### 1

#### Expanding antitrust to new business practices increases the risk of false positives---wrecks economic growth.

Manne 20 (Geoffrey A. Manne, distinguished fellow at Northwestern University Center on Law, Business, and Economics, President and founder of the International Center for Law and Economics, JD and AB degrees from the University of Chicago, Former law professor at Lewis & Clark Law School, Former lecturer in law at the University of Chicago Law School and the University of Virginia School of Law, Worked for FTC, member of the American Law and Economics Association, the Canadian Law and Economics Association, and the Society for Institutional & Organizational Economics; “Error Costs in Digital Markets;” <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3733662>, TM) [typo modified]

The arguments in favor of the normative error-cost framework are even stronger in the context of the digital economy. The concern with error costs is especially high in dynamic markets in which it is difficult to discern the real competitive effects of a firm’s conduct from observation alone. And for several reasons, antitrust decision-making in the context of innovation tends much more readily toward distrust of novel behavior, thus exacerbating the risk and cost of over-enforcement.

As noted, there is an “uneven history of courts and enforcement officials in enhancing welfare through antitrust,” suggesting reason to be skeptical.163 In the face of innovative business conduct, the concern is compounded by the problematic incentives of antitrust economists. As Manne and Wright note:

Innovation creates a special opportunity for antitrust error in two important ways. The first is that innovation by definition generally involves new business practices or products. Novel business practices or innovative products have historically not been treated kindly by antitrust authorities. From an error-cost perspective, the fundamental problem is that economists have had a longstanding tendency to ascribe anticompetitive explanations to new forms of conduct that are not well understood.164

The two problems are related. Novel practices generally result in monopoly explanations from the economics profession, followed by hostility from the courts. Often a subsequent, more-nuanced economic understanding of the business practice emerges, recognizing its procompetitive virtues, but this also may come too late to influence courts and enforcers in any reasonable amount of time—and it may never tip the balance sufficiently to appreciably alter established case law. Where economists’ career incentives skew in favor of generating models that demonstrate inefficiencies and debunk the Chicago School status quo, this dynamic is not unexpected.

At the same time, however, defendants engaged in innovative business practices that have evolved over time through trial and error regularly have a difficult time articulating a justification that fits either an economist’s limited model or a court’s expectations. Easterbrook ably described the problem:

[E]ntrepreneurs often flounder from one practice to another trying to find one that works. When they do, they may not know why it works, whether because of efficiency or exclusion. They know only that it works. If they know why it works, they may be unable to articulate the reason to their lawyers-because they are not skilled in the legal and economic jargon in which such "business justifications" must be presented in court. . . .

. . . It takes economists years, sometimes decades, to understand why certain business practices work, to determine whether they work because of increased efficiency or exclusion. To award victory to the plaintiff because the defendant has failed to justify the conduct properly is to turn ignorance, of which we have regrettably much, into prohibition. That is a hard transmutation to justify.165

Imposing a burden of proof on entrepreneurs—often to prove a negative in the face of enforcers’ pessimistic assumptions—when that burden can’t plausibly be met can serve only to impede innovation.166

Even economists know very little about the optimal conditions for innovation. As Herbert Simon noted in 1959,

Innovation, [technological] change, and economic development are examples of areas to which a good empirically tested theory of the processes of human adaptation and problem solving could make a major contribution. For instance, we know very little at present about how the rate of innovation depends on the amounts of resources allocated to various kinds of research and development activity. Nor do we understand very well the nature of “know how,” the costs of transferring technology from one firm or economy to another, or the effects of various kinds and amounts of education upon national product. These are difficult questions to answer from aggregative data and gross observation, with the result that our views have been formed more by arm-chair theorizing than by testing hypotheses with solid facts.167

Our understanding has not progressed very far since 1959, at least not insofar as it is applied to antitrust.168 Simon astutely infers that innovation would be a function of “human adaptation and problem solving”; “the amounts of resources allocated to various kinds of research and development activity”; the nature of ‘know how’”; “the costs of transferring technology”; and “the effects of various kinds and amounts of education.” But economists today tend to focus primarily on how market structure affects innovation.

As Teece notes, however:

A less important context for innovation, although one which has received an inordinate amount of attention by economists over the years, is market structure, particularly the degree of market concentration. Indeed, it is not uncommon to find debate about innovation policy among economists collapsing into a rather narrow discussion of the relative virtues of competition and monopoly. . . .

. . . [Yet] reviews of the extensive literature on innovation and market structure generally find that the relationship is weak or holds only when controlling for particular circumstances. The emerging consensus is that market concentration and innovation activity most probably either coevolve or are simultaneously determined.169

Even to the extent that economic science has developed some better theories of innovation and its relationship with market structure and antitrust, the literature has still failed to develop clear and concrete theories or empirics that are readily implementable by courts or enforcers in the face of complex economic conditions.170 Particularly to the extent that contemporary monopolization theorems purport to address novel, often-innovative business practices, they are problematic for antitrust law and policy aiming to maximize welfare (minimize errors), for several reasons.

First, they engender circumstances that increase the likelihood of antitrust complaints, investigations, and enforcement actions.171 In the face of limited evidence, untestable implications, and possibility theorems regarding the consequences of novel, innovative conduct, a proper application of error-cost principles would likely be expected to deter intervention. Yet it is precisely in these situations that intervention may be more likely.

On the one hand, this may be because in the absence of information disproving a presumption of anticompetitive effect, there is an easier case to be made against the conduct—this despite putative burden-shifting rules that would place the onus on the complainant. On the other hand, successful innovations are also more likely to arouse the ire of competitors and/or customers, and thus both their existence and their negative characterization are more likely brought to the attention of courts or enforcers—abetted in private litigation by the lure of treble damages.

Antitrust is skeptical of, and triggered by, various changes in status quo conduct and relationships. This applies not only to economists (as discussed above),172 but also to competitors (who are likely to raise challenges to innovative, even if perfectly procompetitive, conduct that makes competition harder), enforcers (who are inherently on the look-out for cutting-edge cases because clearly infringing conduct is rare and opportunities to expand their authority attractive), and judges (who may be particularly swayed by economists’ possibility theorems to believe that they can make upholdable new law).

Business process and organizational innovations are also more relevant to the sorts of conduct with which antitrust concerns itself. New technological advance is rarely an inherent problem for antitrust; rather, its presence increases the potential cost of over-deterrence, but not necessarily its likelihood.173 But novel technologies are frequently accompanied by novel business arrangements—and these are of particular concern to antitrust.

The problem stemming from both of these is that, to a first approximation (and especially in the digital economy), change (including by incumbents) is the hallmark of competition itself. In these markets competition means innovation and innovation means change. Since Jorde and Teece began writing about antitrust, and especially market definition, in high-tech industries in the late 1980s, we’ve been on notice that traditional, static, price-based antitrust analysis doesn’t work well for understanding these markets. For these industries, performance, not price, is paramount and competition generally unfolds sequentially rather than contemporaneously—which means innovation is key.174

[[BEGIN FOOTNOTE 174]]

174 See, e.g., Thomas M. Jorde & David J. Teece, Competing Through Innovation: Implications for Market Definition, 64 CHI.-KENT L.REV. 741, 742 (1988) (“Moreover, in markets characterized by rapid technological progress, competition often takes place on the basis of performance features and not price.”). See also David S. Evans & Richard Schmalensee, Some Economic Aspects of Antitrust Analysis in Dynamically Competitive Industries, in 2 INNOVATION POLICY AND THE ECONOMY 1, 3 (Adam B. Jaffe, et al., eds., 2002) (“The defining feature of new-economy industries is a competitive process dominated by efforts to create intellectual property through R&D, which often results in rapid and disruptive technological change.”).

[[END FOOTNOTE 174]]

Second, over-deterring business model and contractual innovations may be even more damaging to dynamic welfare and economic growth than is reducing incentives to engage in technological innovation.175

[[BEGIN FOOTNOTE 175]]

175 See Manne & Wright, Innovation, supra note 1, at 185 (“These innovations are also extremely valuable, in particular because they may be directly extendable to a much wider range of the economy than product innovations, and like product innovations, business innovations can have wide-ranging, dynamic follow-on effects throughout the economy.”).

[[END FOOTNOTE 175]]

#### Only exclusive FTC jurisdiction solves.

Rosch ’10 Remarks of J. Thomas Rosch - Commissioner, Federal Trade Commission before the USC Gould School of Law 2010 Intellectual Property Institute Los Angeles, CA - March 23, 2010 - #E&F – modified for language that may offend - https://www.ftc.gov/sites/default/files/documents/public\_statements/promoting-innovation-just-how-dynamic-should-antitrust-law-be/100323uscremarks.pdf

More broadly, however, I want to suggest that Section 5 may supply an optimal vehicle for challenging conduct that weakens innovation. The common law that has grown up around Section 2 over the last several decades is deeply ingrained in price theory; that static framework, however good it may be for evaluating short-run harm and quantifiable conduct such as price and output restraints, does not easily lend itself to looking at (considering) whether a party’s conduct has or will dampen innovation or prevent product improvement. Compounding matters is the fact that the difficult line drawing and weighing involved in comparing the likelihood of innovation against the likelihood of quantifiable anticompetitive harm is not something that generalist judges and lay juries are well suited for. Indeed, even the metric for measuring innovation itself remains elusive.

If the Commission proceeds under Section 5, these concerns largely fall away. Judging harm to competition against a consumer choice standard not only follows from Section 5’s text and the FTC’s unique institutional architecture, but provides a readymade vehicle for evaluating anticompetitive harm from a dynamic perspective. Moreover, by proceeding under Section 5 and suing in our Part 3 administrative process, the FTC (and only the FTC) can have the first crack at the hard line drawing and balancing that must occur when one weighs price competition against other forms of more dynamic competition. Arguably by leaving this critical task to the FTC and its prosecutorial discretion in the first instance, Section 5 allows the Commission to minimize the threat of false positives and shake down lawsuits that have animated many of the Supreme Court’s more recent decisions. For all of these reasons, I would not be surprised if the Commission decided to pursue claims based on dynamic concerns under Section 5 in the coming years, provided we can provide clear guidance to parties about when their conduct will trigger Section 5 review.

#### Decline cascades---nuclear war.

Dr. Mathew Maavak 21, PhD in Risk Foresight from the Universiti Teknologi Malaysia, External Researcher (PLATBIDAFO) at the Kazimieras Simonavicius University, Expert and Regular Commentator on Risk-Related Geostrategic Issues at the Russian International Affairs Council, “Horizon 2030: Will Emerging Risks Unravel Our Global Systems?”, Salus Journal – The Australian Journal for Law Enforcement, Security and Intelligence Professionals, Volume 9, Number 1, p. 2-8

Various scholars and institutions regard global social instability as the greatest threat facing this decade. The catalyst has been postulated to be a Second Great Depression which, in turn, will have profound implications for global security and national integrity. This paper, written from a broad systems perspective, illustrates how emerging risks are getting more complex and intertwined; blurring boundaries between the economic, environmental, geopolitical, societal and technological taxonomy used by the World Economic Forum for its annual global risk forecasts. Tight couplings in our global systems have also enabled risks accrued in one area to snowball into a full-blown crisis elsewhere. The COVID-19 pandemic and its socioeconomic fallouts exemplify this systemic chain-reaction. Onceinexorable forces of globalization are rupturing as the current global system can no longer be sustained due to poor governance and runaway wealth fractionation. The coronavirus pandemic is also enabling Big Tech to expropriate the levers of governments and mass communications worldwide. This paper concludes by highlighting how this development poses a dilemma for security professionals. Key Words: Global Systems, Emergence, VUCA, COVID-9, Social Instability, Big Tech, Great Reset INTRODUCTION The new decade is witnessing rising volatility across global systems. Pick any random “system” today and chart out its trajectory: Are our education systems becoming more robust and affordable? What about food security? Are our healthcare systems improving? Are our pension systems sound? Wherever one looks, there are dark clouds gathering on a global horizon marked by volatility, uncertainty, complexity and ambiguity (VUCA). But what exactly is a global system? Our planet itself is an autonomous and selfsustaining mega-system, marked by periodic cycles and elemental vagaries. Human activities within however are not system isolates as our banking, utility, farming, healthcare and retail sectors etc. are increasingly entwined. Risks accrued in one system may cascade into an unforeseen crisis within and/or without (Choo, Smith & McCusker, 2007). Scholars call this phenomenon “emergence”; one where the behaviour of intersecting systems is determined by complex and largely invisible interactions at the substratum (Goldstein, 1999; Holland, 1998). The ongoing COVID-19 pandemic is a case in point. While experts remain divided over the source and morphology of the virus, the contagion has ramified into a global health crisis and supply chain nightmare. It is also tilting the geopolitical balance. China is the largest exporter of intermediate products, and had generated nearly 20% of global imports in 2015 alone (Cousin, 2020). The pharmaceutical sector is particularly vulnerable. Nearly “85% of medicines in the U.S. strategic national stockpile” sources components from China (Owens, 2020). An initial run on respiratory masks has now been eclipsed by rowdy queues at supermarkets and the bankruptcy of small businesses. The entire global population – save for major pockets such as Sweden, Belarus, Taiwan and Japan – have been subjected to cyclical lockdowns and quarantines. Never before in history have humans faced such a systemic, borderless calamity. COVID-19 represents a classic emergent crisis that necessitates real-time response and adaptivity in a real-time world, particularly since the global Just-in-Time (JIT) production and delivery system serves as both an enabler and vector for transboundary risks. From a systems thinking perspective, emerging risk management should therefore address a whole spectrum of activity across the economic, environmental, geopolitical, societal and technological (EEGST) taxonomy. Every emerging threat can be slotted into this taxonomy – a reason why it is used by the World Economic Forum (WEF) for its annual global risk exercises (Maavak, 2019a). As traditional forces of globalization unravel, security professionals should take cognizance of emerging threats through a systems thinking approach. METHODOLOGY An EEGST sectional breakdown was adopted to illustrate a sampling of extreme risks facing the world for the 2020-2030 decade. The transcendental quality of emerging risks, as outlined on Figure 1, below, was primarily informed by the following pillars of systems thinking (Rickards, 2020): • Diminishing diversity (or increasing homogeneity) of actors in the global system (Boli & Thomas, 1997; Meyer, 2000; Young et al, 2006); • Interconnections in the global system (Homer-Dixon et al, 2015; Lee & Preston, 2012); • Interactions of actors, events and components in the global system (Buldyrev et al, 2010; Bashan et al, 2013; Homer-Dixon et al, 2015); and • Adaptive qualities in particular systems (Bodin & Norberg, 2005; Scheffer et al, 2012) Since scholastic material on this topic remains somewhat inchoate, this paper buttresses many of its contentions through secondary (i.e. news/institutional) sources. ECONOMY According to Professor Stanislaw Drozdz (2018) of the Polish Academy of Sciences, “a global financial crash of a previously unprecedented scale is highly probable” by the mid- 2020s. This will lead to a trickle-down meltdown, impacting all areas of human activity. The economist John Mauldin (2018) similarly warns that the “2020s might be the worst decade in US history” and may lead to a Second Great Depression. Other forecasts are equally alarming. According to the International Institute of Finance, global debt may have surpassed $255 trillion by 2020 (IIF, 2019). Yet another study revealed that global debts and liabilities amounted to a staggering $2.5 quadrillion (Ausman, 2018). The reader should note that these figures were tabulated before the COVID-19 outbreak. The IMF singles out widening income inequality as the trigger for the next Great Depression (Georgieva, 2020). The wealthiest 1% now own more than twice as much wealth as 6.9 billion people (Coffey et al, 2020) and this chasm is widening with each passing month. COVID-19 had, in fact, boosted global billionaire wealth to an unprecedented $10.2 trillion by July 2020 (UBS-PWC, 2020). Global GDP, worth $88 trillion in 2019, may have contracted by 5.2% in 2020 (World Bank, 2020). As the Greek historian Plutarch warned in the 1st century AD: “An imbalance between rich and poor is the oldest and most fatal ailment of all republics” (Mauldin, 2014). The stability of a society, as Aristotle argued even earlier, depends on a robust middle element or middle class. At the rate the global middle class is facing catastrophic debt and unemployment levels, widespread social disaffection may morph into outright anarchy (Maavak, 2012; DCDC, 2007). Economic stressors, in transcendent VUCA fashion, may also induce radical geopolitical realignments. Bullions now carry more weight than NATO’s security guarantees in Eastern Europe. After Poland repatriated 100 tons of gold from the Bank of England in 2019, Slovakia, Serbia and Hungary quickly followed suit. According to former Slovak Premier Robert Fico, this erosion in regional trust was based on historical precedents – in particular the 1938 Munich Agreement which ceded Czechoslovakia’s Sudetenland to Nazi Germany. As Fico reiterated (Dudik & Tomek, 2019): “You can hardly trust even the closest allies after the Munich Agreement… I guarantee that if something happens, we won’t see a single gram of this (offshore-held) gold. Let’s do it (repatriation) as quickly as possible.” (Parenthesis added by author). President Aleksandar Vucic of Serbia (a non-NATO nation) justified his central bank’s gold-repatriation program by hinting at economic headwinds ahead: “We see in which direction the crisis in the world is moving” (Dudik & Tomek, 2019). Indeed, with two global Titanics – the United States and China – set on a collision course with a quadrillions-denominated iceberg in the middle, and a viral outbreak on its tip, the seismic ripples will be felt far, wide and for a considerable period. A reality check is nonetheless needed here: Can additional bullions realistically circumvallate the economies of 80 million plus peoples in these Eastern European nations, worth a collective $1.8 trillion by purchasing power parity? Gold however is a potent psychological symbol as it represents national sovereignty and economic reassurance in a potentially hyperinflationary world. The portents are clear: The current global economic system will be weakened by rising nationalism and autarkic demands. Much uncertainty remains ahead. Mauldin (2018) proposes the introduction of Old Testament-style debt jubilees to facilitate gradual national recoveries. The World Economic Forum, on the other hand, has long proposed a “Great Reset” by 2030; a socialist utopia where “you’ll own nothing and you’ll be happy” (WEF, 2016). In the final analysis, COVID-19 is not the root cause of the current global economic turmoil; it is merely an accelerant to a burning house of cards that was left smouldering since the 2008 Great Recession (Maavak, 2020a). We also see how the four main pillars of systems thinking (diversity, interconnectivity, interactivity and “adaptivity”) form the mise en scene in a VUCA decade. ENVIRONMENTAL What happens to the environment when our economies implode? Think of a debt-laden workforce at sensitive nuclear and chemical plants, along with a concomitant surge in industrial accidents? Economic stressors, workforce demoralization and rampant profiteering – rather than manmade climate change – arguably pose the biggest threats to the environment. In a WEF report, Buehler et al (2017) made the following pre-COVID-19 observation: The ILO estimates that the annual cost to the global economy from accidents and work-related diseases alone is a staggering $3 trillion. Moreover, a recent report suggests the world’s 3.2 billion workers are increasingly unwell, with the vast majority facing significant economic insecurity: 77% work in part-time, temporary, “vulnerable” or unpaid jobs. Shouldn’t this phenomenon be better categorized as a societal or economic risk rather than an environmental one? In line with the systems thinking approach, however, global risks can no longer be boxed into a taxonomical silo. Frazzled workforces may precipitate another Bhopal (1984), Chernobyl (1986), Deepwater Horizon (2010) or Flint water crisis (2014). These disasters were notably not the result of manmade climate change. Neither was the Fukushima nuclear disaster (2011) nor the Indian Ocean tsunami (2004). Indeed, the combustion of a long-overlooked cargo of 2,750 tonnes of ammonium nitrate had nearly levelled the city of Beirut, Lebanon, on Aug 4 2020. The explosion left 204 dead; 7,500 injured; US$15 billion in property damages; and an estimated 300,000 people homeless (Urbina, 2020). The environmental costs have yet to be adequately tabulated. Environmental disasters are more attributable to Black Swan events, systems breakdowns and corporate greed rather than to mundane human activity. Our JIT world aggravates the cascading potential of risks (Korowicz, 2012). Production and delivery delays, caused by the COVID-19 outbreak, will eventually require industrial overcompensation. This will further stress senior executives, workers, machines and a variety of computerized systems. The trickle-down effects will likely include substandard products, contaminated food and a general lowering in health and safety standards (Maavak, 2019a). Unpaid or demoralized sanitation workers may also resort to indiscriminate waste dumping. Many cities across the United States (and elsewhere in the world) are no longer recycling wastes due to prohibitive costs in the global corona-economy (Liacko, 2021). Even in good times, strict protocols on waste disposals were routinely ignored. While Sweden championed the global climate change narrative, its clothing flagship H&M was busy covering up toxic effluences disgorged by vendors along the Citarum River in Java, Indonesia. As a result, countless children among 14 million Indonesians straddling the “world’s most polluted river” began to suffer from dermatitis, intestinal problems, developmental disorders, renal failure, chronic bronchitis and cancer (DW, 2020). It is also in cauldrons like the Citarum River where pathogens may mutate with emergent ramifications. On an equally alarming note, depressed economic conditions have traditionally provided a waste disposal boon for organized crime elements. Throughout 1980s, the Calabriabased ‘Ndrangheta mafia – in collusion with governments in Europe and North America – began to dump radioactive wastes along the coast of Somalia. Reeling from pollution and revenue loss, Somali fisherman eventually resorted to mass piracy (Knaup, 2008). The coast of Somalia is now a maritime hotspot, and exemplifies an entwined form of economic-environmental-geopolitical-societal emergence. In a VUCA world, indiscriminate waste dumping can unexpectedly morph into a Black Hawk Down incident. The laws of unintended consequences are governed by actors, interconnections, interactions and adaptations in a system under study – as outlined in the methodology section. Environmentally-devastating industrial sabotages – whether by disgruntled workers, industrial competitors, ideological maniacs or terrorist groups – cannot be discounted in a VUCA world. Immiserated societies, in stark defiance of climate change diktats, may resort to dirty coal plants and wood stoves for survival. Interlinked ecosystems, particularly water resources, may be hijacked by nationalist sentiments. The environmental fallouts of critical infrastructure (CI) breakdowns loom like a Sword of Damocles over this decade. GEOPOLITICAL The primary catalyst behind WWII was the Great Depression. Since history often repeats itself, expect familiar bogeymen to reappear in societies roiling with impoverishment and ideological clefts. Anti-Semitism – a societal risk on its own – may reach alarming proportions in the West (Reuters, 2019), possibly forcing Israel to undertake reprisal operations inside allied nations. If that happens, how will affected nations react? Will security resources be reallocated to protect certain minorities (or the Top 1%) while larger segments of society are exposed to restive forces? Balloon effects like these present a classic VUCA problematic. Contemporary geopolitical risks include a possible Iran-Israel war; US-China military confrontation over Taiwan or the South China Sea; North Korean proliferation of nuclear and missile technologies; an India-Pakistan nuclear war; an Iranian closure of the Straits of Hormuz; fundamentalist-driven implosion in the Islamic world; or a nuclear confrontation between NATO and Russia. Fears that the Jan 3 2020 assassination of Iranian Maj. Gen. Qasem Soleimani might lead to WWIII were grossly overblown. From a systems perspective, the killing of Soleimani did not fundamentally change the actor-interconnection-interaction adaptivity equation in the Middle East. Soleimani was simply a cog who got replaced.

### 2

#### Dems win the Senate now---Insert this chart.

Phillips 3-25 (Logan Phillips, Editor In Chief at Race to the WH, M.A. in International Affairs, B.A. in Political Science and Government, Researcher @ the International Peace Institute, Columbia University; “The Senate Forecast;” 03-22-22, Race to the WH, <https://www.racetothewh.com/senate/2022>, TM)

Graphical user interface, application

Description automatically generated

#### Antitrust causes Dem loss of the Senate.

Kovacevich 22 (Adam Kovacevich, A.B. from Harvard University, veteran Democratic tech industry leader with over 20+ years of experience, Former board member for the Internet Association, Information Technology Industry Council, Information Technology and Innovation Foundation, Internet Education Foundation and National Cyber Security Alliance, advisory council member for the Center for Democracy and Technology, brought grapes back to the Harvard dining hall; “With Midterms Looming, Biden Should Listen to Voters on Tech Policy;” 03-01-22, Real Clear Policy, <https://www.realclearpolicy.com/articles/2022/03/01/with_midterms_looming_biden_should_listen_to_voters_on_tech_policy_819210.html>, TM) [contraction expanded]

With all the buzz around regulating the tech industry, this hot-button issue must have voters as riled up as Congress, right?

Not quite. In a series of five polls conducted by the Chamber of Progress across battleground states this winter, regulating tech companies was ranked dead last among voters' priorities. Even among the tech policies voters were asked about, cybersecurity and preventing hacks were the primary concern, with tech competition low on voters' list of worries.

With the midterm elections approaching this fall, it's critical President Biden set the Democratic agenda straight and make progress on issues voters actually care about. Politicians calling to "break up big tech" might earn likes on Twitter, but will fall flat among voters in battleground states like Georgia, Arizona, and Colorado.

The policy landscape is crowded right now, between ongoing battles over COVID-19 vaccines, stalled voting rights legislation, and inflation. Throw in Russia's invasion of Ukraine and a Supreme Court nomination, and it's clear that President Biden urgently needs to move the needle on something ahead of the midterm elections.

But Biden [should not] hang his hat on Sen. Klobuchar's antitrust legislation. It's not popular among the electorate, and it would be a mistake to pass sweeping and controversial changes to popular consumer products ahead of a critical midterms season.

Instead, Biden should focus on what we know works. When it comes to tech, we know voters care about cybersecurity. Better yet, Biden already has a successful track record on this issue to build on.

President Biden's administration came in aggressively on cybersecurity early in his term, appointing the first White House national cyber director to coordinate cybersecurity across agencies along with a host of other initiatives. In May of last year, Biden enacted an executive order tightening cybersecurity standards for companies selling software to federal agencies and removing barriers in the way of private companies sharing data with the government. The order was met with positive coverage from cybersecurity experts, including praise from Obama's former chief cybersecurity adviser.

This is a winning issue. It's one voters are actually prioritizing, one they see impacting their communities and their workplaces. President Biden should lean in.

Compare that to antitrust. Beyond sitting low on voters' list of priorities, consensus on whether Sen. Klobuchar’s antitrust legislation will even be beneficial is widely debated among Democrats. Our polling showed that while initial support for passing new laws to increase competition against big technology companies is high, the support proves shallow, and deteriorates after respondents hear measured arguments for and against Sen. Klobuchar’s bill.

Democratic senators from Vermont to Delaware to California have also raised serious concerns about the legislation, citing privacy risks, economic concerns, and the fact that the bill may end up protecting hate speech and misinformation online.

Even if voters support antitrust legislation in theory, the real-world effects of Sen. Klobuchar’s bill — breaking or curtailing beloved services like Amazon Prime or Apple iMessage — will be felt widely. Politically, Democrats will be the ones to pay, particularly in swing states, during an election year with already tight margins.

#### Extinction

Genco 21 [Steve Genco, PhD in Political Science from Stanford University. 12-22-2021 https://sjgenco.medium.com/2022-will-not-just-be-a-republican-landslide-it-will-be-the-end-of-democracy-in-america-1b62bc722495]

Following the midterm bloodbath of 2022 …

The new Republican majority in the House, full of revolutionary fervor, will immediately disband the January 6 Committee and cover up all evidence of Trump’s attempted coup. All other investigations of Republican crimes and corruption will be ended. House committees will once again become propaganda machines for promoting lies and conspiracies that feed the delusions and fears of the Republican base. All elements of Biden’s legislative agenda will of course be blocked. Expect Democratic members of Congress to be targeted for censure — or even expulsion — as punishment for their exposure of Republican lies and wrongdoing during Democrats’ short tenure in the majority.

In other words, don’t expect anything positive to occur in the Republican-led House of Representatives. Business will be devoted exclusively to retaliation, retribution, grandstanding, and the production of poorly-written and nonsensical bills that will never become law, at least while Biden is still in office, but will temporarily appease the revenge-fantasies of their base.

In the Senate, Mitch McConnell will once again assume leadership and control of the flow of business. All Biden legislation will be stalled there as well. Republicans will recommence their efforts to politicize the Federal courts with unqualified and inexperienced ideologues. Unlike Democrats, they will easily work around the filibuster when they need to and, in a middle-finger salute to Joe Manchin, will eliminate it the moment it suits their interests to do so.

In both Houses of Congress (and beyond), Republican Presidential aspirants will sink to lower and lower depths of fascistic posturing as they compete to become the heir-apparent to Donald Trump.

Meanwhile, real problems will not go away. COVID will continue to mutate and run rampant throughout America and the world. Republicans will ignore it. The economy will continue to suffer fits and starts. Supply chains will continue to be disrupted and prices will continue to rise. Republicans will ignore all of this, except to periodically remind their followers that it’s all the fault of Democrats … oh, and caravans of immigrants massing at the border.

Following the “election” of a Republican President in 2024 …

The 2024 Presidential election will be a fiasco. If Republican efforts to suppress Democratic votes are as successful as they are designed to be, there may be no need to deploy newly-enacted legislative powers to overturn Democratic wins, because there will be no Democratic wins to overturn. Expect the real competition to be in the Republican primaries, where a clown car of aspirants will wrestle in the mud to win the hearts and minds of their angry and dyspeptic base. At stake will be the biggest fantasy of all: the chance to become the most powerful dictator in the world. Imagine an American version of Squid Game, but with votes instead of bullets.

Rest assured, if further actions are required to thwart the election of a Democratic President, Republicans will have the state laws in place to “fix” that problem. Expect only Republican electors to show up to the Electoral College in 2024 … and every Presidential election thereafter.

There may be violence, but by 2024 Republicans will have such a lock on state power that protests will be easily and viciously put down. The more obvious the Republican theft of the 2024 election, the more protests will occur, and the more likely the new Republican President will invoke martial law to conveniently speed up the takeover and takedown of the American Constitutional system.

Following the Trump Administration’s groundbreaking corruption playbook, the new President will once again put unqualified lackeys in charge of all Federal agencies. A new Attorney General will be expected to finish what Bill Barr started: permanently shifting the DOJ’s mission from upholding the Constitution to protecting a corrupt President and punishing his enemies (yes, the new Republican President will be a man). Republicans will again have only one domestic agenda item — a massive tax cut for their rich benefactors. The stock market will continue to rise on the belief that the rich are going to get even richer and will have to put all that money somewhere.

On the international front, Republicans will revive Trump’s America First isolationism. NATO will be weakened if not abandoned, the United Nations will be demonized if not defunded altogether. The Republican Party will formalize its love affair with Putin and Russian-style kleptocracy, providing cover and justification for authoritarian regimes around the world. Dictators will exploit the new “tyranny-friendly” American government to settle scores and consolidate power. Expect lots of international chaos and crises as democracy retreats around the globe.

What’s missing from this picture?

Although you are unlikely to hear it from the mainstream American media, this overthrow of American democracy — as horrible as it will be to watch — is really only a sideshow, a deadly distraction taking place at the worst possible moment in history.

While our media gasps and wags its collective finger at ham-handed Republican efforts to chip away at each pillar of democracy, attention will be deflected from the real crisis unfolding all around us: the continued deterioration of the climate to the point of no return for ongoing human survival.

Try to imagine the inept and compromised Republican Party doing anything about climate change. They had a trial run in their handling of the COVID pandemic. It did not go well. The thought that Republicans will even acknowledge the reality of climate change is absurd. Now include the near certainty that Republicans will be ruling America for at least the next decade.

Do the math.

While Republicans focus on consolidating their power and Americans focus on watching their democracy slip away, humans around the world will continue to pump greenhouse gases into the atmosphere at accelerating — not even decreasing — rates. Republicans will be first among world leaders to promote and model this ~~suicidal~~ behavior, as they insist that every drop of oil be monetized and burned. Their oil and gas industry benefactors will expect nothing less. The world will shrug and follow the American lead.

Can the planet survive another decade of climate change denial and the slow cooking of our atmosphere?

The planet, it is worth reminding ourselves, will be just fine in the long run. It has the luxury of millions on years to repair and repopulate itself, as it has many times before. But humans, who have evolved to survive only within a very narrow band of atmospheric conditions, do not have that luxury. We are billions of fragile creatures who depend on even more fragile food and water systems that also operate only within a narrow band of atmospheric conditions. When the atmosphere slips out of that narrow band, which it is on the verge of doing within the next few years, there are no second chances for the human race. Even a few more years squandered on inept, anti-science Republican rule could end us.

### 3

The United States federal government should:

---subsidize any increases in prices in the shipping industry to minimize the impact on consumer welfare,

---increase cooperation with Five Eyes over all non-shipping areas

---substantially increase funding to port security, including fire prevention and infrastructure security measures.

### 4

#### Text: Pursuant to Article V of the Constitution, at least two-thirds of the States should call a limited constitutional convention and at least three-fourths of the States should ratify a constitutional amendment that substantially increases its prohibitions on anticompetitive conduct by private ocean shipping carrier companies by reducing shipping antitrust immunity

#### Solves the AFF and avoids the DAs.

Thomas H. Neale 16, Specialist in American National Government, 03-29-2016 (“The Article V Convention to Propose Constitutional Amendments: Contemporary Issues for Congress,” Congressional Research Service, <https://fas.org/sgp/crs/misc/R42589.pdf>)

The Limited Convention

The concept of a limited convention has commanded considerable support in the debate over the Article V alternative. A range of constitutional scholars maintains that, contrary to Charles Black’s assertion, quoted earlier, a convention may be limited to a specific issue or issues contained in state applications; in fact, some observers maintain that it must be so limited. A fundamental assumption from their viewpoint is that the framers did not contemplate a general or large-scale revision of the Constitution when they drafted Article V. The late Senator Sam Ervin, who supported the Article V alternative and championed advance congressional planning for a convention, expounded this point of view: ... there is strong evidence that what the members of the [original constitutional] convention were concerned with ... was the power to make specific amendments.... [The] provision in article V for two exceptions to the amendment power42 underlines the notion that the convention anticipated a specific amendment or amendments rather than general revision.43 Another commentator, championing state authority in the convention issue, asserted that the founders’ intention in establishing the alternative amendment process was to check the ability of Congress to impede proposal of an amendment that enjoyed widespread support. He claimed that a convention limited to an issue specified by the states in their applications would be constitutional, but that a convention could be limited by the states, but not by Congress: Congress may not impose its will on the convention.... The purpose of the Convention Clause is to allow the States to circumvent a recalcitrant Congress. The Convention Clause, therefore, must allow the States [but not Congress] to limit a convention in order to accomplish this purpose.44 The primacy of the states in this viewpoint thus suggests that a convention could be open and general, or limited, depending on the applications of the legislatures. For its part, Congress has historically embraced the limited convention. When considering this question in the past, it has claimed the authority to call the convention, but also asserted a constitutional duty to respect the state application process, and to limit the subject of amendments to the subject areas cited therein. For instance, in 1984, the Senate Judiciary Committee claimed Congress’s power both to set and to enforce limits on the subject or subjects considered by an Article V Convention to those included in the state petitions. The committee’s report on the Constitutional Convention Implementation Act of 1984 (S. 119, 98th Congress), stated: Under this legislation, it is the States themselves, operating through the Congress, which are ultimately responsible for imposing subject-matter limitations upon the Article V Convention.... the States are authorized to apply for a convention “for the purpose of proposing one or more specific amendments.” Indeed, that is the only kind of convention within the scope of the present legislation, although there is no intention to preclude a call for a “general” or “unlimited” convention.45

### 5

#### Deterrence theory wrong --- assumes agents are rational actors calculating risks --- Motivations are borne from a corrupted corporate culture

MARKHAM 13 --- JESSE W. MARKHAM, JR, Marshall P. Madison Professor of Law at the University of San Francisco School of Law, “THE FAILURE OF CORPORATE GOVERNANCE STANDARDS AND ANTITRUST COMPLIANCE”, SOUTH DAKOTA UW REVIEW [Vol.58 2013], https://heinonline.org/HOL/LandingPage?handle=hein.journals/sdlr58&div=28&id=&page=

Secondly, the underlying but unexamined assumption in much of the literature is that there is some way for a potential antitrust violator to carry out the deterrence calculation, at least in rough arithmetic terms. That is, ~~he or she~~ [someone] can at least estimate numerically the projected benefits from cartel activity, the percentage likelihood of detection, and the amount of the likely fine. Where are these numbers supposed to come from? Each of the elements of this calculation is buried in obscurity in the real world. The projected benefits from cartel activity are not determinable ex ante. Indeed, scholars have been unable with much confidence to calculate the economic rewards from a cartel even after it has operated, let alone in advance. There is no way of knowing beforehand, for example, how long a cartel will endure, how successful it will be at imposing prices above competitive levels, or (at least sometimes) even what the competitive or cartel prices would be. The percentage likelihood of detection and successful prosecution also is not a number that is ready to hand to the sales person who is invited into a cartel. Again, the literature is rife with confessions that one simply cannot know how many cartels go undetected, so the percentage of all cartels represented by those that get detected is equally unknowable. Furthermore, fines arc meted out in the United States at least by applying a densely complex set of sentencing guidelines. Even if a corporate agent could assess in advance such things as culpability scores, the decision to violate the law frequently will implicate not just U.S. antitrust law but also the laws of other nations. It is the total, not just the U.S. component, of costs that would affect the decision to join or abstain. Additionally, the cost to the agent may include incarceration. While economists might feel confident in equating a year of incarceration with a dollar figure, an actual person deciding how to act might find this absurd or at least lack much confidence in any particular number. The agent deciding how to act needs all three of the elements of the deterrence calculus but is unlikely even to have one of them. One imagines a sales person at his or her desk with a calculator, multiplying a 0.2786% risk of conviction times the likely fine (payable by someone else, of course), plus economic cost of incarceration, subtracted from the dollar amount of economic benefit to him or her of participating in a cartel. There is no reason to believe that calculation or anything like it has ever been made by a single human being (let alone a corporation). Deterrence calculus is theoretically of some value but should not be misunderstood as affecting or describing human behavior.

A third problem with the calculus of antitrust deterrence is that it distracts from what may in fact be the central factor: corrupted corporate culture. It is also well-understood that cartel activity is to some extent motivated by cultural forces and not simply by economic calculus. Even if the calculations imagined in the literature could actually be performed in advance of the violation, the actor’s motivation may not be so simple. In the account of the lysine cartel, Mark Whitaker explained why he had participated in price fixing: “They said that if I’m going to grow with ADM, I gotta be part of the business,” he said. ‘‘I knew what they wanted me to do was illegal, and that weighed on me. When they told me to lie, I had to lie.”32 Nowhere in any account of the lysine cartel was there any mention of an ex ante analysis of economic reward calculated against potential cost. Instead, the cartel seemed to move forward with the actions of people like Whitaker, motivated by pleasing those around (or more precisely, above) them. Apparently, Whitaker’s cartel participation was also influenced by his worries about being caught having embezzled substantial sums from his employer, which he sought to avoid exposing by making no waves in his company. The story told in The Informant also reveals a general arrogance— a tendency to discount the risks of apprehension. The picture of a corrupt corporate culture painted in Eichenwald’s account, while not necessarily accurate as to all of its dialogue and details, is unremarkable: cartels are incubated in corporate cultures. Deterrence theory, however, largely ignores this impetus to violate laws.

#### Turn --- Treble damage crushes market value

Gaughan 05 --- Patrick A. Gaughan, President of Economatrix Research Associates, Inc., an economic and financial consulting firm, “THE ECONOMICS OF PUNITIVE DAMAGES: POST STATE FARM V. CAMPBELL”, Contemporary Studies in Economic and Financial Analysis, Volume 87, 217–266 , 2005, https://www.emerald.com/insight/content/doi/10.1016/S1569-3759(05)87009-3/full/pdf

Litigation costs will lower corporate profitability and reduce the pool of monies available for dividends and, thereby, impede capital gains. This is true for any cost, and litigated-related costs are no different. For this reason, the exposure to potentially large and unpredictable litigation payments can have an adverse effect on stock prices. Research studies have confirmed the impact that litigation can have on stock prices (Bizjak & Coles, 1995). This impact can be very significant. A good example of this was the 42% decline in the stock price of the Halliburton Company in response to a $30 million verdict in December 2001 in favor of five plaintiffs (Banerjee, 2001). This was one of many asbestos cases that were brought against the company.1 Over the prior quarter century, the company had settled almost 200,000 asbestos claims although many of them were settled for relatively modest amounts. The market reacted to the large verdict and what it implied about the potential litigation exposure that would occur if the other cases had a similar result. Another was the declines of Bayer AG’s stock price in response to the first Baycol trials beginning in Texas in 2001 (see Fig. 1). The company’s stock price fell from $43.36 at the end of January 2001 to $20.02 by September 10, 2001, and declined even further to $17.96 by the end of October of that year. Later in 2003, when Bayer AG received a favorable verdict, the stock rebounded. Towards the end of 2004, Pfizer’s market capitalization lost approximately $30 billion over a couple of trading days as a result of concerns that were being expressed about a possible relationship between heart problems and some of its anti-inflammatory drugs. The market fell even though no firm relationship between ailments and those drugs was known at that time and not a single lawsuit had been filed.

For companies with large litigation exposure, such as tobacco and asbestos defendants, the adverse shareholder wealth effects can be quite significant. Securities analysts have attempted to measure the magnitude of the large tobacco liabilities of Philip Morris Companies, Inc., which is now called Altria. Table 3 shows that over the past three years, Philip Morris USA, the tobacco subsidiary of Altria, as well as other divisions of the food/ tobacco company, were the object of many lawsuits, including class actions and multiple plaintiff cases (Altria Annual Report, 2003).

In February 2001, Goldman Sachs issued a report that featured a ‘‘sum of the parts’’ analysis which computed total enterprise value and the value of each of the company’s corporate divisions that composed the total enterprise value. The various parts or business segments were valued using comparable multiples that were relevant to the four industry segments that made up the parent firm – Philip Morris Companies, Inc.2 This comparable multiples analysis is an accepted method of valuing businesses (Gaughan, 2004). The Goldman Sachs analysis measured what has been termed the ‘‘litigation overhang’’ and found it to be equal to $91.5 billion (Goldman Sachs Analyst Report, 2001)! Without the litigation exposure, their analysis showed that the value of the equity of Philip Morris Companies, Inc. would have equaled approximately $200 billion, compared to the market value of the equity as of that time which was $108.7 billion. Goldman Sachs attributed this large difference to the market’s allowance for the uncertain tobacco liabilities.

Litigation-related liabilities are but one form of relevant information that markets consider when determining equity values. Increases in such liabilities due to punitive damages may cause stock prices to decline, adversely affecting shareholders. Markets tend to be somewhat efficient (with exceptions) in processing relevant information.3 Some might argue that the company should reduce dividend payments to shareholders and allocate those monies to litigation payments, thereby making shareholders pay punitive and other damages in this manner. Unfortunately, this method also has farreaching spillover effects that will hurt shareholders in other ways. Announcements of dividend reductions and/or elimination usually cause the announcing company’s stock price to fall. For example, Cigna announced in February 2004 that it was undergoing a major restructuring and would cut its dividend from $.33 per share to $.025. As can be seen from Fig. 2, the market reacted in the expected manner with a sharp falloff in the stock price and market capitalization. Such dividend-cut-related stock collapses can have even more far-reaching effects, as a company can then become a target for a takeover, which, if completed, effectively ends the existence of the company in its prior form. These are spillover effects that need to be considered when contemplating actions that affect dividends and share values.

#### Stock market crash causes economic recession

Miao et al 12 --- Jianjun Miao et al, Assistant Prof of Economics, Department of Economics, Boston University, “Stock Market Bubbles and Unemployment”, March 2012, https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=2036594

This paper provides a theoretical study that links unemployment to the stock market bubbles and crashes. Our theory is based on three observations from the U.S. labor, credit, and stock markets. First, the U.S. stock market has experienced booms anti busts and these large swings may not be explained entirely by fundamentals. Shiller (2005) documents extensive evidence on the U.S. stock market behavior and argues that many episodes of stock market booms are attributed to speculative bubbles. Second, the stock market booms and busts are often accompanied by the credit market booms and busts. A boom is often driven by a rapid expansion of credit to the private sector accompanied by rising asset prices. Following the boom phase, asset prices collapse and a credit crunch arises. This leads to a large fall in investment and consumption and an economic recession may follow.1 Third, the stock market and unemployment are highly correlated.2 Figure 1. plots the post-war U.S. monthly data of the real Standard anti Poor’s Composite Stock Price Index constructed by Robert Shiller and the unemployment rate downloaded from the Bureau of Labor Statistics (BLS).3 This figure shows that, during recessions, the stock price fell and the unemployment rate rose. In particular, during the recent Great Recession, the unemployment rate rose from 5.0 percent at the onset of the recession to a peak of 10.1 percent in October 2009, while the stock market fell by more than 50 percent from October 2007 to March 2009.

Motivated by the preceding observations, we build a search model with credit constraints, based on Blanchard and Gali (2010). The Blanchard and Gali model is isomorphic to the Diamond-Mortensen-Pissarides (DMP) search and matching model of unemployment (Diamond (1982), Mortensen (1982), and Pissarides (1985)). Our key contribution is to introduce credit constraints in a way similar to Miao and Wang (2011a,b,c, 2012a,b).4 The presence of this type of credit constraints can generate a stock market bubble through a positive feedback loop mechanism. The intuition is the following: When investors have optimistic beliefs about the stock market value of a firm’s assets, the firm wants to borrow more using its assets as collateral. Lenders are willing to lend more in the hope that they can recover more if the firm defaults. Then the firm can finance more investment and hiring spending. This generates higher firm value and justifies investors’ initial optimistic beliefs. Thus, a high stock market value of the firm can sustain in equilibrium.

There is another equilibrium in which no one believes that firm assets have a high value. In this case, the firm cannot borrow more to finance investment and hiring spending. This makes firm value indeed low, justifying initial pessimistic beliefs. We refer to the first type of equilibrium as the bubbly equilibrium and to the second type as the bubbleless equilibrium. Both types can coexist due to self-fulfilling beliefs. In the bubbly equilibrium, firms can hire more workers ami hence the market tightness is higher, compared to the bubbleless equilibrium. In addition, in the bubbly equilibrium, an unemployed worker can find a job more easily (i.e., the job-finding rate is higher) and hence the unemployment rate is lower.

After analyzing these two types of equilibria, we follow Weil (1987), Kocherlakota (2(M)9) and Miao and Wang (2011a,b,c, 2012a,b) and introduce a third type of equilibrium with stochastic bubbles. Agents believe that there is a small probability that the stock market bubble may burst. After the burst of the bubble, it cannot re-emerge by rational expectations. We show that this shift of beliefs can also be self-fulfilling. After the burst of the bubble, the economy enters a recession with a persistent high unemployment rate. The intuition is the following. After the burst of the bubble, the credit constraints tighten, causing firms to reduce investment and hiring. An unemployed worker is then harder to find a job, generating high unemployment.

Our model can help explain the high unemployment during the Great Recession. Figures 2 and 3 plot the hires rate and the job-finding rate using the Job Openings and Labor Turnover Survey (JOLTS) data set.5 These figures reveal that both the jol>-finding rate and the hires rate fell sharply following the stock market crash during the Great Recession. In particular, the hires rate and the job-finding rate fell from 4.4 percent and 0.7, respectively, at the onset of the recession to about 3.1 percent and 0.25, respectively, in the end of the recession.

#### <econ terminal or turns the case>

#### And this disproportionally impacts rural economies

Gaughan 05 --- Patrick A. Gaughan, President of Economatrix Research Associates, Inc., an economic and financial consulting firm, “THE ECONOMICS OF PUNITIVE DAMAGES: POST STATE FARM V. CAMPBELL”, Contemporary Studies in Economic and Financial Analysis, Volume 87, 217–266 , 2005, https://www.emerald.com/insight/content/doi/10.1016/S1569-3759(05)87009-3/full/pdf

Other corporate stakeholders may include communities where the defendant corporations do substantial business. These communities may be recipients of tax receipts and charitable contributions. For smaller communities with a less diversified economic or industrial base, changes in the level of these expenditures can have a significant impact on regional economies. In such communities plant closures can have dramatic adverse effects that might be reflected in rising unemployment and declining regional output. Increases in costs caused by large litigation liabilities may cause companies to shrink the size of their work force. Displaced workers may be forced to try to replace higher paid manufacturing jobs with lower paying ones (Patch, 1995). These effects may be more pronounced during weak economic times when there are fewer opportunities for workers to mitigate their damages due to a soft employment market. If unionized manufacturing jobs are lost, they may be replaced by lower paying service positions (Ehrenberg & Smith, 2000). One well-known example of such concentrated regional economic effects occurred in communities such as Allentown and Bethlehem, Pennsylvania, when the steel industry contracted in the 1980s and companies were forced to lay off workers and close plants (Strohmeyer, 1994).

If the costs of litigation cause a defendant corporation to downsize or limit expenditures that it would have devoted to other stakeholders, such as communities (an example would be corporate charitable contributions), we may incur still other litigation-related spillover effects. We know from macroeconomic theory that such cutbacks in expenditures will have total adverse effects that are a multiple of the original reduction. These effects are well known and are explained in major principles of economic textbooks in the context of Keynesian expenditure multipliers (see Samuelson & Nordhaus, 1998). Insofar as the affected corporations may have a concentrated presence within a given region, these adverse effects may be even more pronounced. Regional expenditure multipliers that attempt to measure the aggregate impact of expenditures may be used to quantitatively measure the total adverse impact that a cutback in corporate expenditures might have. These multipliers measure how many dollars of expenditures are ultimately generated when a given dollar is spent. Economic models exist, which attempt to measure the magnitude of such multipliers (Rickman & Schwer, 1995). Such multipliers may be one tool that can be employed when trying to measure the adverse impact of a reduction in expenditures caused by punitive awards or other litigation-related costs.

#### That’s the root cause of US populism

Rodriguez-Posea 21—(Professors of Economic Geography at the London School of Economics). Andrés Rodríguez-Posea, Neil Lee, & Cornelius Lipp. August 11, 2021. “Golfing with Trump. Social capital, decline, inequality, and the rise of populism in the US”. Cambridge Journal of Regions, Economy and Society. Accessed 10/2/21.

We hypothesise that low social capital alone is unlikely to have triggered the swing of voters to Donald Trump and that interpersonal inequality at the local level is unrelated to increases in Trump’s vote share. We propose that it is precisely the long-term economic and demographic decline of the places that still rely on a relatively strong social capital that is behind the rise of populism in the US. Strong, but declining communities in parts of the American Rustbelt, the Great Plains, and elsewhere, reacted at the ballot box to being ignored, neglected and being left-behind.

The results of the analysis show that increases in populist vote in the US are fundamentally driven by the economic and demographic decline of strongly cohesive midtown and rural America. These places still have greater levels of social capital than more dynamic and unequal areas of the US. This social capital has played a role in the swing of votes within communities driven by a growing feeling of frustration, increasingly known as the rising geography of discontent (McCann, 2020) or the politics of resentment (Cramer, 2016). In small cities and rural areas of the US, scattered predominantly across the Rustbelt and the Great Plains, the rise in populist vote represents a reaction of strong communities in which individual losses are identified with collective losses. These so-called ‘places that don’t matter’ (RodríguezPose, 2018) have had enough of seeing their people leave and their jobs go and have used the ballot box to exact revenge on a system they consider offers little to them. By contrast, the more dynamic, mainly urban, areas of the US, where society is often less cohesive, where there is less social capital and where interpersonal inequalities are significantly higher, have, for the moment, shunned the calls of populism.

We argue that our results have implications beyond the United States. In particular, work across Europe, including studies considering Brexit (e.g., Carreras et al., 2019; Lee et al., 2018) and Euroscepticism more generally (Dijkstra et al., 2020), have highlighted the importance of long-term decline in explaining the growth in populism. Yet the focus has tended to be on income and industrial decline, rather than employment and population decline, as a cause. The decline of previously tight-knit communities has been underplayed in this literature, but our results provide an important justification to investigate whether they can be generalised outside the United States.

The paper is structured as follows. The next section studies the rise of Trumpism in the US. This is followed by a section looking at explanations for the growth of the Trump vote, focusing, in particular, on social capital, interpersonal inequality, and long-term economic and demographic decline. The methods and data used in the analysis are presented in the ensuing section, which is followed by the econometric analysis. The main conclusions of the study are put forward in the final section.

The rise of populism in the US

On 8 November 2016, Donald Trump was elected president of the US. Trump, a businessman with limited previous political experience, managed against the odds first to secure the Republican Party nomination and then the presidency on a political platform with strong nationalist and authoritarian populist tendencies (Norris and Inglehart, 2019).

Trump’s election was achieved on the wings of winning the electoral votes of crucial swing states, such as Pennsylvania, Ohio, Michigan and Wisconsin. In these states, like very much everywhere else in the US, the votes for the Democratic candidate, Hillary Clinton, were geographically concentrated in the larger cities. Clinton triumphed in cities like Philadelphia, Pittsburgh, Columbus, Cincinnati, Cleveland, Detroit, Milwaukee and Madison, and took some university towns in Ohio and Pennsylvania. The suburbs, towns and rural areas, by contrast, provided fundamental support for Donald Trump (Rodden, 2019).

Figure 1 shows the Trump margin, the swing in the share of votes towards the Republican Party between the 2012 presidential election, when Mitt Romney was the Republican presidential candidate, and the 2016 election. The Trump margin is highest in most of the mid-Atlantic, Midwest, and Great Plains states. The greatest swing took place in an arch surrounding the Great Lakes, drawing a semicircle expanding from northern Maine in the East to north-eastern Minnesota in the West (Figure 1).

The geography of the Trump margin changed relatively little in the 2020 election (Figure 2). Despite losing the election to Joe Biden, Donald Trump increased his margin relative to the votes obtained by Mitt Romney in 2012 across many rural and small-town counties where he had already prevailed four years earlier. He also managed to make forays into territories traditionally relatively hostile to the Republican Party, such as southern Texas and parts of New Mexico (Figure 1). However, the main geographical traits of the 2016 election remained untouched in November 2020. The Trump margin was, once again, highest in rural and small-town communities around the Great Lakes, the Midwest and the Great Plains.

In contrast, Donald Trump attracted less votes along both coasts and in large urban agglomerations everywhere in the US (Figure 1).

Possible explanations for the rise of Populism

Why did Donald Trump get elected in 2016? Why did he almost get re-elected in 2020? What are the reasons behind the rise of authoritarian populism in the US?

The rise of Trumpism in the US has coincided with that of forms of authoritarian populism in other western democracies. Especially in the second half of the 2010s, researchers have tried to investigate the causes of populism from different perspectives. The main divide in the studies of populism has been between those focusing on cultural parameters versus those emphasising economic explanations.

Those examining culture and values have centred their explanations around the role of values (Norris and Inglehart, 2019). Citizens embracing populism are those that feel ill at ease with what they increasingly regard as a different society from the one they grew up in or with the image of society transmitted to them by their parents and family. These citizens generally regard globalisation, migration and multiculturalism as key factors behind the rise of economic (but also cultural and identity) insecurities (Norris and Inglehart, 2019; Salmela and von Scheve, 2017). The change in cultural values threatens their identity and undermines family and religious traditions, transforming the environment they live in into one they no longer feel comfortable with (Norris and Inglehart, 2019). Gradually, this insecurity has morphed into anger and resentment towards a system that, in their view, no longer values them (Salmela and von Scheve, 2017).

Economic explanations revolve around the economic insecurity brewed by deregulation and globalisation (Guiso et al., 2017). Factors such as the openness to trade and the exposure to Chinese goods (Autor et al., 2013, 2016; Colantone and Stanig, 2018) rank high in this strand of research. Recent economic transformations are exploited by populists, invoking protectionism while stoking economic nationalism, such as in Donald Trump’s ‘Make America great again’ 2016 campaign slogan. Post-financial crisis austerity has also been considered a driver of discontent (Gray and Barford, 2018).

Cultural and economic transformations are causing rising resentment with a system, which is increasingly reflected in the electoral ballot. Voters supporting populist options are both swayed by their individual characteristics, such as age, race, education, exposure to new technologies, health, work status or welfare dependency, as well as by the conditions of the places where they live (Alabrese et al., 2019).

At the intersection between culture and economics, two factors were signalled by Putnam as the main risks for American democracy. Social capital, as ‘the performance of […] democratic institutions depends in measurable ways upon social capital’ (Putnam, 2000: 349), and interpersonal inequality and the increasing polarisation of American society.

Putnam argued these trends went hand in hand and reinforced one another (Putnam, 2000: 359): ‘the last third of the twentieth century was a time of growing inequality and eroding social capital. By the end of the twentieth century, the gap between rich and poor in the United States had been increasing for nearly three decades, the longest sustained increase in inequality in at least a century, coupled with the first sustained decline in social capital’.

In the next subsections, we look at the potential role of both factors in the rise of populism, as well as that of long-term economic and demographic decline as a possible alternative.

Social capital as a driver of populism

Social capital has become one of the dominant concepts in the social sciences. The concept draws on a longstanding body of research, which suggests that social networks matter for all sorts of social and economic outcomes. Coleman (1988) defined social capital as a resource considering (a) obligations and expectations, (b) information channels and (c) social norms. These three aspects of social relationships reduce the coordination costs of shared action and improve outcomes, moving away from a static view of social relations and economic activity as being about individualised actors, towards a view that economic activities are relational rather than simply transactional (Rodríguez-Pose and Storper, 2006). Putnam took on this concept and defined it as ‘the features of social life— networks, norms and trust—that enable participants to act together more effectively to pursue shared objectives’ (Putnam, 1995: 664).

Most views of social capital consider it a force for good. In his work on the strength of weak ties, Granovetter (1973) showed the importance of social relations in enhancing economic outcomes, while Putnam (2000: 394) indicated that social capital ‘strengthens our better, more expansive selves’.

Hence, the long-term decline of social capital in the US posed a serious threat to American society and its democracy, as it pushes citizens to free-ride ‘by neglecting the myriad civic duties that allow […] democracy to work’ (Putnam, 2000: 349).

However, there are also longstanding concerns that it can have negative consequences. Olson (1965) viewed associational behaviour as lapsing into special interest groups. Overall, closed networks may enable the development of social capital, but they can also allow the development of group-think and incentives to engage in factional behaviour rather than in the general interest (Rodríguez-Pose and Storper, 2006) and prevent the progress of new ideas and social change (Coleman, 1988). In short, a tight-knit community can entrench the ‘forces of tradition’ and restrict social change (Farole et al., 2011: 68).

In terms of how social capital can affect voting behaviour, social capital is often seen as a pillar of a functioning democracy, something which goes back to Alexander de Tocqueville and his argument that civic association underpinned the US democratic model. Similarly, Putnam (1993) argues that the lack of adequate social capital in southern Italy undermined democracy and legitimate political representation. His arguments for the US are that declining social capital not only depresses civic engagement and political participation but that it also destroys connectedness and trust. The increasingly empty public forums that became the norm in the last third of the 20th century represented a threat to American democracy (Putnam, 2000: 412).

In this respect, social capital can be considered as a form of protection against populism or demagoguery. Pre-dating the post-crisis resurgence of populism, Fieschi and Haywood (2004) indicated that a lack of trust in political institutions could fuel populism. Both Putnam (1993; 2000) and Fieschi and Haywood (2004) viewed social capital as essential for a healthy democracy and having a purely negative impact on populism (i.e., where there is greater trust, political relationships are healthier and more mutually respectful, and so populists are less able to blame elites).

But this positive view of social capital has, more recently, also been challenged. Satyanath et al. (2017), for example, showed that German states with higher levels of social capital, proxied by associational behaviour, facilitated a rapid expansion of Nazi ideas and, in turn, Hitler’s accession to the Chancellery through higher shares of votes for the Nazi party. The presence of large and dense networks involving high levels of trust expedited a swift flow of information and a more rapid exposure to Nazi party propaganda.

Interpersonal inequality and populism

Putnam (2000) saw rising interpersonal inequality as the other main risk for American democracy. For him, the increase in interpersonal inequality and the decline of social capital were two sides of the same coin. On the one hand, the rise in inequality of the last third of the 20th century (Katz and Murphy, 1992) disrupted participation and reduced civic engagement. On the other, the decline in social capital accelerated the disintegration of American communities and eased the implementation of policies and the passing of legislation that fermented greater inequality. This process also had a geographical component as ‘the American states with the highest levels of social capital are precisely the states most characterised by economic and civic equality’ (Putnam, 2000: 359). This view of interpersonal inequality as a threat to democracy and, therefore, a driver of populism has been shared by many economists who have examined the roots of the recent rise of authoritarian populism in developed countries. The rise in wealth polarisation in American society, as well as elsewhere in the developed world, is a fundamental factor for the increasing support of extreme antisystem options at the ballot box. Economic transformations in recent decades, and, above all, globalisation and automation, have driven ‘multiple, partially overlapping wedges in society’ (Rodrik, 2018: 23). One of these wedges concerns income and wages. The economic system has been leaving increasing shares of the population behind, in conditions that are financially insecure (Eichengreen, 2018; Guiso et al., 2017). The concentration of wealth in a dwindling number of hands (Milanovic, 2016; Piketty and Saez, 2014)—the top 1% (Dorling, 2019)—and the parallel rise in the people at risk of poverty in developed countries (O’Connor, 2017; Rodrik, 2018) is considered tainted with a stigma of unfairness (Rodrik, 2018: 23). Citizens have come to believe that the growing wealth of the elites has been earned unfairly and, consequently, the tolerance towards inequality has decreased (Pastor and Veronesi, 2018). Hence, interpersonal inequality, often confounded with economic unfairness (Starmans et al., 2017), is, from this perspective, pushing voters towards illiberal and anti-system parties at the ballot box. Inequality is perceived to drive a reaction against the status quo, resulting in an erosion of democratic institutions and leading to nativism and plutocracy (Milanovic, 2016).

For Putnam (2000: 359) ‘there is every reason to think that the twin master trends of our time—less equality, less engagement—reinforce one another’. Thus, fighting the decline of social capital is also a way to prevent the rise of inequality and vice versa. It is also the best way to combat the challenges besieging American democracy.

The role of long-term economic decline

Putnam’s work is about all sorts of decline. From that in civic engagement or in political participation to declines in bowling or card playing. All these declines are meticulously documented in Bowling alone. Yet, there is one type of decline that is conspicuously absent from Putnam’s (2000) analysis: that of smalltown and rural America. Similarly, the growth of territorial inequalities and the rising geographical polarisation in the US does not feature prominently in Putnam’s work.

However, the demographic and economic decline of small-town and rural America has been documented for quite some time (e.g., Fuguitt et al., 1989; Johnson, 2006). Small towns and large swaths of rural areas have been losing population and jobs throughout the second half of the 20th and the beginning of the 21st century. The decline of these areas has been matched by the evolution of many large cities, such as Detroit, Cleveland, Buffalo, Milwaukee or Toledo, once among the most dynamic industrial hubs in the US (Hartt, 2018). Many of these cities articulated, and still articulate, large hinterlands in ‘Rustbelt’ states.

Such decline has had important implications for social capital. According to Putnam (2000: 207), ‘the decline in social connectedness over the last third of the twentieth century might be attributable to the continuing eclipse of smalltown America’. This is because small-town and rural America have for long been the centres of civic engagement. In these areas, people have been and remain community-oriented (Wuthnow, 2019: 4). During most of America’s history this feeling of community, widespread across the whole of the US, was regarded as a force for good. ‘Residents of small towns and rural areas are more altruistic, honest and trusting than other Americans’, noted Putnam (2000: 205). They are viewed as deeply proud, caring about their communities and wanting the best for them (Wuthnow, 2019). Communities with a better endowment of social capital have been perceived as better able to cope with all sorts of economic and social challenges (Rupasingha et al., 2006).

However, when these communities suffer long-term population and economic decline and when the way of life that created and sustained the feeling of community ebbs away (Rodríguez-Pose, 2018; Wuthnow, 2019),2 the very social capital behind the cohesiveness and former dynamism of these areas can also channel the growing anger and resentment felt by those being left behind. When the feeling of neglect becomes widespread, when there is growing resentment about the rising economic gulf between large cities and small communities (Cramer, 2016: 83), social capital at a local scale can become the mechanism to diffuse that anger and outrage at a system they feel no longer represents and serves them. Areas with a strong social capital develop a consciousness that helps shape their political views (Cramer, 2016) and this consciousness is inherently related to place. Locals concerned about the many problems afflicting their communities, from population loss, brain drain and ageing to social disintegration and increasing drug addiction, feel that their plights are ignored by the federal government (Wuthnow, 2019) and can react collectively at the ballot box. In this respect ‘place matters because it functions as a lens through which people interpret politics’ (Cramer, 2016: 12). This consciousness is both rooted in place and class, but also ‘infused with a sense of distributive injustice’ (Cramer, 2016: 12). And it may also be the mechanism that feeds the increasing call for attention of places that have seen far better times, have been devastated by economic processes such as globalisation or automation and where people are becoming effectively stuck because of lack of capacity and/or opportunities for mobility (Rodríguez-Pose, 2018: 202). These processes have contributed to render their economies redundant and, often, undermine the self-esteem and sense of purpose of many local dwellers. Such consciousness is contributing to spread out a geography of discontent (Dijkstra et al., 2020; McCann, 2020) and a politics of resentment (Cramer, 2016) to areas that have had a rough ride linked to both economic and cultural transformations and have seen their friends and neighbours leave, their jobs dwindle, and their services gradually disappear (Collantes and Pinilla, 2019; Guilluy, 2019). Social capital can, in this respect, provide the vehicle for this anger to come out into the open at the ballot box (Rodríguez-Pose, 2018) or, increasingly, through rebellion and revolt (Guilluy, 2019).

Bringing together social capital, inequality, and demographic and economic decline

What can be expected from the combination of dwindling social capital, rising inequality, and the demographic and economic decline of many cities, small towns, and rural areas in the US? Depending on the perspective adopted, two potential outcomes can emerge.

On the one hand, as posited by Putnam (2000), the threats posed by populist tendencies to American democracy could be addressed by redressing the decline of social capital and the increase in inequality. Anger at the system would, therefore, be more prevalent in those places where there is a combination of high inequality and low social capital. That is, predominantly, in large American cities. In these places ‘efforts to strengthen social capital should go hand in hand with efforts to increase equality’ (Putnam, 2000: 359).

On the other, remnants of strong social capital that foster a pervasive consciousness within declining cities, especially in small towns and rural areas across the US, could have served as a means to channel the growing anger of long-term decline to the ballot box in numbers and ways that would be impossible in places with lower social capital stock.

The evidence of the 2016 and 2020 presidential elections points to the latter explanation. The demographically and economically more dynamic, mainly urban areas in the US, where society is less cohesive, but where interpersonal inequalities are significantly higher, shunned the calls of populism and voted in large numbers for the Democratic candidates. By contrast, many long-term declining communities with strong social capital embraced Donald Trump in far greater numbers than they had supported Mitt Romney, a far more mainstream Republican presidential candidate, in 2012.

Hence, in this paper, we will argue that the rise of populism in the US, as proxied by the swing to Donald Trump, is not related, as feared by Putnam (2000), to low levels of social capital, high interpersonal inequality, or their combination, but mainly to long-term economic and demographic decline. We will also argue that strong social capital, civic engagement and cohesiveness may have contributed to the revenge at the ballot box of places left behind (Wuthnow, 2019) that have felt neglected and snubbed for a considerable amount of time (Cramer, 2016; McCann, 2020). Their strong social identity and local consciousness—in other words, their social capital—may have expedited the rise of Trumpism in ways that would have been impossible in the most dynamic US cities and towns. This form of American populism will thus be mainly driven by the long-term economic and demographic decline of the strong communities that built America, while the rise of interpersonal inequality, something that could generate future conflict, is, for the moment, not associated with populism.

Model and data

Model

In order to demonstrate that:

(a) Economic and demographic decline are fundamental factors in the rise of the Trump vote and that this process has become exacerbated in the tightly-knit communities with strong social capital that have witnessed an erosion of their relevance;

(b) This process is not limited to the aftermath of the crisis, but goes back a long way, with roots that can be traced to, at least, the 1970s; and

(c) Trumpism is more connected with long-term decline than with local interpersonal inequality, which tends to be far higher outside those tightly-knit communities;

we will analyse the swing of votes to the Republican Party between the 2012, on the one hand, and the 2016 and 2020 presidential elections—the Trump margin—on the other and regress it on the three factors that might have driven the surge in vote for Trump: social capital, interpersonal inequality, and economic and demographic decline. In view of the theoretical framework developed above, we will also look at the interactions between those factors, as the Trump vote could have increased in a) those places having suffered a long-term decline that are more unequal; in b) places with high social capital that are more unequal; and c) in places having suffered a long-term decline, with a strong level of social capital.

The model adopts the following form:

TMc,20xx−2012 = α + β1 Income pcc,2016 + β2 Inequalityc,2016

+β3 Social Capitalc,2016 + β4 Economic

& Demographic Changec,2016−t + γ1X¯c,t + νs + εc

where,

TMc, 20xx−2012 represents the Trump margin, that is the change in the share of the vote between Donald Trump in 2016 or 2020 and Mitt Romney in 2012;

Income pcc,2016 denotes the income per capita in a county in 2016;

Inequalityc,2016 is a measure of income inequality within a county in 2016;

Social Capitalc,2016 depicts the level of social capital in a county in 2016;

Economic & Demographic Changec,2016−t indicates changes in employment, population, average earnings, and average wages in a given county between 2016 and any year marking the start of a decade, going back to 1970;

X¯c,t is a vector of other variables that could have affected a shift in the vote for Donald Trump. These include variables that have been identified in the scholarly literature as factors behind the rise in Trump and/or populist vote, including population density, levels of unemployment, education, the racial composition, the sex ratio, the age structure, the share of married adults, or the local impact of imports from China at the county level;

finally,

νsis a state − level f ixed − ef fect, while εc

denotes the error term.

Data

Geographical units

The analysis is conducted at county level. This approach allows us to investigate very long-term impacts on local areas in a consistent way. However, one critique of using counties as our unit of analysis is the ecological fallacy, as we are generalising from the individual to the county level. This is unlikely to be a major problem here, however, as studies show that local context is an important determinant of individual attitudes (e.g., Reeves and Gimpel, 2012).3 As the data are drawn from multiple sources and cover the last five decades, there was a need for some matching to reflect changes in county boundaries over the period of analysis. The data have, therefore, been levelled at the county geographical division used by the Bureau of Economic Analysis (BEA) in 2017. As county boundaries underwent extensive changes, particularly in the state of Virginia, some modifications have been included. In the case of Virginia 51 counties in the state have been assembled into 23 ‘county compounds’, or county-equivalents. Alaska, which also underwent considerable modification in local boundaries, is excluded from the analysis. In the rest of the US, county adjustments are either inexistent or very minor. 3067 of the 3143 county or county-equivalents across the US are included in the analysis.4

Dependent variable and independent variables of interest

The dependent variable in our model is the ‘Trump Margin’ (Figure 1), which represents the difference in the share of voter support for Donald Trump in the 2016 or 2020 presidential election relative to that of the previous Republican candidate, Mitt Romney, in 2012. It uses data drawn from the MIT Election Data and Science Lab for 2012 and 2016 and from McGovern et al (2020) for 2020. Following Goetz et al. (2019) and Agnew and Shin (2019), we use the difference in share instead of Trump’s overall share of votes, as we deem that this margin better signifies the increase in populist vote between both elections.5

The three main independent variables of interest depict (following the theoretical discussion above) social capital, interpersonal inequality and economic and demographic decline.

The measure for social capital is based on an update by researchers at Penn State for the year 2014 of Rupasingha’s et al. (2006) index. Rupasingha et al. (2006) created—inspired by Putnam’s (1993, 2000) concept of civic engagement and using principal component analysis—a social capital index at county level for the US including four key components. These were: a) the number of non-profit organisations in a county, excluding those with an international approach; b) the census response rates in 2010; c) voter turnout in the 2012 presidential election and d) a number of associational indicators, including bowling centres, business, civic and social associations, golf courses and country clubs, labour, professional, religious and political organisations, fitness and recreational sports centres and sports teams and clubs, with all these factors aggregated and divided by population. The four factors included in the index were standardised. The first principal component is considered as the index of social capital.

Mapping this index at county level provides a very uneven geography of social capital across the US. The highest levels of social capital were concentrated around the Midwest and, especially, the Great Plains states. Both Dakotas, Iowa, Kansas, Minnesota, Montana, Nebraska and Wyoming boasted the highest level of social capital. Social capital was also high in the northwest (Oregon and Washington state) as well as in some areas around the Great Lakes, such as Wisconsin, rural Illinois, Ohio, eastern Pennsylvania and parts of New England. Social capital was, by contrast, significantly weaker in the South, particularly in Kentucky and Tennessee, and in some Mountain states, such as Arizona, Nevada and Utah (Figure 3).

The second independent variable of interest, Interpersonal inequality, is based on data drawn from the 2013–2017 5-year American Community Survey (ACS). At the core of the analysis is the 2016 county-level Gini index of incomes in a county. Two alternative measures are considered for robustness. These are the share of the population in the county in the top income quintile and that in the top 5% of income.

Income inequality in the US is highest in the Deep South, particularly in states such as Alabama, Arkansas, Louisiana, Mississippi, South Carolina and eastern Kentucky, as well as in the largest urban agglomerations, such as New York City, Los Angeles, Chicago, Houston, Miami, Detroit and the Bay Area (Figure 4). The lowest differences in income inequality are found in Midwestern states, and mainly in small-town and rural communities in Illinois, Indiana, Iowa, Missouri, Ohio and Wisconsin, as well as in some parts of the Mountain states such as Nevada, Utah or Wyoming (Figure 4).

The third and final independent variable of interest is Economic and demographic decline. In the econometric analysis, we use four different proxies: three for economic change (employment change, change in average earnings per job, and change in average wages and salary) and population change as a proxy for demographic change. The benchmark measure of change at the county level is employment change between 1980 and 2016. However, in successive parts of the analysis all four economic and demographic change indicators are considered, covering, by decade, the period between 1970 and 2016. The data for 2016 are drawn from the 2013–2017 5-year ACS. For earlier years, we resort to Bureau of Economic Analysis data. To ensure a normal distribution of residuals, all change variables are transformed logarithmically.

Figure 5 provides an indication of economic change across counties in the US. It represents changes in employment between 1980 and 2016. As expected, the biggest growth in employment over that period of 36 years took place along the Pacific coast, in the north-east urban corridor, and in southern Florida. The lowest levels of employment growth occurred in the Great Plains states, along a strip running from East Texas in the south to North Dakota in the north (Figure 4). Many areas south of the Great Lakes and in the South have also performed relatively badly in employment terms. However, all is not gloom around the Great Lakes, as the area between Chicago and Milwaukee witnessed considerable growth in employment, as did most of the counties on the shores of Lake Erie.

Control variables

In addition, several control variables, representative of factors that have been associated with the rise of populism in the US and elsewhere, are included in the analysis. First, we consider income per capita in 2016, as variations in the territorial levels of wealth have been related to populist vote. Population density has been highlighted by certain authors (e.g., Rodden, 2019) as a driver of populism. Traditional parties, and mainly those of the left, are increasingly struggling in suburbs and rural areas of the US (Rodden, 2019). Population density at the county level is represented by its value in 2016. Unemployment is frequently regarded as another determinant linked to the rise of discontent and populism (Algan et al., 2017; Guriev, 2018). We control for the unemployment rate at the county level in 2016. Education is also a prominent factor behind the rise in antisystem voting. Low levels of education have been seen to be crucial for Brexit, the election of Donald Trump and the rise of populist alternatives elsewhere (e.g., Essletzbichler et al., 2018; Goodwin and Heath, 2016; Sides et al., 2017). We, therefore, use an indicator of the percentage of adults with higher education in each county in 2016. The racial dimension has been recurrent in the analysis of the outcome of the 2016 US presidential elections, with some accounts highlighting that the role of race and racial attitudes may be more important than economic factors (e.g., Morgan and Lee, 2018; Reny et al., 2019; Sides et al., 2017). We control for the share of black population in 2016 in US counties and, in alternative specifications, for the share of whites in that year. Demographic variables have also featured prominently (e.g., Goodwin and Heath, 2016). We include three such variables: the sex ratio of the population, the young-age dependency ratio and the share of married adults. Finally, the ‘China shock’ is often signalled as a trigger of discontent at the ballot box (Autor et al., 2016). We, therefore, include a measure of imports from China at county level.

A list of the variables in the analysis, together with their definitions and sources, is included in Supplementary Table A1 in the Supplementary Appendix.

Descriptive analysis

What is the connection between the dependent variable (the Trump margin) and the independent variables of interest? Plotting the correlation between the Trump margin in the 2016 and 2020 US presidential elections and the three independent variables of interest reveals that the correlation between social capital, inequality and employment change since 1980, on the one hand, and the Trump margin, on the other, is, at best, tenuous. The strongest correlation is between employment change and the swing in votes towards Donald Trump. Counties with a greater decline in employment over the period of analysis supported Donald Trump in far greater shares than they supported Mitt Romney in 2012. The link between interpersonal inequality and the increase in the Republican vote is inexistent, while places with a higher social capital 2014 showed marginally higher shifts in votes towards Donald Trump (Figure 6).

The correlations among the independent variables of interest are similarly weak. There is no link between inequality and changes in employment, while counties with higher levels of social capital have, on average, slightly lower interpersonal inequality and witness marginally lower employment growth since 1980 (Figure 7). The link between county size and any of the correlations is highly imperfect, although larger counties are somewhat more unequal, have lower social capital, and experience, with notable exceptions, greater employment growth (Figure 7).

Econometric analysis

Basic model

The question is whether these relationships stand when all these factors are included together with additional controls in a regression analysis. The results of regressing model (1), using simple ordinary least squares (OLS) and including state fixed-effects, are presented in Table 1. Regressions 1 through 5 report the estimation for the 2016 election, while Regression 6 does it for the 2020 election. We run both elections separately as the conditions of both elections were very different: in 2016 Trump voters were electing an outsider with a limited track record in politics, while in 2020 they were voting for an incumbent president.

The results highlight that, once the income per capita of the different counties in the US and the conditions of their state are controlled for, interpersonal inequality, long-term employment change and differences in social capital across US counties are connected to a swing towards Donald Trump in the 2016 presidential election (Table 1, Regression 4).

However, this connection is not always in the direction expected by Putnam (2000) in Bowling alone. The combination of social capital and lower inequality as a protector of American democracy is not discernible. While richer counties shifted towards Trump’s populist positions in lower numbers than poorer counties both in 2016 and 2020, more unequal areas of the country were less swayed by Trump’s brand of populism. By contrast, places with greater civic engagement and a stronger social capital opted in larger numbers for the more extreme option in 2016, although the connection is not significant in the 2020 election, once other control variables are included. Counties that have witnessed considerable destruction of employment since 1980 were also convinced to a greater extent by Trump’s discourse than areas that experienced greater job creation (Table 1). These results are robust to including the three independent variables of interest together in the regression (Table 1, Regression 4) and additional controls expected, according to the literature, to affect populist vote (Table 1, Regressions 5 and 6). They are also robust to clustering the standard errors at county level (Supplementary Table A2). The coefficient for inequality, which is significant and negative when all the controls regressed together in the 2016 election (Regression 5), becomes insignificant in the 2020 election (Regression 6). In 2016 citizens living in the more unequal counties of the US were far less inclined to swing towards Donald Trump, but this relationship became weaker four years later.6

The coefficients for the control variables are generally in line with expectations. More densely populated counties, counties with a higher share of university graduates, those with a higher share of black population, those less affected by imports from China, and those with a younger population swung less to Trump (Table 1). The unemployment rate yields insignificant coefficients in both elections, while the increase of support for Donald Trump is higher in places with a lower share of married adults.7

These results are robust to changing the share of black population in a county by that of whites (Supplementary Table A5), with counties with a greater share of white population swinging towards Donald Trump, and to changes in the measurement of inequality at the county level. Counties with a greater percentage of people in the top income quintile (Supplementary Table A6) and those with a higher proportion of individuals in the top 5% of the income distribution (Supplementary Table A6) had a lower Trump margin in 2016, but not in the 2020 elections.

The introduction of interactions between the independent variables of interest barely alters the results emanating from the basic model. Changes in employment since 1980 and all the control variables, including income per capita at the county level, yield the same sign in the coefficients and similar levels of significance. Once again, counties that have seen a greater employment decline put more trust in Donald Trump than they did in Mitt Romney (Table 2). Social capital remains positive and significant, apart from Regression 2, where it becomes insignificant for the 2016 election, and insignificant in 2020. While inequality displays a negative coefficient that is significant for the 2016 election and in 2020, when the interaction between employment change and inequality is considered (Table 2).

The significant interactions are those between employment change and interpersonal inequality in 2016 and 2020 and between employment change and social capital in 2020. In the case of the former, both coefficients are positive and significant, meaning that the swing to Donald Trump was more pronounced not only in poorer counties, in those with lower interpersonal inequalities, and those that had suffered a long-term employment decline, but also in counties where high levels of employment growth were matched by a high degree of interpersonal inequality (Table 2, Regressions 1 and 4). In the case of the latter, citizens living in counties with higher levels of social capital voted less for Trump in 2020, if employment had grown more than elsewhere in the previous 40 years (Table 2, Regression 6).

Different types and time horizons of decline

So far, we have concentrated just on one side of economic and demographic change: employment change since 1980. What happens if we consider different types of decline? In Table 3 we take into consideration, not just employment change, but also population change (Regressions 2 and 6), change in average earnings per job (Regressions 3 and 7), and in average wages and salaries (Regressions 4 and 8).

The results indicate that long-term employment and population decline over a period of almost 40 years has been strongly connected with a swing to Donald Trump at the ballot box in both 2016 and 2020 (Table 3, Regressions 1, 2, 5 and 6). Declines in average earnings and in wages and salaries are, in contrast, disconnected from the Trump margin in 2016. By contrast, counties that increase their average earnings per job and average wages and salaries, once other factors are controlled for, swung more towards Trump in 2020. In these counties presence of strong social capital was also linked to a higher Trump margin (Table 3, Regressions 7 and 8).

These results chime well with the literature highlighting that the rise of populism in the US has more to do with racial issues than individual economic factors (Norris and Inglehart, 2019; Reny et al., 2019) and with a sense of alienation of the white working classes (Cramer, 2016; Morgan and Lee, 2018; Walley, 2017), what Kimmel (2017) calls ‘angry white men’. However, they also powerfully relate to the literature that has focused on geographical dimensions and, in particular, with long-term economic decline, mostly in Europe (e.g., Guilluy, 2019; Rodríguez-Pose, 2018) but, increasingly, in the US (e.g., Wuthnow, 2019). However, in contrast to the findings for Europe, where the rise of anti-system voting at the ballot box has been linked to economic and industrial decline, but not to employment and demographic decay (Dijkstra et al., 2020), in the US it is the slow demise of still strong communities that have been losing employment and population for some time that triggers the reaction at the ballot box to a far greater extent than declines in earnings and salaries. Once we have established that long-term unemployment and demographic decline have a powerful connection to Trump’s vote margin, the question is whether this association waxes or wanes with time. Table 4 looks at the change in these relationships over time, including the link with changes in average earnings and wages and salaries, since 1970 in ten-year intervals. This implies that the regressions are the same as in Table 3, only substituting the time covered in each of the economic and demographic decline variables. Only the coefficients for these variables are reported, as there are no significant changes in the other coefficients.

The coefficients displayed in Table 4 show that the link between employment and population decline at the county level and Trump’s vote margin is not a recent phenomenon. The coefficients for employment and population change are always negative and highly significant, regardless of the period and election considered. Counties that have been shedding employment and losing population since the 1970s have been more inclined to support Donald Trump than they did Mitt Romney in 2012. Having said that, the dimension of the negative coefficients is generally larger for the more recent periods than for longer time spans. The 2008 Great Recession has provided a springboard for the rise of populist discourse and a populist candidate, but the seed of discontent was planted, as indicated by Cramer (2016), quite some time earlier.

Table 4 once again points to the fact that this reaction at the ballot box is more about the long-term decline of communities shedding jobs and people than about the loss of earnings, wages, and salaries. The coefficients for the change in average earnings per job are mostly insignificant. However, it is often the case that counties witnessing a higher increase in wages and salaries swung more towards Donald Trump, particularly in the 2020 election. Hence, ‘it is not the very poor that are threatening the political system but the large numbers of still relatively well-off people—often seen as the threatened middle classes—still living relatively comfortable lives but in declining places’ (Rodríguez-Pose, 2020: 1–2).

Conclusions

Two decades ago, Putnam (2000) warned that American democracy was at risk from the twin challenges of the decline in civic engagement and social capital on the one hand, and the rise in interpersonal inequality on the other. More Americans bowling alone and engaging to a far lesser extent than before in local communities and an increasingly divided society from an economic perspective represented a twin threat to the democratic institutions that had been built since independence.

Sixteen years later his forecast materialised with the election of Donald Trump, an outsider and political novice with strong populist tendencies, who first stunned the Republican Party elite by securing its presidential nomination, and then went on to beat the Democratic party candidate, Hillary Clinton, in the November 2016 election.

Yet, the election of a candidate that, by shaking the system, has stretched American democracy to the limit, may have had little to do with declining social capital and rising interpersonal inequality and much more with the long-term employment and population decline of many formerly prosperous American communities. These communities are precisely those where social capital—the very form of capital that, according to Putnam (2000), was supposed to provide the glue for America’s democratic institutions—has held stronger than elsewhere.

This is what this paper has shown. By combining social capital with interpersonal inequality and long-term economic and demographic decline at county level in the US and linking it to the swing to Donald Trump at the ballot box in the 2016 and 2020 presidential elections, it has revealed that the rise in discontent identified by some scholars (e.g., Cramer, 2016; Kimmel, 2017; Wuthnow, 2019) is at the root of the Trump electoral tsunami. However, this analysis has provided evidence for the deep geographical roots of this phenomenon. It is not just simply the white working class that is rebelling against the system. There are plenty of white working-class voters on the West Coast, along the eastern megalopolis or in American large cities, as well as in medium-sized cities, towns and rural areas that did not swing and/ or did not vote for Donald Trump. It is middleand working-class individuals, who live in communities that have seen better times and have for long experienced a slow, but relentless employment and population decline, and where social capital has remained relatively strong, that cast the decisive votes to put Donald Trump in office in 2016. The link between social capital and the Trump margin became weaker in the 2020 election when considering population and employment decline, but not when taking into account changes in earnings per job and in wages and salaries. Hence, social capital and local civic engagement may not have acted as the positive forces envisaged by Granovetter (1973) or Putnam (2000), but, in most cases, more in the negative way suggested by Satyanath et al. (2017), through mechanisms possibly linked to local consciousness and identity (Cramer, 2016).

The long-term economic and demographic decline of many tightly-knit American communities has driven the rise of Trumpism. A decline that can be traced back to the last quarter of the 20th century and that has created a malaise that goes well beyond the crisis and that is increasingly manifesting itself at the ballot box. Declining, but still rather cohesive communities with strong social capital are the drivers of this process. In mostly small-town and rural areas of the US, the rise in the populist vote is a consequence of a reaction of communities in which individual losses are strongly identified with collective losses. And social capital may act as one of the transmission mechanisms. Individuals living in these communities know that a loss for one is a loss for all. Therefore, the rise of populism in the US is fundamentally linked to the geography of decline; to places that, despite remaining relatively homogeneous in terms of interpersonal inequality, have witnessed considerable employment and demographic decay over the long term. The Great Recession of 2008 may have ignited the fuse that resulted in the election of Donald Trump as president, but the discontent has roots that are far deeper.

#### It's an independent existential risk and magnifies all others

Andrew Leigh 21, Australian member of Parliament, former professor of economics at the Australian National University, 2021, What's the Worst That Could Happen?: Existential Risk and Extreme Politics, unpaginated ebook version

How likely is it that humanity could end? Experts working on catastrophic risk have estimated the chances of disaster for a wide range of the hazards that our species faces. Adding up the threats, philosopher Toby Ord estimates the odds that humanity could become extinct over the next century at one in six, with an out-of-control superintelligence, bioterrorism, and totalitarianism among the largest risks. He argues that most of the risks have arisen because technology has advanced more rapidly than safeguards to keep it in check. To encapsulate the situation facing humanity, Ord titled his book The Precipice.

A one in six chance of going the way of dodos and dinosaurs effectively means we are playing a game of Russian roulette with humanity’s future. Six chambers. One bullet. Even the most foolhardy soldier usually finds an excuse not to play Russian roulette. And that’s when just their own life is at stake. In considering extinction risk, we’re contemplating not one fatality but the death of billions or possibly trillions of people—not to mention countless animals.

It can seem impossible to imagine our species becoming extinct due to a catastrophe such as nuclear war, asteroids, or a pandemic. But in reality, the danger surpasses plenty of perils we already worry about. One way to put catastrophic risk into perspective is to compare it with more familiar risks. If extinction risk poses a one in six risk to our species over the next century, then it means that it is far more hazardous than many everyday risks. Specifically, it suggests that the typical US resident is fifteen times more likely to die from a catastrophic risk—such as nuclear war or bioterrorism—than in car crash.2

Extinction risk outstrips other dangers too. Ask people about their greatest fears, and you’ll get answers like “street violence,” “snakes,” “heights,” and “terrorism."4 But in reality, these are much less hazardous than catastrophic risks. People in the United States are 31 times more likely to die from a catastrophic risk than from homicide. Catastrophic risk is 3,519 times likelier to kill than falls from a height, and 6,194 times more likely to kill than venomous plants and animals. If you have ever worried about any of these threats, you should be more fearful about cata- strophic risk. Extinction risks aren’t just more dangerous than any of them; they are more hazardous than all of them put together. Catastrophic risk poses a greater danger to the life of the typical US resident than car accidents, murder, drowning, high falls, electrocution, and rattlesnakes put together.

A one in six risk is just the danger in a single century. Suppose that the risk of extinction remains at one in six for each century. That means there’s a five in six chance humanity makes it to the end of the twenty-first century, but less than an even chance we survive to the end of the twenty-fourth century. The odds that we survive all the way to the year 3000 are just one in six. In other words, if we continue playing Russian roulette once a century, it’s probable that we blow our brains out before the millennium is halfway through, and there’s only a small chance that we make it to the end of the millennium.

Part of the reason humans undervalue the future is that it’s hard to get our heads around the idea that our genetic code could live on for millions of years. At present, the best estimates are that our species, Homo sapiens, evolved around three hundred thousand years ago.1 That means we have existed for about ten thousand generations. But we have another one billion years before the increasing heat of our sun brings most plant life to an end.1 That’s plenty of time to figure out how to become an interstellar species and move to a more suitable solar system. Humans could live to enjoy another thirty million generations on earth.

Thinking about the mind-boggling scale of these numbers, I’m reminded of the Total Perspective Vortex machine, created by Douglas Adams in The Restaurant at the End of the Universe. Anyone brave enough to enter sees a scale model of the entire universe, with an arrow indicating their current position. As a result, their brain explodes. As Adams reflects, the machine proves that “if life is going to exist in a universe of this size, then the one thing it cannot afford to have is a sense of proportion.”

Still, let’s try. Imagine your ancestors a hundred generations ago. They are your great-great-great-great-great-great-great- great-great-great-great-great-great-great-great-great-great-great- great-great-great-great-great-great-great-great-great-great-great- great-great-great-great-great-great-great-great-great-great-great- great-great-great-great-great-great-great-great-great-great-great- great-great-great-great-great-great-great-great-great-great-great- great-great-great-great-great-great-great-great-great-great-great- great-great-great-great-great-great-great-great-great-great-great- great-great-great-great-great-great-great-great-great-great-great- great-great-great-grandparents. These people lived around 1000 BCE, at the start of the Iron Age. They might have been part of Homeric Greece, ancient Egypt, Vedic age India, the preclassic Maya, or Zhou Dynasty China.

Contemplate for a moment about what the hundred genera- tions between our Iron Age ancestors and today have achieved. They built the Taj Mahal and Sistine Chapel, the Angkor Wat and Empire State Building. Thanks to them, we can relish the poetry of Maya Angelou, novels of Leo Tolstoy, and music of Ludwig van Beethoven. An abundance of inventions has delivered us deli- cious food, homes that are comfortable year-round, and technol- ogy that provides online access to a bottomless well of entertain- ment. If time machines existed, we might pop in to visit our great100 grandparents, but few would volunteer to stay in the Iron Age.

Yet humanity is really just getting started. If things go well, it’s ten thousand generations down, thirty million to go. Imagine what those future generations could do, and how much time they have to enjoy. Here’s one way to think about what it means to have thirty million generations ahead. Suppose humanity’s potential time on the planet was shrunk down to a single eighty- year life span. In that event, we would now be a newborn baby— just nine days old. Homo sapiens is a mere 0.03 percent through all we could experience on earth.

We won’t meet most of those who follow us on the planet, but we should cherish future generations all the same. If you value humanity’s past achievements—the Aztec and Roman civiliza- tions, art of the Renaissance, and breakthroughs of the Industrial Revolution—then the generations to come are just as worthy. This is what political philosopher Edmund Burke meant when he described society as “a partnership not only between those who are living, but between those who are living, those who are dead, and those who are to be born.’- To appreciate the past is akin to admiring the achievements of distant places. Like geography, his- tory helps us better understand the way of the world.

Politicians like me like to speak fondly about looking after "our children and our grandchildren.” But it usually stops after a generation or two. Policy pays little heed to the many generations that will follow. For my own part, it took a coronavirus-induced shutdown to have the time to spend reflecting deeply about the long term. This book had been rattling around in my head for years, but it was only when all my meetings, events, and travel were canceled that I had the time to write it. Pandemics are one of the threats to humanity that I’ll discuss in this book, but in this instance, it provided a chance to reflect on the long term. It’s tempting to ignore the distant future. It’s easier to love the grandchildren whom we hug than the great-great-great-grand- children whom we’ll never get to smile on. But that doesn’t make those far-flung generations any less important. Via my wife, our children can trace their lineage to Benjamin Franklin, but I’m more excited about the potential achievements of the generations yet to be born.

For companies and governments, a major impediment to long- term thinking is the idea of discounting the future. When investing money, this is a reasonable approach. A dollar in a decade’s time is less valuable than a dollar today for the simple reason that a dollar today could be invested and earn a real return. Share markets have good and bad years, but based on returns from the past 120 years, someone who put $1,000 into the US stock market for an average year could expect it to be worth $1,065 after twelve months (accounting for dividends and inflation).2 Approximating these returns, when governments contemplate making investments, they often apply a discount rate of around 5 percent, while companies use rates that are higher still.2

When it comes to growing your greenbacks, this makes perfect sense. If Kanesha offered you $ 1,000 today, and Jane offered you $ 1,000 in a year’s time, most of us would think that Kanesha was making the more generous offer. Kanesha’s cash can be put to productive use and would be worth more than Jane’s when the year is out.

But what if we’re talking about Kanesha and Jane themselves? Suppose Kanesha is alive today, and Jane is yet to be born. When discounting is applied to lives, it suggests that Kanesha’s life to- day is worth twice as much as Jane’s life in fifteen years’ time. It implies that Kanesha today is worth 132 times as much as Jane in a century’s time. So if we’re spending money to keep them safe, a 5 percent discount rate indicates that we should spend more than a hundred times as much to protect Kanesha today than to pro- tect Jane in a century’s time.

The further we stretch the time period, the more ridiculous the results become. Discounting at a rate of 5 percent implies that Christopher Columbus is worth more than all eight billion people on the planet today.— Naturally, it also implies that your life is worth more than eight billion lives in five hundred years’ time. Even if you value the hug of a loved one over the unseen successes of next century’s generations, is it fair to ruthlessly dis- miss the distant future? Discounting is the enemy of the long term.

As philosopher Will MacAskill points out, there is something morally repugnant about concluding that the happiness of those who will be alive in the 2100s is inconsequential simply because they live in the future. MacAskill coined the term “presentism” to refer to prejudice against people who are yet unborn.” Just like racism, sexism, or other forms of bigotry, he argues that mis- treating those who live a long way in the future is unfair. To dis- criminate in favor of Kanesha against unborn Jane is a form of presentism. If you traveled back in time to the 1500s and met someone who claimed that they were worth more than everyone alive in the 2000s, you’d rightly regard them as an egomaniac. Isn’t it equally narcissistic to ignore the happiness of people in the 2500s?

Some have contended that we should favor the living over the unborn for the same reason that philanthropy favors the down- trodden over the wealthy. If incomes rise over time, the argument goes, then asking today’s citizens to help those in the future is like taking from the poor to give to the rich.— But this reasoning ignores the fact that we are talking about the survival of future generations. Theoretical riches won’t do them any good if they are practically dead—or if planetary apocalypse snuffs out their chance to be born. Similarly, it misses the possibility that future pandemics, wars, or climate disasters could make coming genera- tions significantly poorer.—

Insights from behavioral science help explain why humans aren’t good at understanding extinction risk.— Our thinking about dangers is skewed by an “availability bias”: a tendency to focus on familiar risks. Like the traders who failed to forecast the collapse of the securitized housing debt market, we are lousy at judging the probability of rare but catastrophic events. Most important, our instincts fail us as the magnitudes grow larger. In research titled "The More Who Die, the Less We Care,” psychologists Paul Slovic and Daniel Vastfjall argue that we become numb to suffering as the body count grows.— Humans’ compassionate instincts are aroused by stories, not statistics. Indeed, one study found that people were more likely to donate to help a single victim than they were to assist eight victims. This may help explain why the international community has been so slow to respond to genocide, including recent incidents in Rwanda, Darfur, and Myanmar. As artificial intelligence researcher Eliezer Yudkowsky notes, human neurotransmitters are unable to feel sorrow that is thousands of times stronger than a single funeral.— The problem is starker still when it comes to extinction risk. Our emotional brains cannot multiply by billions.

Add to this a media cycle that has become a media cyclone, in which stories explode in a matter of minutes, and “outrage porn” seems to drive the news choices of many outlets. In the 2016 US election, researchers found that for every piece of professional news shared on Twitter, there was one piece of “junk news.’’— Conflict fueled by social media keeps us in a primal state of rage and retaliation. And this isn’t the only force that makes politics myopic. Campaign contributions tend to come from donors who have an immediate interest in a “today” issue rather than from people aiming to solve long-term problems. This kind of “instant noodle” politics prioritizes quick results and sidelines fundamental challenges.

In this environment, a special style of politics has thrived: populism. The term “populist" gets thrown around a lot—typically as an insult—so it’s worth taking a moment to define it precisely.— Populists see politics as a conflict between crooked elites and the pure mass of people. Many candidates trying to defeat an incumbent will criticize “insiders,” but populists make a stronger attack on elites, claiming that they are dishonest or corrupt. Populists then claim that they—and only they—represent the “real people.” Populists combine a fierce critique of elites and personal appeal to the “silent majority.”

The political strategy of populists involves critiquing intellectuals, institutions, and internationalism. The political style of populists tends to be fierce. They do not strive for unity and calm consensus. Populists share with revolutionaries a desire for sudden and dramatic change. They have little respect for experts and the systems of government. Populists’ priorities tend to be immediate issues such as crime, migration, jobs, and taxes. Consequently, the electoral success of populists has served to sideline work on long-term dangers such as climate change and nuclear war.

Donald Trump may have lost his presidential reelection bid, but he has transformed the Republican Party, which has jettisoned its longstanding commitment to free trade, immigration, and global alliances. Many moderate Republicans, who might have served comfortably under Ronald Reagan or George H. W. Bush, have quit the party or been defeated by Trump-supporting populists. The Republican Party, which holds nearly half the seats in Congress and controls a majority of state legislatures, has embraced populism to a degree that was unimaginable when it was led by George W. Bush, John McCain, or Mitt Romney. After four years under President Trump, the Republican Party is now more cynical and isolationist, focused on immediate grievances rather than long-term challenges.

Yet while the strength of populism threatened to sideline issues of catastrophic risk, coronavirus did the opposite. The worst pandemic in a century led to the most severe economic crisis since the Great Depression. Churches and concert halls fell silent. International travel collapsed. The Summer Olympics were postponed. Stocks plunged, and for a brief moment, the price of a barrel of oil went negative. Globally, millions lost their jobs, and millions more faced famine.

COVID-19 never threatened to extinguish humanity, but it highlighted our vulnerability to infectious diseases. More than at any time in living memory, people focused on the dangers of pandemics. The popularity of Geraldine Brooks’s Year of Wonders, Stephen King’s The Stand, Emily St. John Mandel’s Station Eleven, and Albert Camus’s The Plague vividly illustrates the way in which fear of pandemics has become more acute.

We know that disasters can remake society. The black death helped usher in the Renaissance.— The Great Depression made a generation of investors more risk averse.— World War II spawned the United Nations and formed the modern welfare state. In autocracies, droughts and floods can topple dictators.—

Coronavirus is reshaping the world in numerous ways.— Handwashing is in. Cheek kissing is out. The rise of big cities is slowing as people consider the downsides of density. Firms that automated their production systems to deal with physical dis- tancing requirements and stay-at-home orders are discovering that they can get by permanently with fewer staff. More tele- working and less business travel is leading to a drop in demand for receptionists, bus drivers, office cleaners, and security guards. When it comes to our use of technology, coronavirus suddenly accelerated the world to 2030. When it comes to globalization, the pandemic took us back to 2010.

But it’s still an open question as to how COVID-19 will affect humanity’s ability to think about the long term. Most of the examples I’ve listed are instances in which crises affected societies organically: the shock came, and it changed our behavior. But accentuating the long term requires taking risk more seriously and placing greater emphasis on saving our species. Linebackers are swift to respond when an offensive player suddenly takes a step to the right. But it takes longer to recognize that a team’s offensive plays are skewed to the right and modify the defensive formation accordingly.

Like a football team that adapts its tactics, this book argues that we should lengthen our thinking. At minimal cost, society can massively reduce the odds of catastrophe. By ensuring that the big threats get the attention and resources they need, we can safeguard the future of our species. As insurance policies go, this one is a bargain.

In the chapters that follow, I’ll outline the biggest risks facing humanity. I’ll begin in chapter 2 with pandemics, such as the possibility that the next virus might combine the infectiousness of COVID-19 with the deadliness of Ebola. What can we do to shut down exotic animal markets, speed up vaccine develop- ment, and create surge capacity in hospitals? I’ll then delve into bioterrorism, and the danger of extremists developing their own versions of smallpox or the bubonic plague. How difficult is it for them to create these devilish diseases, and what can we do to prevent it?

In chapter 3, I’ll then explore climate change—perhaps the in- tergenerational issue that has received the most public attention in recent years. While much of the modeling looks at how global warming could be bad, my focus is on the chances that it’s catastrophic. This isn’t about climate change shortening the ski season; it’s about the possibility of temperatures rising by 18°F (10°C), rendering large sections of the planet uninhabitable. What does the risk of cataclysmic climate change mean for energy policy?

Next, I’ll turn to nukes. As a child in the 1980s, I vividly re- member watching The Day After. My classmates and I agreed that a nuclear war was inevitable. When the Cold War ended, the world seemed safer, but in the three decades since, the threat from new nuclear powers has made the problem less predictable. As I discuss in chapter 4, what we used to call an arms race now looks more like a bar fight, with hazards coming from unexpected directions, including terrorist groups. Yet just as there are practical ways to avoid pub brawls (don’t drink past midnight, avoid the stairs, look out for the glass), so too are there sensible strategies that can reduce the odds of nuclear catastrophe (adopt a “no first use" policy, reduce the stockpiles, control loose nukes).

A superintelligence has been dubbed the “last invention” we’ll ever make. An artificial intelligence machine whose abilities exceed our own could turbocharge productivity and living stan- dards. But it could also spell disaster. If we program our artificial intelligence to maximize human happiness, it could fulfill our wishes literally by immobilizing everyone and attaching electrodes to the pleasure centers of our brains. As chapter 5 notes, what makes artificial intelligence different from every other risky technology is its runaway potential. Once a superintelligence can improve itself, it is unstoppable. So we need to build the guardrails before the highway.

What are the odds? In chapter 6,1 complete the discussion of catastrophic danger by examining less risky risks, including asteroids and supervolcanoes. I also consider the prospect of “unknown unknowns.” For example, prior to the first atomic bomb test, some scientists thought there was a chance it could set the atmosphere on fire, destroying the planet. When the Large Hadron Collider was being built, critics warned that the particle collisions inside it could create micro black holes. Although neither situation eventuated, they raise the question of what other doomsday scenarios could be lurking around the corner. How should the prospect of these unexpected risks change our approach to cutting-edge science? Drawing together these dangers with the major hazards, I report the likely probability of each, benchmarking existential risks such as nuclear war and pandemics against individual risks such as being struck by lightning or dying on the battlefield.

Ultimately, tackling existential risks is a political problem. Private citizens can achieve many things, but preventing nuclear war, averting bioterrorism, and curbing greenhouse emissions are fundamentally problems of government. Governments control the military, levy taxes, and provide public goods. So the values of those who run the country will determine how much of a priority the nation places on averting catastrophe.

That’s why the rise of populists is crucial to humanity’s long- term survival. In chapter 7,1 discuss the factors that have led to the electoral success of populists during recent decades, and why populists tend to be uninterested in dealing with long-term threats. Populists’ focus on the short term means that—like a driver distracted by a back seat squabble—we’re in danger of missing the threats that could kill us. I’ll explore why populists around the world struggled to respond to COVID-19, and what this says about the dangers that populism poses to our species. Most critics of populism have concentrated on the present day. They’re missing the bigger picture. Populists are primarily endangering the unborn.

Bad politics doesn’t just exacerbate other dangers; it represents a risk factor in itself through the possibility of a totalitarian turn —in which democracy is replaced by an enduring autocracy. The road to democracy is not a one-way street. Over the centuries, dozens of countries have backslid from democracy into autocracy —abandoning the institutions of fair elections, protection for minorities, and free expression. Such an outcome could be deadly for dissenters and miserable for the multitudes. Chapter 8 explores why democracy dies and identifies the signs that institutions are being undermined. Chapter 9 suggests how we might strengthen democracies to allow citizens to have a greater say, and lower the chances of the few taking over from the many. Chapter 10 concludes the book.

When COVID-19 hit, many rushed out to buy life insurance.— In our personal lives, we know that spending a small amount on insurance can guard against financial ruin. Societies can take a similar approach: implementing modest measures today to safe- guard the immense future of our species. For each of the existential risks we face, there are sensible approaches that could curtail the dangers. For all the risks we face, a better politics will lead to a safer world.

Because of its focus on the urgent over the important, populist politics should perhaps bear the label, “Warning: populism can harm your children." But what is the alternative? In the conclusion, I argue that the answer lies in the ancient philosophy of stoicism. A stoic approach to politics isn’t about favoring one side of the ideological fence over another. Instead, it’s about the temperament of good political leadership. Stoicism emphasizes that character matters and holds that virtue is the only good. Decisions are based on empirical evidence, not emotion. Anger has no place in effective leadership. Strength comes from civility, courage, and endurance. Stoics make a sharp distinction between the things they can change and those they cannot.

### 6

Bedoya DA

#### Bedoya’s confirmation is likely, BUT opposition to the antitrust agenda threatens indefinite deadlock

Fung 3-30 (Brian Fung, technology reporter covering business and policy at CNN, graduate of Middlebury College and the London School of Economics, “Senate votes to advance Alvaro Bedoya’s FTC confirmation,” CNN Business, 3-30-2022, https://www.cnn.com/2022/03/30/tech/ftc-bedoya-advance/index.html)

One of President Joe Biden’s key administrative nominees is a step closer to confirmation after Alvaro Bedoya, Biden’s pick for Federal Trade Commissioner, narrowly cleared a key procedural vote in the Senate on Wednesday.

The decision paves the way for a final floor vote on Bedoya’s nomination, to be held at a later time. But what was supposed to be a 15-minute process on Wednesday stretched on for over two hours, culminating in Vice President Kamala Harris traveling to Capitol Hill to break a 50-50 tie.

The close Senate vote reflects a partisan rift over Bedoya, a visiting professor at Georgetown University’s law school and founding director of its center on privacy.

Bedoya’s nomination is considered critical as the Federal Trade Commission ramps up enforcement on algorithms, cybersecurity, privacy, and a slew of antitrust issues surrounding Big Tech.

If Bedoya is confirmed, it would give Democrats a voting majority at the FTC and break a months-long 2-2 partisan deadlock at the antitrust and consumer protection agency.

Senate Republicans have opposed Bedoya’s nomination. Sen. Roger Wicker, the Senate Commerce Committee’s top Republican, reiterated his disapproval Tuesday, citing what he said were Bedoya’s “divisive social media statements” on immigration issues.

Bedoya’s past research has focused on the potential for artificial intelligence and facial recognition technology to discriminate against minorities.

“Mr. Bedoya’s record shows that he would drive the FTC, an agency with a tradition of bipartisanship, further down the hyper-partisan path it has taken under Chair Lina Khan,” Wicker said in a statement.

Senate Democrats have called for Bedoya to be confirmed so that the FTC can continue to do its work.

“The FTC is the security guard for America’s consumers,” Senate Commerce Committee Chair Maria Cantwell said in a Tuesday floor speech. “The FTC needs to be able to protect all Americans, and to accomplish that we need to have a commission that is not deadlocked, but has somebody like Mr. Bedoya who can help us move ahead on these issues.”

Lawmakers’ divide over Bedoya resulted in a 14-14 tie vote earlier this year on whether to advance his nomination out of the Senate Commerce Committee. That prompted Wednesday’s procedural move to discharge Bedoya’s nomination from the committee and to allow for a full Senate vote.

#### It’s NOT about Bedoya – it’s a referendum on the scope of the current agenda – deadlock is the point

Murphy 21 (Kathleen Murphy, Senior Reporter at FTC Watch, former Section Research Manager, Specialist at Congressional Research Service, former Managing Editor at CQ Roll Call and Bill Analysis Editor at Congressional Quarterly, “Bedoya’s confirmation hearing draws closer,” FTC Watch, Issue 1016, 11-1-2021, <https://www.mlexwatch.com/articles/13940/print?section=ftcwatch>)

When Alvaro Bedoya, President Joe Biden’s nominee to the Federal Trade Commission, faces US senators, he will be asked about his scholarly views on privacy. But the hearing also gives senators a chance to assess the agenda of the last FTC nominee they confirmed, Chair Lina Khan.

The Senate Commerce, Science and Transportation Committee is set to consider Bedoya’s nomination, although no hearing date has been set. It’s most likely to occur the week of Nov. 15 or early December, based on the 2021 Senate calendar.

Serving on the FTC means Bedoya, a Georgetown University professor and former congressional lawyer, would end a 2-2 split and give Democrats a majority to implement the chair’s policies. Bedoya, founding director of the Center on Privacy & Technology at Georgetown Law, would replace former Commissioner Rohit Chopra who left Oct. 8 to serve as director of the Consumer Financial Protection Bureau.

Biden nominated Bedoya in mid-September. Khan, meanwhile, started serving as FTC chair in mid-June after an 83-day confirmation process. (See FTCWatch, No. 1002, March 29, 2021.)

‘99% about FTC Chair Lina Khan’

Michael Keeley, co-chair of the antitrust practice at Axinn, Veltrop & Harkrider, tweeted: “Bedoya confirmation is going to be 99% about FTC Chair Lina Khan, and 1% to do with Alvaro Bedoya. (And hopefully 0% about the Vertical Merger Guidelines.)”

Keeley said he expects the focus of the hearing to be assessing the wisdom of the policies being pursued by Khan.

#### Plan expands opposition, derailing confirmation

Kovacic 20 (William E. Kovacic, former FTC Chair, Global Competition Professor of Law and Policy, George Washington University Law School, JD Columbia University, “Keeping Score: Improving the Positive Foundations for Antitrust Policy,” U. of Pennsylvania Journal of Business Law, 23(1), 2020, https://scholarship.law.upenn.edu/jbl/vol23/iss1/3/)

THE POLITICAL ASSAULT ON THE FTC

From the late 1960s through the 1970s, the FTC pursued an extraordinarily ambitious agenda of competition and consumer protection matters.107 Significant antitrust litigation included challenges to dominant firm misconduct and collective dominance, distribution practices, horizontal restraints, and facilitating practices. 108 Many matters involved powerful economic interests,109 and in a number of cases the Commission sought structural relief in the form of divestitures or the compulsory licensing of intellectual property. 110 In 1974, the agency also initiated a program that required certain large firms to provide “line-of-business” data concerning a range of performance indicators.111

In the same period, the Commission used a mix of litigation and rulemaking to transform its consumer protection agenda.112 Through policy guidance and litigation, the agency introduced its advertising substantiation program that required firms to have support for factual claims made in their advertisements.113 The Commission initiated over twenty-five rulemaking proceedings and promulgated final rules involving a broad collection of product and service sectors.114

As a group, the FTC’s competition and consumer protection initiatives aroused fierce opposition from the affected firms and industries, which contested the agency’s actions in court and before Congress. 115 The complaints of industry resonated with a large, powerful bipartisan coalition of legislators116 who criticized the Commission’s activism, proposed various measures to curb the agency’s authority, 117 and ultimately adopted a number of restrictions in The Federal Trade Commission Improvements Act of 1980 (FTC Improvements Act). 118 In 1980, bitter opposition to elements of the FTC’s competition and consumer protection programs led Congress to allow the FTC’s funding to lapse, forcing the agency to temporarily cease operations. 119 Perhaps emboldened by the weak political support the Commission enjoyed before 1981, when the Democrats controlled the White House and both chambers of Congress, the Reagan administration briefly resumed the assault on the agency’s funding. In January 1981, David Stockman, Ronald Reagan’s first Director of the Office of Management and Budget (OMB), launched a short-lived effort to eliminate funding for the FTC’s competition policy program.120

The congressional and executive branch officials who criticized the FTC in this period advanced two positive claims to justify recommendations for withdrawing authority or funding for the Commission. One claim was that the agency’s choice of competition and consumer protection programs had contradicted congressional guidance about how the FTC should use its authority and resources.121 Many legislators complained that the agency had disregarded the legislature’s preferences and used its powers in ways that Congress never contemplated to fall within the FTC’s remit.122 As Congress considered bills in 1979 to limit the Commission’s powers, Congressman William Frenzel captured the prevailing legislative mood:

It is bad enough to be counterproductive and therefore highly inflationary, but the FTC compounds its sins by generally ignoring the intent of our laws, and writing its own laws whenever the whimsey strikes it . . .

Ignoring Congress can be a virtue, but the FTC’s excessive nose-thumbing at the legislative branch has become legend. In short, the FTC has made itself into virulent political and economic pestilence, insulated from the people and their representatives, and accountable to no influence except its own caprice.123

The Commission, Frenzel concluded, was “a rogue agency gone insane.”124

The accusation of Commission disobedience figured prominently in Senate deliberations on the 1980 FTC Improvements Act. In less-flamboyant but still pointed terms, the chief Senate sponsors of the FTC Improvements Act said restrictions were necessary to curb the agency’s unauthorized adventurism. Senator Howard Cannon explained: “The real reason that we have proposed this legislation for the FTC is because the Commission appeared to be fully prepared to push its statutory authority to the very brink and beyond. Good judgment and wisdom had been replaced with an arrogance that seemed unparalleled among independent regulatory agencies.”125

The accusation of disregard for congressional will soon echoed in statements by high level officials in the newly arrived Reagan administration. OMB Director Stockman recited a variant of this theme in an appearance before a House of Representatives Committee early in 1981 to address his proposal to eliminate funding for the agency’s competition mission. Stockman said, “ . . . in recent years the FTC has served the public interest very poorly, in major part because it has sought to expand its power and influence beyond that envisioned by Congress.”126

Beyond generalized claims of institutional disobedience, the accusation of disregard for congressional will was invoked to justify proposals to impose restrictions on specific FTC initiatives. For example, in the fall of 1979, the Senate Commerce Committee held hearings on a proposal by Senator Howell Heflin to eliminate the FTC’s power to order divestiture or other forms ofstructural relief in non-merger cases.127 This was a shot across the bow of the FTC’s pending “shared monopoly”128 cases involving the breakfast cereal and petroleum refining sectors, where the FTC had requested structural relief (divestitures and, in the cereal case, compulsory trademark licensing) to restore competition.129 Congress did not adopt the Helfin proposal, but the idea of eliminating or restricting the FTC’s power to seek divestiture remained a serious threat to the agency. Roughly a year after the Commerce Committee hearings on the Heflin amendment, on the day before the balloting in the 1980 presidential elections, Vice-President Walter Mondale appeared at a campaign rally in Battle Creek, Michigan (the headquarters of the Kellogg Company). The Vice-President assured his audience that, if he and President Jimmy Carter were reelected, the Carter administration would seek legislation to ban the FTC from obtaining divestiture in the breakfast cereal shared monopolization case.130

A second, related claim was that the FTC had abandoned any adherence to sound administrative practice and descended into utterly irrational decision making. The agency was not merely disobedient (“rogue”) but crazy (“insane”), as well.131 Here, again, Congressman Frenzel pungently made the point. The FTC, Frenzel said, “is a king-sized cancer on our economy. It has undoubtedly added more unnecessary costs on American consumers who it is charged with protecting, than any other half dozen agencies combined.” 132 David Stockman’s initial broadside against the Commission in February 1981 echoed this sentiment. In a newspaper interview, Stockman said the FTC “is a passel of ideologues who are hostile to the business system, to the free enterprise system, and who sit down there and invent theories that justify more meddling and interference in the economy.”133

The accusation of disobedience and the diagnosis of insanity fit poorly, or at least awkwardly, with the positive record of the FTC’s activities in the 1970s. As discussed immediately below, the rogue agency story clashes with the many instances, especially between 1969 and 1976, in which congressional committees and key legislators directed the agency to carry out an aggressive, innovative enforcement program against major commercial interests. In 1969, numerous legislators endorsed the view of two external studies that the FTC had used its authority timidly and ineffectively.134 Leading members of Congress demanded that the agency transform its competition and consumer programs or face extinction.135

Congress described the content of the desired transformation in several ways. At a high level, oversight committees and individual legislators called for a dramatic boost in the agency’s appetite to undertake ambitious, risky projects—to replace a cautious, risk-avoiding decision calculus with a bold philosophy that erred in favor of intervention and used the agency’s elastic powers innovatively. Congress’s admonition to be aggressive and use power expansively emerged again and again in confirmation proceedings and routine oversight hearings.136 During hearings in 1970 to confirm Caspar Weinberger to be the Commission’s new chair, Senator Warren Magnuson, Chairman of the Senate Commerce Committee, told the nominee to “maintain the right kind of morale by recruiting strongly and expanding . . . Trade Commission programs in order to perform the job well.”137 In setting out this charge, Magnuson seemed to recognize that the FTC would have to be steadfast in resisting backlash—including from Congress—that would emerge as the FTC went about “expanding” its programs. The Commerce Committee Chairman said Congress was calling on the FTC to perform “tasks that require a great deal of attention and a great deal of fortitude not to respond to any pressures that come from any place.”138

Weinberger’s successor, Miles W. Kirkpatrick, received similar, and even more explicit congressional guidance, to apply the Commission’s powers broadly and aggressively. In 1969, Kirkpatrick had chaired a blueribbon American Bar Association panel whose report recommended the FTC implement an ambitious antitrust agenda that involved significant doctrinal, operational, and political risks.139 In his appearances as FTC chair before congressional committees, Kirkpatrick often heard legislators applaud the risk-preferring approach of the ABA study. In Kirkpatrick’s first appearance before the Commission’s Senate Appropriations subcommittee in 1971, the Subcommittee Chairman, Senator Gale McGee, provided the following guidance:

I think this is one of the Federal commissions that has a much larger responsibility and capability than sometimes it has been willing to live up to for reasons of congressional sniping at it in some respects or pressures put on it through the industry and the like.

Too often it has been either shy or bashful. . . . That is why we were having a rather closer look at your requests just in the hopes of encouraging you, if anything, to make mistakes, but I think the mistakes you are to make ought to be mistakes in doing and trying rather than playing safe in not doing. I believe that is the most serious mistake of all . . . you are not faulted for making mistakes. You may be for making it twice in a row, for not learning properly but, we would rather you make a mistake innovating, trying something new, rather than playing so cautiously that you never make a mistake. . . . 140

In his appearance before the same subcommittee a year later, Senator McGee observed with approval that Kirkpatrick had “responded to the criticism . . . by both Mr. [Ralph] Nader and the American Bar Association by moving aggressively against some of the major industries in the United States.” 141 Recognizing that the approach he described could elicit opposition from affected business interests, McGee promised that he and his colleagues would exercise best efforts to watch the agency’s back: “[I]f you step on toes you are going to catch flak for it, but I hope we will be able to push this even more aggressively by backing you more completely with the kind of help that I think you require.”142 McGee closed the proceedings with militant instructions:

“Stay with it and flex your muscles, clinch your fists, sharpen your claws, and go to it. We think this is desperately important in the interest of the Congress, whose creature you are, and the consumer whose faith and substantive capabilities in surviving hang very heavily upon what you succeed in doing.”143

Kirkpatrick served as the FTC’s chair for just over twenty-nine months. The Commission’s new chair, Lewis Engman, received the same policy guidance that Congress had provided Weinberger and Kirkpatrick. At Engman’s confirmation hearing before the Senate Commerce Committee early in 1973, Senator Frank Moss observed:

Under . . . Weinberger and Kirkpatrick, the Commission has taken on new life beginning with the search for strong and imaginative, rigorous developers and enforcers of the law and reaching out with innovative programs to restore competition and to make consumer sovereignty more than chamber of commerce rhetoric. 144

With evident approval, Moss recounted how the FTC had “stretched its powers to provide a credible countervailing public force to the enormous economic and political power of huge corporate conglomerates which today dominate American enterprise.” 145 The members of the Senate Commerce Committee, Moss concluded, “consider it one of our solemn duties to protect the Commission from economic and political forces which would deflect it from its regulatory zeal.” 146 Member after member of the Commerce Committee echoed Moss’s message to Engman. Senator Ted Stevens, an Alaska Republican, told the nominee, “I am really hopeful that . . . you will become a real zealot in terms of consumer affairs and some of these big business people will complain to us that you are going too far. That would be the day, as far as I am concerned.”147

The FTC got the message. The words and actions of Weinberger, Kirkpatrick, Engman, and other FTC leaders in this period reflected a preference for boldness, aggressiveness, innovation, and zeal. In a letter to Senator Edward Kennedy in July 1970, Weinberger reported that the FTC was trying “to make the most of that other resource given to us by Congress – our statutory powers.” 148 Weinberger said the Commission had “encouraged the staff to make recommendations to us which will probe the frontiers of our statutes,” had made progress in “[p]robling the outer limits” and “exploring the frontiers” of the agency’s authority, and had shown it “is receptive to novel and imaginative provisions in orders seeking to remedy unlawful practices.”149 In a speech to a professional association in 1971, Kirkpatrick reported that the Commission was “moving into ‘high gear’ in the task of preserving and promoting competition in the American economy.”150 He said he and his fellow board members “fully intend to be in the vanguard of exploration of the new frontiers of antitrust law.”151

By mid-1974, the FTC had launched several significant cases involving monopolization and collective dominance, including pathbreaking shared monopolization cases against the breakfast cereal152 and petroleum refining industries.153 With these matters underway, Engman in 1974 appeared at a congressional hearing of the Joint Economic Committee and received criticism that the FTC had been insufficiently active in challenging monopolies.154 The Joint Committee’s chairman, Senator William Proxmire, told Engman “the FTC, like a number of other regulatory agencies seems to concern itself with minor infractions of the law, and to spend much of its time on cases of small consequence.”155 Perhaps astonished to hear that cases to break up the nation’s leading breakfast cereal manufacturers and petroleum refiners involved minor infractions or matters of small consequence, Engman replied, “The Federal Trade Commission today is very aggressive. . . . We have seen a total turnaround in terms of the types of matters which are being addressed by the Bureau of Competition.”156

Beyond general policy exhortations to exercise power boldly and to err on the side of intervention, of doing too much rather than too little, Congress in the early to mid-1970s instructed the Commission to focus attention on specific commercial sectors and competitive problems within them. In the face of severe fuel shortages and price spikes for petroleum products in the early 1970s, numerous legislators demanded that the FTC conduct investigations and challenge the conduct of large, integrated petroleum companies. 157 Many insisted that the FTC use its competition mandate to force integrated refiners to deal on equitable terms with independent refiners and distributors.158 The Commission’s decision to file the Exxon shared monopoly case, which sought extensive horizontal and vertical divestiture remedies, can be explained as a response to these demands.159 In the same period, Congress applied strong pressure upon the FTC to examine and correct what it believed to be serious structural obstacles to effective competition in the food manufacturing industry.160 Here, also, the agency’s decision to prosecute the shared monopolization case against the country’s leading producers of ready-to-eat breakfast cereals can be seen as a response to this concern and faithful to the congressional prescription that the FTC use novel, innovative approaches to cure competitive problems.161 In these and other matters, the Commission explored the frontiers of its powers in the development of new cases.162

When one aligns the guidance of Congress in the early to mid-1970s about the appropriate content of FTC policy making with the FTC’s activity in the decade, it is apparent that the critique of the agency as disobedient to legislative will is a fiction, or at least badly misleading. A more accurate positive depiction of events in the 1970s is that the Commission faithfully followed legislative instructions given from 1970 up through the mid-1970s about the appropriate philosophy and means of enforcement, and that, as the decade came to a close, Congress changed its mind about what the FTC should do and how it should do it. As described below in Section IV.D., 163 that change in legislative temperament and the response by Congress to industry backlash against the FTC’s program have important implications for how the FTC plans programs and selects projects in the future. Accurate positive analysis reveals that the agency was not disobedient to Congress but was inattentive to the operation of a political feedback loop that exposes Congress to industry pressure once the FTC implements programs that involve significant economic stakes and endanger powerful commercial interests.164

Nor does a careful study of the positive record of the 1970s show that the FTC policy making was “insane.” Measured by its contributions to institution-building, the Commission did many things that epitomize good public administration. It carried out important organizational and personnel reforms that upgraded its operations and personnel.165 As explained more fully below, the agency also improved its mechanisms for setting priorities and selecting projects to achieve them and strengthened investments in policy research and development (including a program to evaluate the effects of completed cases).166 The FTC successfully carried out new regulatory duties entrusted by Congress in the 1970s; most notable was the implementation of the premerger notification mechanism that Congress created in the Hart-Scott-Rodino Antitrust Improvements Act of 1976.167 In all of these areas, the Commission of the 1970s made enduring enhancements to the institution and set important foundations for successful programs that followed in the next forty years. An insane agency could not have done so.

Another focal point for attention in assessing the FTC’s performance in the 1970s was the quality of its substantive agenda. Was the FTC’s substantive program in the 1970s “insane”? Many Commission competition and consumer protection initiatives in the 1970s encountered grave problems. FTC efforts to execute the bold, innovative, risk-preferring program that Congress had called for earlier in the decade generated a number of serious project failures.168 Insanity, on the part of individual leaders or the institution as a whole, does not explain the failures. These outcomes have more prosaic causes whose understanding is important to the future formulation of competition policy. Chief among the FTC’sflaws were a lack of historical awareness about the political hazards associated with undertaking an agenda of bold, innovative cases against powerful commercial interests; inadequate appreciation for the demands of bringing large numbers of difficult cases and promulgating ambitious trade regulation rules would impose on the agency’s improving but uneven human capital; and underestimation of the change in the center of gravity of economic learning that supports the operation of the U.S. antitrust system. As described below, many of these failings are rooted in weaknesses in the FTC’s knowledge in the 1970s of the positive record of its past enforcement experience.169

B. The Inadequate and Misdirected Enforcement Activity Narrative

Like the hyperactivity narrative described above, the inadequate activity narrative relies heavily on enforcement data to support the view that the federal antitrust agencies have brought too few cases overall and, when filing cases, have focused resources on the wrong types of matters.

Implicit or explicit assumptions about the level of enforcement activity have provided a central foundation in the modern era for broad normative claims of poor system performance. One collection of inadequacy critiques attacks federal enforcement program of the Reagan administration – a period characterized by what one journalist described as an “almost total abandonment of antitrust policy.” 170 In 1987, in discussing Reagan-era federal antitrust enforcement, Professor Robert Pitofsky said the DOJ and the FTC had produced “the most lenient antitrust enforcement program in fifty years.” 171 Professor Milton Handler remarked that in the Reagan era “a policy of nonenforcement has set in, much to the distress of those who believe that without antitrust the free market cannot remain free.” 172 Professors Lawrence Sullivan and Wolfgang Fikentscher observed, in addressing the treatment of civil nonmerger matters, “enforcement ceased.”173

A second body of commentary assails the work of the federal agencies in the George W. Bush administration. For example, in 2008, during his campaign to gain the Democratic Party’s nomination for the presidency, Barack Obama said the George W. Bush administration “has what may be the weakest record of antitrust enforcement of any administration in the last half-century.” 174 The Obama statement did not compare activity levels across all administrations over the 50-year-long comparison period, but the statement suggested that the general claim was based on variations in activity over time.

A third version of the inadequacy narrative marks the beginning of the decline of effective enforcement at the outset of the George W. Bush administration and extending through the present.175

A fourth variant writes off the entire period from roughly 1980 onward as an antitrust catastrophe.176 After noting that for most of the 20th century “antitrust enforcement waxed or waned depending on the administration in office,” Professor Robert Reich recently wrote that “after 1980 it all but disappeared.”177 He added that Presidents Bill Clinton and Barack Obama “allowed antitrust enforcement to ossify, enabling large corporations to grow far larger and major industries to become more concentrated.” 178

Presented below are categories of arguments that rely upon specific assertions about the positive record of modern antitrust enforcement. These arguments make positive claims regarding either the amount of activity, the reasons for observed behavior, or both.

GENERAL CRITICISMS OF ANTITRUST ENFORCEMENT: BORK, REAGAN, AND THE DESTRUCTION OF U.S. COMPETITION POLICY

Many commentators have offered explanations for why federal antitrust enforcement became inadequate after the late 1970s. One major positive explanation is that the modern Chicago School of antitrust analysis, grounded largely in the writings of Robert Bork, inspired a severe retrenchment of enforcement at the DOJ and the FTC and led the federal courts to narrow antitrust doctrine since the late 1970s.179 A major focus of this discussion of the causes for changes in enforcement involves rules governing the treatment of dominant firms.180

A second cause offered to explain a redirection of enforcement is the ascent to the presidency of Ronald Reagan and his appointment of permissive leadership to the DOJ and the FTC.181 The Reagan administration is said to have inherited a generally well-functioning antitrust enforcement system and run it into the ground.

The Chicago School, Bork-centric, and Reagan-centric explanations for policy change can be misleading due to mischaracterizations of what took place and their tendency to omit other forces that had helped narrow the scope of antitrust enforcement. Bork and the Chicago School unmistakably have exerted a significant impact upon modern antitrust policy, but the retrenchment of antitrust enforcement in some areas cannot accurately be attributed to them entirely or, for a number of important developments, even principally. 182 Many proponents of the inadequacy narrative make little or no mention of the role of modern Harvard School scholars, such as Philip Areeda and Donald Turner, in leading courts and enforcement agencies to move the antitrust system toward a less interventionist stance.183

Areeda and Turner encouraged courts to forego reliance on noneconomic goals in deciding antitrust cases. 184 The two Harvard scholars also advocated the adoption of stricter procedural and doctrinal screens to counteract what they perceived to be flaws in the U.S. system of private rights of action.185 The inadequacy narrative often overlooks the influence of the modern Harvard School and thus misses how much the permissiveness of modern antitrust policy reflects the Harvard School’s concern that private rights of action over-deter legitimate business conduct by dominant firms.186 This yields a faulty positive diagnosis of the forces that have reduced the reach of the U.S. antitrust regime. As noted below, understanding how the institution-grounded limitations proposed by the modern Harvard School have imposed greater demands on plaintiffs has important implications for government plaintiffs seeking to devise a strategy to reclaim doctrinal ground lost since the 1970s.187

Similar imprecision and omission characterize the portrayal of the Reagan administration as the force that swung antitrust policy away from a sensible interventionist equilibrium and gave it a durably noninterventionist orientation. Some elements of the Reagan-centric narrative turn events 180 degrees around from their positive roots.188 More significant, the narrative does not address how badly the Congress and the White House had damaged the FTC’s stature and operations before Ronald Reagan took office in late January 1981. By the end of 1980, the Commission had been shoved into the equivalent of political bankruptcy by a Congress and a White House under the control of the Democratic Party.189

By treating the 1980 presidential election as the cause of an abrupt change in federal antitrust enforcement policy, the Reagan-centric inadequacy narrative fails to grasp the significance of the political assault, led by Democrats, against the FTC in the late 1970s. Recognition of how the FTC’s relationship with Congress changed over the course of the 1970s forces one to confront the question of why an agency that enjoyed powerful congressional support through much of the decade came to grief so quickly. The episode has a sobering cautionary lesson for contemporary policy making: it demonstrates how quickly congressional attitudes can change once powerful business interests affected by FTC actions bring their resources to bear upon Congress, and how turnover in the legislature can erode vital political support. An accurate positive account of the 1970s suggests that an agency should strive to complete its cases and rulemaking initiatives as expeditiously as possible, lest long lags between the start and conclusion of matters expose the agency to debilitating political backlash. This policy making prescription becomes apparent only by forming an accurate picture of what happened to the FTC in the 1970s.

#### Key to restore a bipartisan FTC process

Cantwell 3-29 (Maria Cantwell, U.S. Senator (D-WA), former U.S. House Representative (D-WA), former vice president of marketing for RealNetworks, BA public administration, Miami University in Oxford, Ohio, “CONGRESSIONAL RECORD — SENATE,” 3-29-2022, p.S1840, https://www.congress.gov/117/crec/2022/03/29/168/55/CREC-2022-03-29-pt1-PgS1840-2.pdf)

Ms. CANTWELL. Madam President, I thank the majority leader for that concise documentation of what really the FTC is about. It is about getting somebody on there who is going to fight to protect consumers on issues.

We know that we need the FTC now more than ever. We needed their muscle during the COVID pandemic, as opportunistic scammers stole $5.9 billion out of the pockets of Americans, and that is just the reported amount. That doesn’t include people who never knew that they were scammed or were too embarrassed to report what happened.

So Congress, on a bipartisan basis, pumped up the FTC’s power, and at the end of 2020, we passed the COVID–19 Consumer Protection Act to help root out promoters of dangerous, fake treatments and cures.

Second, we gave the FTC $30 million in the American Rescue Plan to promote and protect Americans against scams that targeted their COVID stimulus payments.

Last year, we confirmed the FTC Chair, Lina Khan, with support from 21 Republicans in this body, and today we are talking about the next important step in protecting consumers, and that is moving to confirm Mr. Bedoya to fill the last seat on the Federal Trade Commission.

Mr. Bedoya has the right experience we need to tackle the problems that we are facing right now—some of the most complicated and pressing issues regarding how to protect our privacy and protect children’s online privacy. I say that because I heard comments from my colleague about Mr. Bedoya and the fact that he issued various tweets about this or that in his time in the private sector.

I guarantee you that if we voted for people based on what their tweets are, there would be a lot of people who wouldn’t be approved at all, including some of the people who have been through this process.

Mr. Bedoya served as the chief counsel of the U.S. Senate Judiciary Subcommittee on Privacy, Technology, and Law. So I would say that as it relates to the FTC’s ability to do something about reining in some of the bad practices that we see online, I think he is a very qualified person and individual.

Mr. Bedoya graduated summa cum laude from Harvard and holds a law degree from Yale, where he served on the Yale Law Journal and received the Paul and Daisy Soros Fellowship for New Americans.

So I think that Mr. Bedoya is a person who has dug in on a variety of issues and has the experience and leadership in one of the most critical areas—technology—that the FTC is dealing with today.

So I encourage my colleagues to support him. That is why he is supported by the current Republican FTC Commissioners. They also support his nomination. They say they recognize his willingness and expertise and ability to reach across the aisle and find common ground on solutions that work for people.

It is that skill set that we are looking for at the FTC to help hard-working Americans get a fair shake in the marketplace, whether that is at the pharmacy, the gas pump, or online.

And I know that as a proud immigrant, Mr. Bedoya will also use his role to expand the FTC’s work in underserved communities.

The FTC needs to be able to protect all Americans, and to accomplish that, we need to have a Commission that is not deadlocked now but has somebody like Mr. Bedoya, who can help us move ahead on these issues.

#### Failure politicizes enforcement

Bryant 3-30 (Jennifer Bryant, staff writer for The International Association of Privacy Professionals’ Daily Dashboard, Europe Data Protection Digest, Canada Dashboard Digest, Asia-Pacific Dashboard Digest and U.S. Privacy Digest, formerly worked as a journalist and editor for more than 12 years, covering the Seacoast of New Hampshire and Maine for Seacoast Media Group; **internally quoting Janis Kestenbaum, former senior legal advisor to former FTC chairwoman Edith Ramirez, current Partner at Perkins Coie**; “FTC Chair Lina Khan anticipated to share privacy vision,” The Privacy Advisor, 3-30-2022, https://iapp.org/news/a/ftc-chair-lina-khan-anticipated-to-share-privacy-vision/)

Kestenbaum said it’s “apparent” and “commendable” that Khan “doesn’t want to do things simply because they’re what the FTC has done before,” but she pointed to what she’s seen as “diminished bipartisanship” at the FTC as “concerning.”

“Bipartisanship has been a hallmark of the FTC and it has real value. To illustrate, in the last decade, we saw many goals and approaches shared by President Trump’s and President Obama’s FTC chairs. There are not many federal agencies that had the degree of continuity from the Obama to Trump administrations that the FTC enjoyed,” she said. “If bipartisanship is lost, we may start to see big ideological swings with each change in presidential administrations.”

It will also be interesting, Brookman said, whether Khan mentions another hot topic among the privacy community, consideration of a rulemaking process on privacy and artificial intelligence filed by the FTC in December. In the filing, the FTC said it intends to “curb lax security practices, limit privacy abuses, and ensure that algorithmic decision-making does not result in unlawful discrimination.”

“The FTC is overdue to change its decades-old culture of caution about use of its unfairness authority and tackling Magnuson-Moss rulemaking, and there is strong bipartisan support on the commission when it comes to privacy issues even though there is sometimes disagreement on process,” Kerry said. “Chair Khan has recognized a need for ‘substantive limits’ on collection and use and to explore creative use of remedies and enforcement of consent orders. But there is only so far the FTC can push the envelope within the confines of its existing authority and fixing information ecosystems that extend far beyond big platforms.”

Kestenbaum, too, wants to see Khan address the FTC’s anticipated rulemaking, saying “it’s being viewed by some as a stopgap measure while we await federal privacy legislation.”

“Questions therefore abound about how Chair Khan wants to approach the rulemaking, including what kinds of practices she potentially wants to address and how,” she said.

Kerry said he’s hoping to “see a more forceful clarion call than we have seen so far for federal legislation that sets boundaries for collection, use, and sharing of personal information and gives the FTC greater authority and resources to enforce them — including fines in the first instance.”

#### That turns case AND locks in corporatism

Baker 20 (Jonathan B. Baker, former chief economist at the FTC and the FCC, Research Professor of Law, American University Washington College of Law, “Why the Political Misuse of Antitrust Must be Prevented,” Promarket, 7-20-2020, https://promarket.org/2020/07/20/why-the-political-misuse-of-antitrust-must-be-prevented/)

These concerns reinforce the importance of insulating antitrust from politics, which holds no matter who is in power.

Antitrust law and enforcement should be apolitical, but they necessarily operate in a political context. Antitrust law once explicitly pursued social and political goals in addition to the economic goals that are central today. Moreover, progressives have grown more concerned about market power precisely because of its adverse political consequences. These critics seek to use antitrust systematically to attack corporate concentration in order to redistribute political power away from concentrated centers of wealth and thereby, progressives hope, increase economic opportunity. Today’s antitrust institutions face many political threats, not least of which is the stealth rejection of antitrust in favor of laissez-faire.

Yet, even though concerns about the politicization of antitrust are justified, as the Elias testimony illustrated, a political mobilization to take on growing market power could strengthen our informal political bargain to rely on competition implemented through antitrust enforcement—not laissez-faire or direct governmental supervision—as the primary approach to regulating large firms. This mobilization ought not promote the formula of midcentury antitrust, which explicitly, albeit secondarily, pursued political ends. These methods were of limited success, and pressing for their return would divert effort away from more promising reforms.

A movement focused on attacking market power would strengthen the political bargain, first and foremost, because market power has become a serious problem. And second, antitrust enforcement, as currently practiced, discourages the sort of political shenanigans exemplified by the Johnson and Nixon cases. These are rare exceptions in the modern era. For the most part, antitrust is successfully divorced from abuse by special interests and crony capitalists, and undermining market power would make such abuse even less likely.

Many obstacles, including the norm against direct political influence and rules that limit judicial discretion, stand in the way of political abuse. Yet, even as antitrust shuns politics, it retains a connection to the popular will. This reflects an important distinction between politics and ideology. Enforcement is, properly, responsive to ideological shifts, and enforcement would be stronger if the public were to mobilize against market power. But that doesn’t mean antitrust enforcement should be subject as well to the sort of abuse that undermines trust in the fairness of the legal process.

Special-Interest Protectionism and Crony Capitalism

Special-interest protectionism and crony capitalism are related ways of manipulating the political system to exercise market power.

Special-interest protectionism refers to the ability of firms or other narrow interest groups to establish or entrench protected positions through government action. A particular firm or industry may influence the government to act in its favor, without regard to the public interest, in order to create or protect market power. Congress and the courts have created exemptions from the antitrust laws over time to benefit particular industries, perhaps for this reason. Special-interest protectionism was a prominent concern of nineteenth-century constitutional interpretation and twentieth-century public-choice scholars. It is closely related to regulatory capture: the manipulation of a regulatory agency by a firm it supervises.

The incentive underlying manipulation is obvious. Profit-maximizing firms, individually or along with their major rivals, can gain market power by investing in lobbying. Compliant government officials, elected or otherwise, may create entry barriers or foreclose fringe competitors’ access to customers or low-cost inputs.

Even Chicago School–oriented antitrust commentators, who question antitrust’s concern with exclusionary marketplace conduct, acknowledge that predation through use of governmental processes could be a serious problem.

While special-interest protectionism is transactional and episodic, “crony capitalism” is systemic and entrenched. Firms secure lasting political power through their individual or collective size and lobbying influence and use that power to obtain and protect market power. They may create entry barriers or, more corruptly, obtain other forms of enrichment for themselves or their political allies (that is, their cronies). Crony capitalism becomes ingrained when firms with market power invest some of the resulting rents to secure the political power that helps protect or extend it. This erodes antitrust constraints still further, creating more market power, and so forth, in a vicious cycle.

Crony capitalism differs from oligarchy, though they can be related. An oligarchy is a political system in which a small number of political actors control vast resources, which they deploy to enhance or defend their personal wealth and social position.

In the US political system, the threat of oligarchy comes from the ability of the wealthy to capture political institutions, change those institutions to lock in their political positions, and use their control of institutions to, among other things, lower their taxes. Lock in might be facilitated by restricting the franchise, eviscerating constraints on corporate political contributions, or undermining institutions such as unions that could supply political opposition to large firms.

This threat is not merely speculative: the disproportionate influence of the wealthiest on public policy is well-documented, and successful political coalitions may attempt to change the rules to protect their positions.

This combination is equally dangerous for political and economic competition. To the extent that large firms are owned by wealthy families, the political system could tend toward crony capitalism and oligarchy simultaneously. Political institutions could then both protect large firms from competition and systematically enrich the wealthy.

Trump’s election has made concerns about special-interest protectionism, crony capitalism, and oligarchy more salient. The norm against direct political influence is endangered by the combination of Trump’s campaign statements threatening antitrust challenges for political ends, his post-election meetings with executives from firms pursuing acquisitions under review at the enforcement agencies, his agreements with certain firms to keep jobs from moving abroad, his frequent criticism of law enforcement decisions with which he disagrees, and his extensive personal and familial financial interests. These encourage firms to lobby the president directly in order to influence enforcement actions. They also raise the possibility that the president would base decisions on his political or financial interests.

Trump’s signals have been recognized by the business community: the chief executive officer (CEO) of AT&T said he was flabbergasted by the administration’s decision to challenge his firm’s proposed acquisition of Time Warner, in part because he has been one of Trump’s “biggest defenders on public policy.”

Even where Trump’s goals plausibly relate to public interests, they may not be acceptable under antitrust law. For example, boosting domestic employment is not cognizable under the Clayton Act as currently interpreted. Beyond flouting a norm or violating the Clayton Act, presidential involvement in antitrust enforcement decisions could contravene the Constitution.

If a president instructs the Justice Department on the resolution of merger reviews or other antitrust investigations—particularly without hearing from agency staff and other interested parties and without reviewing the detailed factual record developed by an agency investigation—it is hard to be confident that agency enforcement decisions appropriately apply the law to the facts, uninfluenced by the political or financial interests of the president. That scenario would call into question whether the president has met his constitutional obligation to “take care that the laws be faithfully executed.”

Even if agency decisions are free from direct presidential influence, the concern that they might not be undermines confidence that enforcement actions serve the public interest and undercuts political support for antitrust institutions and norms. It also harms enforcement by diminishing the credibility of agency officials with courts and firms.

#### It's an independent existential risk and magnifies all others

Ikerd 2K (John E. Ikerd, Professor Emeritus of Agricultural & Applied Economics, University of Missouri Columbia, PhD agricultural economics, University of Missouri, “Economics as if People Mattered; Farming for Quality of Life,” paper presented at 2000 Midwest Small Farm Conference and Trade Show, sponsored by Sustainable Earth, Noblesville, IN, November 17-18, 2000, <http://web.missouri.edu/~ikerdj/papers/EconasifPeopleMatter.htm>)

In times past, more cheap stuff may well have been what humanity needed most. A couple of hundred years ago many people lived lives of drudgery – many starving, freezing to death, or struggling day-to-day with pestilence and disease. But those times are long past – at least for most of the world. The system of competitive capitalism gave people food, clothing, and shelter and helped people lead longer, healthier lives. But, in the process of producing more cheap stuff, it has depleted the resources – people as well as nature – upon which its future productivity must depend. It is destroying itself as it destroys human society and destroys the natural environment. It has evolved from a system of competitive capitalism to a system of industrial corporatism that has become a cannibalistic system for reckless resource exploitation rather than rational resource use. The corporatist economic system of today cannot possibly support another fifty years of human progress. It is destroying the very things that must be restored before humanity can take its next step forward.

We must find a new, shared vision for the future of humanity, and it must be built on a new economic foundation. Our focus on short run, self-interest and our worship of economic materialism is a major contributor to, if not the sole cause of, nearly every major problem we face in today's society. Nearly every incident of environmental degradation and destruction is a consequence of economic rationalization that the earth's resources are ours for the taking. Hunger and disease in the world are not consequences of a lack of food or medicine, but of our acceptance of the economic logic that only those who are willing and able to pay are deserving. Our blind faith in free-markets has caused us to surrender both the private and public sectors of our society to corporate control. Our political campaigns are planned and paid for by the corporations who then have access and influence, if not outright control, of the politicians who are supposed to represent the people. Any positive vision for the future of humanity must be based on a new and different vision of economics – as E.F. Shumacher said, an Economics as if People Mattered.

The economy of the future must focus on people rather than production and profits. To achieve such an economy, we must challenge the economic assumption that people are best served by ever-increasing production and profits. Economists argue that since people invariable prefer more money to less, more money obviously enhances our quality of life. Thus the more we produce, spend, and consume the higher will be our quality of life. Economists argue that any means we might choose to address the ills of society invariably costs money, and more money comes only from increased production. Production creates jobs from which people pay the taxes, and those taxes support various social services. Economists argue that only the affluent can afford to protect the environment. So, we must continually increase production if we are to have the wealth from which we derive the means of caring for the natural environment. To economists, the well being of people is simply some linear transformation of production and profits – the greater the production, the greater the profits, and the higher the level of human well being.

However, the foundation for contemporary economic thinking is based on observations of the world of 200 years ago, not the world of today. Adam Smith's observations in his 1776 book, The Wealth of Nations, are simply not relevant to the society of today. None of the assumptions needed to ensure that the pursuit of short run, self-interest is transformed into long run, societal benefits – as if by an “invisible hand” are present in the world of today. There are no longer large numbers of buyers and sellers, but instead a few giant corporations, which make a mockery of the concept of competitive, capitalistic, free markets. It is not easy to get into enterprises that are profitable or to get out of enterprises that are unprofitable, and thus, to give people more of what they want and less of what they don't want. Patents, specialized equipment, and large capital requirements represent formidable barriers to entry and exit. Consumers do not have accurate information concerning the value they will realize from whatever they buy, but instead are confronted with disinformation by design, in the form of persuasive advertising. Finally, the consumer is no longer king. Consumer sovereignty went by the wayside when advertising agencies began hiring Ph.D. psychologists to warp and bend consumer tastes and preferences to fit the desires of corporate producers.

There is absolutely nothing in existing economic theory to support the proposition that today's economy is performing for the benefit of society as a whole. There is far more support for the proposition that today's economy is functioning solely for the benefit of giant corporations and that any net benefits for people are but a side-effect of the pursuit of corporate profits and growth.

Economists have all sorts of rationalizations for continuing to worship at the altar of “free-market economics” during an era of corporatist reign. But none of them stand up to the ultimate test of common sense. The concept of “workable competition” is not workable in a corporatist economy – there quite simply is no longer an “invisible hand” of impersonal competition to transform greed into good. The simple fact that people have jobs and make money doesn't necessarily mean that they are willing to pay higher taxes – or that higher taxes and more social services necessarily translate into greater societal well being. We need a society in which people recognize their interdependence, understand that they are all part of the same whole, and truly care about each other. More jobs and more money simply don't translate into acceptance of social responsibility. Our social responsibilities will be met through understanding and compassion, not through the pursuit of greed.

Stewardship of the environment is not a luxury of the rich but a responsibility of all people. The poor of the world cannot attain a higher quality of life by exploiting their natural environment or exploiting other people. Whatever they gain in material well-being will be more than offset by the loss of cultural and moral values, the degradation of their society, and the destruction of their natural environment. The rich degrade and destroy far more resources in their pursuit of material wealth than they have ever been willing to give back in terms of protection or restoration. “Ecological economics” is a contradiction of terms, because the economics of selfishness and greed simply can't accommodate the principle of true stewardship. In general, contemporary economics is fundamentally incapable of addressing the social and ecological dimensions of life that are essential in sustaining human progress. We will need a new economics to build a sustainable human society.

Toward an Economics of Sustainability

Sustainability is the foundation upon which the new economics must be built. Sustainability requires that we find ways to meet the needs of the present while leaving equal or better opportunities for those of the future. We need an economy that will sustain human progress on earth – not an economics that exploits the very resources, both human and ecological, upon which the future well being of people depends. We need a new economics of sustainability.

The concept of sustainability is far broader than economics – at least as economics currently is conceived. Daly and Cobb, in their book, For the Common Good, refer to the economics of today as “chrematistics” -- the “manipulation of property and wealth so as to maximize short-term monetary exchange value to the owner.” Sustainability is also broader than ecology or sociology because sustainability includes contemporary economics. However, sustainability is quite consistent with the root-word for economics, “oikonomia” – meaning “management of the household (community, society, humanity & biosphere) so as to increase its value to all members over the long run” (p. 138). Oikonomia includes the management aspects of sociology and ecology as well as economics. Daly and Cobb suggest that we address “oikonomia” through an “economics of community,” which would be accomplished through new government policies. However, it will take more than public policy to implement “okonomia.” First, the people must embrace this new and different concept of economics. They must understand the necessity for managing the whole of human society, the environment, and the economy if we are to sustain human life on earth.

People will embrace the concept of sustainability only if they understand that sustainability is fundamentally about sustaining a desirable quality of life for people. Some find fault with this anthropocentricity or people-centered interpretation of sustainability. They contend that other forms of life may be just as important as human life in the longer run scheme of things. However, if we are not concerned uniquely with sustaining the human species, there is no “economic” issue to be addressed. Economics is about managing resources to meet the needs of humans. If we weren't particularly concerned about humans, we could simply depopulate the earth or otherwise reduce human claims on resources to a point where the sustainability of other species would no longer be in question, or at least not threatened by humans. However, our nature as humans is not unlike the nature of other species, in that we humans have an innate instinct for survival, reproduction, and self-gratification.

We will not reduce our claims on earth's resources for the sole purpose of ensuring the sustainability of other species or of the earth. But, we will protect other species if we perceive it to be in our best interest to do so. The fact that we are concerned uniquely with sustaining the human species does not imply that we are concerned exclusively with sustaining the human species. Contrary to what the economics of “chrematistics” might imply, our best interest is not exclusively individualistic in nature. Our interests as members of society and as members of the human race are linked with the integrity of the rest of the biosphere. Thus, our interests may well be served best through sharing and stewardship, including preservation of other species, rather than through expressing our individualistic human greed. Our interests are best served through “oikonomia” rather than “chermatistics.”

The new sustainable economy must be multidimensional – having social and ecological dimensions, as well as the conventional individualistic dimension. The three dimensions must be considered as interdependent aspects of the same whole, but makes distinctive contributions to a sustainable economy. The new economics must deal with ways of managing the ecological, social, and individual economies to increase their value to all members of society over the long run.

First, conventional economics will continue to play an important role in society – in meeting the needs of individuals. There will continue to be a large and legitimate private sector in a sustainable economy. However, in order for the private economy to function in the “collective” interests of society, economic competition must be restored. This is not an impossible task. The people broke the corporate monopolies of the early 1900s. When the people learned and understood the implications of a corporately dominated economy, they rebelled. They started the Progressive Movement, the “trusts were busted,” and competition was restored. They didn't do the job perfectly, and corporate monopolies have emerged again.

This time we have far larger, multi-national corporations. The job may be more difficult this time, but the consequences of failing to control corporate power may be far more severe. People still have power over corporations – people grant corporate charters and people can take those charters away. Corporations are not people, and it's people, not corporations, that matter. When the people become convinced that competition must be restored to the private sector of the economy, it will be restored. In the process, the people will come to understand the limitations of the private sector in meeting the social and spiritual needs of people, and will come to embrace the social and ecological economies as means of meeting their needs and wants.

### 7

#### The United States federal government should not expand the scope of its core antitrust laws and maintain all current antitrust enforcement policies.

### 8

**Only per se rules bans a PRACTICE --- rule of reason regulate anticompetitive effects for individual acts**

**Stucke 09** --- Maurice E. Stucke, Associate Professor, University of Tennessee College of Law, “Does the Rule of Reason Violate the Rule of Law?”, University of California, Davis [Vol. 42:1375 2009], https://lawreview.law.ucdavis.edu/issues/42/5/articles/42-5\_Stucke.pdf

But who has created this predicament? The Supreme Court. Over the past ninety years, the Court has supplied the Sherman Antitrust Act’s legal standards. In determining the legality of restraints of trade, the Supreme Court generally employs either a per se or rule-of-reason standard.10 Under the Court’s per se illegal rule, certain restraints of trade are deemed illegal without consideration of any defenses. These restraints are so likely to harm competition and to lack significant procompetitive benefits that, in the Court’s estimation, “they do not warrant the time and expense required for particularized inquiry into their effects.”11 Under the per se rule, once a plaintiff proves an agreement among competitors to engage in the prohibited conduct, the plaintiff wins.12 But the Court evaluates all other restraints under the rule of reason. This standard involves a **flexible** factual **inquiry** into a restraint’s overall competitive effect and “the facts **peculiar to the business**, the history of the restraint, and the reasons why it was imposed.”13 The rule of reason also “**varies in focus and detail** depending on the nature of the agreement and market circumstances.”14 “Under this rule the fact finder weighs all of the circumstances of a case in deciding whether a restrictive practice should be prohibited as imposing an unreasonable restraint on competition.”15 Despite its label, the rule of reason is not a **directive defined ex ante (such as a speeding limit).**16 Instead, the term embraces antitrust’s most **vague and open-ended principles**, making prospective compliance with its requirements exceedingly difficult.

**Vote neg for GROUND and LIMITS --- Other standards dodge topic uniqueness and links and they can pick something that’s broader but more permissive --- creating a bidirectional topic. Standard prolif makes the topic unmanageable**

### 9

#### The United States federal government should:

#### ---announce intentions to pursue antitrust action, in collaboration with the Federal Maritime Commission, against anticompetitive conduct by private ocean shipping carrier companies,

#### ---offer deferred prosecution agreements to companies in exchange of reform of anticompetitive conduct.

#### Companies say yes---they’ll agree to corporate monitors because they fear antitrust action---solves anti-competitive practices AND revitalizes stakeholder friendly corporate governance.

Bone 20 (Jeff Bone, Assistant Professor of Legal Studies, Haub School of Business, Saint Joseph's University; “Antitrust Reform: Implications of Prospective Threats by Digital Platforms to Relocate Abroad;” 11-19-20, Belmont Law Review, Vol. 8, <https://ssrn.com/abstract=3574303>, TM)

One option that may be employed by the U.S. Department of Justice for controlling the dominance of the major digital platforms is the use of a corporate monitor program. Corporate monitors are typically appointed by U.S. federal regulators pursuant to deferred prosecution agreements regarding antitrust, securities, environmental, Foreign Corrupt Practices Act, workplace safety, and other types of violations.

It is argued in this paper that corporate monitors have been shown to cultivate rehabilitative effects within organizations that have raised regulatory concerns among federal agencies. Further, effective corporate monitor programs may have beneficial impacts beyond regulatory compliance and reach into areas such as the promotion of stakeholder-friendly corporate governance. As discussed in the next section, Google is used as a case study to explore how the implementation of a corporate monitor program could potentially work in practice.

IV. A PROPOSED SOLUTION

At the time of writing, the U.S. Department of Justice (DOJ) and state attorney generals are investigating whether Google is abusing its power, including as the dominant broker of digital ad sales.86 Further, the DOJ has requested from Congress a 71% increase in funding for its Antitrust Division.87 This appears to be an indicator that the DOJ is serious about its pending investigations into digital platforms such as Google.

Attorney General William Barr has also stated that he wants the DOJ to “fish or cut bait” on its probe into Google and the other major digital platforms.88 By using this statement, the Attorney General is indicating that he wants his department to act promptly on these investigations or let them go.

There is another route for the DOJ to consider that falls somewhere between full throttle litigation and simply ending these investigations that can serve the interests of both parties. For example, the DOJ could offer Google a deferred prosecution agreement (DPA) in order to resolve the existing antitrust investigation that they are undertaking into the company.89 DPAs serve the dual purpose of punishing corporations without passing on the punishment to the public and they allow the corporation to avoid the stigma of a federal prosecution.90 Additionally, it is the usual practice of the DOJ to employ corporate monitors as part of any DPA. A monitor’s role involves ensuring the corporation adheres to the stipulations in the DPA.91 The specific terms of the monitorship are laid out in the DPA, which allows the DOJ and the corporation to tailor the monitorship to the specific misconduct.92

Monitors are known by different names including, among others, independent consultants, independent compliance consultants and corporate compliance monitors.93 Since the early 2000s, U.S. enforcement authorities have increasingly utilized corporate monitor programs to help promote legal compliance and reduce future violations.94 These enforcement agencies include various government regulators such as the DOJ, the Securities Exchange Commission, the Drug Enforcement Agency, the Environmental Protection Agency, the Federal Highway Safety Administration, and the Food and Drug Administration.95

Monitors report their findings regarding compliance to both the regulator and the corporation and make recommendations for improvements during the period of oversight. These monitorships typically last two to three years and the cost is paid by the corporation.96 The fact that the corporation is burdened with the cost of the program, as opposed to the government regulator, is seen as a benefit to tax payers. Further, a corporate funded monitor is a more efficient means of regulation as compared to the often protracted litigation efforts that are required when antitrust disputes proceed to trial.97 For this reason, both sides may find a corporate monitor program appealing simply to avoid the cost and uncertainty of a trial.

Other benefits on the use of DPAs and corporate monitors are that they can provide an individualized set of recommendations for the corporation, as opposed to a generic list of compliance goals. This allows the regulator and corporation to “tailor the terms of the monitorship as necessary to effectuate optimal compliance with the law and ethical behavior.”98 Similarly, a DPA may be a valuable alternative to criminal convictions or civil regulation because a monitor can address “firm-specific information about corporate ~~defects~~” that can be cured through a monitor program.99

DPAs and corporate monitor programs have also been suggested to be more effective than fines.100 For instance, unlike fines, the appointment of a monitor usually results in structural changes that have a rehabilitative effect within an organization. This is likely because most monitors have the power to fire employees and to create new compliance programs.101 As such, during the course of the monitorship, employees are incentivized to take directions from the corporate monitor as opposed to their existing managers.102 This change in supervision and oversight cultivates a motivation to implement the objectives of the DPA among the organization’s workforce under the auspices of the corporate monitor.

Despite these benefits, there have been criticisms about the use of DPAs and corporate monitors. For one, the monitor’s dual responsibility to report findings to the corporation and the regulator suggests a lack of clarity in the scope and responsibilities of the monitor.103 Second, the process may not be transparent, as the content of a DPA is typically not reviewable by judges nor subject to appeal.104 It also appears that DPAs and corporate monitor programs are on the decline. For example, in 2018, there was just one DPA that was accompanied by an independent monitor.105 However, the reduction in the use of corporate monitors is likely on account of a change in policy, under the Trump Administration, to utilize monitors more selectively.106 However, this change in policy does not negate the benefits of corporate monitors, such as the rehabilitative effects within organizations and the ability to tailor the monitorship to specific corporate misconduct.

For these reasons, in terms of cultivating compliance within the enterprise it is argued that the appointment of a corporate monitor within Google as part of a DPA will prove much more effective than the introduction of new federal antitrust legislation. Moreover, successful corporate monitor programs may have beneficial effects beyond antitrust compliance and reach into areas such as the promotion of stakeholder-friendly corporate governance.

To this end, one condition of the proposed DPA should be to require Google to invoke a pledge similar to that made by Airbnb in early 2020 in which the company laid out a vision to operate for the benefit of all stakeholders.107 Specifically, Airbnb identified five stakeholders including guests, hosts, communities, shareholders, and employees. This commitment appears to be actionable and meaningful as it includes tying executive bonuses to performance on Airbnb’s social goals, and it calls for the creation of a stakeholder subcommittee on the board of directors. Currently, Google does not have comparable stakeholder pledges regarding its corporate governance strategy.108

In a similar way to Airbnb, Google could be mandated to introduce its own commitments to stakeholders. This could include a list of identified stakeholders and a strategy on how the corporation can best serve the goals of these stakeholders beyond profit seeking activities. If this mandate, among other requirements under the DPA, is met by Google in a prescribed time period, the DOJ could agree to suspend antitrust enforcement and eventually end the corporate monitor program. The ending of the corporate monitorship could be conditional on Google agreeing to inspections and audits in the future to ensure that the adjustments made under the monitor program continue.109

## 1

### Ukraine

#### Lol @ the inflation impact –

#### Ukraine thumps inflation

Lynch 22 [David J. Lynch joined The Washington Post in November 2017 from the Financial Times, where he covered white-collar crime 3-5-2022 https://www.washingtonpost.com/business/2022/03/05/global-economy-russia-ukraine/]

But there will be collateral damage from the sweeping U.S. and allied sanctions that have slashed most of Russia’s links to global trade and finance. Gas prices in the United States, which now average a nine-year high of $3.84 per gallon, may soon smash $4, according to Capital Economics.

Russia also is a major producer of other commodities, including wheat and industrial metals. The price of palladium, which is used to make catalytic converters, is up more than 60 percent this year for automobiles.

Renewed supply chain disruptions also will put upward pressure on inflation. Both Federal Express and United Parcel Service have halted shipments to and from Russia. Maersk, the giant ocean cargo carrier, stopped accepting new bookings this week for Russia-bound goods, causing cargo to begin piling up at terminals across Europe.

“Cargo is getting delayed and our already congested transshipment hubs are getting more pressured,” Maersk said in a customer advisory. “This is a global impact, and not only limited to trade with Russia.”

### Cyber

#### No impact – redundancy solves

Rid 12 (Thomas, writer for Foreign Policy, “Think Again: Cyberwar,” March, [http://www.foreignpolicy.com/articles /2012/02/27/cyberwar](http://www.foreignpolicy.com/articles%20/2012/02/27/cyberwar))

Just because there's more malware, however, doesn't mean that attacks are becoming easier. In fact, potentially damaging or life-threatening cyberattacks should be more difficult to pull off. Why? Sensitive systems generally have built-in redundancy and safety systems, meaning an attacker's likely objective will not be to shut down a system, since merely forcing the shutdown of one control system, say a power plant, could trigger a backup and cause operators to start looking for the bug. To work as an effective weapon, malware would have to influence an active process -- but not bring it to a screeching halt. If the malicious activity extends over a lengthy period, it has to remain stealthy. That's a more difficult trick than hitting the virtual off-button. Take Stuxnet, the worm that sabotaged Iran's nuclear program in 2010. It didn't just crudely shut down the centrifuges at the Natanz nuclear facility; rather, the worm subtly manipulated the system. Stuxnet stealthily infiltrated the plant's networks, then hopped onto the protected control systems, intercepted input values from sensors, recorded these data, and then provided the legitimate controller code with pre-recorded fake input signals, according to researchers who have studied the worm. Its objective was not just to fool operators in a control room, but also to circumvent digital safety and monitoring systems so it could secretly manipulate the actual processes. Building and deploying Stuxnet required extremely detailed intelligence about the systems it was supposed to compromise, and the same will be true for other dangerous cyberweapons. Yes, "convergence," standardization, and sloppy defense of control-systems software could increase the risk of generic attacks, but the same trend has also caused defenses against the most coveted targets to improve steadily and has made reprogramming highly specific installations on legacy systems more complex, not less.

### SHIPPING INDUSTRY

#### Structural problems ensure circumvention

Sarder 10(Industrial Engineering Technology at The University of Southern Mississippi (MD B., Ahad Ali, Susan Ferreira, Mohammad A. Rahman, “Managing Material Flow at the US Shipbuilding Industry,” January 10, 2010, <http://www.iieom.org/paper/132%20MD%20Sarder.pdf>)

Building a ship utilizes highly complex processes to design and construct built-to-order products that meet its customer requirements [1]. This process includes the cooperation of all parties, including the Customers, the shipbuilder and its suppliers. The process further necessitates a seamless interaction of the suppliers, material management, planning and scheduling, and production. It is this method of these interactions that can either cost the shipbuilder and customer due to rework and rescheduling or allow the shipbuilder to construct the ship at the cost and in the timeframe allotted by the contract and even more desirable, at a profit. Because of the high costs of constructing ships and current practices of shipbuilding, many times **the shipbuilder does not make a large profit and sometimes not at all.** In order to make a profit, the shipbuilder has to do two things: 1) Create processes and practices to reduce and eliminate rework, reschedule and low quality products, 2) Properly bid into the contract any normal production disruption caused in the schedule by Government dictated requirements, Government furnished information and equipment, and 3) Create processes to capture and charge for disruptions caused by change to requirements, schedules or low quality information or material provided by the Government or vendors. The shipbuilding industry is dependent heavily on the Government. The only domestic customers for ships have been either the U.S. Government or firms completely dependent on the government policy [2]. Therefore it is essential that shipbuilders take the necessary steps to make a profit within its limited market.

## 2

### Five Eyes

#### FISA surveillance is being decked by sunsets and BOTH recent AND future legislative curtailments

Kris 20 (David Kris, founder of Culper Partners LLC, assistant attorney general for national security, associate deputy attorney general, trial attorney at the Department of Justice, general counsel at Intellectual Ventures, and deputy general counsel and chief ethics and compliance officer at Time Warner, “What Hard National Security Choices Would a Biden Administration Face?” 5-27-2020, https://www.lawfareblog.com/what-hard-national-security-choices-would-biden-administration-face)

The second big FISA issue is legislative. Three provisions of FISA have sunsets—allowing roving wiretaps, lone wolf surveillance targets and compelled production of tangible things. The Justice Department says the lack of these authorities is limiting investigations. Either Congress will enact new legislation to reauthorize these three provisions or it will not. If a new law is passed, it will come with many new requirements and issues that will need to be addressed—perhaps more new requirements than are in this House bill, which was supported by a bipartisan group that included Attorney General William Barr and the leadership of the House Judiciary Committee. The Senate recently passed an amended version of the House bill, expanding the new requirements, which the Justice Department has strongly opposed on the grounds that it “would unacceptably degrade our ability to conduct surveillance of terrorists, spies and other national security threats”—and as of this writing the House has not acted on the Senate amendments. On May 26, the President tweeted, “I hope all Republican House Members vote NO on FISA until such time as our Country is able to determine how and why the greatest political, criminal, and subversive scandal in USA history took place!” If new legislation is not enacted, the lack of FISA authority will have ongoing investigative impact—particularly concerning tangible things—and will create pressure to use other authorities more aggressively, including national security letters and grand jury subpoenas, which could create other problems. For example, national security letters have, in the past, produced their own inspector general reports documenting misuse.

FISA has generated significant controversy with a decidedly partisan aspect. But the operational elements of reform may admit of relatively more continuity, rather than change, as between the Trump administration and a Biden administration. Members of Congress from both major political parties have raised concerns about FISA; the statute and its implementation are technical and complex, requiring attention to detail for meaningful solutions; and inaccuracy of the sort demonstrated by the FBI is not desired by senior national security officials of either political party. The partisan political aspects of FISA will likely endure, but nuts-and-bolts efforts at accuracy reform and related implementation could well be similar even if Biden wins the election.

#### Wrecks the Five Eyes – way more important than the plan

Nyst 14 (Carly Nyst, Head of International Advocacy at Privacy International, “The UN Privacy Report: Five Eyes Remains,” 8-13-2014, http://www.globalpolicyjournal.com/blog/13/08/2014/un-privacy-report-five-eyes-remains)

Carly Nyst discusses the recent report commissioned by the UN General Assembly in response to the political fallout of Edward Snowden’s revelations of American and British mass surveillance programmes. The report condemns modern surveillance techniques, particularly the secret Five Eyes spying alliance, which enables the US and UK to share vast amounts of surveillance with Australian, Canadian and New Zealand intelligence agencies. The United Nations delivered a searing rebuke to the digital mass surveillance practices of the United States in a report that systematically picks apart many of the legal justifications employed by government officials defending US and UK spying activities. The secret Five Eyes spying alliance, which enables the US and UK share vast amounts of surveillance with Australian, Canadian and New Zealand intelligence agencies, faces an existential threat if some of the conclusions in the report gain traction in national courts and legislatures. The report, commissioned by the UN General Assembly in response to the political fallout of Edward Snowden’s revelations of American and British mass surveillance programmes, is the strongest condemnation of modern surveillance techniques that any international authority has appropriated to date. The release of the report couldn’t be more timely; the US is in the midst of debating surveillance reforms, and in the UK, emergency legislation granting government new spying powers was rammed through Parliament in the same week the courts considered challenges to surveillance laws . A line in the sand For more than a year we have listened as officials in the US and UK defended the mass surveillance programs revealed by Edward Snowden. No one is reading your email, they’d say. No one is looking at the content of your communication. Don’t worry, it’s only the bad guys over there that we’re interested in. We are completely in compliance with international law. Navi Pillay, the UN High Commissioner of Human Rights, disagrees. She has issued a salvo of attacks on the legal excuses advanced by States that have sought to justify bulk collection under international law. Even if the government isn’t actually reading emails, they are tampering with individuals’ privacy. The very existence of a bulk collection program, such PRISM in the United States or the United Kingdom’s TEMPORA program, fundamentally interferes with privacy. Even where bulk collection programs serve a legitimate aim and have been approved through clear legal framework, they may still be unlawful because of the disproportionate impact of collecting metadata upon privacy rights. And, perhaps most significantly, laws which discriminate between the protections given to US and non-US persons have been shot down. Where the US interferes with communications infrastructure, by tapping cables or demanding access to data held by US internet services, they are obliged to consider the human rights of any person whose privacy they interfere with, and cannot discriminate against foreigners on the basis of their nationality or location–counter to the entire premise upon which FISA is based. Taken to its logical conclusion, this stance may spell the end of the carefully crafted legal loop-holes that the NSA relies on to maintain foreign surveillance activities. An end to unaccountable intelligence-sharing? The report also creates an existential crisis for intelligence-sharing arrangements, such as the Five Eyes alliance of the US, UK, Canada, Australia and New Zealand. In providing some of the most robust analysis by any authority to date on the relationship between foreign intelligence and human rights, Ms Pillay suggests that any effort by governments to coordinate surveillance practices in order to 'outflank the protection provided by domestic legal regimes' is unlawful. As a British court heard last week in a case against UK foreign intelligence agency GCHQ, this is precisely the purpose of the Five Eyes arrangement. There is no clear and accessible legal regime that specifies the circumstances in which, Five Eyes authorities can request access to signals intelligence from, or provide such intelligence, to another Five Eyes authority. Each of the Five Eyes states have broad, vague domestic laws that purport to warrant the sharing of and access to shared signal intelligence, but fail to set out minimum safeguards or provide details of or restrictions upon the nature of intelligence sharing. Moreover, the domestic legal frameworks implementing the obligations created by the Five Eyes agreement are carefully constructed to provide differing levels of protections for internal versus external communications, or those relating to nationals versus non-nationals. These frameworks attempt to circumvent national constitutional or human rights protections governing interferences with the right to privacy of communications that, states contend, apply only to nationals or those within their territorial jurisdiction. In the UK, the Intelligence and Security Committee–in charge of overseeing the actions of the UK intelligence agencies, including GCHQ–responded to the Snowden leaks remarking 'It has been alleged that GCHQ circumvented UK law by using the NSA’s PRISM programme to access the content of private communications […] and we are satisfied that they conformed with GCHQ’s statutory duties. The legal authority for this is contained in the Intelligence Services Act 1994.' Yet the chair of the ISC has in fact admitted to confusion about whether 'if British intelligence agencies want to seek to know the content of emails can they get round the normal law in the UK by simply asking an American agencies to provide that information?' When the head of the comilmittee charged with overseeing the lawfulness of the actions of intelligence services is unsure as to whether such agencies have acted lawfully, there is plainly a serious dearth in the accessibility of law, calling into question the rule of law. The UN’s report also takes umbrage at the 'secret rules' and FISC-like 'secret judicial interpretations' of laws. Any legal framework that gives executive authorities­–such as security and intelligence services–excessive discretion will be unlawful under international law, according to the UN. It is difficult to imagine how the Five Eyes intelligence sharing arrangement could ever pass muster if this is the threshold. The original Five Eyes agreement demanded secrecy, stating 'it will be contrary to this agreement to reveal its existence to any third party unless otherwise agreed' resulting in modern day references to the existence of the agreement by the intelligence agencies remaining limited. The existence of the agreement was not acknowledged publicly until March 1999; it was not until 2010, that the US and UK declassified numerous documents, including memoranda and draft texts, relating to the creation of the agreement. Generally the Five Eyes States and their intelligence services have been far too slow in declassifying information that no longer needs to be secret, resulting in the absence of the arrangement on any government website until recently.

#### AND, Brexit and Wexit thump

Lo 21 (Alex Lo, former lecturer in journalism at the University of Hong Kong, South China Morning Post columnist covering major issues affecting Hong Kong and the rest of China, journalist for 25 years, “The coming collapse of the ‘Five Eyes’ club of nations,” South China Morning Post, 1-26-2021, <https://www.scmp.com/comment/opinion/article/3119362/coming-collapse-five-eyes-club-nations>)

Some foreign political observers have long predicted the coming collapse of China or at least the Chinese communist state, which, of course, would amount to the same thing.

But, in the current context of the rivalry between China and the West, we are much more likely to see the break-up of some members of the so-called Five Eyes spying club of English-speaking nations: the United Kingdom, the United States and Canada.

Of the three, the UK is in the most obvious danger, thanks to its “successful” Brexit. In new polls conducted by The Sunday Times of Wales, Northern Ireland, Scotland and England, secessionist sentiments run high.

In Scotland, 49 per cent support independence compared to 44 per cent against – a margin of 52 per cent to 48 per cent if the undecided are excluded.

Scottish First Minister Nicola Sturgeon, of the nationalist Scottish National Party, is fighting for a referendum on independence regardless of Westminster’s consent.

The same polls reveal that a majority of people in the UK, regardless of their own political preferences, believe Scotland will become independent within the next decade.

In Northern Ireland, 42 per cent favour unification with the rest of the Irish nation, while 47 per cent prefer to stay in the Union. However, 51 per cent support a referendum on a united Ireland within the next five years, compared to 44 per cent against. Both Northern Ireland and Scotland see Brexit as England’s wilful negation of their clear preference to stay in the European Union.

The break-up of the UK will, of course, have enormous consequences not just for its people, but for the world at large. Without going into such complicated issues as global security, economy and cultural influence, just imagine the proud Union flag, which represents the four nations. It will have to be dropped and replaced.

When people talk about Canada and separatism, they usually think of Quebec. The reality today is rather different. Most likely, if federalism were to fall apart, it would be from the western provinces. “Wexit”, as it is sometimes called, will be led by resource-rich Alberta and breadbasket Saskatchewan. However, they may well be followed by Quebec and the First Nations of natives.

An October 2019 survey by Ipsos, the market research and public opinion specialist, found that a third of Albertans think their province would be better off separated, up from 25 per cent from the previous year. That is about the same as the 26 per cent and 27 per cent who back separation respectively in francophone Quebec and Saskatchewan.

Quite simply, Alberta’s economy depends on oil and natural gas production; it also sends more money to Ottawa than it receives in terms of tax transfers.

To add insult to injury, many Albertans think Ottawa wants to kill their energy industry, especially with the environment-friendly policy of the Liberal government under Prime Minister Justin Trudeau. Last week’s statement by Canada’s energy minister, Seamus O’Regan, has been especially infuriating.

He said Canada must “respect” US President Joe Biden’s decision to kill the controversial Keystone XL pipeline project and rejected demands from provincial politicians to pursue punitive measures against the United States.

“It was an important campaign promise from candidate Biden. It’s the one he kept as President Biden,” he said.

The perception is that Ottawa cares more about Washington than one of its most important revenue-generating provinces.

Indeed, the federal government has been ambivalent about the Keystone XL project, which aims to transport a massive amount of tar sands oil from Alberta to Texas, the dirtiest type of fossil fuel because of the technical difficulties in extraction and processing.

Trudeau had run on a platform of environmental protection.

According to the US World Population Review in 2019, Alberta produces a shocking 62 tonnes of carbon dioxide equivalent per person per year, compared to about 17 tonnes per person by another giant oil producer, Saudi Arabia. But if your entire livelihood depends on oil sands, you may not care too much about global warming.

As a voter, though, you would care that more of your taxes go to the federal government than benefits you receive from it.

The latter point, of course, is not so simple. As Donald Savoie, an academic at the Universite de Moncton, has argued in Democracy in Canada: The Disintegration of Our Institutions, the province actually received a greater bang for its buck from federal spending than would be revealed by a simple accounting of the transfers of payments and benefits. But in politics, perception is all.

National break-ups don’t always have to be violent, though they often are. In the 1990s, Yugoslavia collapsed into a savage civil war that killed more than 150,000 people. However, Czechoslovakia divorced peacefully following referendums. If break-ups were to happen, the UK and Canada may end up closer to the Czechoslovakia scenario.

But there is no guarantee, given the fault lines between the Catholics and Protestants, and the long-standing antagonism between former members of the Irish Republican Army and the British establishment, in Northern Ireland.

### 1NC---AT: Emerging Tech !

#### No emerging tech impacts – gradualism and hype.

Sechser 19– Todd S. Sechser, Public Policy Professor at the University of Virginia. Neil Narang, Political Science Professor at the University of California, Santa Barbara. Caitlin Talmadge, Security Studies Professor at Georgetown University. [Emerging technologies and strategic stability in peacetime, crisis, and war, Journal of Strategic Studies, 42(6), Taylor and Francis]

Yet the history of technological revolutions counsels against alarmism. Extrapolating from current technological trends is problematic, both because technologies often do not live up to their promise, and because technologies often have countervailing or conditional effects that can temper their negative consequences. Thus, the fear that emerging technologies will necessarily cause sudden and spectacular changes to international politics should be treated with caution. There are at least two reasons to be circumspect.

First, very few technologies fundamentally reshape the dynamics of international conflict. Historically, most technological innovations have amounted to incremental advancements, and some have disappeared into irrelevance despite widespread hype about their promise. For example, the introduction of chemical weapons was widely expected to immediately change the nature of warfare and deterrence after the British army first used poison gas on the battlefield during World War I. Yet chemical weapons quickly turned out to be less practical, easier to counter, and less effective than conventional high-explosives in inflicting damage and disrupting enemy operations.6 Other technologies have become important only after advancements in other areas allowed them to reach their full potential: until armies developed tactics for effectively employing firearms, for instance, these weapons had little effect on the balance of power. And even when technologies do have significant strategic consequences, they often take decades to emerge, as the invention of airplanes and tanks illustrates. In short, it is easy to exaggerate the strategic effects of nascent technologies.7

Second, even if today’s emerging technologies are poised to drive important changes in the international system, they are likely to have variegated and even contradictory effects. Technologies may be destabilising under some conditions, but stabilising in others. Furthermore, other factors are likely to mediate the effects of new technologies on the international system, including geography, the distribution of material power, military strategy, domestic and organisational politics, and social and cultural variables, to name only a few.8 Consequently, the strategic effects of new technologies often defy simple classification. Indeed, more than 70 years after nuclear weapons emerged as a new technology, their consequences for stability continue to be debated.9

## 3

### Fires

Can’t stop all fires, duh, can’t solve response

### Algae blooms

#### Dead zones inevitable but have no impact

Avery 5 (Dennis, Director of the Center for Global Food Issues – Hudson Institute, “It’s Time To Tell The World How High-Yield Farming Saves Nature”, 2-9, <http://www.cgfi.org/tag/farm-productivity/>)

. Myth: Fertilizer from the Midwest Threatens the Gulf of Mexico During the Clinton Administration, a White House Task Force recommended a 30 percent cut in Midwest fertilizer use because of a so-called “dead zone” in the Gulf of Mexico. Fortunately, the task force admitted in its report that it could find **no evidence** of either ecological or economic harm to the Gulf from the summer algae bloom that causes the “dead zone.” The first reports of such algae blooms in the Gulf go back into the 19th century. Fisheries experts say that most of the nutrients for the Gulf’s vast, rich fishery come down the Mississippi River. Such hypoxic zones are a common feature at the mouths of 40 major rivers around the world, where fresh, nutrient-laden water hits salt water. Under such conditions, the laws of biology and physics guarantee periodic algae blooms. Know also that Midwest fertilizer use has not risen since 19**80**, while the yields from the corn that gets most of the N fertilizer have risen 25 percent. Obviously, more of the farm fertilizer is being harvested as corn. More of the Midwest’s poultry and livestock have been moved indoors, where their wastes are carefully collected and spread on growing crops. If the “dead zone” is expanding, which is in serious doubt, where is the additional N coming from? The sewage treatment plants of St. Louis and Kansas City? Don’t forget either, that before farmers settled the Great Plains, the grasslands there had 60 million bison, 100 million antelope, billions of birds and grasshoppers, all eating the grass and defecating. The N may have taken longer to reach the Gulf, but it’s likely that Cortez could have found an algal bloom in the Gulf of Mexico when he invaded Mexico in 1520.

### OIL SPILLS

#### No impact to spills -- They’re media hype

ITOPF 12 ---- International Tanker Owners Pollution Federation, a non-profit organization that serves to prepare for and respond to oil spills, “Effects of Oil Pollution on the Marine Environment”, 3/12/12, available online at <http://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0CG4QFjAA&url=http%3A%2F%2Fwww.itopf.com%2Finformation-services%2Fpublications%2Fdocuments%2FTIP13EffectsofOilPollutionontheMarineEnvironment.pdf&ei=0GvJT-aiOKLE2wXTreDZCw&usg=AFQjCNHbJiTXmfhmUee-lnhCpN2IcBdyMg>

Oil spills can cause a wide range of impacts in the marine environment and are often portrayed by the media as ‘environmental disasters’ with dire consequences predicted for the survival of marine flora and fauna. In a major incident the short-term environmental impact can be severe, causing serious distress to ecosystems and to the people living near the contaminated coastline, affecting their livelihoods and impairing their quality of life (Figure 1). Images of oiled birds following a spill encourage the perception of widespread and permanent environmental damage with the inevitable loss of marine resources. Given the highly charged and emotional reaction usually associated with oil spills, it can be difficult to obtain a balanced view of the realities of spill effects and subsequent recovery. The impacts of spills have been studied and documented in the scientific and technical literature over several decades. Consequently, the effects of oil pollution are sufficiently well understood to allow for broad indications of the scale and duration of damage for a given incident. A scientific appraisal of typical oil spill effects reveals that, while damage occurs and can be profound at the level of individual organisms, **populations are** more **resilient**. In time, natural recovery processes are capable of repairing damage and returning the system to its normal functions. The recovery process can be assisted by removal of the oil through well-conducted clean-up operations, and may sometimes be accelerated with carefully managed restoration measures. Long term damage has been recorded in a few instances. However, in most cases, even after the largest oil spills, the affected habitats and associated marine life can be expected to have broadly **recovered within a few seasons**.

#### SQ solves -- vacuums and skimmers

AGU 11 ---- American Geophysical Union -- American Physical Society and the Division of Fluid Dynamics, “Vacuuming up Oil Spills,” March, <http://www.ivanhoe.com/science/story/2011/03/837a.html>

The BP oil spill flowed for three months in 2010, spewing over 200 million gallons of crude oil into the Gulf of Mexico -- the largest spill in U.S. history. The Exxon Valdez spill in 1989 spilled 32 million gallons of oil into Prince William Sound in Alaska -- the second largest oil spill in U.S. history. We haven’t seen the end of them -- they happen almost daily all over the world and the environmental effects can be devastating. Now, scientists have a new, more efficient, safer way to clean up oil spills. “It’s able to skim oil in environmentally sensitive areas that would be damaged by conventional oil skimmers,” Tim Lindsey, Ph.D., director for energy and sustainable business programs at the University of Illinois- Urbana-Champaign, told Ivanhoe. Scientist Tim Lindsey designed the floating oil skimmer. It draws oil in from all directions, like a vacuum. “It only pulls in fluid from the very surface of the water,” Dr. Lindsey said. The skimmer sits on the surface of the water; a pump sucks in the oil and some water, then, a device separates the oil from the water. The separated oil is then put into containers and the water is filtered and returned to the ocean. “The full scale prototype we developed would skim about 200 gallons of oil a minute,” Dr. Lindsey said. It's a good solution to help save the seas, our environment and jobs. Researchers say the skimmer can be attached to oilrigs to be ready to draw in oil immediately in the case of a spill.

#### Environment is resilient to spills

ITOPF 12 ---- International Tanker Owners Pollution Federation, a non-profit organization that serves to prepare for and respond to oil spills, “Effects of Oil Pollution on the Marine Environment”, 3/12/12, available online at [http://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0CG4QFjAA&url=http%3A%2F%2Fwww.itopf.com%2Finformation-services%2Fpublications%2Fdocuments%2FTIP13EffectsofOilPollutionontheMarineEnvironment.pdf&ei=0GvJT-aiOKLE2wXTreDZCw&usg=AFQjCNHbJiTXmfhmUee-lnhCpN2IcBdyMg](http://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0CG4QFjAA&url=http%3A%2F%2Fwww.itopf.com%2Finformation-services%2Fpublications%2Fdocuments%2FTIP13EffectsofOilPollutionontheMarineEnvironment.pdf&ei=0GvJT-aiOKLE2wXTreDZCw&usg=AFQjCNHbJiTXmfhmUee-lnhCpN2IcBdyMg#Thur)

The ability of the marine environment to recover from severe perturbations is a function of its complexity and resilience. Recovery from highly destructive natural phenomena, such as hurricanes and tsunamis, demonstrates how ecosystems can re-establish over time, even after severe disruptions with extensive mortality. While considerable debate exists over the definition of recovery and the point at which an ecosystem can be said to have recovered, there is broad acceptance that natural variability in ecosystems makes a return to the exact pre-spill conditions unlikely. Most definitions of recovery instead focus on the re-establishment of a community of flora and fauna that is characteristic of the habitat and functioning normally in terms of biodiversity and productivity. This principle can be illustrated by the experience of inappropriate clean-up operations following the loss of the tanker TORREY CANYON off the coast of England in 1967, in which the use of toxic cleaning agents on rocky shorelines led to considerable damage. Although the detailed distribution of particular species present was altered and the effects of the perturbation could be traced over more than two decades, the overall functioning, biodiversity and productivity of the ecosystem was re-established within one to two years. Under the definition proposed above, the rocky shore community could be said to have recovered within the two year period. Nevertheless, the limitations of this definition can be recognised by considering the age distribution of the component organisms. Instead of the full range of ages prior to the incident, from juveniles to mature organisms, the newly recruited plants and animals fell within a narrow age range and consequently the community was, initially, less robust.

### Fish

#### Stocks replenish—cod proves, strong management, consumer awareness

Harvey, 13 (Fiona – environment correspondent, 6/7, “Cod stocks recover after years of overfishing”, The Guardian, Fiona, <http://www.guardian.co.uk/environment/2013/jun/08/cod-stocks-recover-overfishing-marine>)

Cod could be in for a revival at the fish counter as stocks recover after being overfished for decades.

Eating cod has been regarded as close to a crime by environmentalists, and consumers have been urged to opt for alternatives such as gurnard.

But a survey by the **M**arine **S**tewardship **C**ouncil (MSC) and other fisheries organisations suggests that effective management means cod is increasing. The standards body, which certifies certain fisheries as sustainable as a guide for consumers, said that on current trends cod would soon qualify for its certification.

Richard Benyon, the fisheries minister, recently confessed to the Guardian that cod – in batter, with mushy peas – was his favourite fish.

But cod aficionados will have to wait a bit longer before tucking in with a clear conscience: stocks will not be sustainable for at least a year and possibly two or three, said Claire Pescod of the MSC: "Things are a lot better than they were, but we can't let up just yet."

Chef Hugh Fearnley-Whittingstall said he would be waiting for a full certification by the MSC before putting cod back on the menu. "I'm more keen than anyone to see British cod back on the 'fish to eat' list, but I can't in good conscience promote eating fish from a stock that it is still below what scientists consider safe limits, while fishermen still have to throw much of it back dead into the sea," he said.

"If you know your cod is from a boat catching in a selective and low-impact way, or a trawler on the CCTV scheme for discard-free cod, then that's the best choice you can make for British cod."

Some green campaigners were cautious, saying a full recovery could still take many years. Paul de Zylva of Friends of the Earth said: "We would expect some recovery of cod stocks because of the closure of the North Sea cod fisheries. But this does not mean stocks have recovered to high enough levels.

"We're in this near extinction mess – and the North Sea cod fisheries were closed – precisely because industrial commercial fishing has stripped fish stock to the bone. The UK used to be self-sufficient in fish for all 12 months of the year. Now we're using our own fish stocks for just six months."

He said taking species off the danger list too soon would just repeat the cycle of overfishing. "It's pointless to declare that cod and other species are recovering if they are still far from being at safe levels where adult fish reproduce, their offspring survive and overall levels are sustained."

A handful of other species that have been overfished are also showing signs of improvement: Dover sole caught using trammel nets in the western channel, North Sea herring caught by drift net, and cockles from the Thames Estuary. But red gurnard may be less safe than thought – there is not enough data, according to the MSC, to say for certain how stocks are faring.

The brighter prospect for cod comes in Project Inshore, a survey of 450 of the UK's inshore fishing grounds carried out by the MSC and other fishing organisations, with government backing.

The organisation said: "Cod stocks in the North Sea – often perceived as a species to avoid – continue to show a **strong recovery** and are now close to a level where they could meet the MSC standard. The report shows that **strong management** measures have made a **positive impact** and that – once stocks have reached the required levels – all other areas of the fisheries are ready to enter an MSC full assessment."

#### No overfishing – declines are natural variability

Bluemink 8(Elizabeth, Staff Writer – ADN, “Greenpeace Puts Pollock Fishery in its Cross Hairs”,

Anchorage Daily News, 12-3, http://www.adn.com/news/alaska/story/609562.html)

Federal scientists say there are fewer fish but **the accusation of overfishing is false**. The pollock industry agrees with the federal scientists. "This (population decline) was not unexpected, and the sky is not falling," said David Benton, executive director of the Marine Conservation Alliance, which represents western Alaska fishing fleets, processors and ports. Federal scientists have called for a dramatic reduction in the pollock industry's harvest next year -- the lowest catch in the fishery's history -- in response to the decline. Greenpeace and other conservation groups say even deeper cuts in the catch are needed to ensure that pollock remain healthy in the long run. The federal scientists have recommended limiting the pollock harvest to 815,000 tons -- the smallest in more than 30 years. Greenpeace is pushing for a much smaller harvest: 458,000 tons. "Pollock is one of the most important food sources for every animal in the Bering Sea food web," said George Pletnikoff, a Greenpeace campaigner based in Alaska. Next week, the North Pacific Fishery Management Council will meet in Anchorage to consider next year's catch limit, among other tasks. The meetings begin Monday and are expected to spill over into the following week. "People can go to the Anchorage Hilton hotel next week and give their opinions and thoughts about the fishery. They should be involved in it," Pletnikoff said. National Marine Fisheries Service scientists say the decline in Bering Sea pollock is due to **natural variability** in the fish population that has been documented for decades, **not too much harvesting.**