# 1AC

## 1AC---DPS

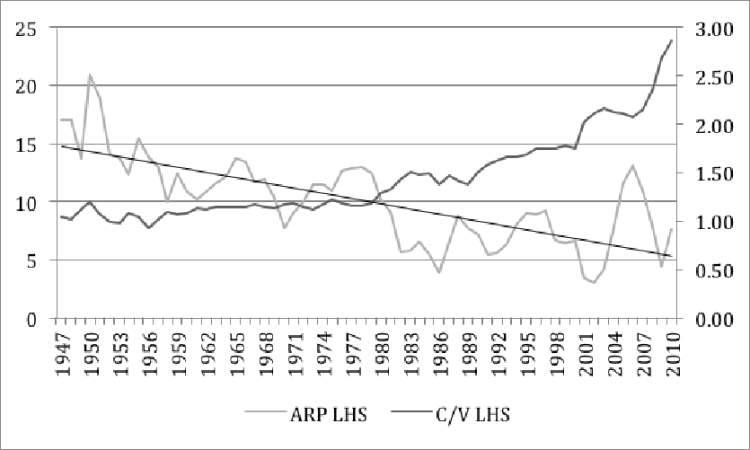
### 1AC---Crisis

#### Advantage 1 is Crisis:

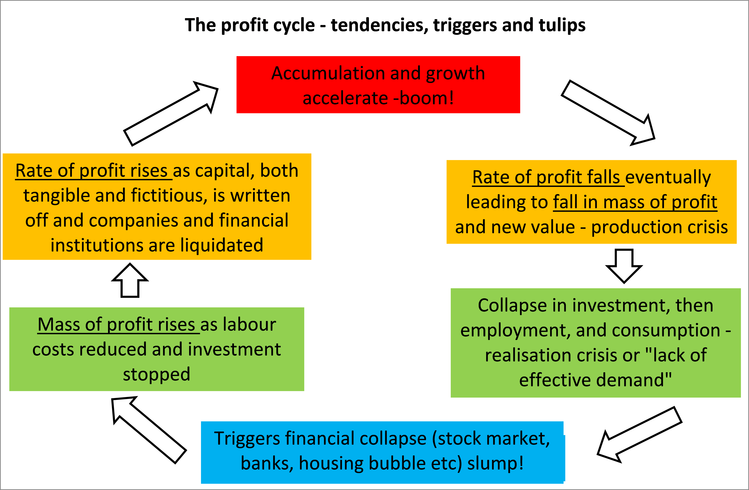
#### Marx’s law of profitability explains cyclical recessions and renders capitalism unsustainable

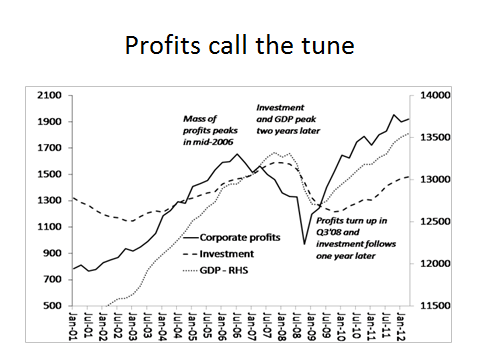
Roberts 15 - London economist citing PhD economists (Michael, https://thenextrecession.wordpress.com/2015/12/29/the-marxist-theory-of-economic-crises-in-capitalism-part-two/, emuse)

Does Marx’s law fit the facts? Some Marxist critics of Marx’s law of profitability reckon that the law cannot be empirically proven or refuted because official statistics cannot be used to show Marx’s law in operation. But there are plenty of studies by Marxist economists that show otherwise. The key tests of the validity of the law in modern capitalist economies would be to show whether 1) the rate of profit falls over time as the organic composition of capital rises; 2) the rate of profit rises when the organic composition falls or when the rate of surplus value rises faster than the organic composition of capital; 3) the rate of profit rises, if there is sharp fall in the organic composition of capital as in a slump. These would be the empirical tests and there is plenty of empirical evidence for the US and world economy to show that the answer is yes to all these questions. For example, [Basu and Manolakos](http://gesd.free.fr/basumano.pdf) applied econometric analysis to the US economy between 1948 and 2007 and found that there was a secular tendency for the rate of profit to fall with a measurable decline of about 0.3 percent a year “after controlling for counter-tendencies.” In [my work on the US rate of profit,](http://gesd.free.fr/mr1213.pdf) I also found an average decline of 0.4 percent a year through 2009. And here is a figure by G Carchedi for the rise in the organic composition of capital (OCC) in the industrial sector of the US since 1947 versus the average rate of profit (ARP). It tells the same story. US ARP and OCC (i.e. C/V) versus the average rate of profit (ARP). It tells the same story. US ARP and OCC (i.e. C/V)

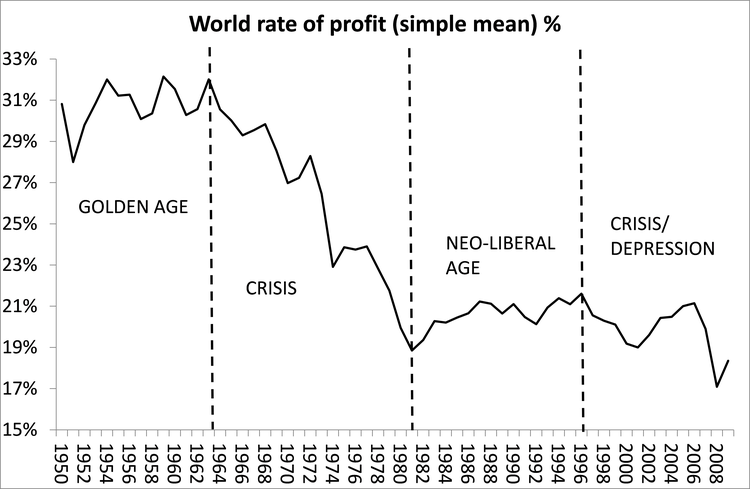
[](https://thenextrecession.files.wordpress.com/2015/12/arp.png)

There is a clear inverse correlation between a rising organic composition of capital and a falling rate of profit. Can Marx’s law explain crises? How does Marx’s law of profitability work as an explanation and forecast of slumps in capitalist economies? The law leads to a clear causal connection to regular and recurrent crises (slumps). It runs from falling profitability to falling profits to falling investment to falling employment and incomes. A bottom is reached when there is sufficient destruction of capital values (the writing off technology, the bankruptcy of companies, a reduction in wage costs) to raise profits and then profitability. Then rising profitability leads to rising investment again. The cycle of boom recommences and the whole ‘crap’ starts again, to use Marx’s colourful phrase. [There is a cycle of profit alongside the long-term tendency for the rate of profit to fall.](https://thenextrecession.files.wordpress.com/2013/07/cycles-in-capitalism.pdf)

[](https://thenextrecession.files.wordpress.com/2015/12/profit-cycle.png) The evidence of this causality between profit and investment is available. Jose Tapia Granados, using regression analysis, finds that, over 251 quarters of US economic activity from 1947, profits started declining long before investment did and that pre-tax profits can explain 44% of all movement in investment, while there is no evidence that investment can explain any movement in profits. I find a higher ‘Granger causality’ of 60% from annual changes in profit and investment (unpublished) and a correlation of 0.67 for the period since 2000. And see this by G Carchedi ([Carchedi Presentation](https://thenextrecession.files.wordpress.com/2015/06/carchedi-presentation.pptx)). In the period leading up to the Great Recession 2008-9, we can see the causality visually for US profits, investment and real GDP in the graphic below. The mass of US corporate profit peaks in mid-2006, investment and GDP follows two years later. Profits turn back up in late 2008 and investment follows one year later.

[](https://thenextrecession.files.wordpress.com/2015/12/profits-lead.png)

There are two basic regularities shown by the data: that a change in profits tends to be followed next year by a change in investment in the same direction; and that a change in investment is usually followed in a few years by changes in profits in the opposite direction. Thus we have a cycle. From these results, the “regularity” of the business cycle, and the fact that profitability stagnated in 2013 and declined in 2014 (and now the mass of profits in 2015) after growing between 2008 and 2012, it can be concluded with some confidence that a recession of the US economy, which will be also part of a world economic crisis like the Great Recession, will occur again in the next few years. And Marx’s law of the tendency of the rate of profit to fall makes an even more fundamental prediction: that the capitalist mode of production will not be eternal, that it is transitory in the history of human social organisation. The law of the tendency predicts that, over time, there will be a fall in the rate of profit globally, delivering more crises of a devastating character. Work has been done by modern Marxist analysis that confirms that the world rate of profit has fallen over the last 150 years. See the graph below ([data from Esteban Maito](https://thenextrecession.files.wordpress.com/2015/05/maito-esteban-the-historical-transience-of-capital-the-downward-tren-in-the-rate-of-profit-since-xix-century.pdfhttp:/gesd.free.fr/mrwrate.pdf) and ‘doctored’ by me).

[](https://thenextrecession.files.wordpress.com/2015/12/world-rate-of-profit-maito.png) Maito’s data for the 19th century have recently been questioned ([DUMENIL-LEVY on MAITO](https://thenextrecession.files.wordpress.com/2015/12/dumenil-levy-on-maito.pdf)), but in a recent work using different sources and countries, I find a similar trend for the post-1945 period globally ([Revisiting a world rate of profit June 2015](https://thenextrecession.files.wordpress.com/2015/12/revisiting-a-world-rate-of-profit-june-2015.pdf)). And earlier groundbreaking work by Minqi Li and colleagues, as well as by Dave Zachariah, show a similar trend. As Maito concludes: “The tendency of the rate of profit to fall and its empirical confirmation highlights the historically limited nature of capitalist production. If the rate of profit measures the vitality of the capitalist system, the logical conclusion is that it is getting closer to its endpoint. There are many ways that capital can attempt to overcome crises and regenerate constantly. Periodic crises are specific to the capitalist mode of production and allow, ultimately, a partial recovery of profitability. This is a characteristic aspect of capital and the cyclical nature of the capitalist economy. But the periodic nature of these crises has not stopped the downward trend of the rate of profit over the long term. So the arguments claiming that there is an inexhaustible capacity of capital to restore the rate of profit and its own vitality and which therefore considers the capitalist mode of production as a natural and a-historical phenomenon, are refuted by the empirical evidence.” So the law predicts that, as the organic composition of capital rises globally, the rate of profit will fall despite counteracting factors and despite successive crises (which temporarily help to restore profitability). This shows that capital as a mode of production and social relations is transient. Capitalism has not always been here and it has ultimate limits, namely capital itself. It has a ‘use-by-date’. That is the essence of the law of profitability for Marx. Alternative theories This is not to deny other factors in capitalist crises. The role of credit is an important part of Marxist crisis theory and indeed, as the tendency of the rate of profit to fall engenders countertendencies, one of increasing importance is the expansion of credit and the switching of surplus value into investment in fictitious capital rather than productive capital to raise profitability temporarily, but with eventually disastrous consequences, as The Great Recession shows ([The Great Recession](https://thenextrecession.files.wordpress.com/2013/08/the-great-recession.pdf); [Debt matters](https://thenextrecession.files.wordpress.com/2012/11/debt-matters.pdf)). Alternative theories of crisis like underconsumption, or the lack of effective demand, are taken from theories from the reactionary Thomas Malthus and the radical Sismondi in the early 19th century and then taken up by Keynes in the 1930s and by modern inequality theorists like Stiglitz and [post-Keynesian economists](http://bilbo.economicoutlook.net/blog/?p=15854). But lack of demand and rising inequality cannot explain the regularity of crises or predict the next one. These theories do not have strong empirical backing either ([Does inequality causes crises](https://thenextrecession.files.wordpress.com/2015/11/does-inequality-causes-crises.pdf)). Professor Heinrich, after concluding that Marx did not have a theory of crisis and dropped the law of profitability, [does offer a vague one of his own](https://thenextrecession.wordpress.com/2015/05/19/the-two-michaels-heinrich-and-roberts-in-berlin-dogmatism-versus-doubt/): namely capital accumulates and produces more means of production blindly. This gets out of line with consumption demand from workers. So a ‘gap’ develops that has to be filled by credit, but somehow this cannot hold up things indefinitely and production then collapses. Well, it is a sort of a theory, but pretty much the same as the underconsumption (overproduction) theory that Heinrich himself dismisses and [Marx dismissed 150 years ago.](http://www.mcg-j.org/swp_arc/english/etheory/economics/eprm29-2.htm) It seems way less convincing or empirically supported that Marx’s own theory of crisis based on the law of profitability. No other theory, whether from mainstream economics or from heterodox economics, can explain recurrent and regular crises and offer a clear objective foundation for the transience of the capitalist system.

#### Profitability will hit zero by 2054---but converging tipping points ensure collapse much sooner

Reese 20 - author of Socialism or Extinction and The End of Capitalism: The Thought of Henryk Grossman (Ted, <https://www.patreon.com/posts/socialism-is-now-37023695>, emuse)

That capitalism is unsustainable has long been empirically observable. Most obviously, manufacturing costs and consumer commodity prices are trending towards zero. For example, whereas the world’s fastest supercomputer in 1975 was worth $5m ($32m in 2013’s money), the price of an iPhone 4 released in 2010 with the equivalent performance was $400. Aerospace companies producing propulsion systems in 2010 for $24m in 24 months are now 3-D printing their engines for $2,000 in two weeks. And rather than having globalised supply chains, such companies foresee the entire rocket being built in ‘at home’ [7]. While ‘offshoring’ manufacturing jobs to the ‘low-income economies’ is said to save up to 65% on labour costs, replacing human workers with robots saves up to 90% [8]. Unlike workers, robots do not need wages, breaks, sick days, holidays or pensions. And they work quicker in the first place, too. While industrialisation, particularly in Asia, saw 83 ‘developing countries’ achieving growth rates by the early 2000s that were more than twice the rate of the ‘developed’ OECD members, the rest of the world has seen the same opportunity end ‘prematurely’. Latin America and Africa are already deindustrialising (shifting to services-based workforces) – from a much lower starting point than Asia [9]. Whereas industrialisation peaked in western European countries at income levels of around $14,000, India and many sub-Saharan African countries appear to have reached their peak manufacturing employment at income levels of $700 (both at 1990 levels) [10]. Not only do robots and 3D-printing increasingly remove the incentive for capitalists based in the US and Europe to exploit workers overseas, the incentive to exploit transit workers – who add production time/value to the commodities they transport around the world – is also removed [11]. The emergence of cellular agriculture (lab-grown food), with falling prices and rising quality estimated to see the beef industry go bust by 2035, is going to have the same effect [12]. For the past 145 years, the imperialist powers – the US, Britain, France, Germany and Japan – have been increasingly compelled to export capital (invest) overseas in order to expand and cheapen their exploitable labour bases, thereby sustaining their own economies by living off profits generated by commodity-producing workers in the ‘developing world’. Britain, for example, exported capital equal to 560% of its GDP in 2014 [13]. Between 1980 and 2012 the net outflows of capital from ‘developing’ countries being funnelled into ‘developed’, ie imperialist nations, totalled $16.3 trillion [14]. But the economic relation that underpins imperialism is now unravelling. If prices are trending historically towards zero, so too must the ‘global’ aggregate rate of profit. According to Estaban Maito’s estimates, it fell in a secular trend from 43% in the 1870s to 17% in the 2000s, and is (as of 2014) on course to reach zero around 2054 [15]. Automation and absolute overaccumulation But as the criminally under-appreciated Polish Marxist Henryk Grossman warned in 1929, capitalism is bound to collapse “much earlier than a zero rate of profit” [16], because capital, inherently, does not accumulate harmoniously – the process tends to break down. Overaccumulated capital – surplus capital that has become unprofitable to reinvest – is inevitable. It causes every recession, a partial and temporary breakdown, and is at the same time an underproduction of surplus value; ie, too little profit has been generated to preserve and expand the value of total capital. (Surplus value, or surplus labour time, is the amount of value the capitalist appropriates from the worker, who, on average, keeps only what they need to subsist, their necessary labour time. Profit then is essentially unpaid labour, which tends to increase with innovation. Hence falling prices.) Debt therefore rises to ‘fill the gap’ caused by this underproduction, but can only cover the lag in profit for so long before recession becomes inevitable, since investors are bound to withdraw funds when growth becomes too stagnant, channelling this new surplus instead into tax havens, land and the competitive gambling of speculation that generates financial ‘bubbles’. Each breakdown is overcome through the sufficient destruction, cheapening and centralisation of capital. But the resulting innovation means fewer workers tend to remain employed relative to total capital. Despite the increased rate of exploitation that temporarily lifts profit rates, the next overaccumulation tends to be greater than the one which preceded it. There is no such thing as ‘technological unemployment’ though – alongside surplus capital grows unexploitable surplus labour (unemployment). Clearly, the closer we get to the completion of the historical trend towards fully-automated production, the closer capitalism gets to its final breakdown. Production is already highly automated. As James Manyika, McKinsey Global Institute director, said in June 2017: “Find a factory anywhere in the world built in the past five years  –  not many people work there.” But the services jobs – relatively unproductive since they tend to handle near-finished commodities, if they handle commodities at all – that replaced manufacturing work are now becoming increasingly automated, too. In Britain, where services count for 80% of economic activity, the number of supermarket checkout assistants fell by 25.3% between 2011 and 2017. At the end of March, after most countries had entered lockdown, almost half of company bosses in 45 countries said they were speeding up plans to automate their businesses. [17] Innovation always takes place most rapidly during a recession, when prices are low. With lockdown turning the home into the place of work, Microsoft could boast of having discovered a fresh way of reducing labour costs and extending absolute labour time as it announced “two years’ worth of digital transformation in two months”. As The Guardian reported at the end of April: “Bank branches were already closing in droves before the epidemic, but here is the perfect excuse to shut more. And that’s not all. The authors of an Oxford University study thought that by 2035 it would be possible to automate 86% of restaurant jobs, three-quarters of retail jobs, and 59% of recreation jobs. By unlucky coincidence, those are among the very industries hardest hit by an epidemic now demanding quantum leaps in efficiency if some companies are to avoid going under.” [18] But automation is abolishing the source of profit, ie, commodity-producing human labour. To be more precise, automation is the final expression of capitalism’s self-abolishing tendency. As Marx wrote in 1858: “As soon as labour in the direct form has ceased to be the great wellspring of wealth, labour time ceases and must cease to be its measure... Capital thus works towards its own dissolution as the form dominating production.” [19] But this dissolution does not happen in a seamless falling rate of profit towards zero, since – as explained, and as indicated by both zig-zagging profit rates and the recessions that tend to strike roughly every 10 years – capital does not accumulate harmoniously. As the Soviet Russian philosopher Genrikh Volkov wrote in 1967, increasing automation eventually leads to “the breakdown, instead of the consolidation, of the existing relations ... of the private ownership of the means of production…. Its consummation is incompatible with capitalism.” [20] In Capital, Marx anticipates an eventual “absolute overaccumulation” of capital. “The limit of capitalist production is the excess time of the labourers,” says Marx. [21] But stretching the rate of exploitation of the working class to anywhere near 100% is obviously impossible – for starters, capital cannot even afford to exploit an ever-increasing part of it, a surplus population that grows alongside surplus capital, while workers in the growing services sector are also relatively unproductive. “As the capitalist mode of production develops, an ever larger quantity of capital is required to employ the same, let alone an increased, amount of labour-power.” But there are other limits too: “As soon as capital would, therefore, have grown in such a ratio to the labouring population that neither the absolute working time supplied by this population, nor the relative surplus working time, could be expanded any further (this last would not be feasible at any rate in the case where the demand for labour were so strong that there were a tendency for wages to rise); at a point, therefore when the increased capital produced just as much, or even less, surplus value than it did before its increase, there would be absolute overproduction of capital.” [22] From zero interest rates to worldwide hyperinflation If the rate of profit is on course to hit zero around 2054, but the final breakdown is bound to happen much earlier than that, it at least becomes impossible to dismiss the theory that we are entering this uncharted territory right now. But empirically, there also seem to be several approaching economic limits or ‘tipping points’ which cannot be converging at the same time merely by coincidence. For starters, average GDP growth rates in what the World Bank defines as ‘high income countries’ are already closing in on zero, having fallen every decade for the past half century: from 5.59% in the 1960s, to 4.15% in the 1970s, 2.93% in the 1980s, 2.35% in the 1990s, and 1.78% in the 2000s. The figure rose slightly to 1.97% in the years 2010-2017, but this minor reprieve has already proven to be unsustainable. GDP in the imperialist nations, though, is inflated by the profits leached from the rest of the world, since much of the profit from each commodity goes towards the GDP of the nation in which it is sold, rather than where it was made. [23] Productivity growth in the high income countries has itself, since 2011, spluttered below 1%. Aggregate global debt (the total debt of governments, corporations and households), already mountainous before the Great Recession, has hit new heights, indicating record-high overaccumulation [24]. According to the IMF, global debt fell by 1.5% of GDP in 2017 compared to a year earlier, but remained more than 11 percentage points of GDP above the previous high in 2009. In June 2019, the IMF said global debt stood officially at $184 trillion, 225% of global GDP. This averages out at $86,000 for every person in the world, 2.5 times average annual per capita income. But according to financial analyst Ron Surz, once ‘off-the-books’ net obligations such as social security and health care are taken into account, official figures are understated by a factor of 2.5, making actual global debt $460 trillion, 560% of GDP and $215,000 per person (as of July 2019) [25]. He put the US figure not at the official 105%, but 390%. Even that is without taking into account the serious accounting problem in the US Department of Defense. In 2016, before Trump was elected, the department’s Inspector General said he could not properly track $6.5 trillion in defence spending. An academic study looking at the years 1998-2015 later put the figure at $21 trillion [26]. The US defence budget has ballooned to $748bn as the long-time imperialist superpower scrambles to hold on to its dying empire. Another financial analyst, Simon Thorpe, calculated in 2015 that global debt was 2.5 times higher than the global money supply (up from two times higher in 2013) [27]. This is despite the fact that the US’s monetary base exploded from $842bn in August 2008 to $2.9 trillion in January 2013 and then $4 trillion in August 2014. The sheer amount of debt is unsustainable since the tax base needed to pay it is obviously shrinking in relative terms. Though it has been socialised, it is now simply too large to work off. Something the capitalist state can do to ease the government’s ability to pay its debt is reduce interest rates, which also makes borrowing cheaper and stimulates lending, maintaining the circulation of money. But lifting the economy out of recession usually takes a 4-5% base interest rate cut. In the US and across Europe base rates are already at zero, having been cut by around only 2%. Central banks have said going negative would make the banks unviable. Therefore, it is highly probable – lockdown or no lockdown – that capitalism, as Pento says, is soon going to spiral for the first time in its history into a crisis of worldwide hyperinflation, since rates will have to start going back up to re-incentivise bond holding and sustain the tax base. But debt-to-GDP – already at record highs and rising – will surge, and so the tax base will continue to shrink; bondholders will realise that what they are owed cannot be repaid and increasingly transfer their funds into hard assets, especially precious metals. The only way to avoid hyperinflation is for states to default on their debt through hyperdeflation – which the record bailouts imply they are understandably trying to avoid – but that would happen after hyperinflation anyway. The US’s national annual deficit is now expected to soar from $984bn in 2019 to $3.8 trillion in 2020. The US has never meaningfully defaulted on its debt but, historically, countries that have failed to get their debt-to-GDP back below 90% have gone on to default, meaning they have had to go to the International Monetary Fund (IMF) for a bail out (usually in the form of high-interest loans and on the condition of privatising state assets). But given that the US dollar is the world’s reserve currency – all oil must be traded in US dollars, for example, making the solvency of all countries dependent on their ability to purchase US dollars – the IMF effectively is the US. The US dollar has lost more than 96% of its value, its purchasing power, since 1913. The figure is more than 99.5% for British pound sterling, compared to 1694, the year it was founded [28]. This is why negative rates would make the banks unviable – they would finish off the depreciation of fiat currency. Many countries, including Russia and China, have started diversifying their foreign currency reserves in the past few years, meaning the main source of financing US debt is disappearing. Even the biggest US bank, JP Morgan, told its clients in August 2019 to sell the dollar. The world economy will likely soon be without a reserve currency. While smaller economies have survived defaults through bailouts in the past, the US and western European countries are the richest and most developed in the world. They represent monopoly capitalism, or imperialism, the highest stage of capitalism. As mentioned, with their workforces now largely services-based, the imperialist nations have been largely living off of profit produced by the labour of commodity-producing workers in Africa, Asia and South America. If the imperialist economies collapse, it’s because the whole system has collapsed. Indeed, as of 7 March, investors had already pulled $83bn from developing markets, the largest capital outflow ever recorded, according to the Institute of International Finance. If all these converging factors – near-zero prices, flat productivity growth, unsustainably high debt, zero interest rates, exhausted currencies – do not constitute a final breakdown of the system, then what will?

#### Mounting dysfunction drives imperialism and inter-capitalist competition---risks nuclear war

Reese 20 - author of Socialism or Extinction and The End of Capitalism: The Thought of Henryk Grossman (Ted, <https://www.amazon.com/Socialism-Extinction-Automation-Capitalist-Breakdown-ebook/dp/B081FHF2ZQ>, emuse)

We have seen that the crisis is intensifying competition between the major imperialist and capitalist powers. The counter-tendencies have failed to prevent the onset of the next crisis. An even greater devaluation of capital and labour power is required. The death and destruction wrought by war is the ultimate source of devaluation and therefore the most important counter-tendency. If war wasn’t an inevitability under capitalism, militarism would be done away with since it is funded through taxation that could otherwise be put towards productive capital. Many Marxists have failed to grasp this. Luxemburg, for example, claimed that “from the purely economic point of view, militarism is a pre-eminent means for the realisation of surplus-value; it is in itself a sphere of accumulation”.[496] Again, her analysis was based on circulation, not production. Grossman counters that “this is how things may appear from the standpoint of individual capital as military supplies have always been the occasion for rapid enrichment. But from the standpoint of the total capital, militarism is a sphere of unproductive consumption. Instead of being saved, values are pulverised. Far from being a sphere of accumulation, militarism slows down accumulation. By means of indirect taxation a major share of the income of the working class which might have gone into the hands of the capitalists as surplus value is seized by the state and spent mainly for unproductive purposes.” On the other hand, though, apart from natural resources, the main resource the capitalists are fighting over in a war is human labour, enough of which is not available at home. What better way to decimate the wages of this new source of surplus value than through warfare? And as well as the destruction of capital value, innovation is accelerated by the arms race, leading to new use-values for the post- war civilian economy and furthering devaluation. Idealists claimed the fall of the Soviet Union would bring about a new era of world peace. The destruction of Yugoslavia, Iraq, Afghanistan, Somalia, Libya, Syria and Yemen since then shows both that they did not appreciate the nature of imperialism or the protection the Soviet Union afforded to countries threatened by imperialism. Who is next for daring to seek independence? Venezuela? Iran? Russia and China have been encircled by NATO in the biggest build- up of military forces since the Second World War. As the crisis of accumulation deepens, the size and frequency of wars tend to grow. In the wake of 9/11, the author Zoltan Grossman circulated a list, based on Congressional Records and The Library of Congress Congressional Research Service, of 133 US military interventions from 1890 to 2001. The average per year is 1.15 before, and 1.29 after, the Second World War. After the Cold War, from late 1989, the figure rises to 2.0. The Democrat Barack Obama replaced the gung-ho Republican warmonger George W Bush in 2008 promising ‘hope’ and ‘change’. But by the end of his second term in 2016, US special operators could be found in 70% – 138 – of the world’s nations, a huge jump of 130% since Bush left office. In 2016 alone, the Obama administration sanctioned the use of at least 26,171 bombs. “This means that every day last year, the US military blasted combatants or civilians overseas with 72 bombs; that’s three bombs every hour, 24 hours a day,” Medea Benjamin of the anti-war CodePink wrote in The Guardian.[500] In 2017, Trump – who in his April 2016 foreign policy speech said that “war and aggression will not be my first instinct” because he wanted to spend the money instead domestically to ‘make America great again’ – outstripped Obama’s 2016 figure by 9,000. Given that many of these wars are fought in an alliance of the imperialist powers, mainly through NATO, much analysis on the Left makes the mistake of thinking that inter-imperialist rivalry no longer exists. This follows on from Kautsky who, because he did not see war as arising from economic necessity, came up with a theory of “ultra- imperialism” whereby the imperialists would realise that it was not in their interests to continue the First World War and would therefore unite to “peaceably redivide the world". Something like this – to a limited extent – did temporarily emerge, but only after the Second World War, only in collective opposition to the Soviet Union, and during a period in which capitalism was recovering in the wake of the war’s devaluation of capital, meaning competition had temporarily diminished. But the barbaric aggression of the wars on the Middle East is symptomatic of deepening capitalist crisis and intensifying rivalry. Through their opposition to the 2003 war on Iraq, France and Germany showed that they are not subordinate to US interests. In the 1990s, TotalFinaElf, France’s huge oil firm, secured the contract to develop Iraq’s southern Majnoon and Nahr Umar oil fields, containing as much as 25% of the country's reserves. German firms were the market leaders in supplying sensitive dual-use technology to Iraq in the years before the 1991 Persian Gulf war, and they had been bidding for more civilian commercial contracts. Khidir Hamza, an Iraqi defector, called Germany “the hub of Iraq's military purchases in the 1980s”. France and Germany did not want new competition. Between the start of 2002 to March 2003 the dollar fell by 20% against the euro. The US had to respond to this: its international economic domination is bound up with the dollar’s strength as the world’s currency anchor. The dollar’s dominance as the main currency for foreign exchange enables it to blackmail countries that do not yield to its demands. Ultimately, the strength of a currency reflects the productivity and size of the economy behind it. Trump’s administration has claimed that Germany is using its currency to “exploit” both its neighbours and the US, sparking fears of a currency war. The US made the desperate accusation that Germany is “under-consuming” goods and services from other countries. At the 2010 G20 summit in Seoul, the US made an unsuccessful attempt to limit the size of current account surpluses to 4% of GDP. Germany’s surplus overtook China’s in absolute size in 2017 and as a share of GDP became much larger. The IMF put Germany’s 2017 surplus as 8.1% of GDP and China’s at 1.6%. The EU’s surplus as a whole in 2017 was $387.1bn. In contrast, the US current account deficit was $462bn in 2017, bigger only than Britain’s $91.4bn. The deficit was 2.5% of GDP in the first quarter, up from 2.4% in the fourth quarter. Bush warned that the US would “neither forgive nor forget” if France continued to oppose the war on Iraq. US Secretary of State Donald Rumsfeld accused Austria of blocking US troop movements from Germany to Italy and said the US was considering bringing home 100,000 troops stationed in Europe (70,000 in Germany) or relocating them to Eastern Europe. He threatened sanctions for “one reason only: to harm the German economy”. At the time, the US controlled 31.5% of world output to the EU’s 26%. However in 2004 ten additional countries were scheduled to join the 15 EU member states, a combination that would match the size of the US’s economy and exceed its population. FRFI – one of the few left-wing publications in Britain to anticipate the potential for conflict between the US and EU – reported in 2003 that total EU FDI already amounted to 52.5% of the world total, nearly 2.5 times that of the US. Over the period 1980-2001, the US share of the global total has halved. The massive rise in the US’s military spending has been necessitated by the need to reverse the decline of its economic dominance – to reiterate, if it doesn’t reverse this it won’t be able to valorise its capital. The Department of Defense’s base budget grew by 31% between 2000 and 2014. An $82bn hike to $716bn in 2018 represented an increase that by itself was larger than the entire defence budget of every country on earth, save China. Trump called the Defense Department’s annual budget “crazy” and proposed a 5% cut, but then committed to a $750bn budget for 2019. Who is really in charge? US military spending is at least 10 times the size of Russia’s, and four times the size of China’s. This is the same Department of Defense with a serious existing accounting problem. In 2016, before Trump was elected, the department’s Inspector General said he could not properly track $6.5 trillion in defence spending. An academic study looking at the years 1998-2015 later put the figure at $21 trillion. Clearly this is unsustainable. As Engels says, “the triumph of force is based on the production of arms, and this in turn on production in general”. US manufacturing output in the 1960s, at the time of the Vietnam War, constituted 27% of the economy and provided 24% of employment. In 2003 manufacturing amounted to 13.8% of its GDP, falling to 12.5% in 2015, and 10.5% of employment, falling to 8.8% in 2013. The US industrial base is shrinking and with it the manufacturing and engineering capacity to achieve military domination of the world. In November 2004 Le Monde Diplomatique reported that, “Some new (EU) states are large arms producers and exporters. The EU is now home to more than 400 companies in 23 countries manufacturing small arms and light weapons – hardly less than the US.” China’s manufacturing sector is now almost as large as those of the US, Japan and Germany combined. When the US invaded Iraq in 2003 its military expenditure was almost $400bn; Iraq’s was $1.4bn, 0.35% of the US’s. In violation of the Iraqi constitution and international law the US-UK Coalition Provisional Authority (CPA) “laid off hundreds of thousands of Iraqi workers, virtually eliminated trade tariffs and enacted laws that radically alter Iraq’s economy. Order 39, decreed by CPA head Paul Bremer on September 20 2003, abolished Iraq's ban on foreign investment, allowing foreigners to own up to 100% of all sectors except natural resources. Over 200 state-owned enterprises, including electricity, telecommunications and pharmaceuticals have been privatised. Iraq's highest tax rate has been lowered from 45% to a flat rate of 15%. Although foreign ownership of land remains illegal, companies or individuals will be allowed to lease properties for up to 40 years.” The extraction of Iraq’s oil was also illegal. In 2011 government documents leaked to The Independent revealed that in November 2002, five months before the invasion, the UK Foreign Office invited BP to talks about opportunities in Iraq “post regime change”. Labour’s Baroness Symons, the then Trade Minister, promised BP that she would lobby the Bush administration because the oil giant feared it was being “locked out” of deals that Washington was quietly negotiating with the French and Russian governments and their energy firms. Control over territory, oil and oil transhipment routes is of paramount importance. With around 60% of the world’s oil reserves, the Middle East has been the key battleground. But this rivalry is playing out all over the world, in South America, Asia, Africa and, since the fall of the USSR, central and eastern Europe, which was identified by the UNCTAD World Investment Report 2002 as “a stable and promising region for FDI”. China, whose contribution to global GDP was expected to eclipse that of the US in 2018, is a particular concern to the traditional powers because its strategy of offering low- or even interest-free loans in exchange for fixed-price sales of primary commodities makes it a more attractive business partner to underdeveloped countries who have been bled dry by high interest loans from the IMF. The US only has intimidation and force left to offer in response. In 2008, for example, the Democratic Republic of the Congo (DRC) reached a deal with China for roads, railways, clinics, hospitals, schools and two new universities worth $6bn. In exchange, China was given the right to extract 12 million tonnes of copper and cobalt over 25 years. In 2004, when Angola was reluctant to accept the terms of an IMF loan, China stepped in with a no-strings-attached $2bn. An Angolan minister said relations with China “not only allowed us to obtain large loans, but most importantly it forced the West to treat us with more respect”. China has overtaken Britain, France and the US as a trading partner with Africa. In 2017, China’s trade with Africa was worth $170bn, four-times larger than US-Africa trade. China invested $125bn in Africa in the decade to 2016 and committed to $60bn more over the next three years. In 2017 China’s trade with Latin America reached $244bn, again exceeding that of the US. China’s dominance in manufacturing has forced Latin American countries to deindustrialise somewhat and focus on producing primary commodities; but China’s investments have also had the effect of strengthening their currencies relative to the dollar. In July 2016, the RAND Corporation think tank warned that, whereas the US would have been capable of achieving a quick and decisive victory with minimal losses in a war with China in 2015, China’s improving anti-access and area-denial (A2AD) capabilities meant that a war in 2025 would instead be “prolonged and destructive, yet inconclusive”. The earlier part of that prediction seemed optimistic, given that the US became bogged down in the face of resistance in Iraq and Afghanistan for years when it expected quick, decisive victories in both, against forces inferior to China’s. Indeed, in March 2019 a RAND analyst said that its war game simulations showed that “when we fight Russia and China, blue gets its ass handed to it”. He said it would cost an extra $24bn a year to turn things around. Chinese and Russian opposition to US deployments of anti-missile systems in Asia has resulted in their greater military cooperation. However, Russia is using its position in the Shanghai Cooperation Organisation (SCO) to try and contain Chinese economic expansion in Central Asia, where it has regional ambitions of its own. As Trevor Rayne wrote in FRFI: “The US turns to alliances with Japan, India, the Philippines and Australia to confront China, but China offers them investments and better trade deals. If it has to the US ruling class will resort to military force to prevent China ejecting it from its dominant position in the world. Competition between the imperialist powers may be limited to geopolitical manoeuvring, ideological and cyber warfare and negotiation table diplomacy for now, but that cannot last forever. At some point the capitalist crisis will become so deep that the imperialist powers will be forced into direct confrontation with each other. The overaccumulation of capital will have become so great that the only way to sufficiently devalue capital and labour power will be through global conflagration. This tendency expresses itself in increasing competition between the imperialist powers as they vie to attain dominance – that is, to apportion losses to one another, to seize each other’s capital and resources by any means. This is what happened in the 20th century. Two world wars, the Great Depression and fascism were the counter-tendencies and crisis measures required over a span of 41 years to keep the accumulation process going and eventually revive it to a healthy enough level to restore political stability. Kautsky – because he believed accumulation was harmonious – claimed that absolute capitalist breakdown would be brought about inevitably by world war, which in his view would happen only because of uncivilised ruling classes.[513] On the other side of the same coin, Bukharin and Varga believed the Second World War would bring about the completion of the world revolution. This perhaps partly explains some of the controversial decisions taken by the Communist International after 1929, when it effectively ordered its national sections in Europe to take social democratic routes to socialism.[514] Grossman says: “It would be useless to search Bukharin for any other cause of the breakdown of capitalism than the ravages created by war.... If like Bukharin, we expect the breakdown of capitalism to flow from a second round of imperialist wars, then it is necessary to point out that wars are not peculiar to the imperialist stage of capitalism. They stem from the essence of capitalism as such, during all its stages, and have been a constant symptom of capital since its historical inception.... far from being a threat to capitalism, wars are a means of prolonging the existence of the capitalist system as a whole.” Grossman was at pains to show that Kautsky’s was a subjective analysis and that the opposite was true: that massive overaccumulation brought about a systemic breakdown and world war followed necessarily because it was the only way to sufficiently devalue capital, to “ward off imminent collapse” and “create a breathing space” for accumulation to restart. Grossman cites the figure from Wladimir Woytinsky’s 1925 book The World In Numbers that “around 35% of the wealth of mankind was destroyed and squandered in the four years” of the First World War, which had been preceded by a worldwide Long Depression – like the one we’re experiencing now – a series of economic ‘panics’ in the US, and intensifying inter-imperialist rivalries over trade routes and colonial territories. By the end of the war, says Grossman, the mass of living labour “confronted a reduced capital, and this created new scope for accumulation”. And yet it wasn’t enough – the 1929 Wall Street Crash followed, “a continuation of the unresolved economic crisis preceding World War One”, as Mattick says.[519] The New Deal attempted to resolve the crisis in the US and fascism attempted to resolve it in Germany (the equivalent of a New Deal in Germany through the SPD’s reforms having already failed before 1929). Neither worked. It would take an even more destructive global war to end the depression. This after Kautsky had claimed in 1927 that capitalism stood, “from a purely economic point of view, stronger than ever”.[520] The First World War – “legalised slaughter” in the apt words of Harry Patch, the last surviving combat soldier of that war from any country – killed 37 million people. The Second World War killed between 70 million and 85 million, 3% of the 1940 world population of an estimated 2.3 billion. The equivalent today from a world population of 7.53 billion would be 226 million. But given that today’s total accumulation and overaccumulation are considerably greater than before World War Two, it follows that it would take a considerably greater level of destruction to – again, temporarily – resolve the crisis. Given that and the fact that every major war following economic breakdown is decided only by total war (the US Civil War, the Peninsular War and the Crimean War being other prime examples), it could be argued that the amount of destruction required is so high now that today’s deepening crisis may at some point necessitate nothing short of a nuclear exchange between the imperialist powers. The Second World War ended with the US dropping the A-bomb on Japan, after all. If World War Three was not sufficiently destructive, then a bigger crisis would follow necessitating World War Four, just as World War Two followed World War One. And of course a Fourth World War would be necessitated at some point anyway. This is all assuming that the crisis that preceded a World War Three wasn’t the final breakdown, the absolute historical limit of capital accumulation. If it were then no amount of destruction could save capitalism. As we said earlier, this is surely now the case – there can be no 1945 productivity boom that breathes another century of life into the system, for automation has already all but abolished the law of value. The current arms race is in fact already accelerating the development of automation and therefore the rate of profit’s historical fall towards zero. We therefore assert that – aside from the fact that a world war today would end life on Earth and destroy the climate for good – even a world war cannot save capitalism this time. Rather than trying to destroy itself in order to renew itself this time, capitalism is now preparing to either destroy or wind itself up for good. Trade wars will continue to intensify. Protectionism becomes an increasingly inevitable reflex as nations attempt to defend domestic and overseas assets; combined with stagnant productivity, this tends to manifest politically in a parochial, ‘anti-globalisation’ nationalism, ie right-wing populism or proto-fascism, as capitalists which rely more on the domestic market – determining their conservatism – finally gain the upper-hand over the more liberal exporting sectors, only to deepen the overall economic crisis by making trade increasingly expensive and centralising capital into yet fewer hands. As Michael Pettis wrote in the FT in 2009, the fact that “nearly everyone agrees that a world that retreats into direct and indirect forms of trade protection is a world that is worse off... should not allay our worries. In the 1930s, it was also well understood that the crisis would be exacerbated by plunging international trade. This did not stop a descent into the protectionism which put the ‘Great’ into the Great Depression.” In February 2019, a senior European Commission economist warned that a Third World War is an increasingly “high probability” due to the “disintegration of global capitalism”.[523] Professor Hanappi, Jean Monnet Chair for Political Economy of European Integration , noted that the emerging trade wars, massive growth of military spending and return of ‘populism’ bear unnerving similarities with trends that beset the world before the outbreak of the first two world wars. Marx wrote that as soon as capital feels itself threatened it will “seek refuge in other forms”, which appear to perfect its rule as capital “through curbs on free competition”; although the curbs on competition “appear to complete the mastery of capital, they are at the same time, by curbing free competition, the heralds of its dissolution, and of the dissolution of the mode of production based on it”.[524] This applies to both the monopolistic stage of capitalism and the inevitability of protectionism. As mentioned, in 2015-16, the G20 economies introduced a record number of trade-restrictive measures. Globalisation was in retreat before Brexit and Trump, because its ability to expand capital is increasingly exhausted. Just as protectionism and trade wars were precursors of the first two world wars, Brexit and Trump’s trade wars threaten to be precursors of a Third World War. Just as the first two world wars were fought between the biggest imperialist rivals, so would a third. That would mean a conflict between the US and its strongest competitor, the German-led EU. On 6 November 2018 France President Emmanuel Macron called for the creation of a “true European army” so that the EU could defend itself from “China, Russia and even the United States of America”, adding: “When I see President Trump announcing that he’s quitting a major disarmament treaty[525] which was formed after the 1980s Euro-missile crisis that hit Europe, who is the main victim? Europe and its security.” Germany already provides the most troops for the UN’s so-called peacekeeping missions. Building on the Permanent Structured Cooperation on security and defense (PESCO) agreement – which allows co-operation on joint military projects for 25 EU member states, established through the Lisbon Treaty in December 2017 – the European Commission provisionally agreed the founding of a €13bn European Defence Fund (EDF) in February. This is to allow joint R&D projects for European companies. Though no formal agreement is to come into effect until November 2019, it is already known that the fund will exclude both post-Brexit Britain and the US. In response the US complained that the moves undermine the NATO alliance and threatened sanctions on EU firms if either project goes ahead. The EU told the the US not to concern itself with Europe's defence plans. In December 2019 Macron said NATO was already “brain dead”, because “you have no co-ordination of decision-making whatsoever between the US and its NATO allies”. In reality, Europe is still reliant upon the US in military matters, a point made clear by, for example, the dominance of US firms in international contracts or the US’s role in NATO. Accordingly, the EU is, to some degree, split upon the US’s INF withdrawal, with key US allies Britain and Poland offering their unwavering support for the move. While disagreement in Europe over the Treaty itself is small, this reflects broader splits within the EU imperialist bloc, more evident in regard to trade and inter-European political discussions. More significantly in military terms, the US’s dominance over Europe’s military capacity means that Europe requires both time and new alliances if it is to stand on its own feet. Europe is now waking up to this. In July, Macron announced that France would build “a large space command within the Air Force, which will eventually become the Air and Space Force... to better protect our satellites, including in an active way”. Analysts called the move a switch from a defensive to an offensive posture. Macron's proposal follows similar moves by the US, China and Russia in recent years. In 2018, Trump ordered the formation of a sixth branch of the US’s armed forces – a "space force”. Europe's imperialists may have once hoped that the end of Trump's Presidency could see a reconciliation with the US bourgeoisie on more advantageous terms, but such hopes seem to be nothing but a fantasy. On 13 November 2018, a bipartisan panel for the US Congress issued a report stating its approval of the Trump administration's pursuit of “great power competition”. In March 2019, Nicole Gibson, Deputy Director of the US State Department’s office for Europe, warned that European companies would “risk significant sanctions” if they resume laying pipe for the Nord Stream 2 (NS2) natural gas pipeline running from Russia to Germany. Construction work was suspended in the December because of winter weather. The deal has infuriated the US because it undermines the potential for its energy giants to export surplus shale gas to Europe as liquified natural gas (LNG). Furthermore, US clients in central Europe are also set to lose out. Snaking under the Baltic Sea, NS2 replaces an older pipeline, stripping Ukraine of gas transit fees worth $2.5bn a year, 4% of its GDP. Ukraine president Petro Poroshenko[526] fears NS2 would allow Russia to switch off gas to Ukraine and Central Europe to blackmail its nearer neighbours without disrupting supplies to Western Europe, enabling the Kremlin to exert greater political influence. Russia supplies more than one-third of the natural gas Europe uses, a figure that is expected to reach nearly 50% in the next decade. German businesses say NS2 will slash their energy costs. German Chancellor Angela Merkel has said that “geostrategically, Europe cannot have an interest in cutting off all relations with Russia”. In 2017 she said that “the times in which we could completely depend on [the US and Britain] are, to a certain extent, over. We Europeans truly have to take our fate into our own hands.” With the relative decline of the US and Britain’s pending departure from the EU, Germany either sees an opportunity to become dominant or the need to find more reliable allies. It may see an alliance with Russia as an extension of European imperialism, and as a replacement for Britain, which itself has reportedly sought to spread misinformation in Europe in an attempt to weaken relations between Germany and Russia.[527] Turkey too, a long time client state of the US, appears to be forming a new alliance with Russia and Germany. In June 2019, the EU and Russia started talks on transitioning to using the rouble and euro in bilateral payments instead of the US dollar. China and Turkey are also investing heavily in the euro. The US is gradually being isolated and the grip on the world economy that the dollar as the world currency anchor gives the US is slipping. In the same week, it emerged that the US had been stepping up its ability to wage a cyberwar on Russia’s power grid, something it had deployed against Venezuela several times, depriving hospitals, factories and residential areas of electricity, earlier in the year. These cyber attacks are acts of war by the US’s own definition. A similar situation is developing with regards to Iran.[528] When Trump pulled the US out of the 2013 Iran nuclear deal, in which Iran agreed to roll back parts of its nuclear programme in exchange for relief from sanctions, Germany, France and even, to the chagrin of the US, Britain – all desperate for outlets for profitable investment – denounced the move and vowed to find ways to circumvent the US ban on trading with Iran, which applies to third parties. In July Russia expressed interest in the EU’s proposed Instrument in Support of Trade Exchanges (INSTEX) mechanism, backing Iran’s demand that it would have to include the oil trade. Significantly, this would see the EU violating US sanctions on two fronts. Trump claims he is trying to stop a nuclear arms race in the Middle East but he is really motivated by competition. In March 2019, Miguel Berger, the Director-General for Economic Affairs and Sustainable Development at Germany’s Federal Foreign Office, complained that, while everyone else was banned from trading with Iran, US trade with Iran in 2018 had in fact doubled. The US says it wants a new deal that curbs Iran’s ballistic missile programme and ends Iran’s supposed influence in Syria, Iraq and Yemen, the latter in which it is accused of backing the anti-imperialist Houthi movement. But it also wants to control Iran’s oil. The US’s increasingly belligerent client-states Israel and Saudi Arabia see Iran as a threat to their regional dominance and welcomed Trump’s move. [529] In May 2019 Trump warned Iran of “severe consequences” as the US, joined by Britain, began to build up naval and air power in the Persian Gulf. Fears of military conflict grew after Trump blamed Iran for Houthi attacks on tankers in the Gulf of Oman. While Britain – which, in a blatant act of piracy at the request of the US, later seized an Iranian oil tanker bound for Syria – sided with the US, the EU demanded an independent inquiry. Japan, which had a tanker involved in the controversy, also questioned the veracity of the US’s account. The same week, Iran shot down a US drone. Trump claimed that he called off a retaliatory airstrike at the last minute, instead imposing further suffocating sanctions and launching a cyberattack on Iran’s defence infrastructure. Sanctions have resulted in inflation in Iran of 40% and the IMF predicted a 6% contraction in its economy. Iran said it would have to develop its uranium enrichment levels if Europe did not do more shield Iran from sanctions.[530] Iran could be the spark that ignites conflict between the US and Europe.[531] Meanwhile, Saudi Arabia’s US-UK-backed war on Yemen has resulted, after four years, in what the UN called the world’s worst humanitarian crisis; and rising tensions between India and Pakistan at the beginning of 2019 threaten to spill over into a full-scale war, with the US generally backing the former and China the latter. Pakistan has taken out billions of dollars in loans from China in recent years as part of Beijing's Belt and Road Initiative (BRI), an ambitious trade and infrastructure network connecting China to Europe, Africa, Southeast Asia and other regions. China has pledged to provide economic assistance to Pakistan, which has been bailed out by high- interest IMF loans some 14 times since 1980. The task of communists As we have said, Leninists have long predicted that these deepening splits would emerge. They have been proven correct, and the defeatist pseudo-Marxist theories of ‘ultra-imperialism’ – that the imperialist powers in fact form an unshakeable alliance – have been proven wrong. Existing divisions in NATO have been widening since the election of Trump, who has been unsurprisingly delighted by Brexit and its destabilising effect on the EU. Denouncing the EU’s “treatment” of Britain in the negotiations, Trump said at the start of April 2019 that “the EU is likewise a brutal trading partner with the US, which will change”. On 9 April he said the US planned to impose tariffs of $11bn (£8.4bn) on EU goods, partly because “EU subsidies to Airbus have adversely impacted the US”.[532] He must have known what was coming: on 10 April the EU and China announced a very significant trade deal in which they vowed, in a thinly veiled rebuke to the US, “to fight against unilateralism and protectionism”. China and Germany are now engaged in concrete military co-operation, with China deploying armoured vehicles on German soil for joint drills on 11 July, something that has been unthinkable until now.[533] At the same time, the potential for realignment with the US is also contained within the German approach. For example, the nation is considering sending a warship through the Taiwan Strait, escalating tensions with China and easing them with the US. As Trump is so fond of saying, “all options are on the table”. France has vowed to retaliate tit-for-tat against US sanctions. In Tony Kennedy’s foreword to the abridged 1992 English reprint of Grossman’s book, he says: “For Grossman, re-presenting Marx’s theory was no mere academic exercise. Nor was he concerned merely with describing tendencies towards periodic economic crises, of a more or less restricted character, nor even with trends towards more systematic and global recessions. He aimed to show that the essence of Marx’s analysis of capitalist society was the identification of the inexorable tendency towards breakdown as the fundamental characteristic of the social system as a whole.... Grossman contended that the socialist movement’s commitment to the overthrow of capitalism required theoretical proof of the system’s tendency towards breakdown.” This is now the task facing communists today. The first appeal that the Communist International made in 1920 to the international working class was to “Remember the imperialist war!”, warning that the repetition of such destructive wars, when the workers of different countries are coerced by the ruling classes to “cut each other’s throats” is not only possible but inevitable if capitalism is not overthrown.[536] The First World War confirmed what was written in the statutes of the First International, that the emancipation of the working class is not a local, nor a national, but an international question. And given that national bourgeoisies are inevitably pitted against each other in a world war, it follows that the only class that is capable of solidarity internationally is the working class. Nation-states will either respond to the looming crash as it deepens by cutting military expenditure drastically or waging war in a bid to offset economic losses – or perhaps by doing both. We are being haunted by the failure to turn the breakdowns that precipitated the first two world wars into the world revolution that Lenin expected to follow on the heels of the one he led in Russia. Only world socialism can ensure humanity’s survival.

#### Capitalist crises fuel the rise of fascism---hypernationalism greatly increases the odds of conflict

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In the broader picture, fascism, whether in its 20th- or 21st-century variant, is a particular, far right response to capitalist crisis, such as that of the 1930s and the one that began with the financial meltdown of 2008 and has now been greatly intensified by the pandemic. Trumpism in the United States; Brexit in the United Kingdom; the increasing influence of neo-fascist and authoritarian parties and movements throughout Europe (including Poland, Germany, Hungary, Austria, Italy, the Netherlands, Denmark, France, Belgium and Greece), and around the world (such as in Israel, Turkey, the Philippines, Brazil and India), represent just such a far-right response to the crisis. Trumpism and Fascism The telltale signs of the fascist threat in the United States are in plain sight. Fascist movements expanded rapidly since the turn of the century in civil society and in the political system through the right wing of the Republican Party. Trump proved to be a charismatic figure able to galvanize and embolden disparate neo-fascist forces, from white supremacists, white nationalists, militia, neo-Nazis and Klansmen, to the Oath Keepers, the Patriot Movement, Christian fundamentalists, and anti-immigrant vigilante groups. Since 2016, numerous other groups have emerged, from the Proud Boys and QAnon to the Boogaloo movement (whose explicit goal is to spark a civil war) and the terrorist Michigan group known as Wolverine Watchmen. They are heavily armed and mobilizing for confrontation in near-perfect consort with the extreme right wing of the Republican Party, which long since has captured that party and turned it into one of utter reaction. Encouraged by Trump’s imperial bravado, his populist and nationalist rhetoric, and his openly racist discourse, predicated in part on whipping up anti-immigrant, anti-Muslim and anti-Black sentiment, they began to cross-pollinate to a degree not seen in decades as they gained a toehold in the Trump White House and in state and local governments around the country. Paramilitarism spread within many of these organizations and overlapped with state repressive agencies. Racist, far right and fascist militia, identified by the FBI and the Department of Homeland Security as the most lethal domestic terrorist threat, [operate inside law enforcement agencies](https://www.brennancenter.org/our-work/research-reports/hidden-plain-sight-racism-white-supremacy-and-far-right-militancy-law). As far back as 2006, a [government intelligence assessment](http://s3.documentcloud.org/documents/402521/doc-26-white-supremacist-infiltration.pdf) had warned of “white supremacist infiltration of law enforcement by organized groups and by self-initiated infiltration by law enforcement personnel sympathetic to white supremacist causes.” The fascist insurgency reached a feverish pitch in the wake of the mass protests sparked by the police-perpetrated murder of George Floyd in May. Among recent incidents too numerous to list, fascist militia members have routinely showed up heavily armed at anti-racist rallies to threaten protesters, and in several instances, have carried out assassinations. Trump has refused to condemn the armed right-wing insurgency. To the contrary, he [defended a self-described vigilante and “Blue Lives Matter” enthusiast](https://www.npr.org/sections/live-updates-protests-for-racial-justice/2020/08/31/908137377/trump-defends-kenosha-shooting-suspect) who shot to death two unarmed protesters in Kenosha, Wisconsin, on August 25. On September 3, federal marshals carried out an extra-judicial execution of [Michael Reinoehl](https://truthout.org/articles/trump-appears-to-admit-extrajudicial-killing-of-michael-reinoehl-was-planned/), who admitted to shooting a few days earlier a member of the white supremacist group Patriot Prayer during a confrontation between Trump supporters and counterprotesters in Portland, Oregon. “There has to be [retribution](https://www.vox.com/2020/9/14/21436216/trump-michael-reinoehl-protests-portland-shooting),” declared Trump in a chilling interview in which he seemed to take credit for what amounted to a death squad execution. Particularly ominous was the plot by a domestic terrorist militia group, broken up on October 8, to storm the Michigan state capitol to kidnap and possibly kill the Democratic governor of Michigan and other officials, a conspiracy that the White House refused to condemn. While there are great differences between [20th- and 21st-century fascism](http://robinson.faculty.soc.ucsb.edu/Assets/pdf/FascismbeyondTrump.pdf) and any parallels should not be exaggerated, we would do well to recall the 1923 [“beer hall putsch”](https://www.britannica.com/event/Beer-Hall-Putsch/The-Munich-Putsch) in Bavaria, Germany, which marked a turning point in the Nazis’ rise to power. In that incident, Hitler and a heavily armed group of his followers hatched a plot to kidnap leaders of the Bavarian government. Loyal government officials put down the putsch and jailed Hitler but the fascist insurgency expanded in its aftermath. The fascist putsch now hinges on the November election. The rule of law is breaking down. Trump has claimed, without any credible evidence, that the vote will be fraudulent, has refused to commit to a peaceful transfer of power should he lose, and has all but called on his supporters to be prepared for an insurrection. Himself a [transnational capitalist](http://robinson.faculty.soc.ucsb.edu/Assets/pdf/TheTransnationalCapitalistClass.pdf), a racist and a fascist, Trump took advantage of the protests over the murder of George Floyd to bring the project to a new level, inciting from the White House itself the fascist mobilization in U.S. civil society, manipulating fear and a racist backlash with his “law and order” discourse, and threatening a qualitative escalation of the police state. Widespread and systematic voter suppression, especially of those from marginalized communities, has already [disenfranchised](https://www.theguardian.com/us-news/2020/aug/07/americans-voting-rights-disenfranchisement) millions. Donald Trump Jr. [called in September for](https://www.independent.co.uk/news/world/americas/us-election/donald-trump-jr-video-2020-election-ballot-fraud-b605186.html) “every able-bodied man and woman to join an army for Trump’s election security operation.” Morphology of the Fascist Project The current crisis of global capitalism is both structural and political. Politically, capitalist states face spiraling crises of legitimacy after decades of hardship and social decay wrought by neoliberalism, aggravated now by these states’ inability to manage the health emergency and the economic collapse. The level of global social polarization and [inequality is unprecedented](https://oi-files-d8-prod.s3.eu-west-2.amazonaws.com/s3fs-public/file_attachments/ib-wealth-having-all-wanting-more-190115-en.pdf). The richest 1 percent of humanity control more than half of the world’s wealth while the bottom 80 percent had to make do with just 5 percent of this wealth. Such extreme inequalities can only be sustained by extreme levels of state and private violence that lend themselves to fascist political projects. Structurally, the global economy is mired in a crisis of overaccumulation, or chronic stagnation, made much worse by the pandemic. As inequalities escalate, the system churns out more and more wealth that the mass of working people cannot actually consume. As a result, the global market cannot absorb the output of the global economy. The transnational capitalist class cannot find outlets to “unload” the trillions of dollars it has accumulated. In recent years, it has turned to mind-boggling levels of financial speculation, to the raiding and sacking of public budgets, and to militarized accumulation or accumulation by repression. This refers to how accumulation of capital comes increasingly to rely on transnational systems of social control, repression and warfare, as [the global police state](https://www.plutobooks.com/9780745341644/the-global-police-state/) expands to defend the global war economy from rebellions from below. Fascism seeks to rescue capitalism from this organic crisis; that is, to violently restore capital accumulation, establish new forms of state legitimacy and suppress threats from below unencumbered by democratic constraints. The project involves a fusion of repressive and reactionary state power with a fascist mobilization in civil society. Twenty-first-century fascism, like its 20th-century predecessor, is a violently toxic mix of reactionary nationalism and racism. Its discursive and ideological repertoire involves extreme nationalism and the promise of national regeneration, xenophobia, doctrines of race/culture supremacy alongside a violent racist mobilization, martial masculinity, militarization of civic and political life, and the normalization — even glorification — of war, social violence and domination. As with its 20th-century predecessor, the 21st-century fascist project hinges on the psychosocial mechanism of dispersing mass fear and anxiety at a time of acute capitalist crisis toward scapegoated communities, whether Jews in Nazi Germany, immigrants in the United States, or Muslims and lower castes in India, and also on to an external enemy, such as communism during the Cold War, or China and Russia currently. It seeks to organize a mass social base with the promise to restore stability and security to those destabilized by capitalist crises. Fascist organizers appeal to the same social base of those millions who have been devastated by neoliberal austerity, impoverishment, precarious employment and relegation to the ranks of surplus labor, all greatly aggravated by the pandemic. As popular discontent has spread, far right and neo-fascist mobilization play a critical role in the effort by dominant groups to channel this discontent away from a critique of global capitalism and toward support for the transnational capitalist class agenda dressed in populist rhetoric. The fascist appeal is directed in particular to historically privileged sectors of the global working class, such as white workers in the Global North and urban middle layers in the Global South, that are experiencing heightened insecurity and the specter of downward mobility and socioeconomic destabilization. The flip side of targeting certain disaffected sectors is the violent control and suppression of other sectors — which, in the United States, come disproportionately from the ranks of surplus labor, communities that face racial and ethnic oppression, or religious and other forms of persecution. The mechanisms of coercive exclusion include mass incarceration and the spread of prison-industrial complexes; anti-immigrant legislation and deportation regimes; the manipulation of space in new ways so that both gated communities and ghettos are controlled by armies of private security guards and technologically advanced surveillance systems; ubiquitous, often paramilitarized policing; “non-lethal” crowd control methods; and mobilization of the culture industries and state ideological apparatuses to dehumanize victims of global capitalism as dangerous, depraved and culturally degenerate. Racism and Competing Interpretations of the Crisis We cannot under-emphasize the role of racism for the fascist mobilization in the United States. But we need to deepen our analysis of it. The U.S. political system and the dominant groups face a crisis of hegemony and legitimacy. This has involved the breakdown of the white racist historic bloc that to one extent or another reigned supreme from the end of post-Civil War reconstruction to the late 20th century but has become destabilized through capitalist globalization. The far right and neo-fascists are attempting to reconstruct such a bloc, in which “national” identity becomes “white identity” as a stand-in (that is, a code) for a racist mobilization against perceived sources of anxiety and insecurity. Yet many white members of the working class have been experiencing social and economic destabilization, downward mobility, heightened insecurity, an uncertain future and accelerated precariatization — that is, ever more precarious work and life conditions. This sector has historically enjoyed the ethnic-racial privileges that come from white supremacy vis-à-vis other sectors of the working class, but it has been losing these privileges in the face of capitalist globalization. The escalation of veiled and also openly racist discourse from above is aimed at ushering the members of this white working-class sector into a racist and a neo-fascist understanding of their condition. Racism and the appeal to fascism offer workers from the dominant racial or ethnic group an imaginary solution to real contradictions; recognition of the existence of suffering and oppression, even though its solution is a false one. The parties and movements associated with such projects have put forth a racist discourse, less coded and less mediated than that of mainstream politicians, targeting the racially oppressed, ethnic or religious minorities, immigrants and refugees in particular as scapegoats. Yet in this age of globalized capitalism, there is little possibility in the United States or elsewhere of providing such benefits, so that the “wages of fascism” now appear to be entirely psychological. The ideology of 21st-century fascism rests on irrationality — a promise to deliver security and restore stability that is emotive, not rational. It is a project that does not and need not distinguish between the truth and the lie. The Trump regime’s public discourse of populism and nationalism, for example, bears no relation to its actual policies. Trumponomics involves a sweeping deregulation of capital, slashing social spending, dismantling what remains of the welfare state, privatization, tax breaks to corporations and the rich, anti-worker laws, and an expansion of state subsidies to capital — in short, radical neoliberalism. Trump’s populism has no policy substance. It is almost entirely symbolic — hence the significance of his fanatical “build the wall” and similar rhetoric, symbolically essential to sustain a social base for which the state can provide little or no material bribe. This also helps to explain the increasing desperation in Trump’s bravado as the election approaches. But here is the clincher: Deteriorating socioeconomic conditions and rising insecurity do not automatically lead to racist or fascist backlash. A racist/fascist interpretation of these conditions must be mediated by political agents and state agencies. Trumpism represents just such a mediation. To beat back the threat of fascism, popular resistance forces must put forward an alternative interpretation of the crisis, involving a social justice agenda founded on a working-class politics that can win over the would-be social base of fascism. This would-be base is made up of a majority of workers who are experiencing the same deleterious effects of global capitalism in crisis as the entire working class. We need a social justice and working-class agenda to respond to its increasingly immiserated condition, lest we leave it susceptible to a far right populist manipulation of this condition. Joe Biden may well win the election. Yet even if he does so and manages to take office, the crisis of global capitalism and the fascist project it is stoking will continue. A united front against fascism must be based on a social justice agenda that targets capitalism and its crisis.

### 1AC---Innovation

#### Advantage 2 is Innovation:

#### DPS unleashes faster and better aligned innovation than either capitalism or state socialism

Kotz 2 - economics professor at Amherst (David, <https://people.umass.edu/dmkotz/Soc_and_Innovation_02.pdf>, emuse) \*DPPS = DPS

3. Capitalist Innovation Mainstream Western economics gives capitalism high marks for innovation. The pursuit of profit is supposed to assure a strong incentive to engage in the invention, development, and production stages of innovation, while also inducing investors to provide potential innovators with the necessary financial means. Free entry into markets compels rapid diffusion of innovations. An optimal contribution to human welfare is assured, given the assumption that profitability reflects the ultimate value to society of any economic activity. While capitalism does promote a certain kind of rapid technological change, the above account has serious flaws. The pursuit of profit does not play such a big role at the important invention stage of innovation. Studies show that a large majority of economically important inventions come from university scientists, government researchers, and independent inventors, for whom pecuniary considerations are not typically dominant.6 At the development stage, the still-high risks, plus the sometimes substantial external (and hence uncapturable) benefits from innovation, lead to (successful) demands for government subsidization.7 The profit incentive for innovation is profoundly contradictory. For the profit incentive to operate, innovators must be able to gain monopoly control over the innovation and bar competitors, or else the first innovator’s profit will be small and fleeting. However, the legal and extra-legal means that capitalist innovators use to gain such monopoly power (patents and predatory tactics) prevent the rapid diffusion of new products and processes. The greatest flaw in the capitalist innovation process has to do with the third question, that of the contribution of innovative activity to human welfare. As capitalist innovators follow the guide of profits, the following problems arise: 1) innovations are disproportionally directed at upper income consumers;8 2) public goods are largely ignored in the innovation process; 3) external benefits and costs of innovation, which may loom very large, are not taken into account in innovation decisions; 4) the monopoly power required to stimulate innovation leads to high monopoly prices for the resulting product, limiting the use of the new innovation and hence reducing the benefit from it;9 5) much innovation activity is pure waste, as firms devote innovation resources toward the end of defeating rivals rather than benefitting consumers.10 While capitalism does promote the development of the forces of production, it does so in a manner that is severely flawed. Capitalism can promote innovation only if the state and other non-capitalist institutions play an active role in organizing and financing the innovation process, particularly the invention stage. It can do so only with significant monopoly power and barriers to entry that simultaneously promote and hinder technical progress. And it produces a severely distorted innovation process that, after a certain stage of development, may subtract as much from human welfare as it contributes, or even more. 4. Innovation under Soviet State Socialism The Soviet system was, at best, a highly flawed and distorted version of socialism. However, it was the first large-scale effort to build a modern economy based on public ownership of productive property and coordination of the economy by economic planning. For this reason, the experience of the Soviet economy in the area of innovation is relevant to our concerns here Spokespeople for the Soviet system claimed that, as a socialist system, it would, and did, outperform capitalism in promoting technical progress. The key advantages cited were the absence of commercial secrecy, the avoidance of the wasteful duplication of R&D effort of capitalism, and the ability to directly incorporate technological advances into the central plan rather than having to rely on the indirect incentive of profitability. However, the Soviet leadership soon discovered that innovation was not as straightforward a process as had been assumed. In the postwar decades the system was frequently adjusted and reformed to improve innovation performance. The mature Soviet system had various institutional components to its innovation system, including the incorporation of major planned new technologies into the central plan by Gosplan each year. However, two institutions were most important in Soviet innovation performance: 1) a system of R&D Institutes, which had innovation as their sole mission; and 2) the individual enterprises, which typically had a design department for new product development and, at larger enterprises, a research laboratory. The Soviet system did have significant strengths in innovation performance.11 Soviet R&D Institutes were staffed with well-trained and dedicated researchers and were reasonably well funded, and they and the enterprises did produce many important innovations. The success was best known in military and space technology, but it extended to some civilian industrial technologies.12 Output per labor hour in the Soviet economy grew rapidly until 1975, much faster than in the U.S. during that period (Kotz and Weir, 1997, p. 46). However, Soviet innovation performance never lived up to expectations. Understanding the problems encountered in the Soviet innovation process -- and the institutional sources of those problems -- is relevant to evaluating the potential innovation performance of a DPPS system, including potential problems that it might encounter. There was a serious incentive problem in the Soviet innovation process. The incentive problem was not located at the R&D Institutes but rather at the enterprises. Soviet enterprises were relatively good at minor innovations. The incentive problem involved larger changes in the production process and the development of new products that differed substantially from what had been produced before. The Soviet enterprise director faced a context of relatively low rewards (in the director’s bonus) for successful innovations while the risks attendant upon major innovations were quite high. This tended to make Soviet enterprise directors conservative about innovation, with reluctance to develop new products or processes or to introduce those that emerged from the R&D Institutes. The risk of innovation was not just the result of the inevitable delays and unforseen costs that arise when trying something new. The key factor was the difficult supply relations in the Soviet planning system. Enterprises always worried about whether sufficient supplies would be delivered on time to enable the enterprise to meet its goals. This was a result of the policy of “taut planning,” aimed at achieving the maximum possible output from available inputs. Innovation necessitates unforeseen changes in required inputs, and the taut planning system made it difficult to change the input mix in mid-plan. The hierarchical relations of Soviet planning meant that enterprises did not have close relations with their suppliers, which compounded the problem. These conditions made innovation very risky, with a likelihood of interruption of the enterprise’s regular production, resulting in financial punishment for the director. Another incentive problem was an absence of penalties for failure to introduce available new technologies. A laggard enterprise with outmoded technology might find its costs rising above the industry average, but the ministry tended to protect its enterprises and made subsidies available. There were also problems of the means available for innovation. Innovations that involve radically new products typically entail either the entry by an existing enterprise into a new line of production or the creation of new enterprises. The Soviet planning system had relatively rigid boundaries between industries, and entry into a different line by an existing enterprise was discouraged, as poaching on the territory of others.13 While new enterprises were created from time to time, this was limited and usually faced opposition from existing enterprises. Individual inventors were greatly underutilized in the Soviet system. Most enterprises had an official policy of making small-scale facilities available to aspiring inventors. However, this program was not very effective at drawing out creative individual inventors, perhaps because the passivity bred into individuals by the repressive, centralized, hierarchical Soviet system discouraged individual inventive activity. In the matter of the effectiveness of innovative activity at advancing human welfare, the Soviet system did avoid some of the problems of capitalist innovation. There was no bias against innovation in public goods. There was no problem of monopoly pricing of new products and processes, with the attendant limitation of their use. However, the Soviet system had significant weaknesses in the effectiveness of innovative activity. We will cite three problems in this area. First, while irrational profit criteria largely guide the allocation of innovative effort in a capitalist system, in the Soviet system the “planners’ preference” guided this allocation. The top leadership favored certain sectors, particularly the military, space exploration, and certain industrial sectors, while consumer goods occupied a lowly place in their priorities. Second, there was a problem stemming from the poor relations between the two key institutions involved in innovation, the R&D Institutes and the enterprises. The R&D Institutes had the best researchers and facilities, and they produced a large volume of plans for new products and processes. However, the enterprises, which had to produce the new product or introduce the new process, complained that plans arrived that were incomplete, unrealistic, or unworkable. R&D Institutes complained that enterprises were uninterested in their proposals. The result was that much innovative effort failed to bear fruit. This seemed to be a result of the hierarchical character of the system, in which relations between institutions at the same level of the hierarchy were very poorly structured.14 Third, and perhaps most serious, innovation in the Soviet system generated major external costs, particularly for workplace and environmental health. The reason for this in the Soviet case was not the pursuit of profit but the single-minded emphasis on growth in output and the undemocratic and repressive character of the system which prevented the affected parties from defending their health interests. 5. Innovation in a Democratic Planned Participatory Socialist System What kind of innovation performance would be expected under a DPPS system, by comparison to that of capitalism and state socialism? Three features of DPPS, as laid out in Devine (1988), are relevant to innovation performance. First, the main features of the overall economic plan would be determined by a democratic process (Devine, 1988, p. 190). Second, the planning and coordination of the economy would take place, not through market forces or top-down central planning, but through a process of “negotiated coordination” (Devine, 1988, ch. 8-10). This means that resource allocation decisions would be made by boards -- industry boards and local and regional negotiated coordination bodies -- that have representation of all affected constituencies, including workers, consumers, suppliers, the local community, and even “cause” groups such as environmentalists, job safety activists, feminists, etc. These bodies would arrive at decisions through compromise among the interests represented on them. In addition, the basic units of social production, or enterprises, are considered social property and have governing boards that include representatives of all groups affected by the activity of the enterprise, including workers, consumers, suppliers, and the local community. Third, each individual would be expected to spend part of her/his work life in each of the main types of labor, which Devine defines as planning and managing labor, creative labor, nurturing labor, skilled labor, and unskilled/repetitive labor (Devine, 1988, 171). This would eliminate the social division of labor, while preserving the technical division of labor with its efficiency advantages In the absence of competitive pursuit of profits, or a Politburo demanding innovation, what would be the source of innovation under DPPS? First, the democratic, participatory institutions of that system would empower the population to demand innovations aimed at its own benefit. Under such a system, people would stand to benefit from innovation, in the three roles that people occupy – that of consumer, worker, and community member. Consumers can benefit from new, better, and cheaper products. Workers can benefit from less arduous toil and a more satisfying experience at work. Members of the community can benefit from products and work processes that improve, rather than harm, community life. DPPS, like every economic system, can also tap a second potential source of innovation. That is the species trait of human beings of having a propensity to look for ways to change and improve their methods of doing things, entirely apart from any desire for more goods or less labor. This drive, present in most people, although not in equal measure in all, represents an important source of innovative behavior at the stage of invention, if the economic system allows it to operate freely. How would a DPPS economy translate the potential benefits of innovation into actual effective innovative activity? How would it encourage, within the economy, the expression of human beings’ natural tendency to create new things? If the populace wants innovation, they would have to build into the system significant incentives for those who are in a position to carry it out. Enterprise managers, along with everyone else who participates in any of the stages of innovation, should be eligible for rewards for successful innovation. It is not sufficient to assume that decision-makers will automatically innovate -- it must be communicated to them, via a reward system, that society values innovation. Such rewards would be needed regardless of the mix of material versus moral incentives. Pay incentives need not be huge to elicit innovative behavior, as long they are large enough to bring a noticeable consumption benefit to the innovator. As the Soviet experience indicates, a planned economy can increase the risk associated with innovation, deterring innovative activity. However, DPPS should not suffer from the problems of uncertain supplies and inflexibility that characterized Soviet planning. With representatives on one another’s decision-making boards and with opportunities to communicate on negotiated coordination bodies, there should be reliable and flexible relations between suppliers and customers. It would be necessary to eschew the Soviet policy of taut planning and operate the economy with sufficient excess productive capacity to accommodate the unforeseen changes in inputs that innovation requires. Without the spur of competition to compel laggard enterprises to adopt the best technology in the industry, could an enterprise management, perhaps backed up by a workforce unenthusiastic about change, simply refuse to make improvements? As was noted above, an enterprise under DPPS is not the sole property of its workers but is social property, upon which constituencies outside the enterprise have a legitimate claim. Industry boards would have to keep track of laggard enterprises, and consumer representatives on both industry and enterprise boards would have to be powerful enough to exert pressure to make appropriate changes, imposing financial penalties where necessary. In order for this system to work effectively, it would be desirable to have more than one enterprise in each industry, except in cases of natural monopoly.15 The purpose is not to impose a market form of competition in which the cheapest producer drives out the rest, a process which often yields socially irrational outcomes. Rather, the purpose is to permit the gathering of comparative information about enterprise performance, from market exchange as well as other sources, so as to make informed decisions about what changes enterprises should be asked to make. It would not always turn out that the higher-cost producer is the one asked to change; the lower-cost producer might be found to have achieved low costs by anti-social practices rather than superior technology. Long ago Adam Smith complained that the detailed division of labor tends to make workers stupid. The DPPS practice of assuring everyone participation in the highest types of labor should have the opposite effect. This practice, along with the widespread participation in decision-making fostered by a DPPS society, should encourage the creative, innovative behavior that is natural to our species. DPPS should create conditions for a substantial outpouring of creativity from the population, some of which would take the form of innovation in the economic sphere. In the matter of assuring adequate means for innovation, DPPS would face a serious problem. The basic institutions of DPPS would not necessarily provide sufficient opportunities for creative individuals to work out new economically relevant ideas. More generally, there would be a danger that the decision-making boards of DPPS would tend to represent existing ways of doing things and offer resistance to innovation. The citizens of a DPPS society could solve this problem by establishing an Innovation Facilitation Board (IFB), dedicated to the promotion of innovation throughout the economy.16 The IFB would be given substantial financing from the central treasury. It would take applications from enterprises, informal groups, or individuals that wanted to work on inventing a new product or process or to engage in the development stage of an innovation. It would be able to make grants covering a long enough time period to provide a chance of success. Determining the membership of the IFB represents a serious problem for DPPS. If the IFB included representatives of all the constituencies that are affected by innovation, this would be likely to subvert its intended function. Major innovations typically have victims, and the potential costs may be more apparent than the potential benefits when the innovation is still at an early stage.17 A simple application of the principle of wide representation might block the development of new products and processes before their potential benefits became apparent. In order to be capable of carrying out its mandate, the IFB would have to be constituted as an independent board, perhaps made up of consumer representatives and experts of various kinds. Such a departure from the usual practice would be consistent with the underlying principle of DPPS, as long as the final decision to implement an innovation rested with a representative board. The IFB would facilitate and encourage the invention and development stages for new products and processes. It seems justified to protect the early stages of innovation from a final social decision, until it has been developed to the point where a well-informed judgment can be made about benefits and costs. However, the decision to implement an innovation should have to pass the test of the system’s core process of evaluation by, and compromise among, all affected constituencies. This calls for a second institution, an Innovation Approval Board (IAB). It would be constituted in the usual way, with representation of all relevant interests. Its role would be to determine whether a proposed new product or process, which emerged from a grant from the IFB, should be given the green light for production/introduction. While contemporary capitalism does place some after-the-fact restraints on socially harmful innovation, through state regulation and individual or class-action lawsuits, DPPS would place social interests at the heart of the innovation process. While the research and development stages of a potentially harmful project could not be readily blocked by opponents, the project could not be implemented, and the costs actually imposed, without social approval. Furthermore, those engaging in invention or development on an IFB grant would know the criteria by which the implementation of the innovation would eventually be judged by the IAB, which should have a positive impact on the direction of invention and development. A remaining problem is the possible need to allow an existing enterprise to enter a new line of production, or to permit the founding of a new enterprise, in order to implement a major innovation. This might encounter resistence from existing interests. To avoid this problem, once the IAB has given its approval, the innovators should have the right to request permission to start a new enterprise, or enlist an existing enterprise to move outside its previous line of work, in order to implement the innovation. A decision to grant such a request might require a joint meeting of the IFB and the IAB. The social effectiveness of innovation under DPPS should be free of each of the five problems of capitalist innovation cited above. Innovation would not be directed disproportionately to satisfy the rich, since there would be no rich class, nor would profits from sale guide innovation. The balance between innovation in public and private goods should reflect the citizenry’s priorities, since representative bodies would allocate innovation resources between the two types of goods, and the incentives for innovation should operate equally for the two. External benefits and costs, including those affecting workers and the environment, should be fully considered by the representative boards that make decisions about the introduction of new technologies and products. Such decisions would not face the pressure to impose costs on third parties that results from competitive profit-seeking. There would be no problem of monopoly pricing restricting the application of innovations and no waste of innovative effort due to oligopolistic competition. The three problems that undermined the effectiveness of innovation under state socialist planning should be absent from DPPS. No Politburo officials would dictate priorities for innovation. Instead, democratic decision-making would determine the amount and allocation of innovation. The waste-generating disconnection between R&D Institutes and enterprises should not be present in DPPS, since horizontal relations among institutions would be strong. If R&D Institutes were designed as part of the innovation system of DPPS, then cross representation between them and the enterprises should permit an effective interface between the two types of institutions. Last, the causes of the severe external costs of innovation under state socialism – a single-minded focus on growth of output and a lack of democracy – should not characterize DPPS. Our conclusion is that the basic defining institutions of DPPS are generally favorable for innovation, but these institutions alone would not be sufficient to guarantee successful innovation performance. By adding the set of additional institutions and policies mentioned above, DPPS should display an innovation performance far superior at meeting human needs to that of either capitalism or state socialism. Of course, such a system would not guarantee that every innovation would contribute to human welfare. It is not always possible to predict in advance what the eventual consequences of a new product or process will be. However, such a system would be far superior to earlier systems at making such decisions.

#### An innovation process centered on social interests is key to avert extinction from black-ball technology

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Achieving stabilization The truth of VWH would be bad news. But it would not imply that civilization will be devastated. In principle at least, there are several responses that could stabilize the world even if vulnerability exists. Recall that we defined the hypothesis in terms of a black-ball technology making civilizational devastation extremely likely conditional on technological development continuing and the semi-anarchic default condition persisting. Thus we can theoretically consider the following possibilities for achieving stabilization: 1. Restrict technological development. 2. Ensure that there does not exist a large population of actors representing a wide and recognizably human distribution of motives. 3. Establish extremely effective preventive policing. 4. Establish effective global governance. We will discuss (3) and (4) in subsequent sections. Here we consider (1) and (2). We will argue they hold only limited promise as ways of protecting against potential civilizational vulnerabilities. Technological relinquishment In its general form, technological relinquishment looks exceedingly unpromising. Recall that we construed the word ‘technology’ broadly; so that completely stopping technological development would require something close to a cessation of inventive activity everywhere in the world. That is hardly realistic; and if it could be done, it would be extremely costly – to the point of constituting an existential catastrophe in its own right (Namely, ‘permanent stagnation’ (Bostrom, 2013)). That general relinquishment of scientific and technological research is a non-starter does not, however, imply that limited curtailments of inventive activities could not be a good idea. It can make sense to forego particularly perilous directions of advancement. For instance, recalling our ‘easy nukes’ scenario, it would be sensible to discourage research into laser isotope separation for uranium enrichment (Kemp, 2012). Any technology that makes it possible to produce weapons-grade fissile material using less energy or with a smaller industrial footprint would erode important barriers to proliferation. It is hard to see how a slight reduction in the price of nuclear energy would compensate. On the contrary, the world would probably be better off if it somehow became harder and more expensive to enrich uranium. What we would ideally want in this area is not technological progress but technological regress. While targeted regress might not be in the cards, we could aim to slow the rate of advancement towards risk-increasing technologies relative to the rate of advancement in protective technologies. This is the idea expressed by the principle of differential technological development. In its original formulation, the principle focuses on existential risk; but we can apply it more broadly to also encompass technologies with ‘merely’ devastational potential: Principle of Differential Technological Development. [slow] the development of dangerous and harmful technologies, especially ones that raise the level of existential risk; and accelerate the development of beneficial technologies, especially those that reduce the existential risks posed by nature or by other technologies (Bostrom, 2002). The principle of differential technological development is compatible with plausible forms of technological determinism. For example, even if it were ordained that all technologies that can be developed will be developed, it can still matter when they are developed. The order in which they arrive can make an important difference – ideally, protective technologies should come before the destructive technologies against which they protect; or, if that is not possible, then it is desirable that the gap be minimized so that other countermeasures (or luck) may tide us over until robust protection become available. The timing of an invention also influences what sociopolitical context the technology is born into. For example, if we believe that there is a secular trend toward civilization becoming more capable of handling black balls, then we may want to delay the most risky technological developments, or at least abstain from accelerating them. Even if we suppose that civilizational devastation is unavoidable, many would prefer it to take place further into the future, at a time when maybe they and their loved ones are no longer alive anyway.32 Differential technological development doesn’t really make sense in the original urn-of-creativity model, where the color of each ball comes as a complete surprise. If we want to use the urn model in this context, we must modify it. We could stipulate, for example, that the balls have different textures and that there is a correlation between texture and color, so that we get clues about the color of a ball before we extract it. Another way to make the metaphor more realistic is to imagine that there are strings or elastic bands between some of the balls, so that when we pull on one of them we drag along several others to which it is linked. Presumably the urn is highly tubular, since certain technologies must emerge before others can be reached (we are not likely to find a society that uses jet planes and flint axes). The metaphor would also become more realistic if we imagine that there is not just one hand daintily exploring the urn: instead, picture a throng of scuffling prospectors reaching in their arms in hopes of gold and glory, and citations. Correctly implementing differential technological development is clearly a difficult strategic task (Cf. Collingridge, 1980). Nevertheless, for an actor who cares altruistically about long-term outcomes and who is involved in some inventive enterprise (e.g. as a researcher, funder, entrepreneur, regulator, or legislator) it is worth making the attempt. Some implications, at any rate, seem fairly obvious: for instance, don’t work on laser isotope separation, don’t work on bioweapons, and don’t develop forms of geoengineering that would empower random individuals to unilaterally make drastic alterations to the Earth’s climate. Think twice before accelerating enabling technologies – such as DNA synthesis machines – that would directly facilitate such ominous developments.33 But boost technologies that are predominantly protective; for instance, ones that enable more efficient monitoring of disease outbreaks or that make it easier to detect covert WMD programs. Even if it is the case that all possible ‘bad’ technologies are bound to be developed eventually, it can still be helpful to buy a little time.34 However, differential technological development does not on its own offer a solution for vulnerabilities that persist over long periods – ones where adequately protective technologies are much harder to develop than their destructive counterparts, or where destruction has the advantage even at technological maturity.35 Preference modification Another theoretically possible way of achieving civilizational stabilization would be to change the fact that there exists a large population of actors representing a wide and recognizably human distribution of motives. We reserve for later discussion of interventions that would reduce the effective number of independent actors by increasing various forms of coordination. Here we consider the possibility of modifying the distribution of preferences (within a more or less constant population of actors). The degree to which this approach holds promise depends on which type of vulnerability we have in mind. In the case of a Type-1 vulnerability, preference modification does not look promising, at least in the absence of extremely effective means for doing so. Consider that some Type-1 vulnerabilities would result in civilizational devastation if there is even a single empowered person anywhere in the world who is motivated to pursue the destructive outcome. With that kind of vulnerability, reducing the number of people in the apocalyptic residual would do nothing to forestall devastation unless the number could be reduced all the way to zero, which may be completely infeasible. It is true that there are other possible Type-1 vulnerabilities that would require a somewhat larger apocalyptic residual in order for civilizational devastation to occur: for example, in a scenario like ‘easy nukes’, maybe there would have to be somebody from the apocalyptic residual in each of several hundred cities. But this is still a very low bar. It is difficult to imagine an intervention – short of radically re-engineering human nature on a fully global scale – that would sufficiently deplete the apocalyptic residual to entirely eliminate or even greatly reduce the threat of Type-1 vulnerabilities. Note that an intervention that halves the size of the apocalyptic residual would not (at least not through any firstorder effect) reduce the expected risk from Type-1 vulnerabilities by anywhere near as much. A reduction of 5 percent or 10 percent of Type-1 risk from halving the apocalyptic residual would be more plausible. The reason is that there is wide uncertainty about how destructive some new blackball technology would be, and we should arguably use a fairly uniform prior in log space (over several orders of magnitude) over the size of apocalyptic residual that would be required in order for civilizational devastation to occur conditional on a Type-1 vulnerability arising. In other words, conditional on some new technology being developed that makes it easy for an average individual to kill at least one million people, it may be (roughly) as likely that the technology would enable the average individual to kill one million people, ten million people, a hundred million people, a billion people, or every human alive. These considerations notwithstanding, preference modification could be helpful in scenarios in which the set of empowered actors is initially limited to some small definable subpopulation. Some black-ball technologies, when they first emerge from the urn, might be difficult to use and require specialized equipment. There could be a period of several years before such a technology has been perfected to the point where an average individual could master it. During this early period, the set of empowered actors could be quite limited; for example, it might consist exclusively of individuals with bioscience expertise working in a particular type of lab. Closer screening of applicants to positions in such labs could then make a meaningful dent in the risk that a destructive individual gains access to the biotech black ball within the first few years of its emergence.36 And that reprieve may offer an opportunity to introduce other countermeasures to provide more lasting stabilization, in anticipation of the time when the technology gets easy enough to use that it diffuses to a wider population. For Type-2a vulnerabilities, the set of empowered actors is much smaller. Typically what we are dealing with here are states, perhaps alongside a few especially powerful nonstate actors. In some Type-2a scenarios, the set might consist exclusively of two superpowers, or a handful of states with special capabilities (as is currently the case with nuclear weapons). It could thus be very helpful if the preferences of even a few powerful states were shifted in a more peaceloving direction. The ‘safe first strike’ scenario would be a lot less alarming if the actors facing the security dilemma had attitudes towards one another similar to those prevailing between Finland and Sweden. For many plausible sets of incentives that could arise for powerful actors as a consequence of some technological breakthrough, the prospects for a non-devastational outcome would be significantly brightened if the actors in question had more irenic dispositions. Although this seems difficult to achieve, it is not as difficult as persuading almost all the members in the apocalyptic residual to alter their dispositions. Lastly, consider Type-2b. Recall that such a vulnerability entails that ‘by default’ a great many actors face incentives to take some damaging action, such that the combined effects add up to civilizational devastation. The incentives for using the black-ball technology must therefore be ones that have a grip on a substantial fraction of the world population – economic gain being perhaps the prime example of such a near-universal motivation. So imagine some private action, available to almost every individual, which saves each person who takes it a fraction X of his or her annual income, while producing a negative externality such that if half the world’s population takes the action then civilization gets devastated. At X = 0, we can assume that few people would take the antisocial action. But the greater X is, the larger the fraction of the population that would succumb to temptation. Unfortunately, it is plausible that the value of X that would induce at least half of the population to take the action is small, perhaps less than 1 per cent.37 While it would be desirable to change the distribution of global preferences so as to make people more altruistic and raise the value of X, this seems difficult to achieve. (Consider the many strong forces already competing for hearts and minds – corporate advertisers, religious organizations, social movements, education systems, and so on.) Even a dramatic increase in the amount of altruism in the world – corresponding, let us say, to a doubling of X from 1 percent to 2 per cent – would prevent calamity only in a relatively narrow band of scenarios, namely those in which the private benefit of using the destructive technology is in the 1–2 per cent range. Scenarios in which the private gain exceeds 2 per cent would still result in civilizational devastation. In sum, modifying the distribution of preferences within the set of actors that would be destructively empowered by a black-ball discovery could be a useful adjunct to other means of stabilization, but it can be difficult to implement and would at best offer only very partial protection (unless we assume extreme forms of worldwide re-engineering of human nature).38 Some specific countermeasures and their limitations Beside influencing the direction of scientific and technological progress, or altering destruction-related preferences, there are a variety of other possible countermeasures that could mitigate a civilizational vulnerability. For example, one could try to: • prevent the dangerous information from spreading; • restrict access to requisite materials, instruments, and infrastructure; • deter potential evildoers by increasing the chance of their getting caught; • be more cautious and do more risk assessment work; and • establish some kind of surveillance and enforcement mechanism that would make it possible to interdict attempts to carry out a destructive act.

#### Black-ball technology causes extinction

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Full-scale nuclear war. There is roughly 0.02-7% chance per year of accidental full-scale nuclear war between the US and Russia (Barrett, Baum, & Hostetler, 2013). With fairly high probabilities of nuclear winter and civilization collapse given nuclear war, this is order of magnitude 10% this century. We should also take into consideration that despite reductions in nuclear weapons, a new nuclear arms race is possible in the 21st century. Such a race may include more devastating weapons or cheaper manufacturing methods. Nuclear war could include the creation of large cobalt bombs as doomsday weapons or attacks on nuclear power plants. It could also start a chain of events which result in civilization collapse. Nanotechnology risks. Although molecular manufacturing can be achieved without self-replicating machines (Drexler & Phoenix, 2004), technological fascination with biological systems makes it likely that self-replicating machines will be created. Moreover, catastrophic uses of nanotechnology needn’t be due to accident, but also due to the actions of purposeful malignant agents. Therefore, we estimate the chance of runaway self-replicating machines causing “gray goo” and thus human extinction to be one per cent in this century. There could also be extinction risks from weapons produced by safe exponential molecular manufacturing. See also (Turchin, 2016). Artificial pandemic and other risks from synthetic biology. An artificial multipandemic is a situation in which multiple (even hundreds) of individual viruses created through synthetic biology are released simultaneously either by a terrorist state or as a result of the independent activity of biohackers (Turchin, Green, & Dekenbergern, 2017). Because the capacity to create such a multipandemic could arrive as early as within the next ten to thirty years (as all the needed technologies already exist), it could overshadow future risks, like nanotech and AI, so we give it a higher estimate. There are also other possible risks, connected with synthetic biology, which are widely recognized as serious (Bostrom, 2002). Agricultural catastrophe. There is about a one per cent risk per year of a ten per cent global agricultural shortfall occurring due to a large volcanic eruption, a medium asteroid or comet impact, regional nuclear war, abrupt climate change, or extreme weather causing multiple breadbasket failures (Denkenberger 2016). This could lead to 10% mortality. Red AI risks. The risks connected with the possible creation of non-aligned Strong AI are discussed by (Bostrom, 2014), (Yudkowsky, 2008), (Yampolskiy & Fox, 2013) and others. It is widely recognized as the most serious X risk. AI could start an “intelligence explosion wave” through the Universe, which could prevent appearance of the other civilizations before they create their own AI. Purple Something like the Caribbean crisis in the past, but larger size. Currently, there are no known purple risks. If we could be sure that Strong AI will appear in the next 100 years and would probably be negative, it would constitute a purple risk. Another example would be the creation of a Doomsday weapon that could kill our species with global radiation poisoning (much greater ionizing radiation release than all of the current nuclear weapons) (Kahn, 1959). A further example would be a large incoming asteroid being located, or an extinction level pandemic has begun. These situations require quick and urgent effort on all levels.

#### Capitalism locks in existential climate change---only socialism can achieve the absolute decoupling necessary to solve

Reese 20 - author of Socialism or Extinction and The End of Capitalism: The Thought of Henryk Grossman (Ted, https://grossmanite.medium.com/socialism-or-extinction-is-a-fact-not-a-slogan-3cb97b198c50, emuse)

Socialism or extinction is not just a slogan, though; it is a statement of scientific fact. If XR does not stand for socialism, then it must necessarily stand for extinction, rendering its own alleged purpose redundant. In short: capitalism is a profit-dependent system, and must therefore continue to expand production in order to keep investment flowing and profits rising (in absolute terms). And since profit arises from capital’s exploitation of commodity-producing labour, the intensity of the production based on fossil fuel and toxic, fuel-intensive metal mining is (increasingly) necessary. To flesh this out a bit more: capital’s exploitation of commodity-producing labour is the [sole source of profit](http://gesd.free.fr/kliman99.pdf) — the capitalist appropriates surplus value (surplus labour time) from the worker, i.e the worker keeps less value than they create, covering their living costs (necessary labour time), and surplus value is then realised through commodity sales. This social relation is obscured by the money-wage relation. Therefore, capital’s evermore demanding need to accumulate is based on the continual expansion of intensive production, i.e. the extraction of fossil fuel and metals, deforestation, intensive farming, etc., that is releasing carbon and other ‘greenhouse’ emissions — not to mention that they are fuel-intensive practices in the first place and toxic to the local environment — trapped in nature into the atmosphere, making the planet warmer and threatening runaway global heating that, according to numerous scientific studies, will make the planet uninhabitable for humans, probably before the end of the present century. (Capital’s exploitation of labour is therefore also the root cause of [alleged plummeting sperm counts](https://grossmanite.medium.com/declining-sperm-counts-polluted-breast-milk-autoimmune-disorders-the-diabolical-legacy-of-53462aa1245d) (down a reported 59% from 1973 to 2011), further threatening extinction. The microplastics, nanoparticles and toxic chemicals sourced from fossil fuels and metal mines and consumed in everyday products penetrate and damage human cells.) Although extractive industries are usually now very capital-intensive — the source of capitalism’s ([now existential) economic crisis](https://grossmanite.medium.com/with-hyperinflation-looming-and-capitalism-dying-socialism-is-becoming-an-economic-necessity-a031f9a746e0) — the rate of exploitation of the remaining workers is very high. It is not capitalism’s need for ‘infinite growth on a planet of finite resources’, as most leftists seem to put it, that is the central or immediate problem; rather, it is the pace of production and its expansion — determined by the size of an ever-larger total capital and its need to expand yet further by feeding off labour — relative to nature’s ability to replenish itself (something capitalism’s dependence on intensive extraction obviously hinders). Just as surplus value is converted into capital faster than it is produced — resulting in (on average) decennial recessions and, eventually, a historical limit to capital accumulation — so nature is converted into capital faster than it can be replenished. Compound accumulation Fossil fuels (petroleum, coal, natural gas and orimulsion) would shrink to roughly half of total primary energy supply in 2050, from about 77% in 2020 — [down from 81% in 2010](https://www.iea.org/data-and-statistics/charts/share-of-total-primary-energy-demand-by-fuel-2010-2019) — if the world meets the ‘minimum’ internationally agreed target of 2 degrees Celsius warming, [according to S&P Global Platts Analytics](https://www.spglobal.com/platts/en/market-insights/latest-news/oil/062320-fossil-fuels-energy-mix-infographic-interactive). (Even 1C has already seen a reported [400,000 people (and counting) a year dying from climate-related causes](https://www.inquirer.com/philly/blogs/public_health/Death-toll-from-climate-change-estimated-at-400000-In-2010.html); while the Arctic permafrost — containing 1.8 trillion tonnes of carbon, more than twice as much as is currently suspended in Earth’s atmosphere — is, we are told,[2] melting [70 years sooner than previously expected](https://bigthink.com/surprising-science/canada-permafrost). While fossil fuel may fall to 50% of the mix of energy production, its absolute production may rise, since economic output under capitalism tends to double every 20 years.[3] As Jason Hickel writes in his book Less Is More, there was “a steady rise of material use in the first half of the 1900s, doubling from 7 billion tons per year to 14 billion tons per year. But then, in the decades after 1945, something truly bewildering happens… material use explodes: it reaches 35 billion tons by 1980, hits 50 billion tons by 2000, and then screams up to an eye-watering 92 billion tons by 2017… This increase in material use tracks more or less exactly with the rise of global GDP. The two have grown together in lockstep. Every additional unit of GDP means roughly an additional unit of material extraction. “There has been a radical acceleration of fossil fuel use since 1945, rising along with the explosion in both GDP and material use. And carbon emissions have gone up right along with it. Annual emissions more than doubled from 2 billion tons per year to 5 billion tons per year during the first half of the 1900s. During the second half of the century they rose fivefold, reaching 25 billion tons by the year 2000. And they have continued to rise since then, despite a string of international climate summits, reaching 37 billion tons in 2019. Of course, there is no intrinsic relationship between energy use and CO2 emissions. It all depends on what energy source we’re using. Coal is by far the most carbon-intensive of the fossil fuels. Oil — which has grown much more quickly than coal since 1945 — emits less CO2 per unit of energy. And natural gas is less intensive still. As the global economy has come to rely more on these less polluting fuels, one might think that emissions would begin to decline.… [But] because GDP growth is driving total energy demand up at such a rapid pace … these new fuels aren’t replacing the older ones, they are being added on top of them. The shift to oil and gas hasn’t been an energy transition, but an energy addition. “The same thing is happening right now with renewable energy… To keep energy flowing when the sun isn’t shining and the wind isn’t blowing will require enormous batteries at the grid level. This means 40 million tons of lithium — an eye-watering 2,700% increase over current levels of extraction… It takes 500,000 gallons of water to produce a single ton of lithium. Even at present levels of extraction this is causing real problems. In the Andes, where most of the world’s lithium is located, mining companies are burning through the water tables and leaving farmers with nothing to irrigate their crops. Many have had no choice but to abandon their land altogether. Meanwhile, chemical leaks from lithium mines have poisoned rivers from Chile to Argentina, Nevada to Tibet, killing off whole freshwater ecosystems. The lithium boom has barely started, and it’s already a catastrophe… “Today the world is producing 8 billion more megawatt hours of clean energy each year than in 2000. That’s a lot — enough to power all of Russia. But over exactly the same period, economic growth has caused energy demand to increase by 48 billion megawatt hours. “There’s also something else going on. With every year that goes by, it becomes more and more difficult to extract the same amount of materials from the earth. Today, three times more material has to be extracted per unit of metal than a century ago.”[4] There is no such thing as ‘green capitalism’. The ‘Green New Deal’ proposed by social democrats — which actually involves privatising the last areas of common land — is species suicide. Socialism and non-intensive production Under capitalism, commodities are only produced if they are profitable, i.e. if labour is exploitable enough to expand capital. They are use-values/utilities and exchange-values. Under socialism, goods (having been decommodified) are produced if we deem them to be useful, via democratic regulation and demand. They are just use-values and socially owned, so no exchange of ownership takes place, i.e. exchange value and profit are abolished. If we deem that a good is not useful since it is damaging the environment or contributing to climate change too much, we can decide not to make it. Or we can find a way of making it that does not damage or exhaust nature. Rather than fossil fuel (which disappears into thin air and so has to be extracted anew by exploited labour, making it perfect for the needs of capital) or metals (which are finite), we could use non-labour-intensive renewables — sunlight, wind and especially (for physical products) fibrous plants ([especially hemp](https://medium.com/@Grossmanite/the-green-new-deal-is-species-suicide-only-a-hemp-based-industrial-revolution-can-save-earths-f9c3dc29c4e3), which can replace steel, concrete, graphene, lithium and fossil fuel) and [mycelium](https://blogs.scientificamerican.com/observations/the-mycelium-revolution-is-upon-us/) (from which we can even make [computers](https://royalsocietypublishing.org/doi/10.1098/rsfs.2018.0029)). And because socialism can plan and co-ordinate production as a whole on a break-even basis, instead of having to bow to the demands of capital accumulation and anarchic competition between private producers, we can grow economic output at the rate nature replenishes (or slower) — something that socialism could help instead of hinder. Achieving the abundant material wealth for all promised by communism (as it develops into its higher stage, when production becomes fully automated and, eventually, free) is part of the solution. Fibrous plants like hemp [quickly draw down and sequester CO2](https://www.huffpost.com/entry/hemp-and-lots-of-it-could_b_328275?guccounter=1) while reviving the soil, reversing desertification; and the products made from them (including bioplastic that is 10 times stronger than steel; batteries that [outperform lithium and graphene](https://www.bbc.co.uk/news/science-environment-28770876); and highly-insulating [carbon-negative hempcrete](https://www.ukhempcrete.com/services/better-than-zero-carbon-buildings/)) keep that carbon sequestered indefinitely. Abundant material wealth for all includes abundant vegetation, permaculture, afforestation, etc. There is also the potential for micro-organisms to supply a near-infinite source of energy. In 2018, scientists in the US confirmed a theory first proposed by Soviet geologists when they found [huge populations of bacteria living in the extreme temperatures of Earth’s crust](https://www.independent.co.uk/news/science/deep-life-microbes-underground-bacteria-earth-surface-carbon-observatory-science-study-a8677521.html), despite the lack of photosynthesis and nutrients, living solely from chemical reactions fuelled by geothermal energy. They estimated that up to 23 billion tonnes of micro-organisms live in this “deep biosphere”, making it the largest ecosystem on the planet and accounting for nearly 400 times the amount of carbon found in all living humans. Here lies a potential source of abundant energy (although we will have to assess whether the benefits outweigh the impacts of drilling). Other scientists have even found that the Geobacter bacteria found in human waste can convert sewage into fresh water and [produce electricity in the process](https://www.nasa.gov/vision/earth/technologies/18may_wastenot.html). It is now thought that one day [microbial fuel cells](https://www.nasa.gov/feature/ames/could-electricity-producing-bacteria-help-power-future-space-missions/) could power our phones, household appliances — and even spaceships. Investment in microbial fuel cells will remain seriously limited, however, until value-creation is based solely on utility instead of exploitation and profit, since capital cannot exploit the labour time of microbes! Modern science — which is looking more and more ‘presocialist’, i.e. systematic, holistic and dialectial-materialist (the Marxist method of assessing history as moving forward through material and social interactions)— has proven that humans depend on plants and bacteria for everyday life, [smashing the myth of The Individual](https://aeon.co/essays/science-and-metaphysics-must-work-together-to-answer-lifes-deepest-questions) — the world is powered by collectivism. Indeed, trees, plants and bacteria are our relatives. The world is one interconnected whole. The socialisation of the means of production, whereby the means of production are owned by humanity instead of capital, will thus be a ‘naturalising’ humanisation, plantification and microbiolisation of production. Other forms of existing carbon-negative production that could be scaled up include ‘sky mining’ for diamonds that are chemically identical to earth diamonds, another industry that only exists on a small scale under capitalism because of the lack of labour exploitation involved. Emissions-free, energy-dense nuclear power, is also an option. The initial impact of mining uranium on the environment must be re-assessed by an independent socialist state, but to prove our earlier point, nuclear has not been abandoned because of safety fears, but because its capital-intensity has become unprofitable as ever-growing total capital becomes harder and harder to expand by the relatively diminishing pool of human labour. In terms of worker safety, nuclear is [the safest form of energy production](https://amp.theguardian.com/science/political-science/2015/nov/04/why-eco-austerity-wont-save-us-from-climate-change). There is also the prospect of space-based solar power and associated wireless transmission, without the intermittency of night time or winter suffered by solar panels and wind turbines on Earth. This, too, however, has proven too expensive for investors who won’t invest without the prospect of a higher return. Reverting to overly local, small-scale production—which would make everything more expensive — is not an option. Sea levels are rising and we probably need to build incredibly vast dikes on every continent. Rising temperatures will also massively increase the demand for air conditioning, which will have to be powered by something abundant and emissions-free, like nuclear. But socialism never works? Clearly, we need world socialism. Countries that are arguably ‘semi-socialist’ or that are supposedly ‘working towards’ socialism, like China and Venezuela, still work to some extent on the basis of commodity-production. But even ‘fully’ socialist countries still have to trade with capitalist countries, and that means having to make concessions to capital, working within a world capitalist system and having to maintain military defences at the expense of the civilian economy. Nor can they fully plan their economies due to fluctuating, unpredictable foreign prices. The need to build up foreign currency also incentivises black markets. Again, because socialist production is based on utility, socialism will also be able to invest in things like mineralising CO2 (turning it permanently into basalt rock). This is not a silver bullet since it is water-intensive, but it could certainly be scaled up significantly where water scarcity is not an issue (or if [water can be ‘artificially’ produced](https://www.sciencedaily.com/releases/2007/10/071031125457.htm)). That we are not doing this is a travesty — but where it would be a productive industry under socialism, it is an unproductive industry under capitalism, since it does not offer a commodity that can be sold for profit (unless it is sold to the state using public debt, thereby creating no new value and contributing to money devaluation that [will eventually (imminently) cause hyperinflation](https://grossmanite.medium.com/with-hyperinflation-looming-and-capitalism-dying-socialism-is-becoming-an-economic-necessity-a031f9a746e0)). It would therefore have to be funded by taxes that eat into already thinning profit margins, and so these taxes are resisted by capitalists, who anyway run the capitalist state. They are incapable of changing the system, even as it threatens to produce an ecocidal holocaust. Capitalism is now effectively an extinction cult and can only continue to steer Earth into the sun. Socialism — which is anyway [becoming an economic necessity](https://fleetworld.co.uk/road-test-hyundai-i30/) for the first time — gives humanity the chance of steering Earth to safety, in the nick of time.

### 1AC---Plan

#### The United States federal government should substantially increase prohibitions on anticompetitive business practices by the private sector in accordance with Democratically Planned Socialism.

### 1AC---Solvency

#### Solvency:

#### DPS is the optimal economic structure---avoids the challenges that accompanied the Soviet model

Kotz 8 - economics professor at Amherst (David, https://people.umass.edu/dmkotz/What\_Ec\_Struc\_Soc\_08\_03.pdf, emuse)

The economic problems of actually existing socialism were not inherent in socialism, or in economic planning. They were structural problems of the particular form of planning that first arose in the Soviet Union and later appeared in other Communist Party ruled states. All of the economic problems listed in section 2 above were due to a key feature of that form of socialism: an absence of popular participation in decision-making in the economy and the state. There were various problematic policies, but the foregoing structural feature was the underlying source of the economic problems.5 Economic activity in any system will serve the needs of those who have power within that system. In a market economy ordinary consumers have a limited power -- they can decide not to purchase something. Hence, producers have be concerned with what ordinary consumers want to buy, since that is something they cannot fully control, try though they may. In Soviet-type planning, those actors with power were able to get high quality goods produced for them. No one ever claimed that Soviet weapons were of low quality, yet they were produced via the system of central planning. Soviet military leaders, and the ministers in charge of production of military equipment, were powerful and could demand high quality products. Similarly, some of the industrial ministers in civilian sectors had the power to demand high quality products, and some Soviet industrial products were world class.6 Special enterprises produced housing for high officials, and the quality of such housing was excellent.7 Powerful Soviet officials exercised their power by their ability to discipline or demote top enterprise officials if product quality was deemed unsatisfactory. It was an effective incentive. By contrast, ordinary households had almost no power in the Soviet planning system. Enterprise managers were not rewarded and punished based on how well they satisfied household consumers. The environmental damage from Soviet-type central planning resulted from an unaccountable leadership's focus on economic growth. The absence of democratic rights for the population prevented the emergence of a strong environmental movement that could have insisted on changed priorities. For economic planning to work effectively, power must be dispersed among all of the relevant groups in the economy, not monopolized by unaccountable high officials. Models of participatory planning have been elaborated by a number of authors (Devine, 1988, 2002; Albert and Hahnel, 1991). They involve democratic participation both in the economy and the state, which must be closely intertwined in a socialist system. These models share the following five principles: 1) wide participation in decision-making by those affected by a decision; 2) representation of the population as workers, community members, and consumers on decision-making bodies; 3) a decision-making process based on negotiation and compromise, to handle the inevitable existence of opposing interests among different groups; and 4) an equitable sharing of the benefits and burdens of economic and political life. If consumer representatives sat on enterprise boards and on regional and national level planning bodies, they could insist that enterprises produce high quality consumer goods that people would like to purchase, with the power to set rewards and penalties to back up their demands. If the top political leaders are dependent on popular support for staying in office, they would be under pressure to make the system work to meet the needs of ordinary people. Democratic institutions, which in a capitalist system are always limited by the enormous political power of the rich, would work far better in a socialist system that has no class of wealthy property owners. The promise of getting rich is not necessary to build an efficient, innovative economy. "Innovation Institutes" could fund the testing out of new ideas, new products, and new services. Someone with a proposal for a new restaurant or service establishment could apply for funds and leasing rights to carry out their proposal, without departing from the principle of public ownership of productive property. Modest material rewards should be sufficient to encourage innovation and new and varied services, given the presence in any population of many individuals who are personally inclined to launch new projects. By providing representation for all constituencies in the making of allocation decisions, participatory planning would provide channels for all groups to see that their needs are addressed. It also recognizes the existence of conflicting interests even in a socialist society and provides institutions in which groups can negotiate and reach compromises. For example, enterprise boards having representatives of workers, consumers, and the community could strike a reasonable balance among workers' interest in not being overworked, consumers' interest in affordable and well-made products, and the community's interest in avoiding pollution of air and water. In a country having a relatively low living standard, a system of participatory planning would allow the population to demand a high rate of economic growth though democratic decisions about the resources to be devoted to investment and improved technologies. For participatory planning to work effectively, economic decisions should be as decentralized as possible to facilitate maximum participation by affected parties. Old-style central planning was overly centralized. Some economic decisions must be made at the center, but many can be made at a regional or local level. The claim that a system based on free markets is superior to any other in efficiency, innovation, and growth has no foundation. While a capitalist market economy can develop the forces of production and bring a rising level of material consumption for part of the population, history shows that it has been unable to build a society that meets the needs of the entire population. Only socialism can assure everyone material comfort, security, and a guaranteed opportunity to participate in productive labor, without some exploiting others. Only socialism can build a society based upon the better aspects of human nature, rather than its baser aspects, and finally enable people to become the real masters of their fate. But socialism can carry out this historic mission only if it embraces democracy and popular participation as the basis of its institutions.

#### American DPS goes global---serves as a shining city on a hill, removes obstacles, and offers assistance

PSL 8 (Party for Socialism and Liberation, [https://liberationschool.org/the-goal-of-socialism-peace-and-equality-amid-plenty/#](https://liberationschool.org/the-goal-of-socialism-peace-and-equality-amid-plenty/), emuse)

Experiences in socialist construction Thanks in great part to the practical experience of Lenin in making revolution, 21st-century socialists have a wealth of experience on which to base further conclusions. Marxists have been able to use accumulated theory and practice in order to lead revolutions in Russia, China, Korea, Yugoslavia, Cuba and many other countries. While there have been vast differences in the experiences of those socialist revolutions, they share one common feature: The socialist revolutions of the 20th century took place in countries where the level of productive forces was very low compared to the imperialist countries. Every successful revolution faced the primary task of developing their economies—while under constant military threat by world imperialism. For that reason, Lenin described the challenges of building communism in 1920 in very practical terms: “Communism is Soviet power plus the electrification of the whole country.” There was no hope in building socialism if the economy remained underdeveloped. Because of the combined challenges of developing the productive forces under the gun of world imperialism, no socialist revolution has yet reached a stage where the “withering away of the state” could be imagined. Imperialism has seized on any weakness in the revolutionary states in order to foment counterrevolution. Nevertheless, the working classes in the countries that have set out to build socialism have made tremendous gains. Russia’s working class in 1917 was 4 percent of the population. Within 50 years, it was the second-most powerful economy in the world. China had never been able to feed its entire population prior to the revolution. Millions died during famines in China prior to 1949. Yet after the 1949 revolution, for the first time the economy was able to feed the largest population in the world. Despite immense pressure from imperialism, Cuba has been able to achieve tremendous gains—despite the collapse of the Soviet Union in 1991. Cuban workers enjoy among the highest living standards of any of their counterparts in Latin America or much of the oppressed world. The continued military and economic dominance by world imperialism—first and foremost by U.S. imperialism—has made the transition to socialism that Marx and Lenin described so far impossible. The workers’ states have needed to devote a considerable part of their social development toward the strengthening of the proletarian dictatorship—the army and police—in order to defend against invasion or counterrevolution. Taking that next step will require a society based on the dictatorship of the proletariat in the United States. Toppling the world’s dominant capitalist power would not only lift a tremendous burden from the workers around the world who are trying to engage in socialist construction. It would put at the disposal of the world working class the tremendous wealth produced by the U.S. working class. All the social wealth extracted from the oppressed world by U.S. corporations and mines could be used to reverse the effects of centuries of colonial and imperialist exploitation. A revolution in the United States would undercut the economic basis for divisions among the working class that promote racism, sexism and homophobia. Socialism is a system of peace, justice and equality. The road to socialism begins with revolution in the United States.

#### Proletarianization makes class struggle inevitable---the aff accelerates and properly directs movements

Reese 20 - author of Socialism or Extinction and The End of Capitalism: The Thought of Henryk Grossman (Ted, <https://www.amazon.com/Socialism-Extinction-Automation-Capitalist-Breakdown-ebook/dp/B081FHF2ZQ>, emuse)

Those who are lucky enough to find or remain in work as the capitalist crisis deepens will see their pay and conditions savagely forced down. In April 2018, the World Bank recommended yet more deregulation in a report that said “high minimum wages, undue restrictions on hiring and firing and strict contract forms all make workers more expensive vis-à-vis technology”.[437] International capital is preparing a major assault on international labour in order to accelerate moves towards automation. Even if the next crash is not a final breakdown, significant sections of the middle classes would be proletarianised and impoverished and the reserve army of labour would swell. Class struggle would explode. Capitalists could be forced to slow down or stop the introduction of new automation by, say, a strong and militant neo-Luddite or trade union movement and – the usual driver for concessions – the desire for social peace. But the contradiction persists: capital accumulation, and staying ahead of or keeping up with competitors, requires higher productivity and therefore labour-saving innovation. The deeper capitalism sinks into crisis the more necessary it becomes to raise productivity. That is, the more workers are replaced by robots, the greater the underproduction of surplus value becomes, and yet the system will need to respond by replacing more workers with robots. If it cannot do this then capital goes unvalorised and the economy crashes. From the perspective of the bourgeoisie, a strong neo-Luddite or trade union movement would sooner or later have to be crushed. In an article in January 2018 headlined “When the next recession hits, the robots will be ready”, the Washington Post pointed out that innovations happen quickest “when employers slash payrolls going into a downturn and, out of necessity, turn to software or machinery to take over the tasks once performed by their laid-off workers”.[438] Pointing to growing expectations by economists of a financial crisis in 2020, the paper adds that the “next wave of automation won’t just be sleek robotic arms on factory floors. It will be ordering kiosks, self- service apps and software smart enough to perfect schedules and cut down on the workers needed to cover a shift. Employers are already testing these systems. A recession will force them into the mainstream.” Striking statistics from an upcoming paper by economists Nir Jaimovich and Henry Siu “found that 88% of job loss in routine occupations occurs within 12 months of a recession. In the 1990- 1991, 2001 and 2008-2009 recessions, routine jobs accounted for ‘essentially all’ of the jobs lost. They regained almost no ground during the subsequent recoveries.”[439] Automation under capitalism is therefore accelerating the trend towards proletarianisation, higher levels of poverty and the underproduction of surplus value. It is the sharpest of sharpening contradictions, a vicious circle from which capitalism cannot escape. It is a trend which increasingly threatens a final breakdown. The ‘Leninist’ road to socialism[440] – whereby working class organisations (soviets (workers’ councils), communes etc) effectively form an independent state and then, when strong enough, destroy what is left of the capitalist state – of course seems to be dismissed now more than ever – by liberals who claim that the demise of the Soviet Union signalled the end of history;[441] by the anarchists and autonomists who believe a leap into ‘full communism’ can be achieved without the socialist stage; and by ‘democratic socialists’ who claim socialism can be built via bourgeois democracy by voting through ‘socialist policies’. Then there is the notion that Marx and Lenin are redundant because the supposed protagonist of their revolutionary strategy – the industrial proletariat – is dead or irrelevant. There are several problems surrounding this. The accusation about the industrial proletariat is made, in slightly different ways, not just by liberals but by some anarchists, who do not claim that the industrial proletariat is dead but persist with the myth that it is the protagonist of the Leninist revolution. The Bolsheviks focused on agitating among the urban or industrial proletariat because that was the most efficient use of scarce resources, with the intention that the message would then spread outwards to the wider proletariat as a whole. This accusation that Leninists ignore the wider proletariat is often a projection of valid criticisms of some ‘Trotskyists’, who, while posing as Leninists, or at least distorting Leninism, do overemphasise the importance of the industrial worker. This is because Trotskyists – who for the same reason tend to be de facto pro-imperialist (by giving critical support to the Labour Party, for example) – tend to derive from labour aristocratic positions in trade unions and universities. Lenin though is renowned for criticising socialists who limited their agitation to “trade union consciousness” or “economism” – ie, simply supporting, or tailing, working class demands, without advocating an independent (non-social democratic) working class party or proletarian dictatorship (or, before that, the overthrow of tsarism) – and for his ruthless criticism of a labour aristocratic minority which misled the masses with solely reformist demands. Hence why he said revolutionaries had to “dig deeper into the real masses” of the poorest workers, who had the least to lose and the most to gain. This meant that, in Russia, he saw the need for an alliance between workers and poor peasants, an alliance that Leon Trotsky initially rejected. Today, real Leninists still see the poorest and most oppressed workers as the main protagonists of revolution. The claim that the industrial proletariat is dead is either dishonest or smacks of ‘first world’ myopia. The industrial proletariat may have shrunk in the imperialist nations over the past 40 years but internationally it has grown spectacularly. In 2010, 79%, or 541 million, of the world’s industrial workers lived in ‘less developed regions’, up from 34% in 1950 and 53% in 1980, compared to the 145 million industrial workers, or 21% of the total, who in 2010 lived in the imperialist countries.[442] This shift is even greater in the manufacturing industry, since in emerging nations manufacturing forms a much higher proportion of total industrial employment than in imperialist countries, and therefore, as John Bellamy Foster et al point out, “the broad category of ‘industrial employment’ systematically understates the extent to which the world share of manufacturing has grown in developing countries”, citing figures for the US and China showing these ratios to be 58.1% and 75.2% respectively.[443] “Extrapolating these two ratios to ‘more developed’ and ‘less developed’ countries as a whole, 83% of the world’s manufacturing workforce lives and works in the nations of the Global South,” says John Smith in Imperialism in the Twenty First Century.[444] Based on the integration of ‘Southern’ workers into the global economy, the IMF has also attempted to take into account qualitative as well as quantitative changes, calculating an “export-weighted global workforce” by multiplying the numerical growth of the workforce by the increasing degree to which they produce for the global market rather than the domestic market. Since Southern-manufactured exports grew more than twice as fast as GDP during the quarter-century leading up to the global crisis in 2007, the IMF estimates that the effective global workforce quadrupled in size between 1980 and 2003. But even within the imperialist nations, where the industrial working class has declined both absolutely and relatively, Smith points to “deepening proletarianisation”, saying that “the proletarians have increased their already overwhelming predominance within the economically active population [EAP].... Between 1980 and 2005 the proportion of waged and salaried workers in total EAP in ... the developed nations steadily rose, from 83% to 88% (in 2005, around 500 million people), indicating deepening proletarianisation in these countries.”[445] In the US, it is even higher, with waged workers as a proportion of the EAP increasing from 90.6% in 1980 to 93.2% in 2011.[446] Because of distortions made by the ILO’s methods, this undoubtedly underestimates or obscures the size of the labour aristocracy, something we will come back to further on, but the trend is nevertheless clear, with more and more workers being forced into low-paid services work. Obviously with China, India and the former Soviet bloc being integrated into the global economy, 1.47 billion workers joined the global capitalist workforce very suddenly. But this does not distort the overall trend. With their supposed bias for the industrial proletariat, Leninists are accused of failing to recognise the multiple sections of the working class or its fragmentation. But far from ignoring the heterogeneous make-up of the working class, this is one of the factors that contribute to the Leninist conclusion that a vanguard party is necessary – to unite the disparate and sectional struggles of the working class into one unstoppable force. Likewise, the fact recognised across the left that technological advances have fragmented the working class, that they have increased unemployment and underemployment and therefore reduced workers’ leverage in their struggles against their bosses, reflected in the imperialist countries by the low number of strikes since the 1980s, must mean that the state is the primary battleground. We are already seeing this in the re-emergence of social democratic movements (see the previous chapter), whereby downwardly mobile labour aristocracies are becoming slightly more antagonistic towards the ruling class, and are attempting to harness the power of the working class as a whole, in what is essentially a fight with the middle and ruling classes over allocations of surplus value. These strawman accusations against Lenin misrepresent or misinterpret his definition of the proletariat, which followed Marx’s. The main feature of the proletariat as a class is not its direct link with the means of production but rather its separation from them. In other words, the proletariat is first and foremost characterised as a class by the fact that it does not own the means of production and has to work for wages. The salient feature is not what differentiates them, but what unites them. The more a worker is dependant on selling their labour power for survival the deeper their proletarianisation. Indeed, it is the fact that the industrial proletariat is shrinking relative to the working class as a whole, relegating a significant proportion of previously privileged workers into the poorer sections of the working class, that sees the mass of the latter grow numerically in strength. As the mass of exploited manual workers decreases due to scientific and technological progress, particularly automation, the mass of exploited intellectual workers, ie white collar employees, engineers and scientists (who increasingly contribute to commodity production) also increases in reverse proportion. The casualisation of university employment in the past few years is a case in point. In the US, although union membership stood at a lowly 10.7% of the workforce at the start of 2019, the unionisation of traditionally non- unionised white collar labour almost doubled between 2010 and 2017.[447] According to the Pew Research Center, the median wealth (assets minus debts) of the US middle class fell by 28% from 2001 to 2013.[448] People on middle incomes[449] accounted for 50% of the US adult population in 2015, down from 61% in 1971, while the poorest tier of the working class comprised 20% of the population in 2015 compared to 16% in 1975. The number of people receiving supplemental nutritional assistance, or food stamps, exploded from 26 million in 2007 to 46 million in 2012.[450] And 63% of the population say they have less than $500 in personal savings.[451] At the same time private and household debt has gone through the roof. In the 1970s, personal and credit card debts shot up by 238% relative to the 1960s. In the 1980s it shot up on the previous decade by another 318% and by another 180% in the 1990s.[452] According to the Federal Reserve Bank of New York, household debt rose to a record $13.5 trillion in the fourth quarter of 2018, nearly 7% higher than in the third quarter of 2008. Even more troublingly, a record number of US Americans were three months or more behind on repayments for car loans (more than 7 million). As New York Times journalist Amy Chozick noted in May 2015, “the once ubiquitous term ‘middle class’ has gone conspicuously missing from the 2016 [presidential] campaign trail, as candidates and their strategists grasp for new terms for an unsettled economic era [in which] the middle class has for millions of families become a precarious place to be”.[453] Capitalism in the age of automation increasingly turns the majority of the population into proletarians and, in doing so, creates all economic, social and political prerequisites for the system’s downfall. The deeper the system sinks into crisis, the more proletarians are created, through unemployment, wage cuts and so on, and the more radical they are likely to become. This is borne out by the real development of the international proletariat. While we have already seen that the industrial proletariat has grown enormously, according to the ILO, the world’s “economically active population” (EAP) grew from 1.9 billion in 1980 to 3.1 billion in 2006.[454] Almost all of this numerical growth took place in the ‘emerging nations’, now home to 84% of the global workforce, 1.6 billion of whom worked for wages. The other one billion were small farmers and a multitude of people working in the ‘informal economy’,[455] which is, according to Mike Davis “the fastest growing social class on earth”.[456] While the industrial proletariat in the ‘Global South’ has grown enormously since 1980, its share of the South’s total workforce has been much more modest, rising from 14.5% in 1980, to 16.1% in 1990, to 19.1% in 2000, to 23.1% in 2010[457] – because the absolute growth of the non-industrial proletariat is even greater. Meanwhile, agricultural employment in the Global South has declined to 48% of its EAP, down from 73% in 1960, and from “approximately one-third” to just 4% of EAP in developed countries. However, the ILO reports: “Despite the declining share of agricultural workers in total employment, the absolute numbers of those engaged in agriculture are still rising, most notably in south Asia, east Asia, and sub-Saharan Africa.”[458] The other significant component of the growing proletariat? The unemployed. Smith reports that, apart from China, “no economy has grown fast enough to provide jobs to the legions of young people entering the labour market and the rural exodus to swollen cities in search of work. Even at the zenith of export-oriented industrialisation the ILO reported that ‘in the late 20th century, manufacturing ceased being a major sector of employment growth, except in east and southeast Asia’.” Senior ILO economist Nomaan Majid said the commerce sector, not manufacturing, “is the main employment growth sector in both low- and middle-income groups”.[459] This links back to what we saw in chapter four – that even in the developing nations, the trend towards automation is accompanied by growing unproductive work and unemployment. The numerical growth of the working class has been coupled with a massive attack on its wages, further deepening proletarianisation. In a striking example of how constant capital rises relative to variable capital, John Lanchester writes in the London Review of Books that in the US: “In 1960, the most profitable company in the world’s biggest economy was General Motors (GM). In today’s money, GM made $7.6bn that year. It also employed 600,000 people. Today’s most profitable company employs 92,600. So where 600,000 workers would once generate $7.6bn in profit, now 92,600 generate $89.9bn, an improvement in profitability per worker of 76.65 times. Remember, this is pure profit for the company’s owners, after all workers have been paid. Capital isn’t just winning against labour: there’s no contest. If it were a boxing match, the referee would stop the fight.”[460] Whereas wages in the US rose by 350% between 1927 and 1977, real terms growth has since been in decline. In Britain, wages grew at an annual average of 2.9% in the 1960s and 70s, 1.5% in the 90s and 1.2% in the 2000s. Between 2007 and 2015 that trend accelerated at an unprecedented rate, with real household wages falling by 10.4%.[461] The Resolution Foundation said the 2010s would be the worst decade for UK wage growth since the late 18th century. But as bad as the attack on wages in imperialist countries has been, it has been even worse in the countries imperialism plunders, where workers are of course already paid much less. According to the ILO’s World of Work Report 2011, since the early 1990s the “share of domestic income that goes to labour ... declined in nearly three-quarters of the 69 countries with available information”. While “the wage share among advanced economies has been trending downward since 1975”, it “occurred at a much more moderate pace than among emerging and developing economies – falling roughly nine percentage points since 1980”.[462] In contrast, the fall in Asia between 1994 and 2010 was around 20%. The imperialist countries have also seen a decline in full-time self- employment and self-employed income. This has included a continuing shrinkage in the number of small family farmers, indicating the proletarianisation of portions of the lower middle classes. Michael Elsby’s study The Decline of US Labor Share reports that the “rise in inequality is even more striking for proprietors’ income than it is for payroll income. In 1948 the bottom 90% of employees earned 75% of payroll compensation. By 2010 this had declined to 54%. For entrepreneurial income, however, this fraction plummeted from 42% in 1948 to 14% in 2010.”[463] A separate study of 2014 data by the US Small Business Administration suggests the same pattern regarding millennials (generally defined as people born between 1985 and 2004). “Fewer than 4% of 30 year-olds reported they were in full-time self-employment – a proxy for entrepreneurship – compared with 5.4% of Generation X-ers [1965 and 1984] and 6.7% of Baby Boomers [1945 and 1964] at the same age,” the FT reported.[464] Furthermore, the pace of decline in wages has accelerated in recent years, “with the wage share falling more than 11 percentage points between 2002 and 2006. In China, the wage share declined by close to 10 percentage points since 2000.”[465] Africa’s workers saw their share of national income reduced by 15% in the two decades since 1990, again “with most of this decline – 10 percentage points – taking place since 2000. The decline is even more spectacular in north Africa, where the wage share fell by more than 30 percentage points after 2000.”[466] Latin America saw the lowest decline, of 10% since 1993, and most of it before 2000, undoubtedly due to strong workers’ organisation and resistance, represented by the left-wing ‘Pink Tide’ in Venezuela,[467] Bolivia, Brazil and Argentina. As mentioned, mainstream economic accounting methods underepresent the size of the middle classes and labour aristocracy – which are bound to be proportionately bigger in imperialist nations – and do not take account of sharply increasing inequality between skilled/professional and unskilled workers or of income to capital that has been classified as income to labour, such as bonuses paid to bankers and wages and sponsorship of sports professionals etc, meaning the real extent of the fall in labour’s share is even higher, and considerably so. Elsby attempts to challenge these distortions, writing that in the US, the Bureau of Labor Statistics’ (BLS) calculation of a decline of 3.9% in the share of national income for labour over 1987-2013 becomes a 10% decline when the highest paid 1% of employees are excluded, and a 14% decline when the highest paid 10% are excluded. Based on this more honest method, the lowest 90% of wage earners (84% of the US’s total economically active population) actually earned 42% of the total payroll in 1980 and just 28% in 2011. Elsby also found that the fall for labour has accelerated as time has progressed, declining by twice as much between 2000 and 2011 as in the previous two decades.[468] Again, the trend towards deepening proletarianisation is clear. The material basis for a position of relative privilege among the lower middle classes and labour aristocracy is disappearing. The proletariat is numerically stronger than ever, especially as an international class. ‘Neoliberal globalisation’, which promised to produce prosperous nations of entrepreneurs and homeowners, has instead produced capitalism’s grave-diggers. All this is confirmed by the fact that inequality has hit record levels. In 2018 and 2019, Oxfam found that the 26 richest billionaires owned as much in assets as the 3.8 billion people who make up the poorest half of the planet’s population. The number had been 61 in 2016 and 43 in 2017, showing again that capital continues to centralise. Marx wrote that the concentration of wealth at one pole depended on the concentration of poverty at the other. And lo: the wealth of more than 2,200 billionaires across the globe increased by $900bn in 2018, a 12% increase against a fall of 11% in the wealth of the poorest half of the world’s population. Between 1980 and 2015, the global economy grew by 380%, yet the number of people living in poverty on less than $5 (£3.20) a day increased by more than 1.1 billion. In 1980, $2.20 of every $100 went to the world’s poorest 20%, but in 2003 that figure had fallen to 60 cents.[469] Inequality is most acute between rich and poor countries but it is growing within rich countries as well. In the US, for example, according to the Federal Reserve, the richest 1% owned a record-high 38.6% of the country’s wealth in 2016, nearly twice as much as the bottom 90%. Anti-socialists will still ignore all this or proclaim that the proletariat is no longer a revolutionary class because living standards are generally much higher than 100 years ago, claiming that really “we are all middle class now” or making shallow observations such as “capitalism works because workers have mobile phones!” as if cracking some kind of insightful gotcha that disproves Marxism. This ignores how as the rate of exploitation increases, the value of necessary labour falls, making the commodities workers need to buy to live cheaper. It ignores how the needs of the working class change as capitalism develops: workers need smartphones and laptops in this day and age of 24-hour connectivity if they are even to be considered employable, and so the cost of a smartphone is included in the value of labour power. It also ignores that workers in some countries may have access to better infrastructure than in others (indeed, although no technology has ever scaled as quickly as the mobile phone, while five billion people now have mobile phones, only around 2.5 billion of world’s population presently have a smartphone). But most of all, it is ignorant of the fact that capitalism is breaking down, which will impoverish and radicalise the working class. The revolutionary power of the working class is latent.

# 2AC

## Adv---Crisis

### AT: CPT

#### Empirics prove developed socialist countries are the most peaceful

Oren and Hays 97 - poli sci professors (Ido and Jude, <https://sci-hub.se/10.2307/40645008>, EM)

We find that during the cold war, developed socialist states were, by a wide margin, less war-prone than all other states. Developing socialist states were the most war-prone, while developed capitalist and developing capitalist states were respectively the second and third most war-prone groups. These findings are highly robust. They hold across three different counts of war (based on three separate data sets) , and they hold whether we measure war propensity in terms of wars engaged in annually or in terms of wars entered into. Now, one might question our conclusion regarding the pacific nature of the developed socialist camp on the ground that most of this camp's members were mere satellites of the Soviet Union and that, therefore, their peacefulness reflects lack of political ability to wage war, more than lack of political will. To this objection we offer two responses. First, arguments that stress the coercive character of Soviet policy toward Eastern Europe implicitly tend to compare the rigidly hierarchical intrasocialist relations with a mythical West in which allies of the United States were allegedly unconstrained in their conduct of foreign policy. But once intrasocialist relations are compared with a more realistic image of intracapitalist relations - properly acknowledging that allies of the United States were not fully free to act as they pleased either - the contrast between East and West blurs considerably, although it does not dissolve entirely. Secondly, let us compare directly the war-frequency records of the United States and the Soviet Union alone. As the leading superpowers of the era, these countries were the least fettered by alliance constraints in their decisions for war and peace. If the Soviet Union, the leader of the socialist camp, is found to have been more peaceful than its capitalist counterpart, the proposition that advanced socialist states are most peaceful would gain added credibility. The number of wars in which the United States and the Soviet Union were involved during the period 1949-1989 (through 1988 for the Tillema data), are reported in the top row of table 11. Clearly, the Soviet Union fought fewer wars than did the United States. The ratios of Soviet to US wars are .50, .27, and .54 for the COW, Gantzel, and Tillema data, respectively. If we take war-duration into consideration, adding up the number of wars each superpower was involved in every year (see the bottom row of table 11), the difference between the war propensities of the two countries becomes even starker: the ratios of Soviet to US war-years are .08, .28, and .39 for the COW, Gantzel, and Tillema data sets, respectively.39 Thus, it appears that not only did advanced socialist countries as a group fight much more rarely than the advanced capitalist counterparts, so did their leader in comparison with the leader of the capitalist world. Conclusion In this study we analyzed the comparative war propensities of groups of states classified in accordance with the analytical categories of the Soviet theory of international relations. We found that during the period 1949-1989, developed socialist states went to war very rarely. The foreign-policy behavior of developed socialist states was significantly more peaceful than the behavior of any other socioeconomic group of states, including capitalist states. On the other hand, the group of developing socialist states was more war-prone than any other group of states during the same period. In other words, our results show that during the Cold War, advanced socialist countries were far more peaceful than the developing and the developed capitalist countries (in that order), who in turn were more peaceful than developing socialist states. Our goal is not to romanticize or resurrect the Soviet theory of international relations, but to "normalize" US social-scientific claims about the peacefulness of democratic countries.

#### Capitalism makes global trade collapse inevitable---transition is key

Galbraith ’18 [James K.; July 23; Professor at UT-Austin, was a delegate, at 20, to the Democratic National Convention in 1972; he teaches at the LBJ School, the University of Texas at Austin; The Nation, “Extreme Inequality Creates Global Disorder,” https://www.thenation.com/article/archive/extreme-inequality-creates-global-disorder]

The principal driver of global inequality—both within and between countries—is the global financial regime. This has been a feature since the end of the Bretton Woods system in 1971, with recurrent catastrophic effects following the onset of the 1980s debt crisis, including the collapse of the socialist nations and the 1997 Asian financial crisis. Back then, it was a conservative stroke of genius to institutionalize “market exchange rates” on a global scale. Those markets work well enough for rich nations, but they guarantee problems for everyone else. Each exchange crisis has wiped out a decade or more of progress against inequality, as anyone in Brazil, Argentina, Mexico, or much of Africa will tell you. The rise of China, on the other hand, has everything to do with its refusal to play the game of open capital markets. And while inequality in China rose rapidly for internal reasons beginning in the 1990s, it stabilized more than a decade ago.

Global inequality is a security risk—and not just because it breeds resentment, violence, and mass migrations. It also makes the entire system prone to collapse. For over 40 years, the United States has enjoyed the advantage of issuing the world’s reserve currency, running a trade deficit, and living well off the work of others. But the respect that would be due to exercising that role responsibly has been squandered by our behavior.

Reckless interventions have demonstrated the limits of military power—as our professional soldiers can attest, and as the current state of Afghanistan, Iraq, and Libya demonstrate. A self-centered economic strategy is only a bit more subtle. Yes, even when a financial crisis originates in the United States, as happened with the subprime-mortgage debacle of 2007–09, funds still flow to the safety of the US dollar and government bonds. So long as this pattern holds, the United States actually benefits from economic insecurity and instability, both at home and abroad. But you have to be very optimistic—or flat-out crazy—to think that this can go on indefinitely.

Controlling inequality—like controlling blood pressure—is good for your economic health. Economies with less inequality generally have lower unemployment and stronger productivity growth, and some researchers also claim better human health and social cohesion. In terms of the rest of the world, the peculiar organization of the United States into a boom/bust economy based on finance and high technology is the exception rather than the rule: We combine record-breaking inequality with low unemployment. But this is a formula that generates massive instability, as well as the resentments that gave us President Trump. Countries with stronger stabilizing institutions built on the principle of countervailing power may be less rich over the short term, but they are better-governed and built to last.

Our long-term safety and prosperity will therefore depend on creating a more just and stable world banking and monetary system. We can either get to work on this ourselves, or accept that other large countries and blocs will take up the task, creating regional alliances that will restructure global trade and finance—as is already beginning to happen. If we are not part of a common process, then ultimately we will be cut out and cut back. No one should think that a policy of provoking and destabilizing Russia, China, and Iran is going to work for us, over the long or even the medium run. No one should think that Europe and Japan will stay US economic allies forever if their interests dictate otherwise. No one should imagine that military power provides enduring safety in a world of multiple major powers with their own resources, technologies, and ideas.

In the United States, the key driver of inequality is capital-asset prices. This is because in a capitalist nation, capitalists and not workers own such assets and get their income from dividends, interest, stock options, and capital gains. Capitalist booms yield prosperity—often a wasteful prosperity—along with instability; as the bankers say, it’s not the speed that kills, it’s the sudden stop. Concentrated ownership of capital assets is therefore a central issue. Spreading the wealth sensibly over time means more public investment at every level and more investment by nonprofits with longer time horizons and sensible social objectives. It means fostering cooperatives and other stabilizing private economic forms that are not dependent on Wall Street. Instead of boosting the economic growth rate—a measure largely disconnected from social well-being—we should have a strategy to live better: more sustainably, more equally, with less waste and more common spaces, more public goods and enjoyments.

## Adv---Innovation

### 2AC---C/T---Innovation

#### **Socialism is more efficient than capitalism**

Alexander 14 - acclaimed political commentator whose work is regularly praised by top academics (Scott, <https://slatestarcodex.com/2014/09/24/book-review-red-plenty/>, emuse)

There’s a very settled modern explanation of the conflict between capitalism and communism. Capitalism is good at growing the economy and making countries rich. Communism is good at caring for the poor and promoting equality. So your choice between capitalism and communism is a trade-off between those two things. But for at least the first fifty years of the Cold War, the Soviets would not have come close to granting you that these are the premises on which the battle must be fought. They were officially quite certain that any day now Communism was going to prove itself better at economic growth, better at making people rich quickly, than capitalism. Even unofficially, most of their leaders and economists were pretty certain of it. And for a little while, even their capitalist enemies secretly worried they were right. The arguments are easy to understand. Under capitalism, plutocrats use the profits of industry to buy giant yachts for themselves. Under communism, the profits can be reinvested back into the industry to build more factories or to make production more efficient, increasing growth rate. Under capitalism, everyone is competing with each other, and much of your budget is spent on zero-sum games like advertising and marketing and sales to give you a leg up over your competition. Under communism, there is no need to play these zero-sum games and that part of the budget can be reinvested to grow the industry more quickly. Under capitalism, everyone is working against everyone else. If Ford discovers a clever new car-manufacturing technique, their first impulse is to patent it so GM can’t use it, and GM’s first impulse is to hire thousands of lawyers to try to thwart that attempt. Under communism, everyone is working together, so if one car-manufacturing collective discovers a new technique they send their blueprints to all the other car-manufacturing collectives in order to help them out. So in capitalism, each company will possess a few individual advances, but under communism every collective will have every advance, and so be more productive. These arguments make a lot of sense to me, and they definitely made sense to the Communists of the first half of the 20th century. As a result, they were confident of overtaking capitalism. They realized that they’d started with a [disadvantage] – czarist Russia had been dirt poor and almost without an industrial base – and that they’d faced a further [disadvantage] in having the Nazis burn half their country during World War II – but they figured as soon as they overcame these [disadvantages] their natural advantages would let them leap ahead of the West in only a couple of decades. The great Russian advances of the 50s – Sputnik, Gagarin, etc – were seen as evidence that this was already starting to come true in certain fields. And then it all went wrong. II. Grant that communism really does have the above advantages over capitalism. What advantage does capitalism have? The classic answer is that during communism no one wants to work hard. They do as little as they can get away with, then slack off because they don’t reap the rewards of their own labor. Red Plenty doesn’t really have theses. In fact, it’s not really a non-fiction work at all. It’s a dramatized series of episodes in the lives of Russian workers, politicians, and academics, intended to come together to paint a picture of how the Soviet economy worked. But if I can impose a thesis upon the text, I don’t think it agreed with this. In certain cases, Russians were very well-incentivized by things like “We will kill you unless you meet the production target”. Later, when the state became less murder-happy, the threat of death faded to threats of demotions, ruined careers, and transfer to backwater provinces. And there were equal incentives, in the form of promotion or transfer to a desirable location such as Moscow, for overperformance. There were even monetary bonuses, although money bought a lot less than it did in capitalist countries and was universally considered inferior to status in terms of purchasing power. Yes, there were [Goodhart’s Law](http://en.wikipedia.org/wiki/Goodhart%27s_law) type issues going on – if you’re being judged per product, better produce ten million defective products than 9,999,999 excellent products – but that wasn’t the crux of the problem. Red Plenty presented the problem with the Soviet economy primarily as one of allocation. You could have a perfectly good factory that could be producing lots of useful things if only you had one extra eensy-weensy part, but unless the higher-ups had allocated you that part, you were out of luck. If that part happened to break, getting a new one would depend on how much clout you (and your superiors) pulled versus how much clout other people who wanted parts (and their superiors) held. The book illustrated this reality with a series of stories (I’m not sure how many of these were true, versus useful dramatizations). In one, a pig farmer in Siberia needed wood in order to build sties for his pigs so they wouldn’t freeze – if they froze, he would fail to meet his production target and his career would be ruined. The government, which mostly dealt with pig farming in more temperate areas, hadn’t accounted for this and so hadn’t allocated him any wood, and he didn’t have enough clout with officials to request some. A factory nearby had extra wood they weren’t using and were going to burn because it was too much trouble to figure out how to get it back to the government for re-allocation. The farmer bought the wood from the factory in an under-the-table deal. He was caught, which usually wouldn’t have been a problem because everybody did this sort of thing and it was kind of the “smoking marijuana while white” of Soviet offenses. But at that particular moment the Party higher-ups in the area wanted to make an example of someone in order to look like they were on top of their game to their higher-ups. The pig farmer was sentenced to years of hard labor. A tire factory had been assigned a tire-making machine that could make 100,000 tires a year, but the government had gotten confused and assigned them a production quota of 150,000 tires a year. The factory leaders were stuck, because if they tried to correct the government they would look like they were challenging their superiors and get in trouble, but if they failed to meet the impossible quota, they would all get demoted and their careers would come to an end. They learned that the tire-making-machine-making company had recently invented a new model that really could make 150,000 tires a year. In the spirit of [Chen Sheng](http://en.wikipedia.org/wiki/Dazexiang_Uprising), they decided that since the penalty for missing their quota was something terrible and the penalty for sabotage was also something terrible, they might as well take their chances and destroy their own machinery in the hopes the government sent them the new improved machine as a replacement. To their delight, the government believed their story about an “accident” and allotted them a new tire-making machine. However, the tire-making-machine-making company had decided to cancel production of their new model. You see, the new model, although more powerful, weighed less than the old machine, and the government was measuring their production by kilogram of machine. So it was easier for them to just continue making the old less powerful machine. The tire factory was allocated another machine that could only make 100,000 tires a year and was back in the same quandary they’d started with. It’s easy to see how all of these problems could have been solved (or would never have come up) in a capitalist economy, with its use of prices set by supply and demand as an allocation mechanism. And it’s easy to see how thoroughly the Soviet economy was sabotaging itself by avoiding such prices. III. The “hero” of Red Plenty – although most of the vignettes didn’t involve him directly – was Leonid Kantorovich, a Soviet mathematician who thought he could solve the problem. He invented the technique of [linear programming](http://en.wikipedia.org/wiki/Linear_programming), a method of solving optimization problems perfectly suited to allocating resources throughout an economy. He immediately realized its potential and wrote a nice letter to Stalin politely suggesting his current method of doing economics was wrong and he could do better – this during a time when everyone else in Russia was desperately trying to avoid having Stalin notice them because he tended to kill anyone he noticed. Luckily the letter was intercepted by a kindly mid-level official, who kept it away from Stalin and warehoused Kantorovich in a university somewhere. During the “Khruschev thaw”, Kantorovich started getting some more politically adept followers, the higher-ups started taking note, and there was a real movement to get his ideas implemented. A few industries were run on Kantorovichian principles as a test case and seemed to do pretty well. There was an inevitable backlash. Opponents accused the linear programmers of being capitalists-in-disguise, which wasn’t helped by their use of something called “shadow prices”. But the combination of their own political adeptness and some high-level support from Khruschev – who alone of all the Soviet leaders seemed to really believe in his own cause and be a pretty okay guy – put them within arm’s reach of getting their plans implemented. But when elements of linear programming were adopted, they were adopted piecemeal and toothless. The book places the blame on Alexei Kosygen, who implemented [a bunch of economic reforms that failed](http://en.wikipedia.org/wiki/1965_Soviet_economic_reform), in a chapter that makes it clear exactly how constrained the Soviet leadership really was. You hear about Stalin, you imagine these guys having total power, but in reality they walked a narrow line, and all these “shadow prices” required more political capital than they were willing to mobilize, even when they thought Kantorovich might have a point. IV. In the end, I was left with two contradictory impressions from the book. First, amazement that the Soviet economy got as far as it did, given how incredibly screwed up it was. You hear about how many stupid things were going on at every level, and you think: This was the country that built Sputnik and Mir? This was the country that almost buried us beneath the tide of history? It is a credit to the Russian people that they were able to build so much as a screwdriver in such conditions, let alone a space station. But second, a sense of what could have been. What if Stalin hadn’t murdered most of the competent people? What if entire fields of science hadn’t been banned for silly reasons? What if Kantorovich had been able to make the Soviet leadership base its economic planning around linear programming? How might history have turned out differently? One of the book’s most frequently-hammered-in points was that there was was a brief moment, back during the 1950s, when everything seemed to be going right for Russia. Its year-on-year GDP growth (as estimated by impartial outside observers) was somewhere between 7 to 10%. Starvation was going down. Luxuries were going up. Kantorovich was fixing entire industries with his linear programming methods. Then Khruschev made a serious of crazy loose cannon decisions, he was ousted by Brezhnev, Kantorovich was pushed aside and ignored, the “Khruschev thaw” was reversed and tightened up again, and everything stagnated for the next twenty years. If Khruschev had stuck around, if Kantorovich had succeeded, might the common knowledge that Communism is terrible at producing material prosperity look a little different? The book very briefly mentioned a competing theory of resource allocation promoted by Victor Glushkov, a cyberneticist in Ukraine. He thought he could use computers – then a very new technology – to calculate optimal allocation for everyone. He failed to navigate the political seas as adroitly as Kantorovich’s faction, and the killing blow was a paper that pointed out that for him to do everything really correctly would take a hundred million years of computing time. That was in 1960. If computing power doubles every two years, we’ve undergone about 25 doubling times since then, suggesting that we ought to be able to perform Glushkov’s calculations in three years – or three days, if we give him a lab of three hundred sixty five computers to work with. There could have been this entire field of centralized economic planning. Maybe it would have continued to underperform prices. Or maybe after decades of trial and error across the entire Soviet Union, it could have caught up. We’ll never know. Glushkov and Kantorovich were marginalized and left to play around with toy problems until their deaths in the 80s, and as far as I know their ideas were never developed further in the context of a national planned economy. V. One of the ways people like insulting smart people, or rational people, or scientists, is by telling them they’re the type of people who are attracted to Communism. “Oh, you think you can control and understand everything, just like the Communists did.” And I had always thought this was a pretty awful insult. The people I know who most identify as rationalists, or scientifically/technically minded, are also most likely to be libertarian. So there, case dismissed, everybody go home. This book was the first time that I, as a person who considers himself rationally/technically minded, realized that I was super attracted to Communism. Here were people who had a clear view of the problems of human civilization – all the greed, all the waste, all the zero-sum games. Who had the entire population united around a vision of a better future, whose backers could direct the entire state to better serve the goal. All they needed was to solve the engineering challenges, to solve the equations, and there they were, at the golden future. And they were smart enough to be worthy of the problem – Glushkov invented cybernetics, Kantorovich won a Nobel Prize in Economics. And in the end, they never got the chance. There’s an interpretation of Communism as a refutation of social science, here were these people who probably knew some social science, but did it help them run a state, no it didn’t. But from the little I learned about Soviet history from this book, this seems diametrically wrong. The Soviets had practically no social science. They hated social science. You would think they would at least have some good Marxists, but apparently Stalin killed all of them just in case they might come up with versions of Marxism he didn’t like, and in terms of a vibrant scholarly field it never recovered. Economics was tainted with its association with capitalism from the very beginning, and when it happened at all it was done by non-professionals. Kantorovich was a mathematician by training; Glushkov a computer scientist. Soviet Communism isn’t what happens when you let nerds run a country, it’s what happens when you kill all the nerds who are experts in country-running, bring in nerds from unrelated fields to replace them, then make nice noises at those nerds in principle while completely ignoring them in practice. Also, you ban all Jews from positions of importance, because fuck you.

#### Genuine colonization requires long-term, non-profitable investments that only socialism can achieve---capitalism stops at space tourism

Phillips ’21 [Leigh Phillips is a science writer and EU affairs journalist, “We Don’t Need Elon Musk to Explore the Solar System,” Jacobin, May 2021, <https://jacobinmag.com/2021/05/elon-musk-space-exploration-mars-colonization>]

Plainly, then, there is no rush for any of this, even as there is a moral imperative for us, one day in the distant future, to permanently exit Earth. Our colonization of other worlds is akin to the building of the grandest cathedral we have ever envisaged: a project that will take centuries, or more likely millennia, many millennia. This is nothing that a private company can deliver. There is no near-term return on investment; indeed, there is no aim of profitability at all, but rather of our species’ survival through the eons.

Rocks Are Not People

There are those who argue, perhaps because space colonization and colonization of the New World have a word in common, that the desire to journey into space is expressive of a colonial mentality.

From a trivial point of view, it is indeed colonial, insofar as the object is to build colonies. But there is a big difference between the conquest of the indigenous peoples of the Americas and the Antipodes: the Moon and Mars are rocks, not human beings.

A view of Earth from the Moon’s surface.

Indeed, the equivalence of rocks and people, or rather the notion that the human inhabitants of these lands did not count as people, is precisely the moral calculus that was made by the genocidaires of colonialism.

If we find microbial life on Mars, again, microbes are not people. We, of course, must be very careful upon our early visits to other worlds that we do not accidentally introduce terrestrial microbes. We have one chance to see whether life evolved elsewhere. If we contaminate Mars with bacteria or archaea from Earth before we make this assessment, it may be difficult to tell Martian and Earth microbes apart.

Such contamination protocols, however, only need be carried out until the otherwise pristine conditions have been sufficiently studied. The only question here is how long and how much effort should be made. Following such research, there is no distinction between terrestrial microbes establishing themselves on Mars (or any other world) and what would have occurred had microbes caught a ride on a meteor from one world to another without any human contribution.

And, if terrestrial microbes later outcompeted Martian microbes as a result, again, this would be no different from competition for resources between species on Earth, which, along with predation and symbiosis and other inter-species interactions, form the basis for many ecosystem properties and processes. Again, that’s not colonialism. That’s life!

Carl Sagan’s Dream

In our critiques of centibillionaires like Elon Musk, we should be very careful not to argue that, whatever he wants, we simply want the opposite. That’s the case for much recent popular writing critical of the private space sector.

It’s true that our vision of space — as a commons for all humanity, driven by democratic states — is very different from that of Musk, and that, indeed, the capitalist class’s power is a barrier to that vision. But we should reject what the late philosopher Mark Fisher called capitalist realism: not merely the concession that there is no alternative to the current order but the inability to conceive that there can be one.

Market ideology is so ingrained even in the minds of its opponents that a public-sector program of space exploration, travel, resource extraction, and, at some point in the future, colonization, cannot be fathomed. The critique surrounding space should instead be that, so long as it is for profit or national pride, space programs will never be able to live up to Carl Sagan’s dream of our species as the dandelion of the cosmos.

We can learn something from the technological and humanist optimism of the first person in space. “Nothing will stop us. The road to the stars is steep and dangerous. But we’re not afraid,” Yuri Gagarin told Space World magazine. “Spaceflights can’t be stopped. This isn’t the work of any one man or even a group of men. It is a historical process which mankind is carrying out in accordance with the natural laws of human development.”

More Sputnik and less SpaceX, maybe, but ad astra per aspera nevertheless.

## T---Anticompetitive

### 2AC---T---Anti-Competitive

#### ‘Anticompetitive’ refers to conduct that is harmful to price levels, fairness, or equality

Gerber ’10 [David; May 6; Distinguished Professor of Law at Chicago-Kent College of Law, Illinois Institute of Technology; Global Competition: Law, Markets, and Globalization, “US Antitrust: Model and Lens,” Ch. 5, p. 125]

The articulated goals of the system have changed over time, and until recently they accumulated within a broad and relatively unstructured amalgam.8 At various times, for example, this mixture has included concerns for consumer price levels, fairness (particularly for small and medium-sized firms), equality of opportunity for competitors and potential competitors, and economic liberty. The label 'anti-competitive' has been used rather loosely to apply to conduct that is seen as harmful to some or all of these goals. Despite or perhaps because of this mix of goals, antitrust has often been politically important. Its political resonance is reflected in broad statements throughout the classical period portraying antitrust in the language of political rhetoric and in emotive images. For example, according to Justice Marshall, writing in 1972,

[A]ntitrust laws in general, and the Sherman Act in particular, are the Magna Carta of free enterprise. They are as important to the preservation of economic freedom and our free-enterprise system as the Bill of Rights is to the protection of our fundamental personal freedoms.

#### “Increase” includes greater amount

Merriam Webster Dictionary, No Date, "Definition of INCREASE," Merriam Webster, <https://www.merriam-webster.com/dictionary/increase>

Definition of increase

 (Entry 1 of 2)

[intransitive verb](https://www.merriam-webster.com/dictionary/intransitive)

1: to become progressively greater (as in size, amount, number, or intensity)

2: to multiply by the production of young

[transitive verb](https://www.merriam-webster.com/dictionary/transitive)

1: to make greater : [AUGMENT](https://www.merriam-webster.com/dictionary/augment)

2obsolete : [ENRICH](https://www.merriam-webster.com/dictionary/enrich)

#### 2. Arbitrariness---‘anticompetitive’ is context dependent. Lists are unpredictable.

Smith ’10 [D Brooks; November 29; Federal Circuit Judge on the Third Circuit; Westlaw, “W. Penn Allegheny Health Sys., Inc. v. UPMC,” 627 F.3d 85]

Broadly speaking, a firm engages in anticompetitive conduct when it attempts “to exclude rivals on some basis other than efficiency,” Aspen Skiing Co. v. Aspen Highlands Skiing Corp., 472 U.S. 585, 605, 105 S.Ct. 2847, 86 L.Ed.2d 467 (1985) (internal quotation marks omitted), or when it competes “on some basis other than the merits,” LePage's, 324 F.3d at 147. “Conduct that impairs the opportunities of rivals and either does not further competition on the merits or does so in an unnecessarily restrictive way may be deemed anticompetitive.” Broadcom, 501 F.3d at 308. The line between anticompetitive conduct and vigorous competition is sometimes blurry, but distinguishing between the two is critical, because the Sherman Act “directs itself not against conduct which is competitive, even severely so, but against conduct which unfairly tends to destroy competition itself.” McQuillan, 506 U.S. at 458, 113 S.Ct. 884; United \*109 States v. Aluminum Co. of Am., 148 F.2d 416, 429–30 (2d Cir.1945).

“ ‘Anticompetitive conduct’ can come in too many different forms, and is too dependent upon context, for any court or commentator ever to have enumerated all the varieties.” LePage's, 324 F.3d at 152 (quoting Caribbean Broad. Sys., Ltd. v. Cable & Wireless PLC, 148 F.3d 1080, 1087 (D.C.Cir.1998)). For present purposes, it is sufficient to note that anticompetitive conduct can include a conspiracy to exclude a rival, Areeda & Hovenkamp, supra, ¶ 806f3, at 428; see LePage's, 324 F.3d at 157, hiring a rival's employees not to use them but to deny them to the rival, Universal Analytics, Inc. v. MacNeal–Schwendler Corp., 914 F.2d 1256, 1258 (9th Cir.1990) (per curiam); Areeda & Hovenkamp, supra, ¶ 702, at 205, a hospital's coercing providers not to refer patients to a rival, Potters Med. Ctr. v. City Hosp. Ass'n, 800 F.2d 568, 576–77, 580 (6th Cir.1986); see M & M Med. Supplies & Serv., Inc. v. Pleasant Valley Hosp., 981 F.2d 160, 166–67 (4th Cir.1992) (en banc), and making false statements about a rival to potential investors and customers, see LePage's, 324 F.3d at 153 (citing Int'l Travel Arrangers, Inc. v. Western Airlines, Inc., 623 F.2d 1255 (8th Cir.1980)); Caribbean, 148 F.3d at 1087; see generally Maurice E. Stucke, Symposium, When a Monopolist Deceives, 76 Antitrust L.J. 823 (2010).14

## T---Per Se

### 2AC---T---Per Se

#### 3. No intent to exclude---‘per se’ and ‘rule of reason’ is a false distinction.

Souter ’99 [David H, joined by William Rehnquist, Sandra Day O'Connor, Antonin Scalia, and Clarence Thomas; May 24; Justice on the Supreme Court of the United States, writing for the majority; Westlaw, “California Dental Ass'n v. F.T.C.,” 526 U.S. 756]

Saying here that the Court of Appeals's conclusion at least required a more extended examination of the possible factual underpinnings than it received is not, of course, necessarily to call for the fullest market analysis. Although we have said that a challenge to a “naked restraint on price and output” need not be supported by “a detailed market analysis” in order to “requir[e] some competitive justification,” National Collegiate Athletic Assn., 468 U.S., at 110, 104 S.Ct. 2948, it does not follow that every case attacking a less obviously anticompetitive restraint (like this one) is a candidate for plenary market examination. The truth is that our categories of analysis of anticompetitive effect are less fixed than terms like “per se,” “quick look,” and “rule of reason” tend to make them appear. We have recognized, for example, that “there is often no bright line separating per se from Rule of Reason analysis,” since “considerable inquiry into market conditions” may be required before the application of any so-called “per se” condemnation is justified. Id., at 104, n. 26, 104 S.Ct. 2948. “[W]hether the ultimate finding is the product of a presumption or actual \*780 market analysis, the essential inquiry remains the same-whether or not the challenged restraint enhances competition.” Id., at 104, 104 S.Ct. 2948. Indeed, the scholar who enriched antitrust law with the metaphor of “the twinkling of an eye” for the most condensed rule-of-reason analysis himself cautioned against the risk of misleading even in speaking of a “spectrum” of adequate reasonableness analysis for passing upon antitrust claims: “There is always something of a sliding scale in appraising reasonableness, but the sliding scale formula deceptively suggests greater precision than we can hope for.... Nevertheless, the quality of proof required should vary with the circumstances.” P. Areeda, Antitrust Law 1507, p. 402 (1986).15 At the same time, Professor Areeda also emphasized the necessity, particularly great in the quasi-common-law realm of antitrust, that courts explain the logic of their conclusions. “By exposing their reasoning, judges ... are subjected to others' critical analyses, which in turn can lead to better understanding for the future.” Id., 1500, at 364. As \*\*1618 the circumstances here demonstrate, there is generally no categorical line to be drawn between \*781 restraints that give rise to an intuitively obvious inference of anticompetitive effect and those that call for more detailed treatment. What is required, rather, is an enquiry meet for the case, looking to the circumstances, details, and logic of a restraint. The object is to see whether the experience of the market has been so clear, or necessarily will be, that a confident conclusion about the principal tendency of a restriction will follow from a quick (or at least quicker) look, in place of a more sedulous one. And of course what we see may vary over time, if rule-of-reason analyses in case after case reach identical conclusions. For now, at least, a less quick look was required for the initial assessment of the tendency of these professional advertising restrictions. Because the Court of Appeals did not scrutinize the assumption of relative anticompetitive tendencies, we vacate the judgment and remand the case for a fuller consideration of the issue.

Counter-interpretation:

#### ‘Antitrust law’ and ‘prohibitions’ both include the Rule of Reason.

Light ’19 [Sarah; 2019; Legal Studies Professor in the Wharton School at the University of Pennsylvania, Stanford Law Review, “The Law of the Corporation as Environmental Law,” vol. 71]

While antitrust law can serve as an environmental mandate by prohibiting collusive behavior that keeps environmentally preferable goods from the market, there is also conflict between antitrust law’s goals of promoting competition and environmental law’s goals of promoting conservation.192 Because antitrust law's per se rule and rule of reason operate on a somewhat fluid continuum, 193 this Subpart discusses the two doctrines together. The per se rule operates as a prohibition, whereas the rule of reason operates as both a prohibition and a disincentive.

As noted above, antitrust law generally prohibits certain types of market activity - price fixing, horizontal boycotts, and output limitations - as illegal per se, and harm to competition is presumed. 194 For example, if an industry association declines to award a seal of approval necessary for a product's sale without any good faith attempt to test the product's performance, but rather simply because that product is manufactured by a competitor, such an action would be illegal per se. 195 Under this Article's framework, a per se violation is thus a prohibition.

The more fact-intensive inquiry under the rule of reason tests "whether the restraint imposed is such as merely regulates and perhaps thereby promotes competition or whether it is such as may suppress or even destroy competition." 196 While this extremely broad statement might suggest that any fact is relevant to the inquiry, the salient facts under the rule of reason are "those that tend to establish whether a restraint increases or decreases output, or decreases or increases prices." 197 If an anticompetitive effect is found, then the action is illegal and the rule of reason operates, like the per se rule, as a prohibition. 198 The rule of reason can also operate as a disincentive, even if no court finds an anticompetitive effect, as uncertainty and litigation risk may discourage firms from undertaking legally permissible, environmentally positive industry collaborations. 199

## DA---FTC

### 2AC---DA---Tradeoff

#### There’s a typhoon of antitrust expansion in all domains---2022 is a watershed.

Swartz ’1-1 [Jon; updated January 1; reporter, citing Bhaskar Chakravorti, dean of global business at the Fletcher School at Tufts University; MarketWatch, “Big Tech heads for ‘a year of thousands of tiny tech papercuts,’ but what antitrust efforts could make them bleed?” <https://www.marketwatch.com/story/big-tech-heads-for-a-year-of-thousands-of-tiny-tech-papercuts-but-what-antitrust-efforts-could-make-them-bleed-11640640776>]

This could finally change in 2022 as it did in the late 1990s, when some tech companies struck a cautious stance during the Justice Department’s investigation of Microsoft for monopolistic practices, Syed said.

“The difference is that we’re talking about interconnected companies that own an industry versus just one company [with Microsoft],” she said. “And there is bipartisan support, which makes it easier politically.”

With more than a dozen pieces of anti-tech legislation, a plethora of lawsuits and regulatory fines escalating in the U.S. and abroad, as well as the Biden administration rounding out Big Tech’s nightmare team of government agency heads, 2022 is shaping up as a seminal year for tech regulation after decades of inaction.

In rapid succession this year, Biden named and nominated an antitrust team of Tim Wu (to the newly created position of head of competition policy at the National Economic Council), Lina Khan (chair of the Federal Trade Commission) and Jonathan Kanter (head of the antitrust division of the Justice Department). Each is a heralded anti-monopolist advocate who has written extensively on the topic or represented companies making antitrust claims against Big Tech.

The trio have been referred to as members of a “New Brandeis movement,” named after Supreme Court Justice Louis Brandeis, whose decisions limited the power of big business in the early 20th century. With the New Brandeis trifecta in place, and Congress evaluating more than dozen possible anti-tech bills, next year is “shaping up to be the year of Tech Takedown,” Bhaskar Chakravorti, dean of global business at the Fletcher School at Tufts University, told MarketWatch.

More troubling for tech CEOs, he said, are the “many tiny actions at the FTC, Justice Department and Congress that will continue to keep feeding the news cycles with a steady stream of actions” that add up to a “a year of thousands of tiny tech papercuts.”

Big Tech’s treacherous path to antitrust enforcement has three potentially damaging roads: federal agencies challenging acquisitions and mergers; legislation tailored to stimulate competition and curtail the influence of tech’s dominant platforms; and federal and state lawsuits.

Closer scrutiny of M&A activity

The biggest immediate impact from the Biden administration’s all-out assault could be a cooling-off period of frenzied mergers and acquisitions by the biggest players. Regulators have been empowered with examining past deals and more strenuously inspecting tech’s latest purchases.

Major movement is already happening on the M&A front because, as lawyers and executives told MarketWatch, the FTC and Justice Department have new leadership empowered to more closely review and approve mergers while they await legislation and court actions. A non-binding [presidential executive order largely seen as aimed at Big Tech](https://www.whitehouse.gov/briefing-room/statements-releases/2021/07/09/fact-sheet-executive-order-on-promoting-competition-in-the-american-economy/) announced a policy of greater scrutiny of mergers over the summer, and the FTC and Justice Department each would receive $500 million in new funding to boost staff working on antitrust enforcement as part of the House-passed reconciliation bill awaiting Senate action.

The FTC is signaling greater oversight over deals, requiring affirmative consent on certain transactions, which may prolong uncertainty on merger agreements. The agency has already sued to block the largest semiconductor deal ever — Nvidia Corp.’s [NVDA, 3.05%](https://www.marketwatch.com/investing/stock/NVDA?mod=MW_story_quote) proposed $40 billion acquisition of U.K.-based chip-design provider Arm Ltd., saying the deal would “distort Arm’s incentives in chip markets and allow the combined firm to unfairly undermine Nvidia’s rivals.”

Another FTC antitrust probe, into Meta’s plan to acquire VR fitness app Supernatural for $400 million, is underway, according to a [report](https://www.theinformation.com/articles/ftc-slows-meta-platforms-metaverse-strategy-by-extending-antitrust-probe-of-vr-deal?utm_source=ti_app)by The Information.

The Justice Department’s direction is less clear at this point, but signals from Kanter’s confirmation hearing point to “vigorous enforcement” of antitrust laws.

“Personnel is policy. With the trifecta of Khan, Kanter and Wu, there is a new sheriff in town,” Luther Lowe, senior vice president of public policy at Yelp Inc. [YELP, 2.73%](https://www.marketwatch.com/investing/stock/YELP?mod=MW_story_quote), told MarketWatch. “Efforts by Amazon and Facebook to recuse Khan, and Google’s attempt to recuse Kanter, is like arsonists asking for firefighters to be removed from a fire.”

An overwhelming swath of Americans, regardless of political affiliation, believe Big Tech wields too much power and should be held in check on acquisitions, according to a survey of 1,187 likely voters by Data for Progress in September. Wide majorities believe Big Tech “puts competitors at a disadvantage” (69%) and “shouldn’t be able to buy up smaller businesses because of the potential negative impacts on competition and consumers” (66%).

Agencies are more aggressively scrutinizing tech-related deals, antitrust attorney Valarie Williams told MarketWatch. Whether investigations block mergers, they “can be disruptive and stop mergers if not discourage them,” she said.

“Legislation or not, that will not affect at all DoJ and FTC in antitrust enforcement based on existing law,” Williams said. “The pendulum has definitely swung after years of inactivity and readily-approved mergers.”

At the very least, expect acquisitions to take longer to complete, if they can get through the regulatory process at all. And expect more scrutiny over smaller deals after [an FTC study](https://www.ftc.gov/news-events/press-releases/2021/09/ftc-report-on-unreported-acquisitions-by-biggest-tech-companies) in September revealed that Amazon, Apple, Google, Meta and Microsoft made 616 acquisitions from 2010 to 2019 that fell below the FTC’s $92 million reporting threshold but were worth at least $1 million.

“Investors have told us that they have built more time into deals being done, but still expect many to go through,” Ed Mills, Washington policy analyst at Raymond James, told MarketWatch. “They are ready for a longer process and agencies to be skeptical of acquisitions of nascent competitors by larger players.”

Deep-pocketed investors in startups hoping to be acquired have noticed. Bettina Hein, co-founder and chief executive of digital-healthcare startup Juli, put it in stark terms during the Dec. 15 Senate hearing on competition: 10 times as many tech startups seek acquisitions as they do an initial public offering.

Increasingly, executives and investors have reached out to antitrust law firms to assess the legislative and political climate and its impact on Big Tech’s aggressive M&A strategy, according to Nabiha Syed, president of The Markup.

“Boards with exit strategies are huddling with antitrust lawyers to see if this lasts the next two years,” she said. “A key question is how soon the FTC shakes things up. To me, they speed up the war drums and hit the ground running in 2022. There is a public appetite and more momentum this time than around” than when the Justice Department sued Microsoft in the 1990s, she added.

Legislation is on the way, but how soon?

As U.S. regulators prepare to crack down, legislators are ramping up bills for votes, the culmination of years of hearings and policy discussions.

“This is a watershed moment for Big Tech accountability, and 2022 will be the year that these companies finally face the regulation that will end their harmful and deceptive practices,” Sen. Edward Markey, D-Mass., told MarketWatch. Markey, author of the landmark Child Online Protection Act of 1998, has toiled on a sequel for years and is confident it will happen in 2022.

Next year could shape up as the biggest for tech legislation since Bill Clinton’s presidency, when the Telecommunications Act of 1996 significantly amended the Communications Act of 1934, according to Jim Steyer, CEO of Common Sense Media, a lobbying and advocacy organization, and co-chair of the Future of Tech Commission, appointed by White House in April.

Steyer anticipates changes to privacy law, with a federal law modeled after California’s CCPA in 2018, and platform accountability in the form of revisions to Section 230 of the Communications Decency Act. Most important, the $1 billion in funding for FTC and Justice as part of the evolving Build Back Better bill would give regulators the ability to enforce.

“Laws without enforcement are like sharks without teeth,” he told MarketWatch.

Facebook whistle-blower [Frances Haugen’s](https://www.marketwatch.com/story/meta-faces-another-day-of-reckoning-on-capitol-hill-as-facebook-whistleblower-frances-haugen-testifies-11638378756?mod=article_inline) impact “energized Congress on bipartisan bills” while Biden’s executive order “sent a clear message” that acquisitions won’t occur at the same pace. “The federal government, in the form of the FTC and Justice, will take longer looks at potential combinations” like Nvidia and Arm, Steyer said.

The House has introduced six bills, the Senate has at least three major pieces of legislation, and more are expected. Rep. David Cicilline, D-R.I., a key architect of the House’s six bills, has said he expects “we’ll be in a position to bring the bills to the floor” by the fall.

Big Tech has attempted to throw money at the problem. Amazon ($15.33 million), Facebook ($14.65 million) and Alphabet ($8.95 million) ranked among the top 20 spenders in lobbying efforts on government policy this year, [according to the nonprofit OpenSecrets](https://www.opensecrets.org/federal-lobbying/top-spenders), even as the debate over antitrust efforts took down a major Silicon Valley lobbying group.

And midterm elections could change the course of Democrats’ legislation. House Minority Leader Kevin McCarthy, R-Calif., in June signaled his opposition to giving regulators too much authority and that House Republicans plan to target other tech issues, namely around “free speech [Section 230] and free enterprise.”

Federal and state lawsuits

The Justice Department is rumored to be on the cusp of two major lawsuits: one targeting Google’s dominance of the digital advertising market, the other aimed at Apple, perhaps at the influence and business practices of its App Store though it remains unclear.

Justice’s next lawsuit against Google would be its second antitrust action. The first, in July, alleged Google illegally protected its monopoly over online search advertising. Separately, a group of 36 states and the District of Columbia sued Google in July, claiming its mobile app store abuses its market power and forces aggressive terms on software developers.

Perhaps the most intriguing of a handful of state-led cases against Google is one led by Texas Attorney General Ken Paxton. It claims Google commands a cut of 22% to 42% of U.S. ad spending that goes through its systems, according to [a newly unredacted lawsuit](https://www.wsj.com/articles/attorneys-general-launch-probe-of-google-11568055853?mod=article_inline&mod=article_inline).

Apple’s quandary is the ongoing Epic Games Inc. antitrust suit that is wending its way through appeals court. Though a federal judge ruled Apple did not break antitrust law, she issued an injunction that would have forced Apple to allow external payment options on its App Store by Dec. 9. [[Apple recently won a stay](https://www.marketwatch.com/story/apple-wins-appeal-in-epic-case-avoiding-changes-to-app-store-on-dec-9-2021-12-08?mod=article_inline) on appeal of the injunction. The stay, however, does not reverse the earlier ruling but puts enforcement on hold until the appeals court can fully hear the case, a process that will likely take months.]

Meanwhile, the FTC continues to plow ahead on its lawsuit to force the divesture of Instagram and WhatsApp from Meta. At the very least, the lawsuit sets a template for the agency’s avowed crack down on tech M&A action, regardless of the decision in the case.

This leaves Amazon, which could be bracing for an FTC suit led by its longtime nemesis Khan. The agency is currently probing Amazon as part of a series of ongoing investigations into Big Tech, and it is looking more closely at Amazon’s planned $8.45 billion purchase of MGM Studios.

#### FTC is structurally incapable of being an effective regulator

Lande and Davis ‘17 [Robert; Joshua; 2017; Venable Professor of Law, University of Baltimore School of Law, and a Director of the American Antitrust Institute; Associate Dean for Faculty Scholarship, Professor of Law, and Director, Center for Law and Ethics, University of San Francisco School of Law, and member of the Advisory Board of the American Antitrust Institute; A Report to the 45th President of the United States; “Restoring the Legitimacy of Private Enforcement,” ch. 6]

As has been observed, “government cannot be expected to do all or even most of the necessary enforcement” for numerous reasons – in addition to budgetary constraints – including “undue fear of losing cases; lack of awareness of industry conditions; overly suspicious views about complaints by ‘losers’ that they were in fact victims of anticompetitive behavior; higher turnover among government attorneys; and the unfortunate, but undeniable, reality that government enforcement (or nonenforcement) decisions are, at times, politically motivated.”7

### 2AC---AT: FTC

#### FTC overload now.

Burke ’21 [Henry and Andrea; May 28; B.A. in Political Science and Labor Studies from the University of California at Los Angeles; Research Assistant, B.A. in Economics from the University of Maryland; Revolving Door Project, “Hobbled FTC Lacks Budget to Combat Corporate Buying Spree,” <https://therevolvingdoorproject.org/hobbled-ftc-lacks-budget-to-combat-corporate-buying-spree/>]

Even if the will to stop it exists, the FTC doesn’t have the funding to stop this boom. In fact, it hasn’t had the funding to keep up with a steady uptick in mergers in years. Aside from the recent spike, the total number of premerger filings [increased](https://www.ftc.gov/system/files/documents/reports/federal-trade-commission-bureau-competition-department-justice-antitrust-division-hart-scott-rodino/p110014hsrannualreportfy2019_0.pdf) by 80 percent over the last 10 years. In 2010, corporations filed 1166 premerger notifications. By 2019, yearly filings almost doubled to 2089.

While the number of transactions the FTC is charged with regulating has increased steadily, the number of enforcement actions — challenges to anticompetitive mergers or conduct — has stagnated.  A 2020 paper from Equitable Growth showed that while the number of [enforcement actions](https://equitablegrowth.org/wp-content/uploads/2020/11/111920-antitrust-report.pdf) from both the FTC and DOJ hovered at about 40 challenges per year from 2010 to 2019, even as the number of corporations seeking merger approval grew. The FTC’s enforcement actions over the past ten years show the agency hasn’t kept up with increased HSR filings: while FY 2010 saw 22 enforcement actions for 1166 reported mergers, a ratio of approximately one enforcement action for every 53 mergers, FY 2019 saw a mere 21 enforcement actions for 2089 mergers, meaning there was only one FTC enforcement action for every 99 mergers.

Overall funding and staffing levels at the FTC have similarly stagnated. Then-FTC commissioner Rebecca Slaughter said in 2020 that it is an “[indisputable](https://www.ftc.gov/system/files/documents/public_statements/1583714/slaughter_remarks_at_gcr_interactive_women_in_antitrust.pdf)” fact that FTC funding has not kept up with market demands; according to Slaughter, the FTC budget has only increased by 13% since 2010 and the employee headcount decreased. This budget increase has not come from increased discretionary appropriations from Congress however, but from a massive increase in merger filings and their accompanying fees. Startlingly, Slaughter notes that “the FTC had roughly 50% more full-time employees at the beginning of the Reagan Administration than it does today.” The situation has become so dire that increased budgets for the enforcement agencies has become a rare [bipartisan](https://www.law360.com/articles/1368496/klobuchar-says-congress-has-rare-shot-at-antitrust-overhaul) issue in the Senate.

## CP---Regs

### 2AC---CP---Antitrust PIC

#### Nationalization is anti-trust

**Hewitt 21** [Liane Hewitt, historian of political economy and international order at Princeton, Economic History Workshop is a monthly seminar series for Princeton students and faculty interested in the study of economic history, co-sponsored by the Department of History at Princeton and the Julis-Rabinowitz Center for Public Policy & Finance, the workshop provides a forum for scholars to present their findings and receive feedback on their research in a wide array of subfields, such as financial, business, labor, legal, intellectual, technological, and social history, Nationalization as Anti-Trust Policy: The Post-War Anti-Fascist Moment in France, Britain and West-Germany, 1944-51,” Feb 4, 2021, https://jrc.princeton.edu/events/hewitt-spring-2021]

This dissertation asks how international cartels became rejected after the Second World as the private scaffolding for organizing European capitalism and international order. After 1918, a broad consensus of actors (governments, politicians, legal and economic experts, and sectors of socialists, labor and consumer groups) boosted cartels as a near-panacea for stabilizing chaotic markets, securing the fragile peace, and building a common market that could hold its own against American Fordist mass-production and distribution. This chapter argues that the sweeping nationalization reforms enacted at the end of WW2 by Britain and France, under the Attlee Labour government and the Resistance-controlled Constituent Assembly respectively, should be seen as pivotal episodes in Western Europe’s anti-cartel turn. This interpretation brings together two traditionally separate historiographies: the first on the post-war social-democratic moment and the construction of national welfare states, and the second more technical literature on post-1945 de-cartelization. The chapter suggests that governments and activists justified nationalization as an anti-trust policy to defeat the anti-democratic, perhaps even fascistic power of private big-business over the state and national economic life. The organized Left had proposed comprehensive nationalization reforms since the end of WW1. But it was not until the anti-fascist and Liberation moment swept Britain and France in the wake of the victory of 1944-45 that governments took control of the commanding heights of their economies: notably credit, energy (gas, coal), transport, and iron and steel (in Britain, only). The chapter will conclude by briefly considering alternative national solutions to the cartel problem after 1945, which did not involve state nationalizations in Scandinavia and West Germany. American occupation and a weaker post-war anti-fascist moment in these countries may hold the key to explaining why they did not take the nationalization-as-antitrust policy route.

#### Core antitrust laws exempt labor---nationalizing corporations necessitates removing those

Elhauge ’17 [Einer; December 6; Law Professor at Harvard University; United States Antitrust Law and Economics, “Introduction: An Overview of Antitrust Laws and Remedial Structure,” p. 46-49]

d. THE LABOR EXEMPTIONS. Without a labor exemption, ordinary union activities like strikes or setting labor prices in collective bargaining agreements would be horizontal boycotts and price-fixing agreements subject to the risk of antitrust liability. To avoid this, Congress has enacted statutes that provide antitrust exemptions for, and bar injunctions against, such ordinary labor union activities as collective refusals to supply labor or agreements not to compete on wages or other employment terms. This explicit statutory exemption protects agreements among labor employees, but not among independent contractors who collectively engage in boycotts or price-fixing. The explicit statutory exemption extends only to conduct and agreements by employees and their unions, and not to their agreements with non-labor groups.

## CP---Unconscionability

### 2AC---CP---Unconscionability

#### Unconscionability fails

McCullough ’15 [Colleen; Feb. 2016; Articles Editor, Volume 164, University of Pennsylvania Law Review. J.D. Candidate, 2016, University of Pennsylvania Law School; University of Pennsylvania Law Review; “Unconscionability as a Coherent Legal Concept,” vol. 164, p. 779-825]

Some courts searched for a way to rein in contracts of adhesion, perceiving them to be an abuse of contract law, ultimately landing on the doctrine of unconscionability. 3 Unconscionability was an arcane, nebulous concept in contract law that courts had used to avoid enforcing contracts that "shock the conscience."9 The doctrine seeks "the prevention of oppression and unfair surprise" and directs against the "disturbance of allocation of risks because of superior bargaining power."io The distinctive element of the unconscionability defense, as opposed to fraud or duress, is its two-pronged analysis: traditionally, a provision must be both procedurally and substantively unconscionable to be held unenforceable." Procedural unconscionability "arises out of defects in the process by which the contract was formed, and can include a variety of inadequacies, such as age, literacy, lack of sophistication, hidden or unduly complex contract terms, bargaining tactics, and the particular setting existing during the contract formation process." 12 Substantive unconscionability "suggests the exchange of obligations so one-sided as to shock the court's conscience."13 If a court finds that a provision is substantively unconscionable, it can void the specific provision and leave the rest of the contract intact.14 Using unconscionability, it is possible for courts to step in and prevent the enforcement of a variety of contract provisions.

Most courts do not find contracts of adhesion to be unconscionable per se, though they typically consider the lack of bargaining power and inability to choose, negotiate, or understand terms as indications of procedural unconscionability.1« A minority of courts find that adhesiveness alone—a low likelihood that a consumer read, understood, or negotiated the contract—can establish procedural unconscionability.16 In general, however, contracts of adhesion are enforceable unless the substantive terms are also unconscionable.

Courts and scholars alike fear the ambiguity of the doctrine, worrying that it lacks predictability and consistency, and that liberal use could swallow all of contract law.18 They recognize the need for a structure—for unconscionability to act as a true legal concept with clearly defined edges that prevent it from bleeding into every case. This raises the question: what would unconscionability need in order to be a legal concept? And does it already qualify?

## DA---Bizcon

### 2AC---DA---Transition

#### No short term crisis---socialism insulates the market from business confidence because allocation is centrally planned, BUT capitalism makes confidences crises structurally inevitable through natural oscillations

Block ‘20 [Fred; Fred Block is research professor of sociology at UC Davis. His works include Capitalism: The Future of An Illusion; April 24; “The Ruling Class Does Not Rule,” <https://jacobinmag.com/2020/04/ruling-class-capitalist-state-reform-theory>; JM]

Individual capitalists decide on their rate of investment in a particular country on the basis of a variety of specific variables such as the price of labor and the size of the market for a specific product. But there is also an intangible variable — the capitalist’s evaluation of the general political/economic climate. Is the society stable; is the working class under control; are taxes likely to rise; do government agencies interfere with business freedom; will the economy grow? These kinds of considerations are critical to the investment decisions of each firm.

The sum of all of these evaluations across a national economy can be termed the level of business confidence. As the level of business confidence declines, so will the rate of investment. Business confidence also has an international dimension when nations are integrated into a capitalist world economy. Multinational corporations, international bankers, and currency speculators also make judgments about a particular nation’s political/economic climate that determine their willingness to invest in assets in that nation. This, in turn, will affect the internal level of business confidence and the rate of productive investment.

Business confidence is, however, very different from “ruling-class consciousness.” Business confidence is based on an evaluation of the market that considers political events only as they might impinge on the market. This means that it is rooted in the narrow self-interest of the individual capitalist who is worried about profit. Business confidence, especially because of its critical international component, does not make subtle evaluations as to whether a regime is serving the long-term interests of capital.

When there is political turmoil and popular mobilization, business confidence will fall, and it will rise when there is a restoration of order, no matter how brutal. It was business confidence that responded so favorably to Louis Bonaparte’s coup d’etat, because he promised to restore the conditions for business as usual, despite negative implications for the political rights of the bourgeoisie. The crudeness of business confidence makes capitalism peculiarly vulnerable to authoritarian regimes that are capable of acting against the general interests of capital.

The dynamic of business confidence as a constraint on the managers of the state apparatus can be grasped by tracing out a scenario of what happens when left-of-center governments come to power through parliamentary means and attempt to push through major reforms. The scenario distills a number of twentieth-century experiences including that of Chile under Allende. From the moment that the Left wins the election, business confidence declines.

The most important manifestation of this decline is an increase in speculation against the nation’s currency. Reformist governments are always under suspicion that they will pursue inflationary policies; a high rate of inflation means that the international value of the nation’s currency will fall. Speculators begin to discount the currency for the expected inflation as soon as possible.

This association between reformist governments and inflation is not arbitrary. Reformist policies — higher levels of employment, redistribution of income toward the poor, improved social services —directly or indirectly lead to a shift of income from profits toward the working class. Businesses attempt to resist such a shift by raising prices so that profit levels will not be reduced. In short, price inflation in this context is a market response to policies that tend to benefit the working class.

The reformist government, faced with the initial speculative assault on its currency, has two choices. It can reassure the international and domestic business community, making clear its intention to pursue orthodox economic policies. Or it can forge ahead with its reform program. If it pursues the latter course, an increased rate of inflation and an eventual international monetary crisis is likely.

The international crisis results from the combination of continued speculative pressure against the currency and several new factors. Domestic inflation is likely to affect the nation’s balance of trade adversely, leading to a real deterioration in the nation’s balance-of-payments account. In addition, inflation and loss of confidence in the currency leads to the flight of foreign and domestic capital and increased foreign reluctance to lend money to the afflicted nation.

The initial speculative pressure against the currency could be tolerated; the eruption of an acute international monetary crisis requires some kind of dramatic response. The government may renounce its reformism or cede power to a more “responsible” administration. But if the government is committed to defending its programs, it will have to act to insulate its economy from the pressures of the international market by imposing some combination of price controls, import controls, and exchange controls.

Escalation in the government’s attempt to control the market sets off a new chain of events. These new controls involve threats to individual capitalists. Price controls mean that firms lose the ability to manipulate one of the major determinants of profit levels. Import controls mean that a firm may no longer be able to import goods critical to its business. Exchange controls mean that firms and individuals no longer are able to move their assets freely to secure international havens. The fact that assets are locked into a rapidly inflating currency poses the possibility that large fortunes will be lost.

These are the ingredients for a sharp decline in domestic business confidence. Why should business owners continue to invest if they must operate in an environment in which the government violates the fundamental rules of a market economy?

A sharp decline in business confidence leads to a parallel economic downturn. High rates of unemployment coexist with annoying shortages of critical commodities. The popularity of the regime falls precipitously. The only alternative to capitulation — eliminating controls and initial reforms — is sharp forward movement to socialize the economy. The government could put people back to work and relieve the shortages by taking over private firms.

### 2AC---AT: Transition Wars

#### No transition wars---empirics and strategic incentives disprove

MacDonald & Parent ’18 -- Paul MacDonald, associate professor of political science at Wellesley College, Joseph M. Parent, associate professor of political science at the University of Notre Dame. [“Twilight of the Titans: Great Power Decline and Retrenchment,” Cornell University Press, 2018, p. 14-16, <https://muse-jhu-edu.proxy.lib.umich.edu/book/58148>] KS

Preventive war theories lay out a clear cost-benefit analysis, but their accounting is suspect in a number of respects. First, war is incredibly costly and risky. The preferred solution of preventive war theories is one of the most expensive and least predictable actions a state can take. This may be why Thucydides’s prototypical example ended badly. After decisively defeating Athens, Spartan power never recovered, losing to Thebes and Macedon not long after. And modern wars are worse. Even putting nuclear weapons to one side, great power wars have been exorbitantly costly for some time. 23 As Gilpin and Copeland acknowledge, hardline foreign policies bring risks—defeat being the worst—and even victories can be pyrrhic. 24 The use of force may alienate allies, alarm neutrals, and provoke rivals. It can saddle the victor with restive populations and costlier commitments. Shallow declines are not menacing enough to warrant war, while deep declines are hard to reverse with force. Because deep declines tend to be the product of fundamental social and economic deficiencies, foreign policy fixes are seldom silver bullets. Great powers will be most willing to accept the risks of hardline policies at precisely the moments when the benefits are likely to be minimal and unattainable.

Second, and related, preventive war theories underestimate the efficacy of mutual accommodation. The assumption tends to be that war, while rare, is to a large extent inevitable. The alternatives available to declining powers, as Gilpin emphasizes, are “seldom those of waging war versus promoting peace, but rather waging war while the balance is still in that state’s favor or waging war later when the tide may have turned against it.” 25 But there are good reasons why rising challengers would see war as improbable. The capacity of rising powers to sustain their trajectory depends on domestic institutions, which must manage the dislocations associated with rapid growth, and the stresses of great power war are unlikely to help. Premature bids for hegemony can not only encourage the formation of hostile foreign coalitions but also upset the fragile domestic foundations of long-term growth. Windows of vulnerability rarely open as quickly or decisively as theories of preventive action anticipate, and even the most damaged declining power does not become a pushover. Rising powers have strong incentives to bide their time until they are in a decisively dominant position. 26

On their side, declining powers have reasons to avoid confrontational responses as well. The growth of a rising challenger may slow or stall for a variety of reasons. Rising powers may acquire new and costly commitments, which can distract attention and drain resources. Domestic issues may siphon away disposable wealth and divert rising powers from challenging redoubtable great powers. While they may dominate by lesser margins, declining powers can still call upon their large and diverse economies as well as advanced and experienced militaries. They can draw on the support of longstanding allies, appeal to customary diplomatic practices and familiar rules, and concentrate resources on well-established interests. Hostile or unbending actions forfeit these advantages. Provocative actions require declining states to risk scarce resources and use dubious means in uncertain environments for quixotic goals.

Third, preventive war theories obsess over the appearance of credibility, not where it comes from or how much it is worth. For Gilpin, the “fundamental problem with a policy of appeasement or accommodation” is that it leads to “continuing deterioration in a state’s prestige and international position.” 27 But commitments are checks: they only cash when there is something behind them. In world politics, power is the closest equivalent to money, and as a declining state’s power draws down, it has to be more frugal. Great powers cannot be fooled for long; commitments must be backed. Yet declining powers have less capability and must decide whether to keep a stronger, shorter defensive perimeter, or a longer, weaker one. Preventive war theories assert the sanctity of credibility in theory as they recommend overdrawing it in practice. And, while the debate remains lively, credibility in the abstract appears to be worth less than policymakers believe. 28 Great powers are not obligated to defend their interests with equal vigor, and accommodation in one area does not necessarily invite exploitation in others. A reputation for bluffing can be worse than a reputation for weakness.

Most important, credibility is more multifaceted and contextual than preventive war theories assume. Great powers certainly worry about their power and prestige, but their commitments are not of equal weight, and concessions in one area need not be seen as weakening commitments elsewhere. The fact that commitments are complex allows declining powers to shift burdens and concentrate capabilities at key points of challenge. 29 Tactical retreats and strongpoint defenses make deterrence more robust and threats more credible, and may help signal benign intentions. 30 The multifaceted nature of commitments also provides crafty rising challengers with opportunities to challenge the status quo in places that dominant powers are unlikely to vigorously defend. Rising powers that undertake modest challenges to the status quo in less sensitive areas send the important signal that they do not intend to forcibly overturn the existing order. 31 In this way, rising powers can take advantage of their newfound strength without generating incentives for declining powers to clip their wings.

Altogether, these points suggest that shifts in power are concerning but rarely generate strong incentives for war. Declining powers will be drawn to preventive war when uncommon stars align: if war is likely to succeed, if the consequences of war can be managed, if victory will reverse flagging fortunes, and if there are no better options. A declining power must also be confident that rising challengers will continue to ascend rapidly up the ranks, that they will fight to assure their ascendance, and that they are bent on future domination. In the absence of these conditions, pugnacious policies make little sense. Defeat in a preventive war opens the floodgates for exploitation on multiple fronts, and even a successful war can compromise a great power to the point of vulnerability. Typically, states will manage the very real, but often ambiguous, dangers that accompany decline with more caution than aggression.

# 1AR

## CP---Unconscionability

#### Market relations generate extreme inequality, its structural---only socialism can solve

Cockshott and Zachariah 12 \*computer scientist, economist, and professor at the University of Glasgow \*\*researcher in political economy (Paul and David, <http://www.dcs.gla.ac.uk/~wpc/reports/ArgumentsforSocialism/argumentsasreleased.pdf>, emuse)  
What was not obvious was what this implies. Yakovenko showed that the laws of thermodynamics then imply that the distribution of money between people will follow the same form as the distribution of energy between molecules in a gas : the so called Gibbs-Boltzmann distribution. This sounds very scientific, but what does it actually mean? What the Gibbs-Boltzmann distribution of money says is that a few people with end up with a lot of money and a lot of people with end up with very little money. It says that the distribution of money will be very uneven, just as we see in capitalist society. In fact Yakovenko showed that the distribution of wealth in the USA fits the Gibbs-Boltzman distribution pretty closely. There is a tendancy to think that rich people owe their wealth to intelligence or effort, but physics tells us no. Given a market economy, then the laws of chance mean that a lot of money will end up in the hands of a few people. In fact when we look at the USA we find that the distribution of wealth is even more uneven than we would expect from the Gibbs-Boltzmann law. If the Gibbs Boltzman law held, there would be millionaires but no billionaires. Why the disparity? Yakovenkos original equations represented an economy that is rather like what Marx called simple commodity production. It assumed only buying and selling. More recent work by Yakovenko and Wright [drag- ulescu02a, wright2005sac], has shown that if you modify these equations to allow either the earning of interest on money, or the hiring of wage labour, then the equations predict a polarisation of the population into two groups. The great bulk of the population, the working class and petty bourgeois, follow a Gibbs-Boltzmann income distribution. But there is a second class, those whose income derives from capital, whose wealth will follow a different law, what is called a power-law. Again, look in detail at the distribution of wealth and you provide exactly the distribution predicted by Yakovenko’s theory. This, says Yakovenko, proves that Marx was right when he said that modern society was comprised of two distinct and opposed classes : capitalists and workers. What conclusions can we draw from this with respect to market socialism? The first point is that as soon as you have a set of private agents, be they individuals, firms or cooperatives engaging in monetary trade, the laws of thermodynamics mean that the maximal entropy (most probable) distribution of money between the agents will be very uneven. Since, as Adam Smith said, money is the power too command the labour of others, this uneven distribution of money translates into an uneven distribution of social power. Those agents with more money are in a position to hire other agents under contractual terms favourable to the hirers. As soon as this happens the process of differentiation of income accelerates, and you move from the Gibbs Boltzman to the even more unequal power-law distribution of income characteristic of capitalist society. This is a prediction that arises from simulation models of economies, but if we look at a real examples of a socialist economy taking the market socialist path – China under Deng, we see in reality the sort of income inequalities the models predict. It may be argued that in China the introduction of market relations went much further than is advocated by some market socialists. That may well be true, but this sort of process acquires its own dynamic: My own work, inspired by the reform experience, contributed additional arguments for refuting the Lange-theory. It seems to be highly improbable to generate the strong cost-minimizing or profit-maximizing incentive, taken as granted in the world of Lange’s theory, in a public firm under a soft budget constraint regime. It is impossible to couple an arbitrarily chosen ownership structure and an also arbitrarily chosen set of coordination mechanisms. There is close affinity between certain owner- ship forms and certain coordination mechanisms. Decentralized market and private ownership belong together. A further important counter-argument comes from the political and ideological sphere. The smooth functioning of the market depends on the “climate”. It requires a market-friendly environment. If the politicians ruling a country are sworn enemies of genuine decentralization, the market will be banned to the black and grey area of the economy and cannot become the fundamental coordinator and integrator.) [kornai,200] The converse of this is that if we want to stop a highly unequal distribution of income, we either have to remove the mechanism that generates it, or do work to reduce the entropy of the system. Marx’s proposal for abolishing money and instituting labour accounts which do not circulate, do not function as money, removes the underlying random process which generates inequality. The Swedish model works to reduce entropy through redistributive taxes. It has to constantly work against the tendancy of the market economy to generate a high degree of inequality, and can at most partially mitigate this inequality.

## Adv---Crisis

## Adv---Innovation

### 1AR---Innovation---Tech

#### **Socialism is more efficient than capitalism**

Alexander 14 - acclaimed political commentator whose work is regularly praised by top academics (Scott, <https://slatestarcodex.com/2014/09/24/book-review-red-plenty/>, emuse)

There’s a very settled modern explanation of the conflict between capitalism and communism. Capitalism is good at growing the economy and making countries rich. Communism is good at caring for the poor and promoting equality. So your choice between capitalism and communism is a trade-off between those two things. But for at least the first fifty years of the Cold War, the Soviets would not have come close to granting you that these are the premises on which the battle must be fought. They were officially quite certain that any day now Communism was going to prove itself better at economic growth, better at making people rich quickly, than capitalism. Even unofficially, most of their leaders and economists were pretty certain of it. And for a little while, even their capitalist enemies secretly worried they were right. The arguments are easy to understand. Under capitalism, plutocrats use the profits of industry to buy giant yachts for themselves. Under communism, the profits can be reinvested back into the industry to build more factories or to make production more efficient, increasing growth rate. Under capitalism, everyone is competing with each other, and much of your budget is spent on zero-sum games like advertising and marketing and sales to give you a leg up over your competition. Under communism, there is no need to play these zero-sum games and that part of the budget can be reinvested to grow the industry more quickly. Under capitalism, everyone is working against everyone else. If Ford discovers a clever new car-manufacturing technique, their first impulse is to patent it so GM can’t use it, and GM’s first impulse is to hire thousands of lawyers to try to thwart that attempt. Under communism, everyone is working together, so if one car-manufacturing collective discovers a new technique they send their blueprints to all the other car-manufacturing collectives in order to help them out. So in capitalism, each company will possess a few individual advances, but under communism every collective will have every advance, and so be more productive. These arguments make a lot of sense to me, and they definitely made sense to the Communists of the first half of the 20th century. As a result, they were confident of overtaking capitalism. They realized that they’d started with a [disadvantage] – czarist Russia had been dirt poor and almost without an industrial base – and that they’d faced a further [disadvantage] in having the Nazis burn half their country during World War II – but they figured as soon as they overcame these [disadvantages] their natural advantages would let them leap ahead of the West in only a couple of decades. The great Russian advances of the 50s – Sputnik, Gagarin, etc – were seen as evidence that this was already starting to come true in certain fields. And then it all went wrong. II. Grant that communism really does have the above advantages over capitalism. What advantage does capitalism have? The classic answer is that during communism no one wants to work hard. They do as little as they can get away with, then slack off because they don’t reap the rewards of their own labor. Red Plenty doesn’t really have theses. In fact, it’s not really a non-fiction work at all. It’s a dramatized series of episodes in the lives of Russian workers, politicians, and academics, intended to come together to paint a picture of how the Soviet economy worked. But if I can impose a thesis upon the text, I don’t think it agreed with this. In certain cases, Russians were very well-incentivized by things like “We will kill you unless you meet the production target”. Later, when the state became less murder-happy, the threat of death faded to threats of demotions, ruined careers, and transfer to backwater provinces. And there were equal incentives, in the form of promotion or transfer to a desirable location such as Moscow, for overperformance. There were even monetary bonuses, although money bought a lot less than it did in capitalist countries and was universally considered inferior to status in terms of purchasing power. Yes, there were [Goodhart’s Law](http://en.wikipedia.org/wiki/Goodhart%27s_law) type issues going on – if you’re being judged per product, better produce ten million defective products than 9,999,999 excellent products – but that wasn’t the crux of the problem. Red Plenty presented the problem with the Soviet economy primarily as one of allocation. You could have a perfectly good factory that could be producing lots of useful things if only you had one extra eensy-weensy part, but unless the higher-ups had allocated you that part, you were out of luck. If that part happened to break, getting a new one would depend on how much clout you (and your superiors) pulled versus how much clout other people who wanted parts (and their superiors) held. The book illustrated this reality with a series of stories (I’m not sure how many of these were true, versus useful dramatizations). In one, a pig farmer in Siberia needed wood in order to build sties for his pigs so they wouldn’t freeze – if they froze, he would fail to meet his production target and his career would be ruined. The government, which mostly dealt with pig farming in more temperate areas, hadn’t accounted for this and so hadn’t allocated him any wood, and he didn’t have enough clout with officials to request some. A factory nearby had extra wood they weren’t using and were going to burn because it was too much trouble to figure out how to get it back to the government for re-allocation. The farmer bought the wood from the factory in an under-the-table deal. 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The tire factory was allocated another machine that could only make 100,000 tires a year and was back in the same quandary they’d started with. It’s easy to see how all of these problems could have been solved (or would never have come up) in a capitalist economy, with its use of prices set by supply and demand as an allocation mechanism. And it’s easy to see how thoroughly the Soviet economy was sabotaging itself by avoiding such prices. III. The “hero” of Red Plenty – although most of the vignettes didn’t involve him directly – was Leonid Kantorovich, a Soviet mathematician who thought he could solve the problem. He invented the technique of [linear programming](http://en.wikipedia.org/wiki/Linear_programming), a method of solving optimization problems perfectly suited to allocating resources throughout an economy. He immediately realized its potential and wrote a nice letter to Stalin politely suggesting his current method of doing economics was wrong and he could do better – this during a time when everyone else in Russia was desperately trying to avoid having Stalin notice them because he tended to kill anyone he noticed. Luckily the letter was intercepted by a kindly mid-level official, who kept it away from Stalin and warehoused Kantorovich in a university somewhere. During the “Khruschev thaw”, Kantorovich started getting some more politically adept followers, the higher-ups started taking note, and there was a real movement to get his ideas implemented. A few industries were run on Kantorovichian principles as a test case and seemed to do pretty well. There was an inevitable backlash. Opponents accused the linear programmers of being capitalists-in-disguise, which wasn’t helped by their use of something called “shadow prices”. But the combination of their own political adeptness and some high-level support from Khruschev – who alone of all the Soviet leaders seemed to really believe in his own cause and be a pretty okay guy – put them within arm’s reach of getting their plans implemented. But when elements of linear programming were adopted, they were adopted piecemeal and toothless. The book places the blame on Alexei Kosygen, who implemented [a bunch of economic reforms that failed](http://en.wikipedia.org/wiki/1965_Soviet_economic_reform), in a chapter that makes it clear exactly how constrained the Soviet leadership really was. You hear about Stalin, you imagine these guys having total power, but in reality they walked a narrow line, and all these “shadow prices” required more political capital than they were willing to mobilize, even when they thought Kantorovich might have a point. IV. In the end, I was left with two contradictory impressions from the book. First, amazement that the Soviet economy got as far as it did, given how incredibly screwed up it was. You hear about how many stupid things were going on at every level, and you think: This was the country that built Sputnik and Mir? This was the country that almost buried us beneath the tide of history? It is a credit to the Russian people that they were able to build so much as a screwdriver in such conditions, let alone a space station. But second, a sense of what could have been. What if Stalin hadn’t murdered most of the competent people? What if entire fields of science hadn’t been banned for silly reasons? What if Kantorovich had been able to make the Soviet leadership base its economic planning around linear programming? How might history have turned out differently? One of the book’s most frequently-hammered-in points was that there was was a brief moment, back during the 1950s, when everything seemed to be going right for Russia. Its year-on-year GDP growth (as estimated by impartial outside observers) was somewhere between 7 to 10%. Starvation was going down. Luxuries were going up. Kantorovich was fixing entire industries with his linear programming methods. Then Khruschev made a serious of crazy loose cannon decisions, he was ousted by Brezhnev, Kantorovich was pushed aside and ignored, the “Khruschev thaw” was reversed and tightened up again, and everything stagnated for the next twenty years. If Khruschev had stuck around, if Kantorovich had succeeded, might the common knowledge that Communism is terrible at producing material prosperity look a little different? The book very briefly mentioned a competing theory of resource allocation promoted by Victor Glushkov, a cyberneticist in Ukraine. He thought he could use computers – then a very new technology – to calculate optimal allocation for everyone. He failed to navigate the political seas as adroitly as Kantorovich’s faction, and the killing blow was a paper that pointed out that for him to do everything really correctly would take a hundred million years of computing time. That was in 1960. If computing power doubles every two years, we’ve undergone about 25 doubling times since then, suggesting that we ought to be able to perform Glushkov’s calculations in three years – or three days, if we give him a lab of three hundred sixty five computers to work with. There could have been this entire field of centralized economic planning. Maybe it would have continued to underperform prices. Or maybe after decades of trial and error across the entire Soviet Union, it could have caught up. We’ll never know. Glushkov and Kantorovich were marginalized and left to play around with toy problems until their deaths in the 80s, and as far as I know their ideas were never developed further in the context of a national planned economy. V. One of the ways people like insulting smart people, or rational people, or scientists, is by telling them they’re the type of people who are attracted to Communism. “Oh, you think you can control and understand everything, just like the Communists did.” And I had always thought this was a pretty awful insult. The people I know who most identify as rationalists, or scientifically/technically minded, are also most likely to be libertarian. So there, case dismissed, everybody go home. This book was the first time that I, as a person who considers himself rationally/technically minded, realized that I was super attracted to Communism. Here were people who had a clear view of the problems of human civilization – all the greed, all the waste, all the zero-sum games. Who had the entire population united around a vision of a better future, whose backers could direct the entire state to better serve the goal. All they needed was to solve the engineering challenges, to solve the equations, and there they were, at the golden future. And they were smart enough to be worthy of the problem – Glushkov invented cybernetics, Kantorovich won a Nobel Prize in Economics. And in the end, they never got the chance. There’s an interpretation of Communism as a refutation of social science, here were these people who probably knew some social science, but did it help them run a state, no it didn’t. But from the little I learned about Soviet history from this book, this seems diametrically wrong. The Soviets had practically no social science. They hated social science. You would think they would at least have some good Marxists, but apparently Stalin killed all of them just in case they might come up with versions of Marxism he didn’t like, and in terms of a vibrant scholarly field it never recovered. Economics was tainted with its association with capitalism from the very beginning, and when it happened at all it was done by non-professionals. Kantorovich was a mathematician by training; Glushkov a computer scientist. Soviet Communism isn’t what happens when you let nerds run a country, it’s what happens when you kill all the nerds who are experts in country-running, bring in nerds from unrelated fields to replace them, then make nice noises at those nerds in principle while completely ignoring them in practice. Also, you ban all Jews from positions of importance, because fuck you.

### 1AR---L/T---Innovation

#### **Socialism is more efficient than capitalism**

Alexander 14 - acclaimed political commentator whose work is regularly praised by top academics (Scott, <https://slatestarcodex.com/2014/09/24/book-review-red-plenty/>, emuse)

There’s a very settled modern explanation of the conflict between capitalism and communism. Capitalism is good at growing the economy and making countries rich. Communism is good at caring for the poor and promoting equality. So your choice between capitalism and communism is a trade-off between those two things. But for at least the first fifty years of the Cold War, the Soviets would not have come close to granting you that these are the premises on which the battle must be fought. They were officially quite certain that any day now Communism was going to prove itself better at economic growth, better at making people rich quickly, than capitalism. Even unofficially, most of their leaders and economists were pretty certain of it. And for a little while, even their capitalist enemies secretly worried they were right. The arguments are easy to understand. Under capitalism, plutocrats use the profits of industry to buy giant yachts for themselves. Under communism, the profits can be reinvested back into the industry to build more factories or to make production more efficient, increasing growth rate. Under capitalism, everyone is competing with each other, and much of your budget is spent on zero-sum games like advertising and marketing and sales to give you a leg up over your competition. Under communism, there is no need to play these zero-sum games and that part of the budget can be reinvested to grow the industry more quickly. Under capitalism, everyone is working against everyone else. If Ford discovers a clever new car-manufacturing technique, their first impulse is to patent it so GM can’t use it, and GM’s first impulse is to hire thousands of lawyers to try to thwart that attempt. Under communism, everyone is working together, so if one car-manufacturing collective discovers a new technique they send their blueprints to all the other car-manufacturing collectives in order to help them out. So in capitalism, each company will possess a few individual advances, but under communism every collective will have every advance, and so be more productive. These arguments make a lot of sense to me, and they definitely made sense to the Communists of the first half of the 20th century. As a result, they were confident of overtaking capitalism. They realized that they’d started with a [disadvantage] – czarist Russia had been dirt poor and almost without an industrial base – and that they’d faced a further [disadvantage] in having the Nazis burn half their country during World War II – but they figured as soon as they overcame these [disadvantages] their natural advantages would let them leap ahead of the West in only a couple of decades. The great Russian advances of the 50s – Sputnik, Gagarin, etc – were seen as evidence that this was already starting to come true in certain fields. And then it all went wrong. II. 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If that part happened to break, getting a new one would depend on how much clout you (and your superiors) pulled versus how much clout other people who wanted parts (and their superiors) held. The book illustrated this reality with a series of stories (I’m not sure how many of these were true, versus useful dramatizations). In one, a pig farmer in Siberia needed wood in order to build sties for his pigs so they wouldn’t freeze – if they froze, he would fail to meet his production target and his career would be ruined. The government, which mostly dealt with pig farming in more temperate areas, hadn’t accounted for this and so hadn’t allocated him any wood, and he didn’t have enough clout with officials to request some. A factory nearby had extra wood they weren’t using and were going to burn because it was too much trouble to figure out how to get it back to the government for re-allocation. The farmer bought the wood from the factory in an under-the-table deal. 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### 1AR---AT: Space Col

#### Every percentage point of existential risk reduction is equal to a delay of 10 million years

Bostrom, ‘3 Nick Bostrom, philosopher at the University of Oxford, a Ph.D. degree in philosophy from the London School of Economics, and was a British Academy Postdoctoral Fellow at the University of Oxford, 2003, “Astronomical Waste: The Opportunity Cost of Delayed Technological Development”, Utilitas Vol. 15, No. 3, <https://nickbostrom.com/astronomical/waste.html#_edn8>, EO

However, the true lesson is a different one. If what we are concerned with is (something like) maximizing the expected number of worthwhile lives that we will create, then in addition to the opportunity cost of delayed colonization, we have to take into account the risk of failure to colonize at all. We might fall victim to an existential risk, one where an adverse outcome would either annihilate Earth-originating intelligent life or permanently and drastically curtail its potential.[8] Because the lifespan of galaxies is measured in billions of years, whereas the time-scale of any delays that we could realistically affect would rather be measured in years or decades, the consideration of risk trumps the consideration of opportunity cost. For example, a single percentage point of reduction of existential risks would be worth (from a utilitarian expected utility point-of-view) a delay of over 10 million years. Therefore, if our actions have even the slightest effect on the probability of eventual colonization, this will outweigh their effect on when colonization takes place. For standard utilitarians, priority number one, two, three and four should consequently be to reduce existential risk. The utilitarian imperative “Maximize expected aggregate utility!” can be simplified to the maxim “Minimize existential risk!”.

#### Private sector won’t do it because it’s not profitable---socialism is key

Konrad **Szocik 19**. University of Information Technology and Management in Rzeszow, Department of Philosophy and Cognitive Science. 01/2019. “Should and Could Humans Go to Mars? Yes, but Not Now and Not in the near Future.” Futures, vol. 105, pp. 54–66.

6. Public opinion Public opinion is, at least in the near future, the main sponsor of space research and space exploration. Bertrand, Pirtle, and Tomblin, (2017) show that the public is interested in human mission to Mars. The most preferred space mission is a crew in orbit and a robot mission on Mars surface. In other words, public criteria is low risk and low cost. The German space agency follows public opinion and social interest because is focused on duty for society and oriented to social purposes as “climate change, mobility, communication and security” (Zypries, 2017). Politicians are prone to reduce space budgets or to not invest in long-term human settlement missions due to public opinion. Consequently, progress in space technology is still retarded. State of art in space transport means did not change qualitatively since the Space Race between the US and the Soviet Union. Impact of public opinion may differ in various countries. Max Grimard (2012), p. 6) shows how important is space program for public opinion in the US. Public sympathy for American presence in space is counterbalanced by the unpredictability of politician authorities, the tensions between presidents and the Congress (Grimard, 2012, p. 12), and the important role played by competition with Russia and China (Grimard, 2012, p. 6). Grimard adds that Russia is similar case but it is currently entire focused on stability of space programs, including renovation of old infrastructure than on new space exploration programs. According to Grimard (2012), p. 13), this fact excludes Russia from being the leader of international collaboration in space policy despite its historical advantages. China, according to Grimard, repeats space policies of the US and Soviet Union. By contrast, in Japan and Europe, prestige does not play role. Japan and Europe are focused on scientific and technological contexts. Space program is not a part of national policy. Due to its costs, politicians may decide to not risk negative approach of public opinion. But public opinion does not threaten private investors which can consider space as object of their investment. 7. Commercial exploration of space is not a workable alternative Risk of funding the wall might be avoided by commercial exploration of space (Crawford, 2016). According to Crawford, some space projects such as next generation of large telescopes or crewed mission to Mars are non-profitable. While they are a governmental duty, they could be funded partially by profits from commercial exploration of space (for instance, space mining). Hope for private exploration sounds reasonable but is counterbalanced by commercial focus on profits. Because mission to Mars has only scientific profits, only public sponsors will be invested in this project. James S. J. Schwartz (2014) adds that two of the possible reasons for human space mission, such as improving human welfare and progress in scientific exploration, are well beyond interests of private companies. Newman and Williamson (2018) quite similarly expect that private space exploration will be focused on financial profits more than on environmental sustainability. Private investors are not obliged to act altruistically and to sacrifice their business for uncertain idea. W. Henry Lambright (2017) adds that private companies at least at first stages of Mars space program will not be able to fund it. For this reason, Mars space program requires multi-generational effort and political stabilization. The challenge of safety works against private investors in space program. Public space agencies have achieved high standards of safety. They behave in careful and conservative ways. Commercial, private projects do not have the same advanced technology, the large number of scientists and support staff, and the generous budgets. Catastrophe would likely break a private space program. The lack of experience of private companies in space exploration is partially responsible for higher risk of technological failures even in relatively easy tasks as crash of Momo-2 rocket launched by Japanese start-up on 30 June 2018 several seconds after launch. This does not mean that private investors are not able to explore space, but they are able to do that only when they receive profits. In scenario of commercial exploration of space, we should wait for some point in the future when a human space base appears as byproduct of commercial activity. A human base on Mars might be a by-product of hotels on LEO or space mining. Some investors who want to build space hotels may try to settle space regions beyond LEO and build hotels on the Moon and/or Mars. From touristic point of view, staying in the Moon or Mars hotel may be more attractive than on LEO. Investors working in asteroid mining may extend their business to the Moon and/or Mars. Both enterprises even if focused on purely commercial purposes, will not be easy (perhaps impossible) to achieve by private companies alone. Elvis (2012), p. 549) argues that asteroid mining will be challenging due to, among others, difficulties in detection of appropriate asteroids. He shows that among about 1200 analyzed meteorites only 13 of them contain high level of platinum profitable for their exploitation. Elvis suggests that NASA should reorient its strategy from focus on exploration to support for commercial utilization of space. Exploration will appear as a consequence of commercial profitable activity (Elvis, 2012, p. 549). Estimated profits of asteroid mining10 are counterbalanced by high costs of exploitation and possible decreasing of price of currently rare resources (Genta, 2014).11

### 1AR---AT: ASATs

#### No costs internal link to ASATs and no impact

Pavur & Martinovic 19 – James Pavur, DPhil Researcher, Cybersecurity Centre for Doctoral Training, Oxford University. Ivan Martinovic, Professor of Computer Science, Oxford University. [The Cyber-ASAT: On the Impact of Cyber Weapons in Outer Space, 2019 11th International Conference on Cyber Conflict, https://ccdcoe.org/uploads/2019/06/Art\_12\_The-Cyber-ASAT.pdf]//BPS

There also exists a long-standing normative framework favouring the peaceful use of space. The effectiveness of this regime, centred around the Outer Space Treaty (OST), is highly contentious and many have pointed out its serious legal and political shortcomings [24]–[26]. Nevertheless, this status quo framework has somehow supported over six decades of relative peace in orbit.

Over these six decades, norms have become deeply ingrained into the way states describe and perceive space weaponization. This de facto codification was dramatically demonstrated in 2005 when the US found itself on the short end of a 160-1 UN vote after opposing a non-binding resolution on space weaponization. Although states have occasionally pushed the boundaries of these norms, this has typically occurred through incremental legal re-interpretation rather than outright opposition [27]. Even the most notable incidents, such as the 2007-2008 US and Chinese ASAT demonstrations, were couched in rhetoric from both the norm violators and defenders, depicting space as a peaceful global commons [27, p. 56]. Altogether, this suggests that states perceive real costs to breaking this normative tradition and may even moderate their behaviours accordingly.

One further factor supporting this norms regime is the high degree of attributability surrounding ASAT weapons. For kinetic ASAT technology, plausible deniability and stealth are essentially impossible. The literally explosive act of launching a rocket cannot evade detection and, if used offensively, retaliation. This imposes high diplomatic costs on ASAT usage and testing, particularly during peacetime.

C. Environmental Interdependence

A third stabilizing force relates to the orbital debris consequences of ASATs. China’s 2007 ASAT demonstration was the largest debris-generating event in history, as the targeted satellite dissipated into thousands of dangerous debris particles [28, p. 4]. Since debris particles are indiscriminate and unpredictable, they often threaten the attacker’s own space assets [22, p. 420]. This is compounded by Kessler syndrome, a phenomenon whereby orbital debris ‘breeds’ as large pieces of debris collide and disintegrate. As space debris remains in orbit for hundreds of years, the cascade effect of an ASAT attack can constrain the attacker’s long-term use of space [29, pp. 295– 296]. Any state with kinetic ASAT capabilities will likely also operate satellites of its own, and they are necessarily exposed to this collateral damage threat. Space debris thus acts as a strong strategic deterrent to ASAT usage.

## CP---States

### 1AR---Solvency---Preemption

#### Gets pre-empted---

#### Commerce clause

Madden ’16 [Sean; 2016; J.D. Candidate at the Campbell University School of Law; Campbell Law Review, “Out of Bounds: Commerce Clause Protection from State Antitrust Statutes for Regional Athletic Conferences,” vol. 38]

I. The Emergence of State Antitrust Law

“All fifty states as well as the District of Columbia” have enacted “some type of antitrust statute.”16 Indeed, at least twenty-six states had some sort of antitrust prohibition by 1890, when the Sherman Act was introduced.17 The underlying forces that drove the passage of the Sherman Act also spurred the development of state antitrust law.18 In fact, fundamental concepts of federal antitrust law were based in part on principles developed by the judicial gloss of state courts interpreting state antitrust laws.19

One of the main purposes of passing the Sherman Act was the supplementation of these state laws.20 The Sherman Act was to supplement state antitrust law by reaching restraints on interstate trade, while states would retain exclusive jurisdiction over all purely intrastate restraints.21 Closely following the passage of the Sherman Act, many states adopted new or amended existing state antitrust statutes to mimic the federal statutes.22 Following these changes, state antitrust law began a “gradual decline” as it was viewed as “superfluous” in light of the federal law.23 The decline was amplified in the wake of decisions like Wickard v. Filburn, 24 which expanded the federal power to reach local activities seen as “affecting” commerce under the Commerce Clause.25 The rationale in Wickard led courts to apply the Sherman Act to purely intrastate activity, significantly diminishing the role of state antitrust law.26

In the 1970s, however, state antitrust law experienced a revival thanks in part to treble-damage class action lawsuits in which states were part of the plaintiff class.27 Another contributing factor was the United States Supreme Court’s decision in Illinois Brick Co. v. Illinois. 28 There, the Court denied damages to indirect purchasers under federal law.29 The decision in Illinois Brick left state legislatures feeling pressure to address the apparent gap that now existed in federal antitrust law.30 As a result, many state legislatures amended their antitrust statutes to allow indirect purchasers to recover damages.31 This was one of the few instances where state legislatures and state courts deviated from the federal law.32 Still, however, most state antitrust statutes mimic the federal statutes.33

While the antitrust laws of most states track the language of the federal statutes closely, federal case law on substantive issues is not necessarily regarded as precedential.34 Some state courts regard the federal case law as precedential, while others use the federal case law as a persuasive source of authority when addressing issues of first impression.35 However, state antitrust law is not preempted simply because of the existence of federal antitrust statutes.36 Regardless, it is clear that the role of state antitrust laws with respect to certain industries has become severely limited.37

II. The Commerce Clause and State Antitrust Law

Although state antitrust statutes may be able to reach interstate activity, the Commerce Clause 38 still serves as a protective shield that limits the scope of state antitrust enforcement. Through the Constitution, Congress is granted the power to “regulate Commerce . . . among the several States . . . .”39 Phrased as an affirmative grant of power, the Commerce Clause also contains a negative or “dormant” command “that ‘create[s] an area of trade free from interference by the States’” and “prevents a State from ‘jeopardizing the welfare of the Nation as a whole’ by ‘plac[ing] burdens on the flow of commerce across its borders that commerce wholly within those borders would not bear.’”40 This operation “of the Commerce Clause limits state interference with interstate commerce”, even without legislation implemented by Congress.41

As a limit on State powers, the Commerce Clause can invalidate state statutes where the statute explicitly discriminates against interstate commerce or where the indirect effects on interstate commerce impose a “burden on interstate commerce that is ‘clearly excessive in relation to the putative local benefits[.]’”42 If a statute facially discriminates against out-of-state activity, it will be struck down unless it “advances a legitimate local purpose that cannot be adequately served by reasonable nondiscriminatory alternatives.”43 The Supreme Court in Granholm v. Heald44 held that “state laws violate the Commerce Clause if they mandate ‘differential treatment of in-state and out-of-state economic interests that benefits the former and burdens the latter.’”45 However, state antitrust laws are statutes of general application and are not likely facially discriminatory.46 Thus, state antitrust statutes are more typically challenged as excessively burdensome on interstate commerce.47

#### Healtchare

Jon Walker 17, Healthcare Policy Analyst and author, 5/2/2017, “Road To Single-Payer: Overcoming Hurdles At The State Level”, Shadow Proof, https://shadowproof.com/2017/05/02/road-to-single-payer-healthcare-overcoming-hurdles-at-the-state-level/

¶ ERISA is the 900-pound-gorilla standing in the way of state-based reform. It prohibits states from regulating most elements related to self-funded employer-sponsored health plans. According to the Kaiser Family Foundation, 61 percent of covered workers are enrolled in such plans.¶ ¶ The recent Supreme Court case, Gobeille v. Liberty Mutual Insurance Co., shows just how much ERISA can restrict states’ ability to act.¶ ¶ The court found Vermont cannot require self-funded insurers to disclose basic data about claims for their all-payer database. To what degree the vague law would prevent different state reforms is a significant matter of debate that makes any planning difficult.¶ ¶ State-based health care reform would be fairly easy if the state could simply require every employer to buy their employees the state-based, Medicare-like insurance policy or pay a large tax.¶ ¶ Back in 1974, Hawaii adopted a strong employer mandate law that required good private coverage before Congress adopted ERISA so it is exempt from the federal law. The Hawaii plan was fairly straightforward and worked well. ERISA prevents anything like that from happening now.¶ ¶ Unable to directly regulate most employer-sponsored health plans, state based reform plans tie themselves in knots trying to work around it. Most state single-player plans would indirectly but strongly encourage companies to drop insurance benefits and increase wages to make up for it. ¶ Vermont considered funding their plan with a payroll tax because payroll contributions are deductible business expenses.¶ ¶ “This financing mechanism would best preserve the roughly $500 million worth of forgone federal income taxes owing to the current tax treatment of employer-sponsored health insurance,” one report argued.¶ ¶ Theoretically, over the long term this should mostly even out, but “mostly” is not a reassuring political qualifier. The interplay could create some real losers, especially in the short term.¶ ¶ How About A State Payroll Or Sales Tax To Fund Single-Payer?¶ It is not guaranteed a payroll tax-financed universal health care system would survive an ERISA challenge.¶ ¶ The Rand study for Oregon points out, “Because the single-payer option would provide universal coverage and use payroll taxes to help fund the system, self-funded employers operating in Oregon could argue that the option effectively compels them to discontinue their current health plans and offer alternative benefits.”¶ ¶ “Unless the state were able to obtain a federal exemption from ERISA, the single-payer option would very likely be challenged in court by self-funded employers,” the study adds.¶ ¶ The report indicates a sales tax-financed system might have better legal standing but even that could run afoul. The sales tax route creates the additional problem of how to recoup the money lost due to the federal tax exempt status of employer provided insurance.¶ ¶ To understand why let’s assume that if a state created a single-payer system, most companies would stop compensating their employees by giving them private insurance benefits.¶ ¶ Let’s also assume that instead of partly compensating employees with insurance they would just pay them higher wages. The problem is that, unlike insurance benefits which are tax exempt, these higher wages would be subject to federal tax.¶ ¶ Workers in this state would be sending way more to the federal government, even though their total compensation would not have increased. Getting the federal government to fix this or reimburse the state would be a challenge.

#### Even if they were somehow right there isn’t a law it violates now, congress would unanimously pass one within a day

Razo 17 (Hans, https://progressivearmy.com/2017/08/01/republicans-democrats-and-even-bernie-sanders-support-u-s-imperialism/, EM)

U.S. imperialism and American neoconservatism are pretty much like a religion at this point. From what I’ve seen, they seem to hold the belief that “The United States is the greatest country on Earth; thus, its government should seek to promote ‘democracy’ all around the world, even using force if necessary.” Of course when they are talking about spreading “democracy,” it is just a bunch of lies and lip-service to the American public, so the establishment and the mainstream media can manufacture consent within the American population. The reason why I believe these are a bunch of lies is that the history of U.S. imperialism has constantly shown us that the United States only cares about big corporations and the military-industrial complex. There are plenty of reasons to believe this that are exemplified by the coup in Chile I mentioned above, the [coup in Honduras](https://www.democracynow.org/2016/4/13/hear_hillary_clinton_defend_her_role) backed by the United States, the [regime changes in Libya, Iraq, and Afghanistan](http://www.washingtonsblog.com/2014/07/iraq-afghanistan-libya-countries-u-s-regime-changed-going-chaos.html), the [U.S.-backed war in Yemen](https://www.amnesty.org/en/latest/news/2015/09/yemen-the-forgotten-war/), led by human rights violator Saudi Arabia, the U.S.-backed Fascist Dictator [Fulgencio Batista](http://www.globalresearch.ca/cuba-pre-1959-the-rise-and-fall-of-a-u-s-backed-dictator-with-links-to-the-mob/5464738) from Cuba and the [CIA’s 634 attempts to kill Fidel Castro](https://www.theguardian.com/world/2016/nov/26/fidel-castro-cia-cigar-assasination-attempts), the ongoing [U.S. support for Israel in its task of stealing Palestinian land](http://www.aljazeera.com/news/2016/09/israel-sign-record-38bn-military-aid-deal-160914135203821.html) and creating an apartheid state against Muslims, and the [American sabotage of Venezuela’s economy](http://www.mintpressnews.com/us-led-economic-war-not-socialism-tearing-venezuela-apart/218335/) only because it is anti-imperialist. Now we can tell the U.S. doesn’t engage in wars or interventions in other countries just for the sake of being “humanitarian” or “spreading democracy.” The United States has committed many atrocities on foreign soil and created lasting problems in those countries. Now we need to recognize one thing: No major political party is against U.S. imperialism. Both [the Democrats and the Republicans](http://www.globalresearch.ca/republicans-vs-democrats-two-neoliberal-war-parties-with-the-same-economic-and-foreign-policies/5558341) have a long history of supporting the Military-industrial complex by participating in various interventions during the course of most of the 20th century and the U.S. has engaged in [continual intervention for the past 17 years](https://en.wikipedia.org/wiki/Timeline_of_United_States_military_operations). This may come as a surprise, but even [Bernie Sanders has a troubling record regarding wars](http://www.alternet.org/election-2016/bernie-sanders-troubling-history-supporting-us-military-violence-abroad). Bernie Sanders openly supported Clinton’s War in Kosovo in 1999. When Sanders was Burlington’s Mayor in the 80s, many people protested outside the local General Electric plant because it was manufacturing weapons so they could be used to fight socialists in Central America. “He lined up with union officials and watched as the police made arrests, saying later that in blocking the plant, the activists were keeping workers from their jobs,” reported the [New York Times](https://www.nytimes.com/2015/11/26/us/politics/as-mayor-bernie-sanders-was-more-pragmatic-than-socialist.html?_r=0). Bernie Sanders also supported the construction of a [$1.2 trillion dollar stealth fighter](http://www.thedailybeast.com/bernie-sanders-loves-this-dollar1-trillion-war-machine), even though his constituency opposed it. Sanders claimed he was against the Iraq War, but he never mentioned he voted in favor of the [Iraq Liberation Act of 1998](https://www.govtrack.us/congress/bills/105/hr4655/text), which explicitly said that it was the U.S.’s duty to topple Saddam Hussein. Sanders also backed a resolution that gave congressional backing to the CIA, which allowed it to do a covert plan to remove Hussein and also impose economic sanctions on Iraq, which may have killed as many as 500,000 children, according to [Counterpunch](https://www.counterpunch.org/2016/02/16/blood-traces-bernies-iraq-war-hypocrisy/). Let’s remember that Sanders as a congressman didn’t support [Rep. Barbara Lee in her opposition to the Afghanistan War](http://www.salon.com/2016/09/17/barbara-lee-the-bad-news-is-perpetual-war-the-goods-news-is-that-the-left-is-stronger-than-ever/), since Sanders didn’t vote against the 2001 Authorization for the Use of Military Force, which allowed then-President Bush to invade Afghanistan. Yeah, all of this happened years ago, but if you want something more recent we can note Sanders’s support for [Obama’s kill list, his backing of troops in Syria](http://www.telesurtv.net/english/news/Bernie-Sanders-Says-US-Kill-List-Legal-Backs-Troops-in-Syria-20160426-0017.html), and the fact that he said if he were to become President of the United States he would continue [to use drones](https://www.theguardian.com/us-news/2015/oct/11/bernie-sanders-drones-counter-terror) in the Middle East.. It is definitely troubling that the biggest representative of the Democratic Party’s left has to be a pro-war politician. This diminishes the anti-war faction on the left, alienating them and also putting foreign policy discussion off the table. Many progressives think that Sanders would give a big punch to the Military-industrial complex because he voted against the Iraq War, but let’s remember Obama did that also and he ended up being a war hawk. We need to organize against war and be wary about who are really pro-peace politicians because there are many wolves in sheep’s clothing on the left, and if you will back neocons only because they will give you domestic benefits, stop calling yourself a leftist.

## DA---FTC

### 1AR---OV

#### Fascism turns S-risks

Minardi 10-15. Di. Writes about travel, the environment, AI, and climate change, and my work has appeared in National Geographic, BBC Future, and the Boston Globe. Cites numerous scholars from the Future of Humanity Institute. 10-15-2020. “The grim fate that could be ‘worse than extinction’.” <https://www.bbc.com/future/article/20201014-totalitarian-world-in-chains-artificial-intelligence>. DOA: 10-19-2020. kyujin

When we think of existential risks, events like nuclear war or asteroid impacts often come to mind. Yet there’s one future threat that is less well known – and while it doesn’t involve the extinction of our species, it could be just as bad.

It’s called the “world in chains” scenario, where, like the preceding thought experiment, a global totalitarian government uses a novel technology to lock a majority of the world into perpetual suffering. If it sounds grim, you’d be right. But is it likely? Researchers and philosophers are beginning to ponder how it might come about – and, more importantly, what we can do to avoid it.

Existential risks (x-risks) are disastrous because they lock humanity into a single fate, like the permanent collapse of civilisation or the extinction of our species. These catastrophes can have natural causes, like an asteroid impact or a supervolcano, or be human-made from sources like nuclear war or climate change. Allowing one to happen would be “an abject end to the human story" and would let down the hundreds of generations that came before us, says Haydn Belfield, academic project manager at the Centre for the Study of Existential Risk at the University of Cambridge.

Toby Ord, a senior research fellow at the Future of Humanity Institute (FHI) at Oxford University, believes that the odds of an existential catastrophe happening this century from natural causes are [less than one in 2,000](https://www.aei.org/economics/is-humanity-prepared-to-handle-catastrophic-threats-my-long-read-qa-with-toby-ord/), because humans have survived for 2,000 centuries without one. However, when he adds the probability of human-made disasters, Ord believes the chances increase to a startling one in six. He refers to this century as “the precipice” because the risk of losing our future has never been so high.

Researchers at the Center on Long-Term Risk, a non-profit research institute in London, have expanded upon x-risks with the even-more-chilling prospect of [suffering risks.](https://longtermrisk.org/reducing-risks-of-astronomical-suffering-a-neglected-priority/) These “s-risks” are defined as “suffering on an astronomical scale, vastly exceeding all suffering that has existed on Earth so far.” In these scenarios, life continues for billions of people, but the quality is so low and the outlook so bleak that dying out would be preferable. In short: a future with negative value is worse than one with no value at all.

This is where the “world in chains” scenario comes in. If a malevolent group or government suddenly gained world-dominating power through technology, and there was nothing to stand in its way, it could lead to an extended period of abject suffering and subjugation. A [2017 report](https://www.fhi.ox.ac.uk/wp-content/uploads/Existential-Risks-2017-01-23.pdf) on existential risks from the Global Priorities Project, in conjunction with FHI and the Ministry for Foreign Affairs of Finland, warned that “a long future under a particularly brutal global totalitarian state could arguably be worse than complete extinction”.

### 1AR---T/L

#### Timeframe links worse to them---traditional antitrust is glacial and fails

Chopra ’20 [Rohit and Lina Khan; March 2020; Commissioner of the Federal Trade Commission; Academic Fellow at Columbia Law School, Counsel to the Subcommittee on Antitrust, Commercial, and Administrative Law, US House Committee on the Judiciary and Former Legal Fellow at the Federal Trade Commission; University of Chicago Law Review, “The Case for ‘Unfair Methods of Competition’ Rulemaking,” vol. 87]

The current approach to antitrust also makes enforcement highly costly and protracted. In 2012, the American Bar Association (ABA) published the report of a task force that sought to "study ways to control the costs of antitrust litigation and enforcement." 9The task force, the authors explained, was "a response to concerns" about both "the costs imposed on businesses by the American system of antitrust enforcement" and "the length of time required to resolve antitrust issues both in litigation and in enforcement proceedings." 10 Out-of-control costs undermine effective antitrust enforcement by agencies and private litigants, but [\*361] may advantage actors who profit from anticompetitive practices and can treat litigation as a routine cost of business.

Professor Michael Baye and Former Commissioner Joshua Wright have noted that generalist judges may be ill-equipped to independently analyze and assess evidence presented by economic experts. 11 Because determining the legality of most conduct now involves complex economic analysis, courts have effectively "delegate[d] both factfinding and rulemaking to courtroom economists," making courtroom economics "not just inevitable but often dispositive." 12In fact, paid expert testimony now is often "the 'whole game' in an antitrust dispute." 13

Paid experts are a major expense. Some experts charge over $1,300 an hour, earning more than senior partners at major law firms. 14Over the last decade, expenditures on expert costs by public enforcers have ballooned. 15In a system that incentivizes firms to spend top dollar on economists who can use ever-increasing complexity to spin a favorable tale, the eye-popping costs for economic experts can put the government and new market entrants at a significant disadvantage. 16

Another component of the burden is that antitrust trials are extremely slow and prolonged. 17The Supreme Court has criticized antitrust cases for involving "interminable litigation" 18and the "inevitably costly and protracted discovery phase," 19 yielding an antitrust system that is "hopelessly beyond effective judicial supervision." 20That it can easily take a decade to bring an antitrust case to full judgment means that by the time a judge orders a remedy, market circumstances are likely to have outpaced it. 21The same 2012 ABA report suggested that lengthy, costly litigation may be contributing to reduced government-enforcement efforts over time relative to the expansion of the US economy. 22

### 1AR---AT: Algo Bias

#### They don’t have enough resources or staff

Burke ’21 [Henry and Andrea; May 28; B.A. in Political Science and Labor Studies from the University of California at Los Angeles; Research Assistant, B.A. in Economics from the University of Maryland; Revolving Door Project, “Hobbled FTC Lacks Budget to Combat Corporate Buying Spree,” <https://therevolvingdoorproject.org/hobbled-ftc-lacks-budget-to-combat-corporate-buying-spree/>]

Even if the will to stop it exists, the FTC doesn’t have the funding to stop this boom. In fact, it hasn’t had the funding to keep up with a steady uptick in mergers in years. Aside from the recent spike, the total number of premerger filings [increased](https://www.ftc.gov/system/files/documents/reports/federal-trade-commission-bureau-competition-department-justice-antitrust-division-hart-scott-rodino/p110014hsrannualreportfy2019_0.pdf) by 80 percent over the last 10 years. In 2010, corporations filed 1166 premerger notifications. By 2019, yearly filings almost doubled to 2089.

While the number of transactions the FTC is charged with regulating has increased steadily, the number of enforcement actions — challenges to anticompetitive mergers or conduct — has stagnated.  A 2020 paper from Equitable Growth showed that while the number of [enforcement actions](https://equitablegrowth.org/wp-content/uploads/2020/11/111920-antitrust-report.pdf) from both the FTC and DOJ hovered at about 40 challenges per year from 2010 to 2019, even as the number of corporations seeking merger approval grew. The FTC’s enforcement actions over the past ten years show the agency hasn’t kept up with increased HSR filings: while FY 2010 saw 22 enforcement actions for 1166 reported mergers, a ratio of approximately one enforcement action for every 53 mergers, FY 2019 saw a mere 21 enforcement actions for 2089 mergers, meaning there was only one FTC enforcement action for every 99 mergers.

Overall funding and staffing levels at the FTC have similarly stagnated. Then-FTC commissioner Rebecca Slaughter said in 2020 that it is an “[indisputable](https://www.ftc.gov/system/files/documents/public_statements/1583714/slaughter_remarks_at_gcr_interactive_women_in_antitrust.pdf)” fact that FTC funding has not kept up with market demands; according to Slaughter, the FTC budget has only increased by 13% since 2010 and the employee headcount decreased. This budget increase has not come from increased discretionary appropriations from Congress however, but from a massive increase in merger filings and their accompanying fees. Startlingly, Slaughter notes that “the FTC had roughly 50% more full-time employees at the beginning of the Reagan Administration than it does today.” The situation has become so dire that increased budgets for the enforcement agencies has become a rare [bipartisan](https://www.law360.com/articles/1368496/klobuchar-says-congress-has-rare-shot-at-antitrust-overhaul) issue in the Senate.

#### Specifically true in the context of algo bias

Rich et al 10-3-21 (Jessica Rich, Laura Riposo VanDruff, Alysa Z. Hutnik & William C. MacLeod, lawyers at Kelly Drye, “FTC Chair Khan’s Vision for Privacy – and Some Dissents,” 10-3-2021, https://www.adlawaccess.com/2021/10/articles/ftc-chair-khans-vision-for-privacy-competition-and-big-tech-and-some-dissents/)

Privacy/Competition Focus on Tech

First, Khan’s statement reiterates her commitment to address privacy through a “cross-disciplinary” approach that uses the tools of competition law, not just consumer protection law, to address privacy harms. She states that “concentrated control over data has enabled dominant firms to capture markets and erect entry barriers while commercial surveillance has allowed firms to identify and thwart emerging competitive threats,” resulting in reduced privacy.

To address these concerns, as outlined further in the report, the agency intends to focus “most” of its limited resources against the “data practices of dominant digital platforms,” including through additional compliance reviews and order modifications and enforcement, “as necessary,” against, for example, Facebook, Google, Microsoft, Twitter, and Uber.

The Report adds that (with more resources from Congress), the FTC also will prioritize:

Adtech and “Walled Garden” Advertising Practices, including:

“[B]usiness models that depend on expansive and potentially illegal data collection to fuel targeted advertising and user engagement,” and

“Exclusionary or predatory conduct by dominant digital platforms to defend their data troves, resulting in lower levels of privacy and data protections and more intrusive ads.”

Children’s Tech: “Platforms and other online services that are potentially violating COPPA, an area of particular importance given that many children may be increasingly relying on online services for both educational, entertainment, and social purposes during the pandemic.”

Other Privacy Considerations, such as data uses involving health, biometric, or other sensitive data, discriminatory algorithmic practices, or other deceptive or unfair data practices.

Even More Competition Focus on Tech:

Dominant digital platforms’ data practices that present both privacy and competition concerns due to their scope and size, and

“Acquisitions that allow dominant digital platforms to collect and control ever expanding data from consumers or block the development of more secure data protection policies.”

Privacy Rulemaking

Second, recognizing that competition may not always align with and fully address privacy concerns, Khan emphasizes the need for the FTC to use its rulemaking authority to codify baseline protections. In support of such rules, she cites a variety of factors that may mask how much consumers value their privacy and undermine their ability to make choices to protect it. These include the lack of competition among technology providers, “dark patterns” that manipulate and “nudge” users, and the inadequacies of the notice-and-consent framework. The report elaborates on this topic, stating that the FTC intends to develop new privacy rules (presumably under its inherent “Magnuson Moss” rulemaking authority) and strengthen existing ones, such as COPPA, Health Breach Notification (already expanded via policy statement as we discuss here), Red Flags, and GLB Safeguards. In other words, expect more rulemaking concerning privacy practices affecting children’s data, health, identity theft, and financial services (but likely with a much broader view of what these encompass based on the FTC’s recent activity).

New Data Use Restrictions

Third, Khan states that the FTC should consider “substantive limits,” rather than procedural protections and process requirements, in its privacy work. Here, she also discusses how behavioral ad-based business models can “incentivize constant surveillance, resulting in further mass aggregation of data, potentially heightening the risk of data privacy and security abuses—and further inviting us to consider a market-wide approach.” Her provocative discussion of behavioral advertising here (and multiple references to unlawful or intrusive surveillance on this topic) is significant, as it suggests that she intends to issue rules limiting or banning this practice, as urged in a recent petition to the FTC. Relatedly, the report states that the FTC will obtain stronger remedies in enforcement actions, including notifications to consumers when their data has been disclosed; provisions requiring companies to monitor and prevent identity theft and other privacy harms; deletion of algorithms, models, and data created or used illegally; and redress obtained in coordination with other federal and state agencies.

More Money

Finally, Khan cites the need for a substantial increase in resources to bring the FTC in line with international counterparts and enable the agency to recruit additional talent. The report elaborates on this goal, comparing the FTC’s privacy FTEs (40-45) to the UK’s (768) and stating the FTC needs about 100 more. (This point was also discussed in the Congressional hearing last week). According to the report, the FTC would use these resources for all of the activities discussed above, as well as a host of others, including conducting additional industry studies under Section 6(b) of the FTC Act; studying algorithms and bringing enforcement actions against algorithmic discrimination; hiring more technologists and subject matter experts; and addressing privacy and safety issues involving connected cars, health devices, stalking apps, and pornography platforms.

The report also reiterates the FTC’s call for federal privacy legislation, legislative clarification of the FTC’s authority to obtain consumer redress under Section 13(b), and removal of the common carrier and non-profit exceptions.

Is This News? Yes, and Here’s Why.

Many of the goals in Khan’s statement and the report are consistent with the FTC’s current authority and longstanding support for stronger federal laws and remedies. Robust injunctive and monetary relief, section 6(b) studies, vigorous order enforcement, and enhanced legislative authority and resources are all worthy goals that protect consumers and honest businesses and increase the agency’s effectiveness. However, as discussed in Commissioner Phillips’ dissent and Commissioner Wilson’s concurrence in part, dissent in part, some of them likely exceed the FTC’s statutory mandate and will run into serious obstacles when they are tested in court.

For example, as the Phillips and Wilson statements note, competition and privacy are governed by different laws with different remedies. To the extent that Khan seeks to conflate these laws and remedies, it could exceed the FTC’s authority. In addition, Phillips emphasizes that many of the goals and remedies cited by Khan and the report – including the references to “tackling [privacy] issues on a structural level” and potentially banning industry-wide practices through rulemaking – could “bar companies from engaging in legal conduct,” “let a majority of Commissioners run companies by regulatory fiat,” and usurp the role of Congress in weighing the “judgements and tradeoffs that will be required of privacy legislation…”

As mentioned in our blogpost last week, there are also many legal and practical obstacles to engaging in rulemaking of the type and number that Khan and the report appear to contemplate. Under Magnuson Moss rulemaking, the FTC must prove that any practice it seeks to regulate is unfair or deceptive, as well as prevalent. Magnuson Moss rulemaking also contains a slew of procedural steps that the agency must take (hearings, analyses, publications, etc.) and establishes a standard of judicial review that gives very little deference to the agency. These hurdles were imposed by Congress precisely because Congress was concerned about regulatory overreach in the 1970s. (For a little history tour, see “Stoning the National Nanny: Congress and the FTC in the late 1970s,” by former FTC Chairman Michael Pertschuk).

For all of these reasons, the FTC’s privacy (competition, and tech) agenda is certainly likely to face challenges. Congress could block or delay many of the bold regulatory moves being discussed now, especially as they relate to broad federal mandates banning conduct that, to date, has never been found to be illegal. Will Congress be willing to allocate additional resources to an agency that is reconceiving of itself and its privacy mandate? Will additional resources be enough to empower a new bureau of privacy without additional legal authority? How will the courts respond to the FTC’s ambitious efforts? If the Supreme Court’s AMG decision is any indication, the agency is likely to face judicial skepticism over some of these positions.

In the meantime, the road ahead appears to be filled with new rulemaking and investigations, potentially novel legal theories, and more litigation. Companies may need to make difficult decisions as they navigate these developments and consider whether to expend the resources necessary to challenge them in court. We will continue to monitor and report on developments as they occur.

## DA---Bizcon

### 1AR---UQ

#### SEPARATE from sustainability - near term recession’s inevitable---rate hikes AND Ukraine.

Klebnikov ’2-18 [Sergei; 2022; senior reporter at Forbes, citing Michael Hartnett, Bank of America’s chief investment strategist, and Lawrence Summers, Former Treasury Secretary, Michael Wilson, Morgan Stanley chief U.S. equity strategist, and other prominent economists; Forbes, “Recession Risks Are ‘Rising’ As Federal Reserve Scrambles To Fight Inflation, Experts Say,” <https://www.forbes.com/sites/sergeiklebnikov/2022/02/18/recession-risks-are-rising-as-federal-reserve-scrambles-to-fight-inflation-experts-say/?sh=3428a52a2e65>]

TOPLINE With the Federal Reserve set to aggressively raise interest rates and tighten monetary policy as it scrambles to confront decades-high inflation, Wall Street experts are now warning that doing so too quickly could spark a sharp economic downturn, market turmoil and even the next recession.

KEY FACTS

* Investors have become increasingly nervous about the Federal Reserve’s aggressive interest-rate-hiking cycle and reversal of pandemic-era stimulus programs—a prospect that now has many Wall Street experts sounding the alarm about the potential impact to markets and the economy.
* Bank of America’s chief investment strategist, Michael Hartnett, warned in a note on Friday that “recession risks [are] rising,” as he sees a scenario in the next six months where “rates shock morphs into recession shock.”
* Other prominent economists—from across the political spectrum—have also been warning of a recession within the next couple of years, with several putting the odds of a downturn at over 50%.
* The central bank now has to play catch-up to fight inflation, which has proven to be worse than expected, putting the odds of a recession by the end of 2023 at over 50%, according to former Fed Gov. Lawrence Lindsey, who served in the George W. Bush Administration.
* Ex-Treasury Secretary Lawrence Summers, meanwhile, put the chances of a near-term recession—within the next 30 months—at above 50% because “the Fed has allowed itself to get far further behind the curve” in battling inflation.
* Minneapolis Fed President Neel Kashkari warned earlier this week that the central bank shouldn’t “overdo it” on rate hikes by raising them too fast or too far, as it would raise the risk of “slamming the brakes on the economy” and “putting the economy into recession.”

WHAT TO WATCH FOR:

One of Wall Street’s most popular recession indicators has gained attention in recent weeks as the Federal Reserve gears up to aggressively raise rates: If the yield curve inverts in 2022, that may well signal that a recession is coming. While the yield curve still has a largely upward slope, it has begun flattening somewhat in recent months as government bond yields surge. A study from the Federal Reserve Bank of San Francisco in 2018 showed that a yield curve inversion preceded every recession except one since 1955. The last time this happened was in 2019, before the onset of the coronavirus pandemic plunged the U.S. economy into a recession in early 2020. “I am intently focused on the yield curve,” Matthew Nest, global head of active fixed income at State Street Global Advisors, recently told Reuters. “The only way the Fed can bring down inflation is to slow demand . . . and in doing so it risks causing a recession or a sharp slowdown in growth.”

TANGENT:

While most experts attribute rising recession risks to the Fed’s upcoming interest rate hikes and tightening monetary policy, some are also warning about the potential impact of a Russian invasion of Ukraine. The stock market has been especially weighed down by this political uncertainty in recent weeks amid rising tensions between Russia and the West as military buildup continues on Ukraine’s border. If Russia does invade, that would pose another significant risk for markets and “materially increases the odds of a polar vortex for the economy and earnings,” says Morgan Stanley chief U.S. equity strategist Michael Wilson in a recent note. The subsequent spike in energy prices under that scenario “would destroy demand, in our view, and perhaps tip several economies into an outright recession.”

### 1AR---AT: Transition Wars

#### Retrenchment under Obama thumps and emprically disproves

MacDonald & Parent ’18 -- Paul MacDonald, associate professor of political science at Wellesley College, Joseph M. Parent, associate professor of political science at the University of Notre Dame. [“Twilight of the Titans: Great Power Decline and Retrenchment,” Cornell University Press, 2018, p.192-194, <https://muse-jhu-edu.proxy.lib.umich.edu/book/58148>] KS

Accepting these caveats, there are signs that retrenchment has already started. During the Obama administration, policymakers emphasized the need to reduce the burden of U.S. foreign policy. In his 2009 inaugural address, Obama argued explicitly that “[U.S.] power grows through its prudent use.”29 In his introduction to the 2010 National Security Strategy, the president declared, “The burdens of a young century cannot fall on American shoulders alone. . . . Our adversaries would like to see America sap our strength by overextending our power.”30 As Colin Dueck observes, “American grand strategy under Barack Obama [emphasized] interna- tional retrenchment and accommodation.”31

Moving beyond rhetoric, many of the Obama administration’s policies were drawn from the retrenchment playbook. In terms of the budget, the Obama administration fought to reduce the defense burden. As Secretary of Defense Robert Gates argued in 2009, “The United States cannot expect to eliminate national security risks through higher defense budgets, to do everything and buy everything.”32 In 2011, Gates proposed to trim defense spending by $78 billion over the next five years. The Budget Control Act, passed that same year, placed new caps on security-related spending, and resulted in an additional $24 billion being trimmed from the base defense budget. Matters came to a dramatic head in March 2013 when the failure to pass a deficit reduction bill triggered sequestration, which threatened to strip some $600 billion from defense over the next nine years. As a result of these changes, defense spending has slowed: where the Pentagon planned for an average base budget of $582 billion between 2011 and 2015, the actual average was $509 billion.33

The Obama administration also endorsed changes in force structure con- sistent with retrenchment. Most obviously, the Pentagon made wide-ranging reductions in end-strength. Between 2011 and 2016, the Army and Marine Corps trimmed their active duty forces by 91,000 soldiers and 17,000 marines, respectively.34 These cuts allowed the Pentagon to shrink its budget while preserving funds for acquisition and modernization. The administra-tion has also emphasized investments in the navy and air force. Between 2011 and 2016, the navy’s share of the discretionary defense budget rose from 26 to 29 percent, while the air force’s share increased from 24 to 29 percent.35

Investments in the navy and air force are not the only ways the military sought to improve flexibility and frugality. The administration pushed to increase the ratio of reserve to active duty forces in the army from around 49 percent in 2010 to 54 percent by 2017.36 Special operation forces have also gained in prominence. From 2004 to 2014, the number of special opera- tions forces positions has grown from roughly 45,000 to 63,000, while during the same time span funding rose from $6 billion to $10 billion.37 As a result of these changes, the secretary of defense Leon Panetta stated, “The military will be smaller and leaner, but it will be agile, flexible, rapidly deployable, and technologically advanced.”38

Other domestic reforms met with checkered success. On the positive side, there were small steps toward improving the military acquisition system. In 2009, President Obama signed the Weapon Systems Acquisi- tion Reform Act into law, which provided better oversight and more rig- orous monitoring of weapons purchases. And in 2010, then-undersecretary of defense for acquisition Ashton Carter inaugurated the first of a series of better buying power initiatives to boost efficiency. Less positively, con- gressional opposition impeded more thorough reforms. Despite multiple attempts, the Obama administration was unable to convince lawmakers to authorize another Base Realignment and Closure round, which could save upward of $2 billion a year.39

Progress was made on military com-pensation, with a new retirement system slated for introduction in 2018, but Congress nixed broader changes to military salaries, housing allow-ances, commissaries, and health care. Congressional opposition also sty-mied progress on the “Force of the Future” initiative, the ambitious plan Carter introduced as secretary of defense to improve military personnel policies.40

In terms of international policies, some of the Obama administration’s efforts resembled retrenchment, but events often pulled in other direc- tions. In terms of force posture, the Obama administration advocated a shift away from Europe and the Middle East and toward the continental United States and Asia-Pacific region. In Iraq and Afghanistan, the presi- dent reduced the presence of American combat troops by 142,000 and 90,000 respectively, though small numbers of U.S. forces have flowed back with the rise of the Islamic State and the return of the Taliban.41 In Europe, the Pentagon announced in 2012 the elimination of two forward-stationed army brigades, though Russia’s annexation of Crimea has prompted reconsideration.42 But signature change to global posture has been the so-called “pivot” or “rebalance,” which seeks to orient American diplo- matic and military attention toward the Asia-Pacific region. A new rota- tional force of marines was added to Australia, while Pentagon officials committed to deploying 60 percent of air force and navy forces by 2020 to the Asia-Pacific region.43

#### Prefer overwhelming historical analysis

MacDonald & Parent ’18 -- Paul MacDonald, associate professor of political science at Wellesley College, Joseph M. Parent, associate professor of political science at the University of Notre Dame. [“Twilight of the Titans: Great Power Decline and Retrenchment,” Cornell University Press, 2018, p. 50-52, <https://muse-jhu-edu.proxy.lib.umich.edu/book/58148>] KS

Initial Findings

The pessimistic view of decline receives little support. A complete coding of the dependent variable for all sixteen cases of decline can be found in table 1 in chapter 1. Against arguments that retrenchment is rare, we find that declining powers retrenched in at least ten and at most thirteen of our sixteen cases, a range of 63–81 percent. On any accounting, the majority of declining powers began to retrench immediately before or shortly after their ordinal transition. We further find that great powers maintained policies of the status quo in at least two and at most f ve of our sixteen cases (a range of 13–31 percent). This finding suggests domestic interests can constrain retrenchment, but only in unusual circumstances. We also find that declining powers rarely take up policies of expansion. We find unambiguous evidence of expansion in only one of our sixteen cases: 1931 Germany. Aggressive responses to decline appear to be the exception, rather than the rule.

Decline and Preventive War

First and foremost, we did not find much support for preventive war logic. Declining powers experienced war in 4.5 percent of their country years, compared to 6.1 percent for non-declining powers. Of the sixteen cases, only six (38 percent) found themselves in an interstate war within five years of their ordinal transition. Two of these cases, however, concerned a declining great power clashing with a non-great power: Russia in the 1877 Russo-Turkish War, and France in the 1884 Sino-French War. Two additional cases involved a declining great power coming to blows with a rival great power, but not the one that had just overcome it in rank: Britain against China in the 1950 Korean War, and Russia versus Japan in the 1904 Russo-Japanese War. None of these cases resonates with the preventive war narrative, where a declining power seeks to preserve its rank through force. 21

This leaves just two cases in which a declining power went to war with the rival that had either surpassed or was about to surpass it in ordinal rank: France in the 1870 Franco-Prussian War, and Britain against Germany in the Second World War. Neither fits the logic of preventive war. Otto von Bismarck instigated the Franco-Prussian War, and he did so more as a way to break the impasse in German affairs than because of worries about the growth of French power. For his part, Napoleon III was confident of victory and had his own domestic reasons for fighting. 22 More important, the timing of the conflict suggests the causal relationship may be backwards. A unified Germany overtook France in 1873, more than a year and a half after the Treaty of Frankfurt stripped France of Alsace-Lorraine and exacted a hefty indemnity. Decline appears more a consequence of defeat than a cause of war. 23 Also, it is hard to call British entry into the Second World War preventive. Britain famously aimed to avoid confrontation through appeasement, and, when it guaranteed Polish territorial integrity on the eve of war, the move was designed to deter German aggression, not elicit it.

A potential case is worth mentioning: 1908 Britain. Although the First World War falls outside our five-year window, it does so only barely and many scholars link the war to shifts in the balance of power. Yet once again, preventive war logic does not seem operative here. Britain worked to restrain the entente powers and mediate a diplomatic solution. When Germany dismissed these overtures, Britain sincerely sought to deter conflict with a series of warnings that it would intervene to defend its entente partners. We discuss this more in chapter 5, but the bottom line is that British policy was designed to avoid a clash of arms, not start one.

All told, evidence in favor of preventive war explanations is hard to come by. At best, declining powers embarked on preventive wars against rising challengers in two of the sixteen cases (13 percent). But the specifics of these two cases do not fit the specific causal processes asserted by preventive war theories. In one case, the declining power actively sought to appease the rising power. In the other case, the war itself appears to have been the cause of decline, rather than a consequence of it. Nor do declining powers appear more war prone as a group than their non-declining counterparts. Power shifts may still cause conflict, but the ways in which they do appears underspecified.