduce inequality. Williamson shows that the choking-off of US immigration from the 1920s to the 1960s contributed significantly to the “great leveling” of American inequality, including the Great Migration of African Americans out of the US South, as Northern employers began to substitute Black for immigrant labor.72 Restricting low-wage imports would of course have a similar effect. These options offer the losers from globalization only a larger slice of a (likely much) smaller pie.

### Squ solves 2NC- AT: Mulitlat !

#### But proves Europe fill in solves “existential multilateralism”

1AC Sasnal, 20 -- Polish Institute of International Affairs head of research

[Patrycja, "Mistaking Panacea for Pathogens: The Case for Existential Multilateralism," Challenges of Global Governance Amid the COVID-19 Pandemic, May 2020, https://cdn.cfr.org/sites/default/files/report\_pdf/challenges-of-global-governance-amid-the-covid-19-pandemic.pdf, accessed 8-18-20]

#### \*\*\*This is the paragraph after they stop, and the conclusion of the article\*\*\*

Such existential multilateralism can be championed by Europeans, whose regional system rests on multilateralism and who had recently intended to reinvigorate international cooperation by forming the Alliance for Multilateralism. The grouping should work toward making the UN General Assembly and UN Security Council recognize and prioritize the existential threat category. Europeans have also 19 masterminded the WHO Solidarity clinical trial initiative to find an effective treatment for COVID19. If successful, this project alone will do more good for global governance than a hundred UN General Assemblies.

# 1NR

## DA---Rate Hikes

### 1NR---Impact Overview

#### Only warming leads to extinction, not 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.

#### Low interest rates solve the entire innovation advantage.

Qiu 20, Senior Research Analyst for Thematic & Sustainable Equities at AllianceBernstein. (Lei, 12-8-2020, "Low Rates Rev Up Technology Innovation for Equity Investors", https://www.alliancebernstein, <https://www.alliancebernstein.com/library/low-rates-rev-up-technology-innovation-for-equity-investors.htm>)

Low interest rates and massive stimulus-fueled debt raise investor concerns about potential long-term fallout. But when the cost of capital is this low, it revs up funding for innovation that ultimately fills the pipeline with robust opportunities, especially in technology.

Many investors are concerned what near-zero interest rates and the global economic fallout that aggressive stimulus measures may bring. Some concerns are understandable. But in fact, we see a silver lining in the lower cost of capital created by this environment. First, it helps generate ample, low-cost funding for innovative businesses and auspicious startups. Moreover, it can reward companies that proactively invest in research and development (R&D) to expand their growth opportunities.

Today’s low rates favor future growth initiatives, like R&D and venture capital (VC), especially in the innovation-charged technology sector. Beyond technology, areas like retail, healthcare, and even industrials and materials are also benefiting from innovation. As technological innovation continues to lower entry barriers, we have seen companies investing more heavily in forward-looking initiatives that can fuel growth as well as fortify their competitive moat.

Venture Capital and R&D Are Flashing Green

Equity investors with an innovation focus have been rewarded this year. There are many examples of how the pandemic accelerated innovation themes that were already on a success path before the crisis (digital migration and fintech come to mind). But the pandemic also worked to spotlight innovative startups with long-term potential.

With the cost of capital support so historically low, VC providers are more than eager to invest in promising enterprises. And in technology, healthcare and other R&D-intensive sectors, global VC flows are approaching record highs (Display). This helps provide a bigger and promising pipeline of potential future winners for investors in publicly traded companies.

A screenshot of a computer

Description automatically generated with low confidence

The low-rate environment also supports R&D investing—a bare necessity for any technology leader committed to staying relevant. Making smart investments helps enhance their outlook, generates opportunities and adds tangible long-term value, especially in investors’ minds.

#### Inflation eats real wage growth and turns inequality.

Iacurci 21, Personal Finance Reporter (Greg, July 27th, “Wages are rising, but inflation may have given workers a 2% pay cut,” *CNBC*, <https://www.cnbc.com/2021/07/27/wages-are-rising-but-has-inflation-given-workers-a-2percent-pay-cut.html>, Accessed 11-06-2021)

Workers saw their hourly pay in June jump at the fastest clip in more than a decade. Yet some of them saw those gains erased by high levels of inflation.

“Real wages” — a measure of income after accounting for the cost of goods and services people buy — fell by almost 2%, on average, last month compared with 2020. Senate Republicans said Wednesday that Americans were getting a pay cut as a result.

“The staples of American life are increasing exponentially,” according to Sen. Tim Scott, R-S.C., who cited examples like higher prices for gas, laundry, airfare, moving costs, hotels, bacon and TVs.

The thrust of the argument — that inflation eats into rising wages — is true, according to economists. Still, there are many nuances, they said.

For one, whether a consumer got a pay cut or not depends on their individual earnings and the things they buy.

“If prices are growing faster than wages, then people are getting inflation-adjusted pay cuts,” according to Michael Strain, director of economic policy studies at the American Enterprise Institute, a right-leaning think tank. “Ultimately, this varies dramatically for every individual.”

Plus, inflation has been volatile and may prove temporary — meaning a reduction in buying power could be short-lived, economists said.

Inflation and wage growth

Average hourly earnings rose 3.6%, to $30.40, in June compared with the same month in 2020. That’s the biggest spike since January 2009, according to data compiled by the Economic Policy Institute.

Meanwhile, the consumer price index, a measure of inflation, jumped 5.4% over the same period — the most since August 2008.

Together, this amounts to a 1.7% loss in buying power, on average, when factoring in seasonal adjustments, according to the Bureau of Labor Statistics.

“Inflation is a tax,” said William Foster, a vice president at Moody’s Investors Service. “That’s the best way to think about it.”

Inflation most impacts lower earners, who spend more of their average dollar on gas, food and other items that may be rising in price, Foster said. Wealthier individuals, who tend to hold more financial assets like stocks or homes, may be better able to offset the impact of inflation, he added.

#### Inflation fuels populism.

O’Sullivan 21, Senior Contributor at Forbes (Mike, July 17th, “Is Inflation A Boon for Populists?” *Forbes*, <https://www.forbes.com/sites/mikeosullivan/2021/07/17/is-inflation-a-boon-for-populists/?sh=49de49e93de7>, Accessed 11-06-2021)

My hunch is that inflation is about to become the latest populist focus. Recent data show that in the US and increasingly in Europe, inflation is awakening after a long slumber. Indeed, many professional economists and investors have never experienced high inflation. In the USA, some inflation measures and price components are the highest that they have been since the 1980’s. The consensus and official view on rising inflation is that it is ‘transitory’ – driven by a burst of coronavirus recovery spending. The risk, across many fronts is that it proves more enduring and thus can cause financial, economic and political pain.

Inflation is transitory?

This is where inflation becomes interesting to populists – anything that causes economic pain and social discomfort is populist ammunition. Indeed, there is plenty of evidence to show that inflation is often the offshoot of populist economic policies as the economic history of Latin America shows.

Inflation, if it is here to stay, will become a political issue in at least three ways. The first is housing where the OECD’s housing affordability gauge has gone vertical (i.e. housing is extremely unaffordable), easily surpassing the levels of 2008 (recall the housing crisis). In some countries like Ireland there is a persistent and acute housing crisis, the debate around which is becoming populist – though it should be said that there has been a broad failure to manage this issue from a policy point of view.

Rising prices cause pain

The second way in which inflation becomes an issue is where rising real living costs are not matched by wage rises (we may see this in about six months’ time as economic activity and policy normalizes) and ‘the price of things’ becomes a topic of political debate and increasingly, agitation. In the past, and particularly in emerging economies where households spend a large amount of disposable income on food, price rises can lead to unrest (i.e. the Arab Spring).

Third, rising inflation brings the prospect of rising interest rates which will not only make life more complicated for mortgage holders but will ignite a debate on indebtedness, its consequences and remedies. Lurking behind this is the fact that central banks by declaring inflation ‘transitory’ and not yet giving any sense that they are worried about asset price inflation nor the consequences of asset purchases, find themselves snookered. As we have seen with the tussles between Donald Trump and Fed Chair Jay Powell, central banks make easy targets for populists and can be forced into bad policy decisions by them.

So, inflation if and when it materializes, may be political fodder for populists and if it does, this will complicate the policy and political outlook. Populism is difficult to counteract, and often the best remedy for it is the incompetence of populists themselves. What might be the best solution for inflation – I propose that it is populism. As the study I mentioned earlier shows, populists tend to depress growth, and therefore inflation.

### U---Goldilocks

#### Goldilocks economy now, but rate hikes could puncture growth

Horowitz 21, analyst @ CNN (Julia, 4-8, “Can anything derail the 'Goldilocks' economy?,” *CNN*, <https://www.cnn.com/2021/04/08/investing/premarket-stocks-trading/index.html>)

America's economy could be heading for a golden era of growth. But higher prices and the coronavirus pandemic still present risks. What's happening: "It is possible that we will have a Goldilocks moment — fast and sustained growth, inflation that moves up gently (but not too much) and interest rates that rise (but not too much)," JPMorgan Chase CEO Jamie Damon said in his widely-read annual letter to shareholders this week. Dimon's optimism comes after the International Monetary Fund said that President Joe Biden's $1.9 trillion stimulus package will boost the US economy to 6.4% growth this year. That would be the fastest annual growth rate in the United States since 1984 under President Ronald Reagan. Economic data continues to support rosy predictions. This week, the Institute for Supply Management published its monthly report on the US services sector, which accounts for 88% of America's gross domestic product. The group's services index for March jumped to 63.7, the highest level ever recorded. "There is clearly a big surge in activity underway," said Paul Ashworth, chief US economist at Capital Economics. This data has helped keep US stocks near record highs. But an undercurrent of anxiety remains. CNN Business' Fear & Greed Index shows that market sentiment is in "greedy" territory, up from a neutral reading one week ago. But investors aren't throwing caution to the wind. In a recent note to clients, Tobias Levkovich, Citigroup's chief U.S. equity strategist, warned that the fear of missing out appears to be dominating. "There's a 1999 perspective being noted with pressure for fund managers to participate in rising share prices even if there's also a recognition that it could end badly," Levkovich wrote, referring to the dot-com bubble that popped at the turn of the millennium. He worries that investors are overlooking the risk that the Federal Reserve could change course and take some stimulus measures off the table, as well as the impact of "plausible tax increases being proposed by the Biden administration."

### U---Inflation

#### Inflation is constrained now

Miller 21, CFP, MSFS (Mark, 3-30-2021, “ARE WE ON THE BRINK OF AN INFLATION CRISIS?,” <https://www.northoaksfs.com/blog/are-we-on-the-brink-of-an-inflation-crisis>)

Concerns over an inflation scare are rising as investors question whether an accelerating US economy supported by pent-up demand will overheat amid a backdrop of historic fiscal and monetary stimulus. With roughly $3 trillion worth of fiscal stimulus set to take effect in 2021 and a Federal Reserve (Fed) that has expressed its commitment to maintain extraordinary monetary support until its objective of maximum employment is achieved, the concerns are reasonable. Adding to inflation fears, the Fed’s strategy to allow inflation to modestly overshoot its 2% target raises the concern that it may end up scrambling to raise interest rates to control inflation—potentially tightening financial conditions in the process. While we do believe inflation may run hotter than it has in recent years, we believe worries of runaway inflation are overdone and that the upside risk for core inflation will be capped at around 3% for the full year in 2021—and likely will run meaningfully lower. NEAR-TERM PRESSURES APPEAR WELL CONTAINED The US economy has come a long way, but it will take synchronized global growth before economic risks truly begin to abate, and this should limit inflationary pressure as well. Europe, Japan, and other regions have not been able to make the same progress on vaccination efforts, and mixed success in their prolonged battles against COVID-19 has led to slower economic activity relative to the US. We’ve also discussed how some areas of the economy have not participated in the recovery to the same degree, and the bifurcation between goods and services in the US is a perfect example. It’s no secret that service industries have borne the brunt of the economic impact of the pandemic, and this relationship is well illustrated by the changes in the core consumer price indexes (CPI) for goods and services [Figure 1]. Core service inflation comprises roughly 60% of the broader core CPI measure, so as long as services CPI remains subdued, it is difficult to imagine an environment of runaway inflation taking place. The unemployment rate is currently 6.3%, which should keep wage pressures from materializing in inflation. Further, labor force participation remains about 2% lower than pre-pandemic levels, suggesting the headline unemployment rate is understating the true level of unemployment in the economy. With considerable slack remaining in the US labor market, inflation should remain reasonably contained in the near term.

#### Current inflation is insufficient to trigger wage-price spiral

Horsley 8-11-2021 (Scott, “Wages Are Going Up — And So Is Inflation. Consumer Prices Have Hit A 13-Year High,” *National Public Radio*, <https://www.npr.org/2021/08/11/1026493316/workers-are-getting-pay-raises-and-it-could-end-up-contributing-to-high-inflatio>)

A lot of workers are getting wage hikes this year as employers compete for scarce labor. But it's not all good news for workers, or for the economy: Some businesses are raising prices to offset the wage hikes, contributing to surging inflation and eroding some of the benefits from that higher pay. The Labor Department reported Wednesday that consumer prices were 5.4% higher in July than a year ago. That matches the June inflation rate, which was the highest in nearly 13 years. The increase was driven by rising costs for shelter, food, energy and new cars. Most of the recent jump in inflation has been caused by pandemic bottlenecks, like the shortage of chips that limited new car production and caused a big spike in the price of used cars. Used car prices continued to climb in July, but at a much slower rate, and those prices are expected to decline in the months to come. Rising worker pay could become a bigger factor in higher prices going forward even if it's not raising alarm bells yet. Burrito chain Chipotle, for example, boosted its average pay to $15 an hour this summer. But to cover the cost of that pay increase, Chipotle raised prices 3.5% to 4%. For the moment, restaurants are able to pass on higher costs to customers without a hit to their bottom lines because demand for eating out remains so strong. "People are tired of cooking their own meals," says Lyle Margolis, a senior director at Fitch Ratings. "They're tired of cleaning up after themselves. They want to be waited on and they want to be social. And restaurants are a great place to do that." Chipotle, for one, has seen little drop in demand for carnitas or guacamole. "We saw very little resistance to the price increase," CEO Brian Niccol said on the company's quarterly earnings call. But it's not necessarily all good news. The price of restaurant meals jumped 0.8% between June and July — the biggest increase in more than four decades. Other prices are also rising, partly as a result of rising wages. Tyson says it plans to raise prices for chicken and pork, in part to offset higher wages in its meat processing plants. "It is encouraging that wages are rising," says Wells Fargo economist Shannon Seery. "Some of these lower-paying sectors are seeing higher wages, which in turn, hopefully, will bring more workers back to the labor force." "But it does suggest that this inflationary environment is broadening out beyond the supply constraints that we were initially seeing from the re-opening," Seery adds. The rising cost of living erodes some of the benefits of higher pay for workers who will have to pay more for a range of goods across the board. For employers, their rising labor cost is also something that bears closely watching. Amazon – the nation's second largest private employer – has been paying more to attract workers to its giant warehouses. "We have raised our wages and have increased the use of incentives to hire people," Amazon's chief financial officer Brian Olsavsky told reporters on a conference call. "We're watching it carefully. But it's probably one of the bigger elements of inflation in our business right now." Still, for now, Federal Reserve chairman Jerome Powell sees little danger of the kind of wage-price spiral that led to runaway inflation in the 1970s. Wage gains are likely to level off as more people return to the workforce. What's more, many employers have found more efficient ways to operate, so pay increases don't automatically have to be passed on to consumers. "The problem is if it happens in a way that pushes firms broadly into raising prices," Powell told reporters last month. "We don't see that now."

### L---Wages

#### Inflation is limited now, but higher wages trigger it

Guilford 10-31-2021 (Gwynn, “Wages and Prices Are Up, but It Isn’t a Spiral—Yet,” Wall Street Journal, <https://www.wsj.com/articles/wages-and-prices-are-up-but-it-isnt-a-spiralyet-11635688981>)

It’s no longer just prices. Now wages, too, are flashing inflation signals. Wages in the third quarter were up 4.2% from a year earlier, the fastest increase since 1990 as labor shortages in a widening range of industries prompted employers to raise pay. Meanwhile, inflation has topped 5% for the past four months, the hottest in decades. At first blush, this looks like the start of a process where wages push up prices, which then prompt employees to ask for, and receive, higher wages. That sort of wage-price spiral has historically been a key ingredient in persistently high inflation. But economists aren’t predicting that yet. They note in only a few industries so far do higher prices seem directly due to higher wages. Wages and prices are often thought to have “an iron lockstep relationship and that’s just not the case here,” said Peter Matthews, economics professor at Middlebury College. While firms will attempt to pass on higher labor costs to customers, differences in how various sectors tend to respond will determine the impact on inflation, he said. Last quarter, wages in leisure and hospitality rose 7.6% from a year ago—much higher than the 4.2% overall pace, according to the Labor Department’s employment cost index, released Friday. RECESSION 2007 '10 '15 '20 -2 0 2 4 6 8 10 12 14 % Fast-food average hourly​wage Fast-food prices In that sector, though, labor makes up a relatively large share of overall costs, and it is one of the few in which higher wages seem to be driving prices. Restaurant prices have climbed at a 6.8% annual rate in the past six months, the fastest pace since 1981, according to Labor Department data. Wages are up an average of 15% this year at company-owned McDonald’s Corp. restaurants in the U.S., the company said. The Chicago-based burger chain is still struggling to hire the workers needed to keep stores open at full hours, executives said. “Wage increases were initially concentrated among lowest-wage restaurant workers,” said Veronica Clark, a Citi economist. The pass-through to prices seems to be showing up in several other low-wage sectors, she said. Domestic services climbed an annualized 6.9% since March, without seasonal adjustment, while recreation service prices jumped 5.2%, near the highest since records began in 2010. Prices have surged even more for factory goods, but those increases seem linked to key materials, energy and shipping rather than wages. Factory pay growth accelerated to 3.7% in the last quarter, the fastest increase since 2001, but still within historical norms. RECESSION 2008 '10 '15 '20 -5.0 -2.5 0 2.5 5.0 7.5 10.0 12.5 15.0 % Durable goods, average​hourly wages Durable goods prices Decades ago widespread unionization and cost-of-living adjustments meant wages responded relatively quickly to higher inflation. Since then declining unionization, slower-to-adjust minimum wages and lower productivity growth have restrained wage growth except when unemployment is low. Even in the third quarter wage growth lagged behind inflation. Lawrence Katz, a labor economist at Harvard University, sees the current dynamic as more of a one-off adjustment as low-wage workers exploit their strongest bargaining power in decades. “The relative price of fast food and deliveries may go up because of a tight labor market, but I don’t see that as a persistent wage-price spiral,” he said. “It’s like when you raise the minimum wage substantially you will jack up the prices of fast food this year, but not for 10 straight years.” Whether wages keep accelerating depends largely on how long labor shortages last. Sarah House, senior economist at Wells Fargo, expects workforce participation to rebound next spring, as health concerns and child care conflicts recede and savings are exhausted. “That could take the edge off some of the wage pressures.” But the longer the pandemic goes on, the bigger the risk that workforce exits will be permanent, said Paul Ashworth, chief North America economist at Capital Economics. He notes that shortages aren’t limited to low-wage industries, with the job-opening rate in most industries up 50% from pre-pandemic levels. Even in the most labor-intensive industries, businesses often face a delicate balance between passing on wage costs and preserving market share. Andreea Pfeifer, owner of girlFriday, a high-end cleaning service in Chicago, started raising wages in May to retain and recruit employees as demand boomed. Squeezed margins prompted her to increase her prices in June and July. “I have never gone back to any [long-term] client and changed their pricing. But I had to do it this year,” said Ms. Pfeifer. The overall price increase of 7% to 10% was the highest possible without sacrificing customers, she said, though not enough to offset the rise in labor costs. And despite offering wages of over $20 an hour and a $500 signing bonus, “it’s been crickets,” said Ms. Pfeifer. How Retail Cheese Prices Weather Market Volatility YOU MAY ALSO LIKE UP NEXT How Retail Cheese Prices Weather Market Volatility How Retail Cheese Prices Weather Market Volatility With food markets on a wild ride lately, cheese has seen more volatility than most. Yet in supermarkets, prices have remained relatively stable. Here’s why sharp changes in wholesale cheese prices are slow to make it to consumers. Illustration: Jacob Reynolds Higher wages in low-wage sectors have already had a sizable impact on inflation. Goldman Sachs economists estimate that wages for low-paid workers rose 6% in the third quarter, a three-decade high, which they said added 0.15 percentage points to inflation, as measured by the price index of personal consumption excluding its volatile food and energy components. If that wage pressure stays elevated, it could contribute up to 0.5 percentage points to annual inflation in 2022, Goldman said. However, neither wage nor price data currently signals a spread beyond low-wage services that might threaten the Fed’s 2% inflation target, said David Mericle, Goldman’s chief U.S. economist. “If overall wage growth is running not at 4% but at 6% or something like that, then I think it’s harder to reconcile that with actually achieving the Fed’s inflation target,” he said. “The key question is really what will happen with wage growth now that the enhanced unemployment benefits have expired, and [the third-quarter] numbers are too dated to tell us the answer,” Mr. Mericle added.

### 1NR---AT Kent

#### Kent says that big tech and AI is key to solve warming, which only low interest rates solves. [Kansas]

2AC Kent, 21-- former federal chief information officer of the United States

[Suzette, and Mark, "How AI and Data Can Increase Resilience in the New Era of the Pandemic," NextGov, 9-24-21, https://www.nextgov.com/ideas/2021/09/how-ai-and-data-can-increase-resilience-new-era-pandemic/185603/, accessed 11-6-21]

How AI and Data Can Increase Resilience in the New Era of the Pandemic

While we can’t stop crises from happening, we can find ways to use data to anticipate impact and help with recovery.

If there’s a common thread over the past year-and-a-half, it’s dramatic change: a global pandemic amidst a politically charged and socially divisive environment, civil unrest, extreme temperatures and record-breaking weather disasters.

These disasters have all driven immense transformation. From the collaboration required between state and health care to manage COVID-19 outbreaks and vaccine appointments to remote working, adopting new ways to support customers and operating brick-and-mortar processes in a digital environment, technology has been interwoven into the response and management of crises.

While we have certainly learned a lot in the last 18 months, we must also look ahead to how these changes will shape our future. What role will technology play in helping us mitigate challenges in the new era of the pandemic? Without question, business and communities have made a dramatic shift toward investing in big data and artificial intelligence. What will be important is to understand how big data and AI will keep our infrastructure ahead of disasters and, ultimately, more resilient in dealing with future events.

The events of 2020 exposed several vulnerabilities in public and private sector systems and infrastructure, including cybersecurity postures, workforce mobility and supply chain systems. Cybercriminals took advantage of massive disruption in 2020, exploiting many organizations’ shift to remote work. As of September 2020, 63% of government employees were working full time in a remote environment. And acute examples of supply chain disruptions have occupied headlines for months, from shortages in toilet paper, canned goods and cleaning supplies to fuel shortages due to the Colonial Pipeline ransomware attack. According to an Ernst & Young survey of 200 senior supply chain executives, only 2% said they were fully prepared for the pandemic.

How AI and Data Can Help

The pandemic exposed levels of fragility that varied across different parts of the country in response to several challenges. There are seemingly endless risks that government organizations can face that could directly impact resilience strategies and, often, an organization's ability to fulfill its charter.

As the number of threats facing agencies increases, so should the speed with which they work to identify and act upon threats. This growing demand for risk intelligence technology is driving the latest innovations in the field.

During the pandemic, our lives were bolstered by digital and virtual activity. While we can’t stop crises from happening, we can find ways to use data to anticipate impact and enable deployment of appropriate resources to help with recovery. This starts with putting the right infrastructure in place. Agencies can establish a data capture process, using AI, to instantly gather and monitor threats facing them, such as an evolving hurricane or snowstorm, and correlate it to entities such as people, places and property, including highly populated areas, major power lines, neighborhoods, schools and hospitals. Armed with this data, public sector organizations such as the Federal Emergency Management Agency could work closely with the private sector to predict needs, such as lumber to rebuild, equipment to remove trees or fix power lines, and even services for burst water pipes. Here are a few examples:

U.S. climate and weather agencies synthesize data gathered from ocean buoys, barometer and thermometer readings and satellite images to predict the strength of hurricanes and where cargo ships should dock.

In the event of a hurricane, given relevant data and insights, county and municipal agencies can determine where they should deploy ambulances ahead of time. This practice is currently in use by FEMA and can apply to any disaster where we need to deploy physical supplies quickly and efficiently.

In New Orleans, AI-enabled insights prompted teams to order large amounts of lumber in anticipation of the need to rebuild after a hurricane.

In Texas earlier this year, utilities needed to make thousands of service calls but lacked the parts to make the necessary repairs. Predictive insights could have helped mitigate some of the more severe supply chain impacts of the event.

Moving forward, as the public sector facilitates stronger partnerships with the technology sector to leverage big data and AI, the focus should be on the speed and relevance of the data they are gathering, particularly as it relates to averting or managing a crisis to achieve the best possible outcomes.

More Opportunities Ahead

There is a strong opportunity for the technology sector to partner with the public sector to improve threat detection and risk mitigation far beyond reacting to an evolving storm.

AI and data can also act as wingmen for the public sector, strengthening systems and infrastructure over time. This can result in a broader approach to risk mitigation and resilience. For example, looking at the regional strengths and resources across the U.S.—such as hurricane preparedness in the South, transportation planning in the Northeast, food logistics in the Midwest, and wildfire preparedness on the West Coast—federal agencies and legislators can work with the private sector to leverage insight, past data from the impact of an evolving hurricane or freeze, as well as data through available resources from within these regions to help them better prepare.

The Good News

The events of the past 18 months have exposed many vulnerabilities in our systems, yet the good news is that we gained clear insight into where we can strengthen infrastructure. Now is the time to incorporate critical event management into continuity and resiliency plans, using accurate intelligence to help us make informed decisions during uncertainty. More direct and rapid cycles of information sharing between federal and state organizations and within agencies—driven by AI and data—can only help create more resilient systems nationwide.

### 1NR---AT Analytic---Bornhauser

#### 1NC Bornhauser:

Renewable energy is an essential part of efforts to reduce CO2 emissions

Green electricity’s new-​found competitiveness is based on more mature technology and higher volumes, which bring down costs. In addition – and this is often overlooked – the low cost of capital

### IL---AT Warming Inevitable

#### Even if some warming is inevitable, stopping tail-end risks prevents extinction

Roberts 18 (David, 8-7-2018, “This graphic explains why 2 degrees of global warming will be way worse than 1.5,” *Vox*, <https://www.vox.com/platform/amp/energy-and-environment/2018/1/19/16908402/global-warming-2-degrees-climate-change?__twitter_impression=true>)

By delaying the necessary work of decarbonization, we are consigning millions of people in tropical regions to less food and in the Mediterranean to less water — with all the attendant health problems and conflict. We’re allowing more heat waves and higher seas. We’re giving up on the world’s coral reefs, and with them the hundreds of species that rely on them. And even then, the decision will still face us: 2 degrees or 3? Again, it will mean more heat waves, more crop losses, more water shortages, more inundated coastal cities, more disease and conflict, millions more suffering. And even then, the decision: 3 degrees or 4? The longer we wait, the more human suffering and irreversible damage to ecosystems we inscribe into our collective future. But there’s no hiding, no escaping the imperative to decarbonize. It must be done if our species is to have a long-term home on Earth.

#### There’s time to avert it if renewables stay competitive

Wallace-Wells 21, \*deputy editor of New York magazine, where he also writes frequently about climate change and the near future of science and technology. (David, January 18th, 2021, “After Alarmism”, <https://nymag.com/intelligencer/article/climate-change-after-pandemic.html>)

The change is much bigger than the turnover of American leadership. By the time the Biden presidency finds its footing in a vaccinated world, the bounds of climate possibility will have been remade. Just a half-decade ago, it was widely believed that a “business as usual” emissions path would bring the planet four or five degrees of warming — enough to make large parts of Earth effectively uninhabitable. Now, thanks to the rapid death of coal, the revolution in the price of renewable energy, and a global climate politics forged by a generational awakening, the [expectation](https://climateactiontracker.org/global/temperatures/) is for about three degrees. Recent pledges [could bring us closer to two](https://climateactiontracker.org/publications/global-update-paris-agreement-turning-point/). All of these projections sketch a hazardous and unequal future, and all are clouded with uncertainties — about the climate system, about technology, about the dexterity and intensity of human response, about how inequitably the most punishing impacts will be distributed. Yet if each half-degree of warming marks an entirely different level of suffering, we appear to have shaved a few of them off our likeliest end stage in not much time at all.

The next half-degrees will be harder to shave off, and the most crucial increment — getting from two degrees to 1.5 — perhaps impossible, dashing the dream of avoiding what was long described as “catastrophic” change. But for a climate alarmist like me, seeing clearly the state of the planet’s future now requires a conspicuous kind of double vision, in which a guarded optimism seems perhaps as reasonable as panic. Given how long we’ve waited to move, what counts now as a best-case outcome remains grim. It also appears, miraculously, within reach.

In December, a month after Biden was elected promising to return the U.S. to the Paris agreement, the U.N. celebrated five years since the signing of those accords. They were five of the six hottest on record. (The sixth was 2015, the year the agreement was signed.) They were also the years with the highest levels of carbon output in the history of humanity — with emissions equivalent to what was produced by all human and industrial activity from the speciation of Homo sapiens to the start of World War II.

They have also been the five years in which the nations of the world — and cities and regions, individuals and institutions, corporations and central banks — have made the most ambitious pledges of future climate action. Most of them were made in the past 12 months, in the face of the pandemic. Or, perhaps, to some degree, because of it — because the pandemic demanded a full-body jolt to the global political economy, provoking much more aggressive government spending, a much more accommodating perspective on debt, and a much greater openness to large-scale actions and investments of the kind that might plausibly reshape the world. And because decarbonization has come to seem, even to those economists and policy-makers blinded for decades to the moral and humanitarian cases for reform, a rational investment. “When I think about climate change,” Biden is fond of saying, “the word I think of is jobs.”

There are two ways of looking at these seemingly contradictory sets of facts. The first is that the distance between what is being done and what needs to be done is only growing. This is the finding of, among others, the U.N.’s comprehensive [“Emissions Gap” report](https://www.unenvironment.org/emissions-gap-report-2020), issued in December, which found that staying below two degrees of warming would require a tripling of stated ambitions. To bring the planet in reach of the 1.5-degree target — favored by activists, most scientists, and really anyone reading their work with open eyes — would require a quintupling. It is also the perspective of Greta Thunberg, who has spent the pandemic year castigating global leaders for paying mere lip service to far-off decarbonization targets and who called the E.U.’s new net-zero emissions law “surrender.”

The second is that all of the relevant curves are bending — too slowly but nevertheless in the right direction. The International Energy Agency, a notoriously conservative forecaster, recently [called](https://www.carbonbrief.org/solar-is-now-cheapest-electricity-in-history-confirms-iea#:~:text=Source%3A%20IEA%20World%20Energy%20Outlook%202020.&text=Together%2C%20low%2Dcarbon%20sources%20would,up%20from%2019%25%20in%202019.) solar power “the cheapest electricity in history” and projected that India will build 86 percent less new coal power capacity than it thought just one year ago. Today, business as usual no longer means a fivefold increase of coal use this century, as was once expected. It means pretty rapid decarbonization, at least by the standards of history, in which hardly any has ever taken place before.

Both of these perspectives are true. The gap is real, and the world risks tumbling into it, subjecting much of the global South to unconscionable punishments all the way down. But in the months since the pandemic wiped climate strikers off the streets, their concerns have seeped into not just public-opinion surveys but parliaments and presidencies, trade deals and the advertising business, finance and insurance — in short, all the citadels presiding over the ancien régime of fossil capital.

This is not exactly a climate revolution; the strikers and their allies didn’t win in the way they wanted to, at least not yet. But they did win something. Environmental anxieties haven’t toppled neoliberalism. Instead, to an unprecedented degree, they infiltrated it. (Or perhaps they were appropriated by it. It’s an open question.) Climate change isn’t an issue just for die-hards anymore — it’s for normies, sellouts, and anyone with their finger in the wind. It will take time, of course, for voters to see empty rhetoric for what it is, and for consumers to learn to distinguish, say, between the claims of guiltless airline tickets, or between carbon-free foods in the supermarket aisle. Harder still will be sorting through the differences between real corporate commitments like Microsoft’s and more evasive ones, like BP’s. Already, there is considerable consternation among climate activists that the public doesn’t understand the tricky math of “net-zero” on which so many of these commitments have been made—it is not a promise of ending emissions, but of offsetting some amount of them, in the future, with “negative emissions,” sometimes called “carbon dioxide removal,” though no approach of that kind is ready to go at anything like the necessary scale. And while some amount of skepticism about those commitments is surely warranted, it is also the case that, according to [a recent Bloomberg review](https://www.bloomberg.com/graphics/2020-company-emissions-pledges/), of 187 corporate climate pledges made for 2020 in 2015, 138 will be met. (Many of those promises were quite modest, but it is a much better performance than has been managed by the 189 parties to the Paris agreement, of which only two — Morocco and Gambia — are today [judged](https://climateactiontracker.org/countries/) fully “compatible” with the 1.5-degree goal, and only six more with the 2-degree target).

In the political sphere, the uneasy alliance between activists and those in power will be tested, producing new conflicts, or new equilibria, or both. Consider, though, that Varshini Prakash, whose [Sunrise Movement](https://www.sunrisemovement.org/) gave Biden’s primary candidacy an F, later helped write his climate plan along with Alexandria Ocasio-Cortez. Climate expertise has been distributed throughout the incoming administration, as was promised during a campaign that closed, remarkably, with a climate-focused advertising blitz. During the transition, Biden’s pick for director of the National Economic Council, Brian Deese, was targeted by the environmental left for his time with BlackRock, but even this purported stooge had been married by Bill McKibben, one of the godfathers of modern climate activism.

Elsewhere in the world, where 85 percent of global emissions are produced, the great infiltration of climate concerns represents what the British environmental [writer](https://www.businessgreen.com/blog-post/4025199/2020-crisis-crossroads-alternative-histories) James Murray has called “an alternative history to 2020” and what the scientist turned journalist Akshat Rathi [has declared](https://www.bloomberg.com/news/articles/2021-01-05/climate-action-is-embedding-into-how-the-world-works) “a strong sign that climate action is starting to be ‘institutionalized’ — that is, getting deeply embedded into how the world works.” This is not about coronavirus lockdowns producing emissions drops or “nature healing.” It is instead about long-standing trajectories passing obvious tipping points in coal use and political salience; promises and posturing by powerful if compromised institutions; and policy progress almost smuggled into place, all over the world, under cover of pandemic night. In the U.S., in the second coronavirus stimulus, [$35 billion in clean-energy spending](https://nymag.com/intelligencer/2020/12/what-is-in-covid-stimulus-omnibus-climate-pell-grants-medical-billing.html) passed in the Senate 92-6 — an effective down payment, energy researcher Varun Sivaram has estimated, on the innovation spending needed for a full electrification of the country. Did you even notice?

Biden’s climate plan now faces the challenge of a filibuster, a skeptical Supreme Court, and the mood of Senator Joe Manchin of West Virginia, which means American climate action over the next four years is probably more likely to be delivered piecemeal — through appropriations and stimulus, executive action, and regulation — than through a landmark Green New Deal–style piece of legislation. That does limit what can be achieved, but it also means avoiding a protracted battle over climate as a referendum on the identity of the nation. And at least nominally, having been pressured by activists to do so, Biden is promising to multiply the green spending in that recent stimulus by a factor of 60.

The numbers are numbingly large — reminders that in the midst of pandemic turmoil, the rules of state spending have been dramatically revised and perhaps even suspended. Is this global free-spending binge the beginning of a new era or merely a crisis interregnum to be followed by a new new austerity? “We don’t know what the recovery packages of COVID are going to be,” Christiana Figueres, one of the central architects of the Paris accords, told me this summer. “And honestly, the depth of decarbonization is going to largely depend on the characteristics of those recovery packages more than on anything else, because of their scale. We’re already at $12 trillion; we could go up to $20 trillion over the next 18 months. We have never seen — the world has never seen — $20 trillion go into the economy over such a short period of time. That is going to determine the logic, the structures, and certainly the carbon intensity of the global economy at least for a decade, if not more.”

For those dreaming of a climate recovery, the first round of spending was not so encouraging. The E.U. was the gold standard, promising that 30 percent of its stimulus would be earmarked for climate. The U.S. and China each pledged only a fraction of that (and in each case, there was fossil stimulus, too). But in October, a team of researchers including Joeri Rogelj of the Imperial College of London [calculated](https://www.reuters.com/article/climate-change-stimulus/tenth-of-pandemic-stimulus-spend-could-help-world-reach-climate-goals-study-idUSKBN271098) that just one-tenth of the COVID-19 stimulus spending already committed around the world, directed toward decarbonization during each of the next five years, would be sufficient to deliver the goals of the Paris agreement and stop global warming well below two degrees. That analysis may be a touch optimistic, but the level of spending seems, now, doable.

When Donald Trump was elected, trashing Paris, climate hawks were left hoping that the world would hang on for the length of his administration — insisting that, in the long term, the crisis couldn’t be solved without America at the helm. But the past four years of missing leadership have produced astonishing gains.

The price of solar energy has fallen ninefold over the past decade, as has the price of lithium batteries, critical to the growth of electric cars. The costs of utility-scale batteries, which could solve the “intermittency” (i.e., cloudy day) problem of renewables and help power whole cities in relatively short order, have fallen 70 percent since just 2015. Wind power is 40 percent cheaper than it was a decade ago, with offshore wind experiencing an even steeper decline. Overall, renewable energy is less expensive than dirty energy almost everywhere on the planet, and in many places it is simply cheaper to build new renewable capacity than to continue running the old fossil-fuel infrastructure. Oil demand and carbon emissions may both have peaked this year. Eighty percent of coal plants planned in Asia’s developing countries have been shelved.

This summer, I heard the Australian scientist and entrepreneur Saul Griffith talk about what it would take to get the U.S. within range of a 1.5 degree world. He said it would mean that beginning in 2021, this year, every single person buying a new car would have to be buying an electric one. That seems unrealistic, I thought, making a note of it as a useful benchmark illustrating just how far we have to go.

Then, in the fall, the U.K. pledged to ban nonelectrics by 2030—a once-unthinkable law coming both too slow and much more quickly than seemed possible not very long ago. Similar plans are now in place in 16 other countries, plus Massachusetts and California. Canada recently raised its tax on carbon sixfold. Italy cut its power-sector emissions 65 percent between 2012 and 2019, and Denmark is now aiming to reduce its overall emissions 70 percent by 2030. “We set ourselves challenges that on paper looked almost impossible,” the country’s minister for the environment, Dan Jørgensen, told me recently. “And I think experts in many countries said, when looking at Denmark, ‘This is going to be too expensive, this is going to lower their living standards, this is going to hurt their ability to compete.’ But actually I’m proud to say that the opposite has happened. Now, of course, we have set even higher standards.”

In the midst of the pandemic, new net-zero pledges, far more ambitious than those offered at Paris, were independently made by Japan, South Korea, the E.U., and, most significant, China, the world’s biggest emitter, which promised to reach an emissions peak by 2030 and get all the way to zero by 2060. China’s promise is so ambitious it has inspired one wave of debate among experts about whether it is even feasible — given that it would require, for instance, roughly twice as much renewable power to be installed every year for the next decade as Germany has operating nationwide today — and another debate about whether it has revived the possibility of that 1.5-degree target, with economic historian Adam Tooze writing, just after Xi Jinping’s surprise announcement in September, that it single-handedly “redefined the future prospects for humanity.” Together, the new net-zero pledges may have subtracted a full half-degree from ultimate warming. Add Biden’s campaign pledge of net zero by 2050, and you’ve got about two-thirds of global emissions at least nominally committed to firm, aggressive timelines to zero.

These are all just paper promises, of course, and the history of climate action is littered with the receipts of similar ones uncashed. Plot the growth of carbon concentration in the atmosphere against the sequence of climate-action conferences and a distressing pattern emerges: the World Meteorological Conference of 1979, the U.N. framework of 1992, the Kyoto protocol of 1997, the Copenhagen accord of 2009, and the 2015 Paris accords, all tracking an uninterrupted trajectory upward for carbon from a “safe” level under 350 parts per million, past 400, to 414 today, and pointing upward from there. Before the industrial revolution, humans had never known an atmosphere with even 300 parts per million. Inevitably now, within a few years, the concentration will reach levels not seen since 3.3 million years ago, when sea levels were 60 feet higher. For all their momentum, renewables still only make up 10 percent of global electricity production.

But alarmists have to take the good news where they find it. And while mood affiliation is not always the best guide to the state of the world, in 2020, for me, there were three main sources of hope.

The first is the fact that the age of climate denial is over thanks to extreme weather and the march of science and the historic labor of activists — climate strikers, Sunrise, Extinction Rebellion — whose success in raising alarm may have been so sudden that they brought an end to the age of climate Jeremiahs as well. Their voices now echo in some unlikely places. Exxon was booted from the S&P 500 within months of Tesla making Elon Musk the world’s richest man. The cultural cachet of oil companies is quickly approaching that of tobacco companies. Jair Bolsonaro of Brazil aside, practically every leader of every country and every major figure in every corporate and industrial sector now feels obligated — because of protest and social pressure, economic realities, and cultural expectation — to at least make a show of support for climate action. It would be nice not to have to count that as progress, but it is. The questions are: How much does it matter? And what will follow? Disinformation and human disregard are not the only instruments of delay, and the age of climate denial is likely to yield first not to an age of straightforward climate deliverance but to one characterized by climate hypocrisy, greenwashing, and gaslighting. But those things, ugly and maddening and even criminal as they are, have always been with us. It is the other thing that is new.

The second source of good news is the arrival on the global stage of climate self-interest. By this I don’t mean the profiteering logic of BlackRock, which opportunistically announced some half-hearted climate commitments last year, but rather the growing consensus in almost every part of the globe, and at almost every level of society and governance, that the world will be made better through decarbonization. A decade ago, many of the more ruthless capitalists to analyze that project deemed it too expensive to undertake. Today, it suddenly appears almost too good a deal to pass up. (A recent McKinsey [report](https://www.mckinsey.com/business-functions/sustainability/our-insights/how-the-european-union-could-achieve-net-zero-emissions-at-net-zero-cost): “Net-Zero Emissions at Net-Zero Cost.”)

The logic may be clearest in considering the effects of air pollution, which kills an estimated 9 million people per year. In India, where more than 8 percent of GDP is lost to pollution, poor air quality is also responsible for 350,000 miscarriages and stillbirths every year. Globally, coal kills one person for every thousand people it provides power to, and even in the U.S., with its enviably clean air, total decarbonization would be entirely paid for, Duke’s Drew Shindell [recently testified](https://www.vox.com/energy-and-environment/2020/8/12/21361498/climate-change-air-pollution-us-india-china-deaths) before Congress, just through the public-health benefits of cutting out fossil fuels. You don’t even have to calculate any of the other returns — more jobs, cheaper energy, new infrastructure. Of course, countries all around the world are incorporating those considerations too, turning the page on a generation of economic analysis that said decarbonization was too costly and its benefits too small to sell to the public as upside.

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What is perhaps most striking about all the new climate pledges is not just that they were made in the absence of American leadership but that they were made outside the boundaries of the Paris framework. They are not the result of geopolitical strong-arming or “Kumbaya” consensus. They are, instead, plans arrived at internally, in some cases secretly. This has been eye-opening for the many skeptics who worried for decades about climate’s collective-action problem — who warned that because the benefits of decarbonization were distributed globally while the costs were concentrated locally, nations would move only if all of their peers did too. But a [recent paper](https://www.mitpressjournals.org/doi/full/10.1162/glep_a_00578) by Matto Mildenberger and Michaël Alkin suggests this shouldn’t be a surprise. In their retrospective analysis, they found that, despite much consternation about designing climate policy to prevent countries from “cheating,” there was basically no evidence of any country ever pulling back from mitigation efforts to take a free ride on the good-faith efforts of others. There was, in other words, no collective-action problem on climate after all. For a generation, the argument for climate action was made on a moral basis. That case has only grown stronger. And now there are other powerful, more mercenary arguments to offer.

The third cause for optimism is that, while the timelines to tolerably disruptive climate outcomes have already evaporated, the timelines to the next set of benchmarks is much more forgiving. This is why Glen Peters, the research director at the Cicero Center for International Climate Research, often jokes that while keeping warming below two degrees is very hard, perhaps even impossible, keeping it below 2.5 degrees now looks like a walk in the park.

This isn’t to say we’re on a glide path to safety. At current emissions levels, the planet will entirely exhaust the carbon budget for 1.5 degrees in just seven years — stay merely level, in other words, and we’ll burn through the possibility of a relatively comfortable endgame within the decade. We could buy ourselves a little more time by starting to move quickly, but not that much more. To decarbonize fast enough to give the planet a decent chance of hitting that 1.5-degree target without any negative emissions would require getting all the way to net-zero emissions by around 2035. Simply running the cars and furnaces and fossil-fuel infrastructure that already exists to its expected retirement date would push the world past 1.5 degrees—without a single new gasoline SUV hitting the road, or a single new oil-heated home being built, or a single new coal plant opened.

A two-degree target, by contrast, yields a much longer timeline, requiring the world to achieve net-zero by 2070 or 2080 — without even the help of negative emissions. We’d have to cut carbon production in half in about three decades, rather than one. That pathway will almost certainly prove harder than it looks. The good news is that we seem to be beginning, at least, to try.

### IL---Global

#### Low US rates solve a global transition

Roser 20, founder and director of Our World in Data. He is also Programme Director of the Oxford Martin Programme on Global Development at the University of Oxford, and Co-executive Director of Global Change Data Lab. (Max, 12-1-2020, "Why did renewables become so cheap so fast?", *Our World in Data*, <https://ourworldindata.org/cheap-renewables-growth>)

Today, at a time when the global economy – and workers around the world – suffer greatly from the COVID-19 recession and when interest rates are low (or even negative), scaling up renewable energy systems offers us a great chance to move forward. It is rare to have a policy option that leads to more jobs, cheaper prices for consumers, and a greener, safer planet.43 The more renewable energy technologies we deploy, the more their costs will fall. More growth will mean even more growth. Making renewable energy irresistible: Technological progress somewhere turns into progress everywhere One last argument on why lower prices due to technological change are so crucial for making the transition to the post-carbon world. If rich countries make investments into renewable technology that drive down the price along the learning curves, they are not just working towards the transition from fossil fuels to renewable energy for themselves, but for the entire world. The relative price of fossil fuels and renewables is key to anyone’s decision of which power plant to build. Making low-carbon technology cheap is a policy goal that doesn’t only reduce emissions in your own country but in the entire world, forever. Driving down the price of low-carbon energy should be seen as one of the most important goals (and achievements) of clean energy policy, because it matters beyond the borders of the country that is adopting that policy. This is the beautiful thing about technology: once it is invented somewhere it can help everywhere. The biggest growth in electricity demand in the coming years will not come from rich countries, but the poorer, yet rapidly developing countries in Africa and Asia.44 The steep decline of solar power is a particularly fortunate development for many of these countries that often have sunny climates. Energy systems have very long path dependencies, since it is very costly to build a power plant or to decide to shut a power plant down. Investments in renewable technologies now will therefore have very long-term benefits. Every instance when a country or an electricity company decides to build a low-carbon power plant instead of a coal plant is a win for decades. Low prices are the key argument to convince the world – especially those places that have the least money – to build low-carbon power systems for a sustainable future.2

### IL---AT Competition/Antitrust Solves

#### Competition undermines environmental gains

Dolmans 21, Cleary Gottlieb Steen & Hamilton LLP, London/Brussels (Maurits, 9-7-2021, “Sustainability agreements and antitrust – three criteria to distinguish beneficial cooperation from greenwashing", pg. 2, <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3920369>)

The Commission is tempted to focus on competition as the solution: more competition means more innovation, and innovation is the answer to everything. But as Stiglitz explains, innovation has been suboptimal, and we can’t be sure that some innovator will emerge as deus ex machina to save the world. And competition is exactly the force that drives firms to use up natural resources and emit greenhouse gases as if there is no tomorrow. The costs will be borne by our children and our grandchildren.

Competition is the answer only in markets where firms know that enough consumers are willing to pay to eliminate all greenhouse gas emissions (and even then, we still have to repair the damage already done). In those markets, firms have an incentive to compete not just to be the cheapest and best, but also the cleanest and greenest supplier. Unfortunately, in many markets, consumers do not have the willingness or the ability to pay. That’s when cooperation should be allowed, as a complementary tool, to spread the costs, reduce the risks, and speed up reduction of greenhouse gas emissions.