# Politics Supplement-GDI22-SCHOLARS

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# Midterms (GOP Win Good) Neg

## Uniqueness

### GOP Wins

#### GOP will win now – unless their strategy gets screwed up

Brooks, The Hill, 7-12-22

[Emily Brooks, 7-12-2022, The Hill, "GOP sees chances of midterm rout spike", https://thehill.com/homenews/campaign/3553938-gop-says-cake-is-pretty-well-baked-for-house-takeover-as-they-eye-senate-states/, accessed on 7-15-2022, MG]

Poll after poll showing voter discontent with President Biden and the economy is cementing Republicans’ sense that a GOP House majority is all but inevitable, while boosting their hopes about taking control of the Senate and flipping some gubernatorial and state-level seats.

“The cake is pretty well baked at this point in favor of the Republicans taking control of the House,” said GOP consultant John Thomas. “The Republicans would have to willfully work to screw it up. Doesn’t mean it’s impossible.” A New York Times survey highlighted on the paper’s front page on Monday punctuated the grim environment for Democrats. Just a quarter of Democratic voters said Biden should be the presidential nominee in 2024, and the sentiment that the U.S. is headed in the wrong direction has hit 77 percent, the highest since the height of the 2008 financial crash.

The survey is in line with numerous other recent ones finding Biden’s underwater approval rating.

In an environment like this, and barring any earth-shattering changes, analysts say, the biggest liability for swing-seat Republicans are themselves. And while there is near-universal optimism that Republicans will win the House, the Senate and governorships are less certain.“

Absent a miracle, there is no chance [Democrats] hold the House in November, and their only hope in the Senate will be Republicans choosing terrible candidates, which they have proven very capable of doing,” said Rory Cooper, a veteran GOP strategist.

Republicans need to net only one seat to win control of the Senate, but the electoral landscape there is trickier and more based on individual candidates and races than in the House.

“I think those candidates have some work to do. If they can get it within striking distance, the wave should put them over,” Thomas said.

Sarah Longwell, an anti-Trump GOP strategist, pointed to candidates such as Hershel Walker, the Trump-backed GOP Senate nominee in Georgia who was recently revealed to be the father of three previously unknown children, being liabilities for Republican hopes of winning key races.

Though it is a “broadly very favorable environment for Republicans,” Longwell said, she could see a scenario where “Republicans do really well, they take the House, but they lose a lot of these individual Senate races because they’ve nominated cranks and extremists.”

GOP operatives, however, point to Democrats signaling a poor strategy on their part in key races.

Democratic political groups spent around $5.5 million trying to amplify the most conservative candidates in the Colorado GOP Senate primary, but failed in keeping construction company owner Joe O’Dea from becoming the nominee to challenge incumbent Sen. Michael Bennett (D). O’Dea’s win prompted Roll Call election analyst Nathan Gonzales to move the race from “solid Democratic” to “likely Democratic.”

And Republicans say that many issues that Democrats are focusing on — such as abortion, revelations about former President Trump from the House Jan. 6 select committee and “Ultra MAGA” extremists — are not sticking.

A poll of likely voters in swing states commissioned by the Republican State Leadership Committee, which supports down-ballot state-level candidates, and conducted in the days after the Supreme Court overturned Roe v. Wade found that more voters named inflation, the economy and crime as top issues than pointed to abortion.

“While abortion is an issue people care about, the data makes clear that it is not among the top issues that will drive voting behavior in November. Instead, this election will remain about Biden’s failing economy,” a memo accompanying the poll said.

In the New York Times survey released Monday, just 5 percent of voters named abortion as their most important issue.

“The January 6 committee has not moved the needle against the Republicans in the midterm cycle really in the slightest,” Thomas said. “Like, it’s not even in the top five issues of concern of voters.”

Republicans point to the GOP Gov. Glenn Youngkin’s off-year 2021 gubernatorial win in Virginia, where education and the economy were top issues for voters, as a key indication of where 2022 races are headed. In that race, Democratic nominee and former Gov. Terry McAuliffe unsuccessfully tried to tie Youngkin to Trump.

The Republican Governors Association last year named eight Democratic-controlled states where Biden performed similarly or worse in 2020 than he did in Virginia, seeing them as within reach.

“In races up and down the ballot, Democrats are throwing every issue they can think of at the wall in the hopes of distracting voters from the overwhelming stress Biden’s inflation is having on their monthly budget, but it’s just not working,” said Joanna Rodriguez, a spokesperson for the Republican Governors Association. “Republican governors and candidates are addressing them directly by telling voters about the policies that led to stronger recoveries in Republican-led states compared to their Democrat-led counterparts, and sharing their ideas for helping folks get the relief they need.”

### Dems Split Now

**Ideological split in the Democratic party decks moderates- it’s anyone’s game**

Schnell, The Hill Congressional Reporter & Trudo, The Hill Senior Political Correspondent, 7-11-22

(Mychael and Hanna, 7-11-22, The Hill, "Doomsday political scenario takes shape for Democrats", https://thehill.com/homenews/campaign/3553898-doomsday-political-scenario-takes-shape-for-democrats/?email=520ea953dc178f0b806be04939d36a974d09935e&emaila=b07d336abbbb12d6c745f3d915731b7e&emailb=abfc8154c4b60ce3c8f2113e96b5e3181dd3cb5a7eafa002087e7168a75536c2&utm\_source=Sailthru&utm\_medium=email&utm\_campaign=New%20Campaign&utm\_term=News%20Alerts accessed on 7-12-22 hooch//cs)

Beyond the bleak bird’s eye view, there are some granular differences that are adding to frustration within the party and confusion among voters. The persistent debate about party direction, particularly felt in the battle for the House, is not over, some progressives and moderates say.

While certain ideological debates have been put on the back burner to focus more acutely on Biden, there are regular disagreements about the types of candidates who can win elections and who deserves to keep their seats.

Liberals think newer and more progressive candidates should be ushered in during the general election and have worked to defeat some Democrats they believe represent the old guard. A recent example came in Oregon, when insurgent Jamie McLeod-Skinner, an attorney, ousted Rep. Kurt Schrader (D-Ore.), a rare Biden endorsee, to face off against a Republican in the coming months.

“We think our progressive candidates are best positioned to survive the crosswinds,” said Farrell. “They are the most forceful in advocating for what Democratic voters actually want – bold leadership.”

But even that has sparked resentment, adding to the perception that the party lacks unity and direction on top of all their other problems.

And while some moderates typically like to jab progressives whom they believe can’t win general elections, others are now even cautious about bringing Biden into the conversation as a leader worth emulating. That hesitation has further blurred the lines of the ideal prototype of a Democrat who can win.

To that end, some prominent centrists have appeared to be moving away from Biden in recent weeks. The latest came from Rep. Abigail Spanberger (D-Va.), who is typically outspoken about the dangers of moving too far to the left ahead of election time.

She recently gave a speech in Woodbridge where she failed to offer even a tacit nod to the commander-in-chief. And Rep. Tim Ryan (D-Ohio), one of Biden’s close personal friends who is running for the Senate, also decided not to show up for an event the president held in Cleveland.

Strategists have taken note.

“You’ll probably see moderates like [Spanberger] cold shouldering Biden and progressives pushing him to do more,” Farrell said.

In the Senate, the outlook is more up-in-the-air. With the chamber currently split 50-50, it is anyone’s game.

# Midterms Aff

## Uniqueness Answers

### Dems Turnout Motivated Now

#### Supreme Court decisions motivate Democrats to vote

Siders, Politico Political Correspondent, 6-29-22

[David, 6-29-22, POLITICO, “Roe jolts the midterms: 5 takeaways from the 2022 election midpoint”, <https://www.politico.com/news/2022/06/29/roe-jolts-the-midterms-5-takeaways-from-the-2022-election-midpoint-00043082>, accessed on 7-15-22, MG]

The better foil for Democrats is almost certain to be the Supreme Court’s overturning on Friday of Roe v. Wade. And Democrats know it. Judging by Tuesday’s primaries, the party in power in Washington will be running against the court in the fall.

The messaging began even before the decision came down.

Democratic Rep. Sean Casten, who beat Rep. Marie Newman in a member-on-member primary in a Chicago-based district, ran ads pledging to defend abortion rights from “extreme Republicans and right-wing judges.” (Newman had put the matter to voters in personal terms, describing her own decision, at 19, to have an abortion.) In the race to fill the seat now held by retiring Rep. Bobby Rush, an outside group promoting Karin Norington-Reaves aired TV spots with black-and-white images of conservative justices, saying Norington-Reaves would “fight against the tyranny of the good old boys.”

Norington-Reaves was running behind in that primary late Tuesday. But the ad will likely endure. It’s the kind of framing an incumbent party uses when it needs to run against something – and Democrats aren’t pleasing voters enough in Washington to be running on what they’ve done.

“You can run against the Supreme Court,” said Craig Hughes, a Democratic strategist in Colorado. “I do think Roe will absolutely matter.”

### Dems Win Now

#### GOP win not locked in now – there’s still potential that Dems hold house - seat numbers and ballot testing prove

Cillizza, CNN Politics Editor-at-Large, 7-14-22

[Chris, 7-14-2022, CNN, “Analysis: Two reasons why all is not lost for Democrats in the midterms”, <https://www.cnn.com/2022/07/14/politics/house-democrats-seats-midterm-elections/index.html>, accessed on 7-15-22, MG]

So, when the outlook is that dark and gloomy, any sliver of light is welcome. And as of late, there are a few small signs that the coming election might not be a total disaster for Democrats.

The first piece of good news comes via the Cook Political Report with Amy Walter, which released its updated Partisan Voting Index earlier this week.

The PVI seeks to compare every district in the country to every other district, providing a sense of where each stands based on the results of the last two presidential elections. A district with a PVI of D+2, for example, voted two points more Democratic than the national result. A seat with a PV of R+5 voted five points more Republican. Get it? Got it? Good!

In an analysis of the PVI results, the Cook Political Report's David Wasserman concludes that there has been a somewhat steep decline in the number of competitive seats across the country following the decennial redistricting process that has taken place over the past 18 months or so.

Wasserman writes:

“Going by the 2020 presidential result, ‘swing seats’ cratered by more than a third: prior to redistricting, there were 51 seats that either Joe Biden or Donald Trump carried by less than five points. After the remap, there are just 33 — a steep 35 percent drop.”

That decline is slightly less sharp, but still apparent when you consider the broader spectrum of seats with PVI scores between R+5 and D+5. Prior to the redistricting process, 90 seats fit that bill. Now just 82 do.

Why is the decline in highly competitive seats a good thing for Democrats? Simple. While Republicans only need a net gain of four seats to take control of the House, if they want to achieve a large, governing majority in 2023, they will need to beat a lot of Democratic incumbents who sit in seats that Biden won by a considerable amount.

Which could happen! As Politico wrote earlier this week:

“With just four months until the midterms, Democrats were already on the defensive in at least 30 highly competitive districts. But Biden’s toxicity has given the GOP optimism about seriously contesting a fresh crop of about a dozen seats that the president won in 2020 by 9 points or more — from western Rhode Island to California’s Central Valley to the suburbs of Arizona’s capital. The result is a House map that has expanded to an uncomfortable place for Democrats.”

Like I said: Possible! But it’s politics 101 that it’s harder to beat a Democratic incumbent in a seat Biden won by 10 points in 2020 than one in a district Biden carried by 1 point. And to pick up 30+ seats, Republicans are going to have to beat a whole lot of Democratic incumbents in districts that clearly lean to their party – at least at the presidential level.

The second piece of relative good news for Democrats comes in the generic ballot test. This is a poll question that seeks to gauge support for a generic House Democratic candidate against a generic House Republican candidate and is broadly predictive of which way the national winds are blowing. (The question usually goes something like: “If the election were held today, would you vote for the Democratic candidate or Republican candidate for House?”)

A New York Times/Siena College poll out this week showed that among registered voters nationally, 41% said they would back the Democratic candidate, while 40% chose the Republican one. (Among voters likely to cast a ballot this fall, 44% opted for the Republican candidate while 43% chose the Democrat.)

It’s also worth noting that the generic ballot question has historically favored Democrats by a few points, so a virtual tie between the parties is rightly read as an edge for the Republicans.

None of this data changes the underlying reality of this election: Biden is deeply unpopular and, in past midterm elections, when the president is unpopular, his party in the House tends to sustain heavy damage.

But for Democrats, who have spent the last seven months being barraged by a seemingly endless stream of bad news, these twin developments suggest that the worst-case scenario may, in fact, not come to pass.

#### Democrats can still win now there’s more motivation to vote

Harwood, CNN White House correspondent, 6-26-22

[John, 6-26-22, CNN, “Analysis: Democrats still have this glimmer of hope for the midterm elections”, <https://www.cnn.com/2022/06/26/politics/midterm-elections-democrats/index.html>, accessed on 7-15-22, MG]

On that auspicious battlefield, Democrats have lately acquired fresh ammunition.

On Capitol Hill, the House select committee investigating the January 6, 2021, insurrection has laid out in riveting detail the lengths to which Trump and his allies went in their attempt to overturn the American people’s verdict in the 2020 election. And at the Supreme Court, new rulings have demonstrated the willingness of GOP-appointed conservative justices to defy majority opinion and its own precedents on the most volatile issues roiling the country.

First, the court expanded the constitutional right to bear arms by striking down a century-old New York law limiting residents’ right to carry concealed weapons. Then a 5-4 majority erased the constitutional right to abortion that women had for the last half-century as a result of its earlier Roe vs. Wade ruling.

Taken together, those developments highlight Biden’s warnings about the radicalism and extremism of Trump’s “Make America Great Again” movement. Democratic candidates crave the chance to shift the electorate’s attention from the economic concerns weighing down the White House to more fundamental questions about American democracy.

# Agenda Politics (Antritrust) Neg

## Antitrust Uniqueness

### Will Pass Now

#### Antitrust reform has the votes to pass – but window of time is narrow

PYMNTS, 7-10-22

[7-10-22, PYMNTS (PYMNTS.com is a wholly owned subsidiary of What’s Next Media & Analytics, focusing on data, news and insights on innovation in payments and the platforms powering the connected economy), “Senate May Delay Antitrust Bill Aimed at Amazon, Google, Apple, Meta”, <https://www.pymnts.com/antitrust/2022/senate-may-delay-antitrust-bill-aimed-at-amazon-google-apple-meta/>, accessed 7-15-22, AFB]

A new U.S. antitrust bill targeting Big Tech companies might be doomed to stay in the Senate if it doesn’t pass before Congress’ summer recess, Seeking Alpha reported Sunday (July 10).

Called the American Innovation and Choice Online Act, it was intended to cut back on tech giants’ ability to favor their own services over those of competitors. The legislation, which has backing from the U.S. Justice Department, could impact companies like Google, Apple, Meta and Amazon.

The act, sponsored by Sens. Amy Klobuchar, D-Minn., and Chuck Grassley, R-Iowa, could end up delayed as a previously waylaid reconciliation package takes over everyone’s attention, according to a CTFN report cited by Seeking Alpha.

According to Klobuchar, the bill has the 60 votes it needs to pass the Senate. However, the office of Sen. Chuck Schumer, D-N.Y., said it’s trying to still get the correct support for the bill in the Senate.

Per prior reports from CTFN, the decision for a floor vote for the bill will come down to whether Schumer will put the time into it or not. The report also noted that Republican senators could be looking at adding more amendments to the act to “complicate and delay” things, according to CTFN.

#### Will pass now – Klobuchar rallying support

Lima, Washington Post Tech newsletter reporter, 7-12-22

[Cristiano, 7-12-22, Washington Post, “Fate of lawmakers' tech antitrust push is up in the air”, <https://www.washingtonpost.com/politics/2022/07/12/fate-lawmakers-tech-antitrust-push-is-up-air/>, accessed 7-15-22, AFB]

Lawmakers leading a push to pass tech antitrust legislation are calling for the Senate to hold a vote this month on two key proposals, voicing confidence in their ability to clear the chamber.

“We wouldn’t be asking for a vote if we didn’t think we could get sixty votes,” Sen. Amy Klobuchar (D-Minn.), the lead sponsor of one of the bills, said last month.

### AT – No Schumer Vote

#### Schumer will bring the bill to a vote

Krishan, FedScoop Tech writer, 7-14-22

[Nihal, 7-14-22, Fed Scoop, “Senate leader Schumer met with Microsoft President Brad Smith to discuss tech antitrust bills,” <https://www.fedscoop.com/senate-leader-chuck-schumer-met-with-microsoft-president-brad-smith-re-anti-big-tech-bills/>, accessed 7-15-22, AFB]

Senate Majority Leader Chuck Schumer, D-NY., met with Microsoft President Brad Smith last week while visiting Washington state and discussed bipartisan tech antitrust legislation that Schumer is expected to bring up for a vote later this summer.

The top Democrat, who is in charge of the Senate’s agenda, discussed policy with Smith including two bills that are making their way through Congress right now related to increasing Big Tech competition, the journalism industry, and data privacy, four sources familiar with the meeting told FedScoop.

If they become law, the bills discussed during the meeting could force Microsoft and other big tech vendors to change how they operate in consumer and federal markets.

In particular, Senate bills S.2992 and S.2710 would restrict the collection and use of internal vendor data and place restrictions on Big Tech companies related to installing and uninstalling software on their products.

Schumer was spotted in Bellevue, Washington last week and is expected to have traveled to the state to meet with tech executives like Smith and for fundraising purposes.

Liberal advocacy groups have recently called on Schumer to disclose any “dark money” or hidden funds that he and other Democrats have received from Big Tech companies like Microsoft in order to remove the appearance of any conflict of interest.

The American Innovation and Choice Online Act (S.2992), would prevent tech giants like Amazon from unduly favoring their own products on their websites or creating cheaper copycats of existing products using internal data.

Meanwhile, the Open App Markets Act (S.2710) would regulate the management of Apple, Google and potentially Microsoft’s app stores, which advocates say would enable greater competition on the platforms.

These are the two most significant antitrust bills that Schumer supports, and which the Senate majority leader is expected to bring up for a vote later this summer. The bills, which have bipartisan backing, are expected to have enough support pass within Congress and become law if they are bought up for a vote.

### AT – Biden Not Involved

#### Strong administration effort on antitrust reform

Connor & Simpson, Center for American Progress Technology Policy vice president and director, 6-7-22

[Adam & Erin, 6-7-22, Center for American Progression, “Evaluating 2 Tech Antitrust Bills to Restore Competition Online”, https://www.americanprogress.org/article/evaluating-2-tech-antitrust-bills-to-restore-competition-online/, p. 6, accessed 7-1-22, AFB]

American Innovation and Open App Markets are the result of dedicated investigations and consultation with a wide range of stakeholders over the past several years. At the beginning of 2022, the Senate Judiciary Committee passed out both bills with strong bipartisan votes.9 Reports indicate that Sen. Majority Leader Chuck Schumer (D-NY) has committed to bringing the bills to the floor in summer 2022.10 A bipartisan Senate floor vote in favor of these bills would almost certainly place their House companion bills, one of which has already cleared the House Judiciary Committee, on the House floor this year.11 The Biden administration has signaled its support for the bills,12 with a strong letter of endorsement from the Department of Justice,13 a White House convening of American business owners who support the provisions,14 and a statement of support from Commerce Secretary Gina Raimondo.15 Along with the opportunity presented by the conference committee on the USICA/COMPETES bipartisan innovation bills,16 American Innovation and Open App Markets represent a rare bipartisan pathway for the 117th Congress to address challenges to American competitiveness.

### Brink

#### Legislative window is narrow – it’s now or never

Tully-McManus, Politico Huddle editor & congressional reporter, 7-11-22

[Katherine, 7-11-22, Politico Huddle, “Congress returns with packed mid-summer agenda”, <https://www.politico.com/newsletters/huddle/2022/07/11/congress-returns-with-packed-mid-summer-agenda-00045076>, accessed 7-17-22, AFB]

SO BEGINS THE MID-SUMMER SPRINT— Congress returns this week for the pressure cooker that is the few weeks between Independence Day and August Recess, trying to crank through legislative to-dos before the late summer break.

Plus, August in an election year unofficially marks when appetite for compromise or major legislative action usually runs dry as focus turns in earnest to the midterm election races. And Democrats want to bring home wins to sell on the campaign trail.

## Antitrust Reform Good Impacts

### Antitrust Reform Good – Key to Economy

#### Self-preferencing by tech giants stifles small business competition and innovation – undermining economic prosperity

Connor & Simpson, Center for American Progress Technology Policy vice president and director, 6-7-22

[Adam & Erin, 6-7-22, Center for American Progression, “Evaluating 2 Tech Antitrust Bills to Restore Competition Online”, https://www.americanprogress.org/article/evaluating-2-tech-antitrust-bills-to-restore-competition-online/, p. 6, accessed 7-1-22, AFB]

CAP has written previously about a significant threat to economic prosperity: America’s competition problem.17 The market concentration in digital industries is a particular danger to equitable and sustainable growth both in the United States and globally. Digital gatekeepers have unprecedented ability to create, understand, and manipulate these markets—particularly given that online commerce plays out in digital environments that they build, monitor, and maintain.18 Platforms have the economic incentive, detailed data, and historic amounts of stockpiled cash to shape digital markets in their favor.19 Given the importance of digital platform commerce to the American economy—be it e-commerce, mobile applications, or other software—abuses such as anti-competitive self-preferencing can and do have wide-ranging effects on commerce and consumers. American Innovation and Open App Markets aim to limit the largest platforms’ ability to manipulate these markets to their benefit. The following analysis is based on the latest version of each bill: the manager’s amendment to American Innovation, released in late May, and the version of Open App Markets that passed out of the Senate Judiciary Committee in early 2022.20 As with any legislation, there may be further changes as the bills make their way to the Senate floor.

The American Innovation and Choice Online Act

American Innovation (S. 2992) seeks to advance a principal issue of economic fairness online. It contends that gatekeeper digital platform companies should not be able to give themselves an advantage over other commercial competitors (including smaller businesses) trying to compete with them if it harms competition, nor should companies be able to arbitrarily discriminate among businesses that rely on their platform.21 Self-preferencing and discrimination in these ways undermine competition, deter investment and innovation in areas with dominant gatekeepers, deprive businesses of opportunity, and deprive consumers of real choice.22 American Innovation prohibits a number of unfair, discriminatory behaviors for covered platforms,23 giving competitors a chance to innovate and a fair shot at providing new choices to the American people. New services from dominant platforms should compete and succeed with consumers on their commercial merits—not simply because they can leverage their gatekeeper position to close the door on competitors and extend the reach of first-party services.24

American Innovation would apply to the major business lines of the largest gatekeeping internet companies. The legislation would pertain to those online platforms that act as critical trading partners, have more than 50 million monthly active U.S. users or 1 billion worldwide users, more than 100,000 active U.S. business users, and record net annual sales or market capitalization of more than $550 billion—among other qualifications.25 Products or business lines from Amazon, Apple, Google, Facebook, Microsoft, TikTok, and others will be covered.26 The legislation’s criteria to determine a covered online platform, well-researched following numerous Senate hearings, address those platforms that control key chokepoints of digital markets and on which self-preferencing and discriminatory behavior create the most damage to competition. The bill covers only a handful of business lines from a few companies now, but its criteria are drafted in such a way that they would apply consistently to any future online platforms that gain similar market power.

### AT – Antitrust Reform Raises Cost/Hurts Innovation

#### Antitrust reform will reduce Big Tech advantages, bolstering incentives for innovation and reducing costs

Connor & Simpson, Center for American Progress Technology Policy vice president and director, 6-7-22

[Adam & Erin, 6-7-22, Center for American Progression, “Evaluating 2 Tech Antitrust Bills to Restore Competition Online”, https://www.americanprogress.org/article/evaluating-2-tech-antitrust-bills-to-restore-competition-online/, p. 6, accessed 7-1-22, AFB]

People will enjoy cost savings on mobile digital services: The Apple/Google mobile smartphone duopoly imposes high costs for mobile applications to sell via mobile app stores. These fees, in turn, are passed on in the form of higher costs to consumers.37 Reintroducing competition in app stores,38 removing competitive pricing restrictions,39 and giving developers more selling options40 will generate more competitive markets for digital applications—ultimately producing lower costs for the services Americans use daily.

People would likely enjoy e-commerce cost savings: Amazon’s market power in e-commerce has given it the power to charge high costs for sellers, which are passed on to consumers. A recent analysis from the Institute for Local Self-Reliance found that, “Using a variety of fees, Amazon now pockets a 34 percent cut of the revenue earned by independent sellers on its site … That’s up from 30 percent in 2018, and 19 percent in 2014.”41 These costs are passed onto consumers in the form of higher prices for goods bought on Amazon. In the near term, the bills prohibit rules that would force sellers to use extra services in order to compete effectively on the platform.42 In the long term, the bills will introduce greater competition online. Both may reduce high platform fees that get passed on to American consumers.

People will have more options to purchase digital goods from their phones: Americans interested in subscribing to popular online services using their mobile phones often do not have that option. App providers restrict sign-ups on mobile because they find the required fees too high to justify (sometimes referred to as an app store “tax”43). For example, today, the option to subscribe to Spotify is not enabled within Spotify mobile applications because of the high cost of digital purchases on the Apple and Android mobile operating systems. American Innovation and Open App Markets would allow for alternative payment options that remove these inconvenient barriers.44

People will have more choices when it comes to convenience, privacy, and safety: Americans will have greater choice and control over the digital environments they use every day. People who use mobile phones would be able to select their preferred default mapping application instead of encountering unexpected user experience obstacles such as being forced to manually copy and paste addresses between apps.45 People who value their privacy would be able to remove insecure mobile applications and choose more privacy-sensitive services.46 Greater choice can enable Americans with different safety needs and interests to customize their digital environments more appropriately, while maintaining everyone’s ability to continue using the services they currently enjoy.

Developers can be honest with people about functionality restrictions: Popular consumer applications would be able to explain restrictions on their smartphone apps—behaving more consistently with consumer expectations. For example, there are millions of Amazon Kindle owners who can read the Kindle eBooks they’ve purchased on their iPhone app—yet they cannot purchase Kindle eBooks through the iPhone app because Amazon has chosen not to enable this feature due to the high price charged by app stores for digital purchases. Amazon cannot even explain in its Kindle iPhone app that the only way to purchase Kindle eBooks on the iPhone is via the Amazon.com website accessed on a mobile web browser due to communications restrictions from Apple.47 Open App Markets would remove restrictions on explaining alternatives to mobile app users.48 This would immediately allow Amazon to explain in its iPhone app how to purchase Kindle eBooks on an iPhone.

Online mobile gaming could finally be unlocked for billions of gaming fans across the world: Restrictions from the app stores have prevented the world’s most popular games from being utilized by the world’s most ubiquitous computing devices. This has held back the development of more robust mobile streaming game services. Open App Markets49 would allow Epic Games’ popular Fortnite game to return to Apple’s App Store; Fortnite pursued recent antitrust litigation against Apple on these issues, with a mixed ruling for both sides in district court that both Apple and Epic are appealing.50 It would also help ensure that the popular metaverse Roblox could continue to remain on Apple’s App Store if Apple were to suddenly classify it a game instead of “an experience”; Roblox recently supported Apple over Fortnite in their ongoing litigation.51 Finally, it would allow competitive development of the next generation of streaming mobile games without the extensive restrictions currently imposed on development.52

People can enjoy the benefits of innovation and quality improvement incentivized by real competition: By introducing greater competition with major consumer technology services and between the platforms that would be covered by American Innovation, Congress can ensure that Americans see real innovation within the consumer technology services they use every day. Experts have noted that a lack of competition discourages innovation,53 and as CAP has previously written, “centralization of research and development (R&D) resources at dominant [technology] firms may additionally result in selective or reduced innovation.”54 These bills will help open markets for new competitors who may introduce novel, cost-saving, and quality-enhancing services. Enhanced competitive pressure can spur improvements and innovations within the services people already love. More equitable competition on covered platforms and within app stores can ensure that specialty services have a fair shot at bringing their offerings to market and reaching consumers who need them. Rules that ensure fair competition online increase the ability of tech companies to continue delivering innovations to Americans—and ensure ongoing competitive incentives to do so.

### AT – Antitrust Hurts Big Tech

#### Reforms will improve competition among Big Tech companies

Connor & Simpson, Center for American Progress Technology Policy vice president and director, 6-7-22

[Adam & Erin, 6-7-22, Center for American Progression, “Evaluating 2 Tech Antitrust Bills to Restore Competition Online”, https://www.americanprogress.org/article/evaluating-2-tech-antitrust-bills-to-restore-competition-online/, p. 6, accessed 7-1-22, AFB]

Even Big Tech will experience benefits from these protections

Industry lobbyists have driven much of the public conversation about restrictions on Big Tech. Yet the ways in which even these companies will enjoy benefits under these bills have been overlooked. Large online platforms must also navigate their services through the anti-competitive restrictions of other gatekeeper online platforms—for example, how Google is dependent on the Apple App Store for the distribution of the Google Maps application for iPhones. These bills would provide protections for everyone on the covered platforms, including affected business lines of the other covered entities.63 These include, for example, gains for Apple’s new streaming service, Apple TV+, which recently reduced functionality of its Android TV app, likely because it did not want to pay the app tax to Google (which mirrors the percentage Apple takes from apps on its platform).64 The Open App Markets Act would give Apple a chance to increase the functionality of its app on the Android TV platform or communicate about alternatives. Similarly, as noted above, the full functionality to buy Amazon Kindle eBooks would likely become available via the Kindle mobile apps on iPhone and Android, which would increase sales of Kindle eBooks.

To date, those few companies affected by these bills have focused on the potential negative effects while remaining silent on the tremendous benefits—and profits—their products would gain from increased access and protection for other covered platforms. The exception is Microsoft, which has announced its voluntary compliance with many of the rules laid out in Open App Markets. Brad Smith, Microsoft’s president, has tweeted in support of the bill.65 Consumers too would significantly benefit from additional competition among Big Tech companies.

### AT – Antitrust Reform Hurts Small Business/

#### Antitrust reform will bolster small business competitiveness – status quo anticompetitive practices undercut business innovation

Senator Grassley & Rep. Buck, 6-21-22

[Chuck, R-IA, Ken, R-CO, 6-21-22, Wall Street Journal, “Making Markets Work for More Than Big Tech; Sen. Chuck Grassley and Rep. Ken Buck respond”, Factiva, accessed 7-16-22, AFB]

Your editorial "Breaking Big Tech Bad" (June 6) critiques our pending legislation, the American Innovation and Choice Online Act, suggesting that we are "posing as defenders of small business." If that's how we look, it's because that's where we're aiming. Our legislation restores competition to a broken market in which small- and medium-size businesses are at the mercy of Big Tech platforms to reach customers.

Ample evidence illustrates how Big Tech has engaged in anticompetitive behavior that has hurt businesses and consumers. If current law were enough to deal with the monopolistic behavior, there would have been straightforward judgments from the courts and penalties from regulators to curtail the behavior.

Invoking the histories of once-dominant companies like General Motors, Xerox and IBM to dismiss concerns about today's giants is tempting but tenuous. Big Tech's gatekeeper position is fundamentally different from that of prior market heavyweights. Today's dominant online platforms can abuse their power to snuff out competition from small businesses in ways those companies could not in the past.

Our legislation states unambiguously that dominant platforms may not preference or discriminate in a manner that would materially harm competition. Also unambiguous is that companies can avoid liability if they can show that their actions are necessary for cybersecurity, user privacy, data security, core user experience or compliance with the law.

When companies must compete for customers, and consumers have the freedom to choose among a variety of products or services, everyone has a chance for success. This classically free-market and traditionally American economic setup also pushes companies to innovate to get a leg up.

As the editorial notes, a potential economic recession looms and we're all paying the price for inflation. Small businesses and consumers suffer most under these circumstances, so it's imperative that we ensure the marketplace works for all participants, not just the Big Tech gatekeepers.

#### Antitrust reform will bolster small business competitiveness by leveling the playing field against the giants

Connor & Simpson, Center for American Progress Technology Policy vice president and director, 6-7-22

[Adam & Erin, 6-7-22, Center for American Progression, “Evaluating 2 Tech Antitrust Bills to Restore Competition Online”, https://www.americanprogress.org/article/evaluating-2-tech-antitrust-bills-to-restore-competition-online/, p. 6, accessed 7-1-22, AFB]

The bills create new protections for U.S. small and medium-sized businesses

Today, small and medium-sized businesses have little choice but to build, sell, advertise, or operate on monopolistic online platforms; they are essential for many business operations.55 The bills would ensure that, as controllers of the major U.S. digital platforms, companies do not abuse their positions to prevent small and medium-sized businesses from competing. Such new protections and rights mean that online businesses and services providers will have access to online infrastructure on equal terms with competitors, including businesses operated by the platforms. The bills provide an improved chance at growing a business that is not undermined by anti-competitive actions from the platforms on which they rely to reach consumers.56 For the very largest online platforms, American Innovation and Open App Markets would change the laws to ensure that:

Companies can no longer design algorithms to favor their own products: The bills end an e-commerce or search platform’s ability to juice its ranking, search, review systems, and design to favor its own products over those of competitors.57 This will level the playing field for other businesses and ensure that consumers are getting a clearer picture of their options.

Companies can no longer prevent smaller businesses from communicating with customers: The bills provide new protections to small businesses online to ensure they can access data 58 and contact consumers when they do business on major platforms.59 It also prevents platform companies from using those data and insights to unfairly compete against them.60

Companies can no longer impose “pay to play” restrictions for businesses on major platforms: The bills prevent big companies from requiring that businesses pay to play—buy extra goods and services just to have a chance of succeeding on the platform61 or use companies’ proprietary payment processor systems.62

Such new protections mean that online businesses and service providers can have an improved chance at growing their business because the platforms will operate on a level playing field, no longer creating arbitrary obstacles to disadvantage them or extract rents from them.

#### Reform key – status quo antitrust policy undermines small business competition

Haight, Broadband Breakfast, 7-6-22

[Riley, 7-6-22, Broadband Breakfast, “American Innovation and Choice Online Act Has Panelists Divided on Small Business Impact”, <https://broadbandbreakfast.com/2022/07/american-innovation-and-choice-online-act-has-panelists-divided-on-small-business-impact/>, accessed 7-16-22, AFB]

“Existing antitrust law is not going to be enough to rein in the power of the largest tech platforms,” Charlotte Slaiman, competition policy director at public interest group Public Knowledge, said, adding the AICOA is very important for small business competition “to get a fair shot.”

“Fundamentally this is a really important…for competition because this protects small companies that are potential competitors against one of these large platforms,” she added.

### AT – Antitrust Reform Weakens Cyber

#### Antitrust reform won’t hurt cybersecurity – safeguards ensure companies can seek exemptions for security reasons

Senator Grassley & Rep. Buck, 6-21-22

[Chuck, R-IA, Ken, R-CO, 6-21-22, Wall Street Journal, “Making Markets Work for More Than Big Tech; Sen. Chuck Grassley and Rep. Ken Buck respond”, Factiva, accessed 7-16-22, AFB]

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As the editorial notes, a potential economic recession looms and we're all paying the price for inflation. Small businesses and consumers suffer most under these circumstances, so it's imperative that we ensure the marketplace works for all participants, not just the Big Tech gatekeepers.

#### Antitrust reform won’t hamper cybersecurity – multiple safeguards in place to prevent risks

Connor & Simpson, Center for American Progress Technology Policy vice president and director, 6-7-22

[Adam & Erin, 6-7-22, Center for American Progression, “Evaluating 2 Tech Antitrust Bills to Restore Competition Online”, https://www.americanprogress.org/article/evaluating-2-tech-antitrust-bills-to-restore-competition-online/, p. 6, accessed 7-1-22, AFB]

Concerns around national security

Some national security experts and technology sector industry groups have argued the new antitrust bills put American national security at risk.120 These critiques have suggested that regulating anti-competitive behavior by U.S. tech giants may hamper their ability to compete globally or hinder cybersecurity. Other national security leaders have supported the bills and argued that they will help the American economy and support consumers without those purported downsides.121

Looking at the discussion specifically around American Innovation, a recurring concern has been whether removing anti-competitive data restrictions and allowing commercial data-sharing would enable the Chinese government or other foreign governments to access data about Americans.122 The provision in question, Section 3(a)(7), states that it would be unlawful for a covered platform to:

materially restrict or impede a business user from accessing data generated on the covered platform by the activities of the business user, or through an interaction of a covered platform user with the products or services of the business user, such as by establishing contractual or technical restrictions that prevent the portability by the business user to other systems or applications of the data of the business user.

Critics have claimed this provision would “require large U.S. technology companies to disclose user data to competitors—including those that are foreign-controlled.”123 As Google’s president of global affairs wrote about a Senate bill that the authors presume to be American Innovation, “it says nothing about provisions that could require sharing data with countless other bad actors and foreign companies.” (The presumption is that this blog post refers to American innovation, given that it was posted before the Senate Judiciary committee markup of American Innovation and is updated to reference “an amendment to the Senate bill” that mirrors the manager’s amendment introduced and adopted ahead of the markup of American Innovation.)124

Some have interpreted related provisions around interoperability in American Innovation125 to suggest that “requiring non-discriminatory access for all ‘business users’ (broadly defined to include foreign rivals) on U.S. digital platforms would provide an open door for foreign adversaries to gain access to the software and hardware of American technology companies.”126 Others have claimed that with interoperability “there is a significant risk that companies receiving ported data would turn the data over to foreign government authorities or use them for other nefarious purposes.”127

These critiques of American Innovation are deeply misleading. The data covered are clearly only a business user’s own data: that which it has generated during its business activities on a covered platform.128 It is not a requirement that a major platform must hand over all the data it has about its users to any business users on the platform. This is simply a requirement that a business have access to data from its own usage of the platform to conduct business with its customers—the same kind of data a business might generate and have access to in any other sphere of commerce. Assuming an inability of businesses to access, export, and save their own business data while covered platforms can access that same data and use it to their competitive advantage is unreasonable.

Upon closer examination, many of the documents published highlighting national security criticisms are focused on provisions from the six antitrust bills that passed out of the House Judiciary Committee in 2021.129 Only one of the House bills—HR. 3816, the American Choice and Innovation Online Act130—has a Senate companion bill that has passed out of the Senate Judiciary Committee, the similarly named S. 2992 (the American Innovation and Choice Online Act), which is analyzed here.131 Even specific criticisms of American Innovation or Open App Markets are often intermixed with criticisms of the House bills, which makes analyzing some of these charges very difficult, as they are simply not applicable to the two Senate bills that are the focus of this report. This can create challenges in deciphering specific criticism of the two senate bills; CAP flags for the reader’s context.

Sens. Klobuchar and Grassley have made numerous good-faith attempts to minimize risks to national security in American Innovation, even within the limited scope of data described above. For example, an amendment from Sen. John Cornyn (R-TX) was incorporated during the markup of American Innovation to address concerns around national security risks,132 including specific language to prevent data-sharing with the Chinese government.133 Accordingly, the definition of “business user” allows for covered platforms to deny any requests from any business user who is a clear national security risk or “foreign adversary.”134 American Innovation defines “business user” as “a person that uses or is likely to use a covered platform for the advertising, sale, or provision of products or services.”135 This definition is necessarily broad and would have to include “foreign rivals” because almost all foreign businesses operating online do business with covered platforms under American Innovation given their incredible reach. But the claim that it “would provide an open door for foreign adversaries”136 ignores that the act’s definition of “business user” specifically names and excludes “foreign adversaries,” stating that a business user “does not include a person that—(i) is a clear national security risk; or (ii) is controlled by the Government of the People’s Republic of China or the government of another foreign adversary.”137 This means that covered platforms outright do not have to give access to or comply with requests from any business user who is a clear national security risk. In addition, to address specific concerns raised around the nondiscriminatory interoperability provision, the most recent manager’s amendment to American Innovation allows for additional coverage of cybersecurity measures by adding “except where such access would lead to a significant cybersecurity risk.”138

American Innovation’s affirmative defenses allow a covered platform to limit the data accessed by any business user, not just those who might be controlled by a foreign government, to “protect safety, user privacy, the security of non-public data, or the security of the covered platform,” even if it materially harms competition.139 The bill also instructs the FTC to “define the term data for the purpose of implementing and enforcing this Act,”140 which is likely to identify certain kinds of data, such as personally identifiable information that would not otherwise be available to a business user, could be withheld by a covered platform from all business users based on privacy, safety, and security. Drawing on its privacy experience, the FTC can further ensure clarity around protecting privacy rights as it issues enforcement guidance, working with the Department of Justice, which itself brings national security expertise.141

Because these data are the company’s own business data, most or all are already held by the company and already at risk of being seized by a foreign government with jurisdiction. If critics’ arguments about foreign government data access142 are to be carried out to their logical conclusion, it appears critics are arguing that foreign companies should not be allowed to do business with U.S. covered platforms at all: If risk of foreign government access to business data of foreign companies on U.S. platforms is too great, then the risks critics are concerned about already exist. Negligible additional risk is created by the bills. A position that foreign companies—many of whom also have little choice but to use major U.S. covered platforms—should not be allowed to do business on U.S. platforms seems misguided. As noted above, where there are particular security concerns about foreign governments’ access, American Innovation specifically includes numerous provisions that thoroughly address concerns around national security risks, foreign adversaries, or foreign governments143 and provide ample defenses around privacy, safety, and security.144

Finally, should a foreign company wish to object to denial of data access for some reason other than the various affirmative defenses and protections outlined above, it would have almost no legal recourse. The lack of a private right of action under American Innovation means that a foreign company that feels aggrieved would need to convince the DOJ, the FTC, or a state attorney general145 to file suit on its behalf in U.S. federal district court,146 a highly unlikely occurrence.

### AT – Economic Decline Doesn’t Cause War

#### Their defense is out of date – current circumstances offer the perfect storm for instability following economic decline

Alden, Foreign Policy columnist & Council on Foreign Relations senior fellow, 6-14-22

[Edward, 6-14-2, FOREIGN POLICY, “Why This Global Economic Crisis Is Different,” <https://foreignpolicy.com/2022/06/14/inflation-stock-market-economic-crisis-trade-wto-ukraine-energy-food-shortages-fed-central-banks/>, accessed 7-14-22]

One of the remarkable things about the global economic order since World War II has been the flexibility of governments in responding to serious crises. From stagflation and the collapse of the Bretton Woods currency regime in the 1970s to the Asian financial crisis of the 1990s to the global financial crisis in this century, the world’s major economies have proven surprisingly adept at finding ways to cooperate to address serious challenges.

This time around, that lucky streak may finally break. The current concatenation of problems—the Russia-Ukraine war, inflation, global food and energy shortages, unwinding asset bubbles in the United States, debt crises in developing countries, and the lingering impacts of COVID-19-related shutdowns and supply chain bottlenecks—may be the most serious crisis of them all, not least because central banks can’t print wheat and gasoline. Yet there are few signs of the collective responses that will be needed to meet these challenges. Global cooperation has never been more urgent—and seemed less likely.

Fraying cooperation is, ironically, mostly a consequence of past successes. The world’s past ability to manage crises, transcend disruptions, and restore the trajectory of global growth means that many more countries today have become rich enough to wield influence and demand their interests be considered. Others are pursuing territorial or ideological goals they consider more urgent than immediate economic priorities. As a result, consensus has become almost impossible to find. The upshot is that in this crisis, the world will be condemned to a series of competing and partial responses rather than again finding a way to come together to address the challenge.

### Economic Decline Causes War

#### Downturn sparks major power war

Sundaram, former United Nations Assistant Secretary-General for Economic Development & Popov, Dialogue of Civilizations Research Institute Research Director, 19

[Jomo Kwame, former economics professor, was United Nations Assistant Secretary-General for Economic Development, and received the Wassily Leontief Prize for Advancing the Frontiers of Economic Thought, and Vladimir, former senior economics researcher in the Soviet Union, Russia and the United Nations Secretariat, is now Research Director at the Dialogue of Civilizations Research Institute in Berlin, 2-12-19, Inter Press Service, “Economic Crisis Can Trigger World War”, <http://www.ipsnews.net/2019/02/economic-crisis-can-trigger-world-war/>, accessed 7-14-22)

Economic recovery efforts since the 2008-2009 global financial crisis have mainly depended on unconventional monetary policies. As fears rise of yet another international financial crisis, there are growing concerns about the increased possibility of large-scale military conflict.

More worryingly, in the current political landscape, prolonged economic crisis, combined with rising economic inequality, chauvinistic ethno-populism as well as aggressive jingoist rhetoric, including threats, could easily spin out of control and ‘morph’ into military conflict, and worse, world war.

Crisis responses limited The 2008-2009 global financial crisis almost ‘bankrupted’ governments and caused systemic collapse. Policymakers managed to pull the world economy from the brink, but soon switched from counter-cyclical fiscal efforts to unconventional monetary measures, primarily ‘quantitative easing’ and very low, if not negative real interest rates.

But while these monetary interventions averted realization of the worst fears at the time by turning the US economy around, they did little to address underlying economic weaknesses, largely due to the ascendance of finance in recent decades at the expense of the real economy. Since then, despite promising to do so, policymakers have not seriously pursued, let alone achieved, such needed reforms.

Instead, ostensible structural reformers have taken advantage of the crisis to pursue largely irrelevant efforts to further ‘casualize’ labour markets. This lack of structural reform has meant that the unprecedented liquidity central banks injected into economies has not been well allocated to stimulate resurgence of the real economy.

From bust to bubble Instead, easy credit raised asset prices to levels even higher than those prevailing before 2008. US house prices are now 8% more than at the peak of the property bubble in 2006, while its price-to-earnings ratio in late 2018 was even higher than in 2008 and in 1929, when the Wall Street Crash precipitated the Great Depression.

As monetary tightening checks asset price bubbles, another economic crisis — possibly more severe than the last, as the economy has become less responsive to such blunt monetary interventions — is considered likely. A decade of such unconventional monetary policies, with very low interest rates, has greatly depleted their ability to revive the economy.

The implications beyond the economy of such developments and policy responses are already being seen. Prolonged economic distress has worsened public antipathy towards the culturally alien — not only abroad, but also within. Thus, another round of economic stress is deemed likely to foment unrest, conflict, even war as it is blamed on the foreign.

International trade shrank by two-thirds within half a decade after the US passed the Smoot-Hawley Tariff Act in 1930, at the start of the Great Depression, ostensibly to protect American workers and farmers from foreign competition!

Liberalization’s discontents Rising economic insecurity, inequalities and deprivation are expected to strengthen ethno-populist and jingoistic nationalist sentiments, and increase social tensions and turmoil, especially among the growing precariat and others who feel vulnerable or threatened.

Thus, ethno-populist inspired chauvinistic nationalism may exacerbate tensions, leading to conflicts and tensions among countries, as in the 1930s. Opportunistic leaders have been blaming such misfortunes on outsiders and may seek to reverse policies associated with the perceived causes, such as ‘globalist’ economic liberalization.

Policies which successfully check such problems may reduce social tensions, as well as the likelihood of social turmoil and conflict, including among countries. However, these may also inadvertently exacerbate problems. The recent spread of anti-globalization sentiment appears correlated to slow, if not negative per capita income growth and increased economic inequality.

To be sure, globalization and liberalization are statistically associated with growing economic inequality and rising ethno-populism. Declining real incomes and growing economic insecurity have apparently strengthened ethno-populism and nationalistic chauvinism, threatening economic liberalization itself, both within and among countries.

Insecurity, populism, conflict Thomas Piketty has argued that a sudden increase in income inequality is often followed by a great crisis. Although causality is difficult to prove, with wealth and income inequality now at historical highs, this should give cause for concern.

Of course, other factors also contribute to or exacerbate civil and international tensions, with some due to policies intended for other purposes. Nevertheless, even if unintended, such developments could inadvertently catalyse future crises and conflicts.

Publics often have good reason to be restless, if not angry, but the emotional appeals of ethno-populism and jingoistic nationalism are leading to chauvinistic policy measures which only make things worse.

At the international level, despite the world’s unprecedented and still growing interconnectedness, multilateralism is increasingly being eschewed as the US increasingly resorts to unilateral, sovereigntist policies without bothering to even build coalitions with its usual allies.

Avoiding Thucydides’ iceberg Thus, protracted economic distress, economic conflicts or another financial crisis could lead to military confrontation by the protagonists, even if unintended. Less than a decade after the Great Depression started, the Second World War had begun as the Axis powers challenged the earlier entrenched colonial powers.

They patently ignored Thucydides’ warning, in chronicling the Peloponnesian wars over two millennia before, when the rise of Athens threatened the established dominance of Sparta!

Anticipating and addressing such possibilities may well serve to help avoid otherwise imminent disasters by undertaking pre-emptive collective action, as difficult as that may be.

The international community has no excuse for being like the owners and captain of the Titanic, conceitedly convinced that no iceberg could possibly sink the great ship.

### AT – Economic Decline Now/Inevitable

#### Status quo decline is overstated – several indicators suggest no collapse coming now

Rosalsky, NPR Planet Money, 5-31-22

[Greg, 5-31-22, NPR, “Fear The Vibe Shift: Are We Entering A Recession? “NPR, <https://www.npr.org/sections/money/2022/05/31/1101774189/fear-the-vibe-shift-are-we-entering-a-recession>, accessed 7-14-22]

It's being whispered and murmured about. The president is facing questions about it. Business leaders and investors are already bracing for it. The specter of recession is once again rearing its monstrous head.

It's feasible that the economy could chug along without any bumps or crashes. But boom-and-bust cycles remain a seemingly inescapable feature of capitalist economies. Some countries have done well avoiding busts. Starting in 1991, Australia had a run of almost 29 years without a recession, the longest stretch of economic growth of any nation in modern history. That ended in 2020, when the pandemic led to a big contraction — and Australia (briefly) succumbed to the beast.

While Australia had zero recessions between 1991 and 2020, the United States had two, a mild one in 2001, amid the dotcom crash and the 9/11 terrorist attacks; and a catastrophic one known as the Great Recession, between 2007 and 2009. Since 1854, the first year for which we have official economic data, the United States has experienced 35 recessions.

The National Bureau of Economic Research's Business Cycle Dating Committee is the official body that keeps track of recessions in the U.S. The committee has traditionally defined recessions as "a significant decline in economic activity that is spread across the economy and that lasts more than a few months." However, it sort of fudged this definition when it declared that the pandemic downturn was a recession. The pandemic recession lasted only two months — the shortest recession in American history — but, the committee says, "the drop in activity had been so great and so widely diffused throughout the economy that the downturn should be classified as a recession even if it proved to be quite brief."

Despite all the talk about the U.S. entering another recession, the unemployment rate of 3.6% remains historically low, job growth remains strong, and, notwithstanding inflation, consumer spending continues to be like a firehose. That said, the U.S. economy shrank by an annualized rate of 1.4 percent in the first quarter of 2022, which means we may already be well on our way to the technical definition of a recession, albeit maybe a teeny-tiny one.

#### Growth may be weak but decline will not occur

Association of Chartered Certified Accountants 7-14-22

[“Global Economy Set for Weak Growth as Financial Professionals' Confidence Drops Sharply,” PR NEWSWIRE, <https://www.prnewswire.com/news-releases/global-economy-set-for-weak-growth-as-financial-professionals-confidence-drops-sharply-301586341.html>, accessed 7-15-22]

The Q2 Global Economic Conditions Survey (GECS) – conducted in mid-June – pointed to a decisive deterioration in the global economic outlook due to the effects of the war in Ukraine and the surge in inflation across much of the world.

But while risks have risen, indications are that a global recession will be avoided.

However, while confidence among financial professionals has dropped sharply, the global confidence level remains above the low-point reached at the height of the COVID-19 pandemic.

The two "fear" indices – reflecting the level of concern that customers and suppliers may go out of business – were little changed in the Q2 survey, both edging slightly higher. Both indices have fallen back from the extreme levels seen in 2020 but are still above pre-pandemic levels.

The largest fall in confidence occurred in the Middle East, a region more exposed to trade with Russia/Ukraine, while North America and Western Europe recorded especially large falls due to big jumps in inflation in recent months. Only in North America has confidence fallen back to levels seen during the height of economic uncertainty in 2020. Elsewhere, the falls in confidence were still significant, but more modest.

While the outlook has darkened, the drop in confidence is much greater than the reported drop in orders. Indeed orders – a lead indicator of economic activity – are above their long-run average. The employment index is also well above its long-run average, despite dropping in Q2. Jobs markets are tight and employment is rising in many economies, providing some offset to the effects of high inflation on real incomes.

In a list of top concerns since the Q1 survey, financial professionals have swapped concerns over COVID for worries about inflation and rising interest rates. But for the third GECS in a row, supply shortages and supply chain issues have remained the highest ranked risk. Hope that this issue would fade in importance as 2022 progressed is fading.

"Post-pandemic recovery has now given way to negligible economic growth, elevated inflation, and extreme uncertainty," said Jamie Lyon, Head of Skills, Sectors and Technology at ACCA. "The war in Ukraine has given inflation a further boost by pushing commodity prices higher. But inflation was already high and rising before the war started in February: a strong rebound in demand fuelled by a massive monetary and fiscal response to the COVID pandemic had run up against supply shortages, resulting in a surge in price pressures."

Loreal Jiles, vice president of research and thought leadership at IMA added: "High inflation is resulting in falls in real disposable incomes putting downward pressure on private demand, especially household consumption. Prices of both food and energy are rising rapidly. The result is a cost-of-living crunch on low-income households in advanced economies and across virtually all low and middle-income countries, where these two categories account for a high share of spending."

Jamie Lyon concluded: "Risks of a global recession have increased but our central case is that growth will be positive if rather weak. Employment growth may support total consumption. Nonetheless, with the exception of the COVID recession of 2020, we expect global GDP growth this year and next will be the weakest since the Global Financial Crisis of 2007-09."

# Agenda Politics (Antitrust) Aff

## Antitrust Uniqueness Answers

### Won’t Pass Now – Issues

#### Debate inevitable – issues still outstanding

PYMNTS, 7-10-22

[7-10-22, PYMNTS (PYMNTS.com is a wholly owned subsidiary of What’s Next Media & Analytics, focusing on data, news and insights on innovation in payments and the platforms powering the connected economy), “Senate May Delay Antitrust Bill Aimed at Amazon, Google, Apple, Meta”, <https://www.pymnts.com/antitrust/2022/senate-may-delay-antitrust-bill-aimed-at-amazon-google-apple-meta/>, accessed 7-15-22, AFB]

The debate over how to rein in Big Tech has been going on for some time, with much of the debate devoted to the American Choice and Innovation Online Act.

PYMNTS wrote that a big part of this debate is the question of how companies should or should not use their data — including things like not using the data to favor their own products or hurt competitors’. There are also questions over who will have access to the data and where it should be shared.

The way the Big Tech firms tell it, if this legislation is passed, consumers will see a loss of privacy and control of their data, which is something the companies perceive to be of deep importance for consumers.

### Won’t Pass Now – Numbers

#### Non-unique – Support not locked in – many votes up in the air

Lima, Washington Post Tech newsletter reporter, 7-12-22

[Cristiano, 7-12-22, Washington Post, “Fate of lawmakers' tech antitrust push is up in the air”, <https://www.washingtonpost.com/politics/2022/07/12/fate-lawmakers-tech-antitrust-push-is-up-air/>, accessed 7-15-22, AFB]

But to date, a vast majority of senators have not publicly indicated how they would vote on the measures, S.2992 and S.2710, setting up a historic test of congressional efforts to rein in Silicon Valley behemoths like Facebook and Google. Combined, the bills would block the tech giants from favoring their own products and impose new restrictions on their app stores.

The Technology 202 asked the offices of all 100 senators last week whether they support or oppose the two bills and would vote in favor of or against them on the floor.

The responses show that even as public support for the bills has grown, key senators who may help decide the fate of the proposals remain on the fence, while others may be awaiting additional changes.

Here’s our informal whip count on where things stand:

Public support slowly builds, with Schumer’s backing

Both bills have 13 sponsors in the Senate, meaning that lawmakers would need to secure an additional 47 supporters to pass them due to the chamber’s filibuster rules. According to our review, they have officially picked up several in addition to those groups.

Sens. Tina Smith (D-Minn.) and Bernie Sanders (I-Vt.) support both of the bills and would vote in favor of them, according to spokespeople. The offices of other senators who are co-sponsors of one of the bills but not the other confirmed that they back both. That includes Sen. Elizabeth Warren (D-Mass.), Mark R. Warner (D-Va.) and Sheldon Whitehouse (D-R.I.).

“It’s past time for Congress to hold Big Tech accountable and start reining in their anti-competitive behavior, and I support these bills as an important step in the right direction,” Warren said in a statement.

Most notably, Senate Majority Leader Charles E. Schumer (D-N.Y.) — who controls whether the bills get a floor vote — affirmed through a spokesperson that he backs both bills. “Leader Schumer supports both bills and would vote yes,” said spokesperson Justin Goodman.

Sen. Mike Lee (R-Utah), the top Republican on the Senate antitrust panel, said that while there “are a few more edits” that he is working with co-sponsors to get implemented into the app store bill (S.2710) he is “optimistic that we can get to a good place on this bill, whether in the remainder of this Congress or in the next."

Still, that leaves the number of senators willing to publicly support both bills well short of the sixty needed to pass.

A slew of senators remain undecided or noncommittal

Twelve lawmakers said they are still reviewing the legislation: Sens. Christopher A. Coons (D-Del.), Rick Scott (R-Fla.), Jon Ossoff (D-Ga.), Susan Collins (R-Maine), Chris Van Hollen (D-Md.), Gary Peters (D-Mich.), Cindy Hyde-Smith (R-Miss.), Jon Tester (D-Mont.), Jeanne Shaheen (D-N.H.), Tim Scott (R-S.C.), Tim Kaine (D-Va.) and Ted Cruz (R-Tex.).

That batch notably includes two Senate Democrats, Coons and Ossoff, who initially voted to advance the proposals out of committee but expressed lingering reservations at the time. The remarks suggest they are not yet ready to commit to supporting the bills’ final passage. The list also includes lawmakers like Collins who often serve as swing votes in the chamber.

“Should these bills come before the full Senate, I will carefully review them to ensure that they are fair and do not negatively affect consumers, small businesses, or American competitiveness,” Collins said in a statement.

Some offices, including those of Hyde-Smith and Tim Scott, cited policies against previewing their voting positions, while others said they are unsure where they will land.

“Sen. Coons is still considering both pieces of legislation right now and hasn’t made a final decision on which way he’ll vote,” said spokesperson Will Baskin-Gerwitz.

Spokespeople for four senators declined to comment: Senate Minority Leader Mitch McConnell (R-Ky.) and Sens. Marco Rubio (R-Fla.), Mitt Romney (R-Utah) and Patrick J. Leahy (D-Vt.). Leahy is another Democrat who had backed the bills in committee.

The bills have their share of detractors, too

A few lawmakers, including Sens. Rand Paul (R-Ky.) and John Cornyn (R-Tex.), suggested they would vote against the bills, with Paul’s office citing an op-ed decrying the “antitrust crusade” and Cornyn’s office pointing to his committee votes against the bills. Five other Republicans also voted against Klobuchar’s proposal, S.2992, in committee.

Lee said he is still “deeply worried” about the “unintended consequences” of Klobuchar’s bill, which targets what’s known as “self-preferencing” by tech companies.

“At this point, I believe we would be better off waiting until Republicans regain control of Congress and can take the lead in drafting a bill that fights Big Tech abuses without granting broad new powers to the Biden FTC that is already out of control,” Lee said of the bill.

A spokesperson for Sen. Marsha Blackburn (R-Tenn.) indicated she will likely vote against Klobuchar’s bill, saying that as “currently drafted, Sen. Blackburn’s committee vote will reflect her floor vote.” Blackburn is leading the app store bill with Sen. Richard Blumenthal (D-Conn.).

Spokespeople for Sen. Ron Wyden (D-Ore.) did not return requests for comment. But during a brief interview on Capitol Hill last month, Wyden said he was not ready to support the bills, citing concerns they could hinder content moderation efforts. “I’m not there now, no,” Wyden told me.

A majority of the Senate did not return requests for comment, meaning that the results were ultimately inconclusive. But the responses suggest proponents’ confidence may be overstated.

## Aff Link Answers

### Disinformation – Strategy Popular

#### Plan will be an extension of popular prebunking strategy – counter-disinformation in Ukraine has been popular with GOP

Dilanian, NBC news intelligence and national security correspondent, et al., 22

(Ken, Courtney Kube (NBC national security and military correspondent), Carol E. Lee(NBC news journalist), Dan De Luce(NBC News Investigative Unit reporter), 4-6-22, NBC News, “Bold, effective and risky: The new strategy the U.S. is using in the info war against Russia,” https://www.nbcnews.com/politics/national-security/us-using-declassified-intel-fight-info-war-russia-even-intel-isnt-rock-rcna23014, accessed 7-15-22) jiu

It was an attention-grabbing assertion that made headlines around the world: U.S. officials said they had indications suggesting Russia might be preparing to use chemical agents in Ukraine

President Joe Biden later said it publicly. But three U.S. officials told NBC News this week there is no evidence Russia has brought any chemical weapons near Ukraine. They said the U.S. released the information to deter Russia from using the banned munitions.

It’s one of a string of examples of the Biden administration’s breaking with recent precedent by deploying declassified intelligence as part of an information war against Russia. The administration has done so even when the intelligence wasn’t rock solid, officials said, to keep Russian President Vladimir Putin off balance. Coordinated by the White House National Security Council, the unprecedented intelligence releases have been so frequent and voluminous, officials said, that intelligence agencies had to devote more staff members to work on the declassification process, scrubbing the information so it wouldn’t betray sources and methods.

Observers of all stripes have called it a bold and so far successful strategy — although not one without risks.

“It’s the most amazing display of intelligence as an instrument of state power that I have seen or that I’ve heard of since the Cuban Missile Crisis,” said Tim Weiner, the author of a 2006 history of the CIA and 2020’s “The Folly and the Glory,” a look at the U.S.-Russia rivalry over decades. “It has certainly blunted and defused the disinformation weaponry of the Kremlin.”

Four days before the end of the Cuban Missile Crisis in 1962, the U.S. publicized spy plane photos to show the Soviet Union had deployed nuclear missiles not far from Florida’s coast. The Biden administration began releasing reams of intelligence about what it said were Putin’s plans and intentions even before the invasion of Ukraine began.

Just this week, national security adviser Jake Sullivan stood at the White House podium and read out what officials said was more declassified intelligence, asserting that Russia’s pullout from areas around Kyiv wasn’t a retreat but a strategic redeployment that signals a significant assault on eastern and southern Ukraine, one that U.S. officials believe could be a protracted and bloody fight.

The idea is to pre-empt and disrupt the Kremlin’s tactics, complicate its military campaign, “undermine Moscow’s propaganda and prevent Russia from defining how the war is perceived in the world,” said a Western government official familiar with the strategy.

Multiple U.S. officials acknowledged that the U.S. has used information as a weapon even when confidence in the accuracy of the information wasn’t high. Sometimes it has used low-confidence intelligence for deterrent effect, as with chemical agents, and other times, as an official put it, the U.S. is just “trying to get inside Putin’s head.”

Some officials believe, however, that trying to get into Putin’s head is a meaningless exercise, because he will do what he wants regardless.

After this story was published, a U.S. official told NBC News that “the U.S. government’s effort to strategically downgrade intelligence to share with allies and the public is underpinned by a rigorous review process by the National Security Council and the Intelligence Community to validate the quality of the information and protect sources and methods.” The official added that “we only approve the release of intelligence if we are confident those two requirements are met.”

‘Spot on’

The biggest success of the U.S. information offensive may have been delaying the invasion itself by weeks or months, which officials believe they did with accurate predictions that Russia intended to attack, based on definitive intelligence. By the time Russia moved its troops in, the West presented a unified front.

Before the invasion, the U.S. asserted that Russia intended to stage a false flag attack against members of Ukraine’s Russian-speaking population as a justification for war and that the plans included a video featuring fake corpses. The video never materialized; Russia has consistently claimed it was invading to protect ethnic Russians from “Nazis" in Ukraine.

The U.S. accurately predicted that Putin intended to go through with the attack, even as other Western countries, notably France, argued otherwise. The head of France’s military intelligence agency stepped down last week over the wrong call.

A former U.S. official said administration officials believe the strategy delayed Putin’s invasion from the first week of January to after the Olympics and that the delay bought the U.S. valuable time to get allies on the same page in terms of the level of the Russian threat and how to respond.

CIA Director William Burns, a former ambassador to Russia, told lawmakers at a congressional threats hearing last month that “in all the years I spent as a career diplomat, I saw too many instances in which we lost information wars with the Russians.”

Now, he said, “by being careful about this we have stripped away the pretext that Putin, in particular, often uses.”

“That has been a real benefit, I think, to Ukrainians,” he said.

The policy has drawn lavish praise even from some Republicans.

“You were spot on in your intelligence,” Rep. Brian Fitzpatrick, R-Pa., said at the House’s annual worldwide threats hearing last month, addressing Burns and other intelligence agency leaders. “Your decision to declassify, both the form and the fashion in which you did so, saved lives. Sleep well, and thank you for doing that.”

#### No link – intelligence cooperation has massive bipartisan support – Senate Intelligence Committee proves

Senator Collins Press Release, 22

[Susan Collins Press Release, 2-15-22, “Senators Collins, King Urge Maximum Intelligence Sharing with Ukraine”, <https://www.collins.senate.gov/newsroom/senators-collins-king-urge-maximum-intelligence-sharing-with-ukraine>, accessed 7-16-22, AFB]

Washington, D.C. – With Ukraine facing a massive Russian military build-up on its border, U.S. Senators Susan Collins (R-ME) and Angus King (I-ME) joined their colleagues on the Senate Intelligence Committee in urging President Joe Biden to ensure that the United States is sharing as much intelligence as possible with the Ukrainian government.

“Vladimir Putin is threatening the freedom and security of the Ukrainian people, and they have shown their eagerness to take action to defend their sovereignty, freedom, and democratically elected government,” the Senators wrote. “To this end, we request that the United States share intelligence with Ukraine to the fullest extent possible. Russia is the aggressor, and we need to arm Ukraine with critical information needed to defend their country. This is in the interest of U.S. national security, as well as that of our allies and partners in the region. Russia’s threats to Ukraine are a threat to democracies around the world, and we urge you to do as much as possible to support Ukraine at this critical moment.”

The letter was signed by every member of the Senate Intelligence Committee, including Chairman Mark Warner (D-VA); Vice Chairman Marco Rubio (R-FL); and Senators Dianne Feinstein (D-CA), Richard Burr (R-NC), Ron Wyden (D-OR), James Risch (R-ID), Martin Heinrich (D-NM), Roy Blunt (R-MO), Michael Bennet (D-CO), Tom Cotton (R-AR), Bob Casey (D-PA), John Cornyn (R-TX), Kirsten Gillibrand (D-NY), and Ben Sasse (R-NE).

Senators Collins and King recently participated in a virtual conversation on the escalating threat posed by Russia in Eastern Europe with Ambassadors from Estonia, Latvia, Lithuania, and Poland. During the discussion, the Senators and seven colleagues stressed the importance of the NATO alliance, their support for Ukraine’s sovereignty, and their bipartisan commitment to countering Russian aggression in the region. Senator King also recently voiced his concerns in a national interview about Russia’s aggression in the region, and why NATO and the U.S. need to stand with Ukraine.

### Disinformation – AT – GOP Backlash

**No link- GOP wants to see more intelligence sharing, not less**

**Bertrand, CNN** White House Reporter & **Lillis, CNN** intelligence and national security reporter**, 3-4-22**

(Natasha & Katie Bo, 3-4-22, CNN, "US officials say Biden administration is sharing intelligence with Ukraine at a ‘frenetic’ pace after Republicans criticize efforts", https://www.cnn.com/2022/03/04/politics/us-ukraine-intelligence/index.html accessed on 7-15-22, hooch//cs)

Republican Sens. Ben Sasse and Marco Rubio, the top GOP member of the Senate Intelligence Committee, have both said publicly in recent days that they are concerned intelligence isn't getting to the Ukrainian military quickly enough. House Republicans began amplifying those concerns this week, ramping up criticism of the Biden administration for allegedly "withholding" intelligence from the Ukrainians. The Ukrainians, though, have not complained publicly about any lack of intelligence-sharing by the US.

One Senate source familiar with GOP concerns said that lawmakers were concerned both that the intelligence was being downgraded, or made less specific, and that it wasn't being conveyed to the Ukrainians fast enough.

**No link- GOP wants to see more intelligence sharing done as quickly as possible. They won’t delay it**

**Bertrand, CNN** White House Reporter & **Lillis, CNN** intelligence and national security reporter**, 3-4-22**

(Natasha & Katie Bo, 3-4-22, CNN, "US officials say Biden administration is sharing intelligence with Ukraine at a ‘frenetic’ pace after Republicans criticize efforts", https://www.cnn.com/2022/03/04/politics/us-ukraine-intelligence/index.html accessed on 7-15-22, hooch//cs)

Sasse has also alleged that "lawyers" and unspecific "technicalities" are holding up the flow of information, a charge a senior defense official told reporters on Thursday was inaccurate. There are some indications that Biden administration guidelines for sharing intelligence with Ukraine have been amended as recently as this week.

"Generally speaking, I share concerns that some of that may not be getting there fast enough. And even today there has been work done to sort of assess that and make sure that any sort of unnecessary impediments are removed," Rubio told CNN's Jake Tapper on Wednesday.

The senior defense official told reporters Thursday that the US continues to "provide information and intelligence to Ukraine as we assess would be most helpful."

[NOTE: Ben Sasse = Republican Senator from Nebraska]

## Aff Impact Answers

### Antitrust Reform Bad – Small Business

#### AICOA reforms will hurt small business by raising costs of using Big Tech solutions

Retzlaff, Connected Commerce Council Executive Director, 7-14-22

[Rob, 7-14-22, The Capitolist, “Congress is ignoring small businesses on tech antitrust”, <https://thecapitolist.com/congress-is-ignoring-small-businesses-on-tech-antitrust/>, accessed 7-14-22, AFB]

For years, small businesses nationwide have raised alarms about misguided legislation targeting America’s biggest online companies – Google, Facebook, Apple, and Amazon. But, despite the highly valuable and beneficial tools and services these platforms provide small businesses, Sen. Amy Klobuchar (D-MN) and her colleagues supporting the American Innovation and Choice Online Act (AICOA /S.2992) don’t seem to hear small businesses’ concerns. Frankly, it’s getting ridiculous.

I have met with hundreds of small business leaders from across the country, including many in Florida. I heard their fears during COVID-19 when lockdowns threatened businesses and livelihoods, and I hear their frustrations today about inflation, supply chain issues, and over-regulation. I’ve also heard their exhilaration about the entrepreneurial opportunities of e-commerce and the benefits of affordable marketing and digital advertising.

I hear from the party rental company that barely made ends meet while advertising in the Yellow Pages. Once they started advertising online, their business grew 900% annually, could compete with big-box retailers and national party rental companies, and withstood the uncertainties of the pandemic.

I hear from the Iowa-based inventor of organic body and pet care products. He knows that Amazon’s marketplace launched his business to a whole new level; and that he benefits tremendously when Amazon fulfills his orders and guarantees product delivery in two days or less.

I hear from businesses across rural America that have embraced e-commerce and now reach customers far beyond their small towns. Our latest research documents that online web stores and marketplaces are the leading sales methods for rural small sellers, compared to brick and mortar and wholesale methods as the leading methods for all small sellers. In fact, for rural sellers in Florida, the revenue they generate from online marketplaces makes up 26 percent of their total revenue, compared to 17.5 percent for small sellers generally.

Despite the clear benefits the digital ecosystem provides, some in Congress seem to believe that if it isn’t broke, it still needs fixing. Sen. Klobuchar recently said, “[w]hen dominant tech companies exclude rivals & kill competition, it hurts small businesses.” Lead sponsor of the House companion bill (H.R.3816), Rep. David Cicilline (D-RI 01), said that the legislation will “help ensure lower prices and greater choice for consumers.”

But consumers clearly choose to use free Google Maps and Instagram, and small businesses love free Google Analytics and Google Trends. Small sellers on the Amazon Marketplace use Fulfillment-by-Amazon (FBA) because it is 30% cheaper than fulfilling orders on their own. In reality, these bills would produce higher prices, a more complicated digital ecosystem for small businesses, and more clutter for consumers.

It’s no surprise that H.R.3816’s co-sponsor, Rep. Ken Buck (R-CO02), recently admitted that he doesn’t “know anything about antitrust law.” Perhaps that’s the problem with these proposals. Sen. Klobuchar and her colleagues are blinded by “big is bad” myopia and don’t understand that network effects are powerful and highly beneficial to small businesses that can sell their products and services worldwide. The bill’s proponents are hellbent on restricting four companies’ growth by forcing them to break apart integrated services, increase costs, and hinder them from continuing to innovate. It’s no wonder that 9 out of 10 small businesses worry that legislation and new regulations would make digital tools and services more expensive and less valuable.

In the modern global economy that small businesses operate in, sometimes bigger is better. Large digital platforms invest billions of dollars in R&D to bring small businesses powerful, affordable tools. These companies have extraordinary scale that helps keep prices low for consumers and continues to unlock opportunities for small businesses that help them grow and thrive in their local communities.

Forcing tech companies to change how they operate and dis-integrate products and services so subpar products and services can compete is unfair to small business customers and devalues American ingenuity and hard-earned success. That policymakers cannot see, or choose to ignore this, is truly unfortunate. If Congress rejects these bills and focuses on issues that actually matter to small businesses and the digital economy, they will actually help small businesses instead of hurt them.

#### Antitrust reform won’t help small businesses – they use Big Tech services, so their costs would rise

Haight, Broadband Breakfast, 7-6-22

[Riley, 7-6-22, Broadband Breakfast, “American Innovation and Choice Online Act Has Panelists Divided on Small Business Impact”, <https://broadbandbreakfast.com/2022/07/american-innovation-and-choice-online-act-has-panelists-divided-on-small-business-impact/>, accessed 7-16-22, AFB]

Krisztian Katona, vice president of global competition and regulatory policy at the Computer & Communications Industry Association, however, said that after performing a cost-benefit analysis of AICOA, he expects the legislation will hurt business competition.

He said that the legislation would increase operating costs for smaller companies and force these companies to reduce the cost of their services. He predicts that close to 100 companies by 2030 would be negatively impacted by the legislation if it becomes law.

Others agree with Katona. A report in March by the Small Business and Entrepreneurship Council said small business owners felt the AICOA could be detrimental to them, saying it could increase prices. Meanwhile Michael Petricone, senior vice president of the Consumer Technology Association, said in June that small businesses would be affected the most by big tech regulation because they depend on those platforms.

### Antitrust Reform Bad – Econ & Cyber

#### Antitrust reform would trigger regulatory shock – increasing prices and uncertainty, reduce innovation AND weaken cybersecurity

Wall Street Journal Editorial Board, 6-5-22

[Wall Street Journal Editorial Board, 6-5-22, Wall Street Journal, “Breaking Big Tech Bad”, <https://www-wsj-com.umw.idm.oclc.org/articles/breaking-big-tech-bad-senate-judiciary-committee-bipartisan-antitrust-bill-facebook-meta-google-twitter-11654113174>, accessed 7-16-22, AFB]

When lawmakers and regulators move too fast, they break things. But then breakage seems to be the main point of a bipartisan group of Senators pushing legislation that would punish Big Tech companies. The bill has received little debate, yet Majority Leader Chuck Schumer wants to hold a vote pronto.

Giant businesses have always emerged during eras of technological upheaval. But their dominance faded over time amid competition or business mistakes—think of General Motors, Sears, Xerox, or IBM. Note that Big Tech stocks have plunged this year in part owing to slower growth and monetary tightening.

The Senate Judiciary Committee in January voted 16-6 to advance the deceptively named American Innovation and Choice Online Act. The bill has six Republican co-sponsors. Some Republicans want to take a swing at tech companies for censoring conservatives while posing as defenders of small business.

We’ve criticized Big Tech platforms as much as anyone for stifling political debate. But states are experimenting with legislation to crack down on censorship, and Elon Musk’s bid to buy Twitter is a market solution. While companies sometimes engage in anti-competitive practices, competition regulators and courts are equipped to deal with them under current law. The Senate bill will create more problems than it solves.

The bill empowers the Federal Trade Commission and Justice Department to restrict business practices of “covered platforms.” The bill initially would capture Amazon, Alphabet (Google), Apple, Meta (Facebook), Microsoft, Tencent ( WeChat ) and ByteDance (TikTok), though it could eventually sweep in others, including Twitter and Walmart.

These platforms would be barred from giving “preference” to their own products or services. Regulators will have broad discretion to decide what that means. Is Amazon giving preference to its own distribution service by providing free two-day shipping for its Prime members? Is Apple favoring its Safari browser by pre-installing it on iPhones?

Tech companies would have to re-engineer their platforms to avoid complaints from regulators and rivals. As a result, Amazon Prime subscribers might also not be allowed to stream Amazon original movies and TV shows for free or get free-two day shipping. A host of services that benefit consumers could disappear based on bureaucratic whim.

Google’s favoritism for its own products in search has understandably rankled smaller rivals. But there’s nothing that stops users from going directly to sites like Yelp or Expedia, which can also sue Google for abusing its search dominance to restrict competition.

The bill would also effectively require platforms to make their products inter-operable with competitors. This would be technically difficult, and in some cases impossible, and could make products less functional. This would reduce cyber security as the U.S. is coming under increasing attack from hackers, including state actors. Ensuring platforms are inter-operable could make it easier for cyber thieves to pilfer user data. Apple might have to allow rival app stores and apps on iPhones no matter if they provide subpar security protection.

The bill says its mandates don’t apply if they would lead to “significant cyber-security risk” but the onus would be on platforms to prove that their features are necessary to protect security or privacy, or “maintain or substantially enhance the core functionality” of their platforms. In short, the platforms would be guilty of anti-competitive conduct unless they prove their innocence.

One irony is that Meta—the Facebook parent that politicians abhor—could be least harmed by the bill’s conduct prohibitions since it boasts fewer integrated products. Facebook could benefit since it might be able to develop a competing app store for iPhones. Apple could be compelled to hand over user data to Facebook.

It’s hard to predict how regulators would apply the bill’s conduct prohibitions and mandates. But there’s no doubt the bill would create enormous uncertainty that slows U.S. innovation. This would hit the U.S. tech industry even as Beijing is backing off its antitrust assault on China’s tech giants after discovering the damage it has done to its economy.

Some Republican Senators who backed the bill in the Judiciary Committee have long and rightly complained about an overweening administrative state. Yet the bill would give antitrust regulators enormous discretion to interpret vague provisions. A Senate vote will say a lot about the economic priorities of Texas Sen. Ted Cruz, among others.

The U.S. economy is suffering from inflation, interest rates are rising, and a recession is possible. The last thing America needs is a new regulatory shock from Congress.

### AT – Economic Decline Causes War

#### Economic decline does not cause war

Walt, Harvard international relations professor, 20

[Stephen M., 5-13-20, Robert and Renée Belfer professor of international relations at Harvard University, “Will a Global Depression Trigger Another World War?”, FOREIGN POLICY, <https://foreignpolicy.com/2020/05/13/coronavirus-pandemic-depression-economy-world-war/>, accessed 7-15-22]

On balance, however, I do not think that even the extraordinary economic conditions we are witnessing today are going to have much impact on the likelihood of war. Why? First of all, if depressions were a powerful cause of war, there would be a lot more of the latter. To take one example, the United States has suffered 40 or more recessions since the country was founded, yet it has fought perhaps 20 interstate wars, most of them unrelated to the state of the economy. To paraphrase the economist Paul Samuelson’s famous quip about the stock market, if recessions were a powerful cause of war, they would have predicted “nine out of the last five (or fewer).”

Second, states do not start wars unless they believe they will win a quick and relatively cheap victory. As John Mearsheimer showed in his classic book Conventional Deterrence, national leaders avoid war when they are convinced it will be long, bloody, costly, and uncertain. To choose war, political leaders have to convince themselves they can either win a quick, cheap, and decisive victory or achieve some limited objective at low cost. Europe went to war in 1914 with each side believing it would win a rapid and easy victory, and Nazi Germany developed the strategy of blitzkrieg in order to subdue its foes as quickly and cheaply as possible. Iraq attacked Iran in 1980 because Saddam believed the Islamic Republic was in disarray and would be easy to defeat, and George W. Bush invaded Iraq in 2003 convinced the war would be short, successful, and pay for itself.

The fact that each of these leaders miscalculated badly does not alter the main point: No matter what a country’s economic condition might be, its leaders will not go to war unless they think they can do so quickly, cheaply, and with a reasonable probability of success.

Third, and most important, the primary motivation for most wars is the desire for security, not economic gain. For this reason, the odds of war increase when states believe the long-term balance of power may be shifting against them, when they are convinced that adversaries are unalterably hostile and cannot be accommodated, and when they are confident they can reverse the unfavorable trends and establish a secure position if they act now. The historian A.J.P. Taylor once observed that “every war between Great Powers [between 1848 and 1918] … started as a preventive war, not as a war of conquest,” and that remains true of most wars fought since then.

The bottom line: Economic conditions (i.e., a depression) may affect the broader political environment in which decisions for war or peace are made, but they are only one factor among many and rarely the most significant. Even if the COVID-19 pandemic has large, lasting, and negative effects on the world economy—as seems quite likely—it is not likely to affect the probability of war very much, especially in the short term.

#### No war – empirical research does not back up diversionary war theory

Segev et al., Tel Aviv University International Communication professor, 21

[Elad & Atusushi Tago & Kohei Watanabe, Waseda University, 5-5-21, International Interactions, “Could Leaders Deflect from Political Scandals? Cross-National Experiments on Diversionary Action in Israel and Japan". TAYLOR & FRANCIS, <https://www.tandfonline.com/doi/full/10.1080/03050629.2022.2044326>, accessed 7-15-22]

The diversionary theory of war is one of the best-known conflict initiation theories focusing on democratic leaders’ incentives. According to the theory, democratic leaders who face greater electoral challenges, either due to political scandals or an economic downturn, are more likely to choose provocative foreign policies and seek to lead the country into diplomatic crises, in hopes of inciting nationalistic sentiments that will boost their approval ratings via the so-called “rally around the flag” effect (e.g. Gaines 2002; Hetherington and Nelson 2003; Mueller 1973).

Despite the intuitive appeal of this theory, empirical studies have been largely unable to find consistent evidence to corroborate the purported theoretical mechanisms. Findings from observational studies have been quite mixed. The fact that a diverse set of findings have been reported from observational studies suggests that unobservable confounders arising from strategic interactions greatly hinder our ability to tease out the causal effect of electoral hardship on conflict behaviors.

In this research note, we claim that the key assumption of the theory does not work as expected. That is, a political leader cannot divert attention from his/her political scandals by emphasizing a foreign threat and alerting the general public that the country may go to war against an enemy. Although the assumptions that the threat or use of force is salient and that an acute enemy threat would create a rally-around-the-flag effect are common, they have rarely been tested at a micro-level in an experimental setting. Our team conducted a cross-national experiment to find out whether and how political leaders could divert the public’s attention away from their political scandals.

#### Domestic unrest won’t spark war – it just doesn’t make sense

Walt, Harvard international relations professor, 20

[Stephen M., 5-13-20, Robert and Renée Belfer professor of international relations at Harvard University, “Will a Global Depression Trigger Another World War?”, FOREIGN POLICY, <https://foreignpolicy.com/2020/05/13/coronavirus-pandemic-depression-economy-world-war/>, accessed 7-15-22]

For these reasons, the pandemic itself may be conducive to peace. But what about the relationship between broader economic conditions and the likelihood of war? Might a few leaders still convince themselves that provoking a crisis and going to war could still advance either long-term national interests or their own political fortunes? Are the other paths by which a deep and sustained economic downturn might make serious global conflict more likely?

One familiar argument is the so-called diversionary (or “scapegoat”) theory of war. It suggests that leaders who are worried about their popularity at home will try to divert attention from their failures by provoking a crisis with a foreign power and maybe even using force against it. Drawing on this logic, some Americans now worry that President Donald Trump will decide to attack a country like Iran or Venezuela in the run-up to the presidential election and especially if he thinks he’s likely to lose.

This outcome strikes me as unlikely, even if one ignores the logical and empirical flaws in the theory itself. War is always a gamble, and should things go badly—even a little bit—it would hammer the last nail in the coffin of Trump’s declining fortunes. Moreover, none of the countries Trump might consider going after pose an imminent threat to U.S. security, and even his staunchest supporters may wonder why he is wasting time and money going after Iran or Venezuela at a moment when thousands of Americans are dying preventable deaths at home. Even a successful military action won’t put Americans back to work, create the sort of testing-and-tracing regime that competent governments around the world have been able to implement already, or hasten the development of a vaccine. The same logic is likely to guide the decisions of other world leaders too.

Another familiar folk theory is “military Keynesianism.” War generates a lot of economic demand, and it can sometimes lift depressed economies out of the doldrums and back toward prosperity and full employment. The obvious case in point here is World War II, which did help the U.S economy finally escape the quicksand of the Great Depression. Those who are convinced that great powers go to war primarily to keep Big Business (or the arms industry) happy are naturally drawn to this sort of argument, and they might worry that governments looking at bleak economic forecasts will try to restart their economies through some sort of military adventure.

I doubt it. It takes a really big war to generate a significant stimulus, and it is hard to imagine any country launching a large-scale war—with all its attendant risks—at a moment when debt levels are already soaring. More importantly, there are lots of easier and more direct ways to stimulate the economy—infrastructure spending, unemployment insurance, even “helicopter payments”—and launching a war has to be one of the least efficient methods available. The threat of war usually spooks investors too, which any politician with their eye on the stock market would be loath to do.

#### Economic collapse doesn’t cause war

Drezner, Tufts International Law professor, 14

[Daniel, January, professor of International Law at Tufts, The System Worked: Global Economic Governance during the Great Recession, World Politics, Volume 66. Number 1, JSTOR, accessed 7-15-22]

The final significant outcome addresses a dog that hasn't barked: the effect of the Great Recession on cross-border conflict and violence. During the initial stages of the crisis, multiple analysts asserted that the financial crisis would lead states to increase their use of force as a tool for staying in power.42 They voiced genuine concern that the global economic downturn would lead to an increase in conflict—whether through greater internal repression, diversionary wars, arms races, or a ratcheting up of great power conflict. Violence in the Middle East, border disputes in the South China Sea, and even the disruptions of the Occupy movement fueled impressions of a surge in global public disorder.

**The** aggregate data suggest otherwise, however. The Institute for Economics and Peace has concluded that "the average level of peacefulness in 2012 is approximately the same as it was in 2007."43 Interstate violence in particular has declined since the start of the financial crisis, as have military expenditures in most sampled countries. Other studies confirm that the Great Recession has not triggered any increase in violent conflict, as Lotta Themner and Peter Wallensteen conclude: "[T]he pattern is one of relative stability when we consider the trend for the past five years."44 The secular decline in violence that started with the end of the Cold War has not been reversed. Rogers Brubaker observes that "the crisis has not to date generated the surge in protectionist nationalism or ethnic exclusion that might have been expected."45

### Economic Decline Now & Inevitable

#### Global growth will be weak and dropping for years due to the Ukraine war and COVID

World Bank Press Release, 6-7-22

[ June 7, 2022, “Stagflation Risk Rises Amid Sharp Slowdown in Growth,” PRESS RELEASE NO: 2022/068/EFI, <https://www.worldbank.org/en/news/press-release/2022/06/07/stagflation-risk-rises-amid-sharp-slowdown-in-growth-energy-markets>, accessed 7-15-22]

Compounding the damage from the COVID-19 pandemic, the Russian invasion of Ukraine has magnified the slowdown in the global economy, which is entering what could become a protracted period of feeble growth and elevated inflation, according to the World Bank’s latest Global Economic Prospects report. This raises the risk of stagflation, with potentially harmful consequences for middle- and low-income economies alike.

Global growth is expected to slump from 5.7 percent in 2021 to 2.9 percent in 2022— significantly lower than 4.1 percent that was anticipated in January. It is expected to hover around that pace over 2023-24, as the war in Ukraine disrupts activity, investment, and trade in the near term, pent-up demand fades, and fiscal and monetary policy accommodation is withdrawn. As a result of the damage from the pandemic and the war, the level of per capita income in developing economies this year will be nearly 5 percent below its pre-pandemic trend.

“The war in Ukraine, lockdowns in China, supply-chain disruptions, and the risk of stagflation are hammering growth. For many countries, recession will be hard to avoid,” said World Bank President David Malpass. “Markets look forward, so it is urgent to encourage production and avoid trade restrictions. Changes in fiscal, monetary, climate and debt policy are needed to counter capital misallocation and inequality.”

#### Global growth has cracks in the foundation which make prolonged downturn unavoidable – also wrecks international coop

El-Erian, Allianz chief economic adviser at Allianz, 5-16-22

[Mohamed, He served as chair of Barack Obama’s Global Development Council and is a former deputy director at the IMF, 5-16-22, THE GUARDIAN, “Beware a global economy with little fires everywhere,” <https://www.theguardian.com/business/2022/may/16/beware-a-global-economy-with-little-fires-everywhere>, accessed 7-15-22]

Big shocks to the global economy, such as Russia’s invasion of Ukraine, understandably capture the most attention. But a new worldwide pattern of “little fires everywhere” may be equally consequential for longer-term economic wellbeing. Over time, these small fires can coalesce into one that is just as threatening as the initial large fire that acted as the catalyst.

In addition to causing widespread death and destruction, and displacing millions of people, the Ukraine war continues to stoke strong stagflationary winds throughout the global economy. The resulting damage – whether in the form of higher food and energy prices or new supply-chain disruptions – cannot be easily or rapidly countered by domestic policy adjustments.

For most countries, the war’s immediate economic consequences include higher inflation (which erodes purchasing power), lower growth, increased inequality, and greater financial instability. The multilateral system, meanwhile, now faces greater obstacles to the type of cross-border policy coordination needed to deal with pressing global problems such as climate change, pandemics, and life-threatening migration.

The challenges are particularly acute for fragile commodity importers in the developing world, especially when compared with the problems facing advanced economies. It is the difference between legitimate worries about the cost-of-living crisis in the UK, for example, and fear of famine in some African countries. The United States’ higher trade and budget deficits appear considerably less problematic than potential defaults by heavily indebted low-income countries. And while the recent decline in the yen’s value may be attention-grabbing in a Japanese context, a disorderly collapse of poorer countries’ exchange rates could fuel widespread financial instability.

As Michael Spence, the Nobel laureate economist and an expert on growth and development dynamics, pointed out to me recently, the probability of simultaneous growth, energy, food, and debt crises is worryingly high for too many developing countries. If that nightmare scenario materialises, the effects will be felt far beyond individual developing countries – and will extend well beyond economics and finance.

It is therefore in advanced economies’ interest to help poorer countries reduce the mounting risk of little economic fires everywhere. Fortunately, there is a rich historical record, especially from the 1970s and 1980s, to draw on in this regard. Effective action today will require policymakers to refine proven solutions and support their sustained implementation with strong leadership, coordination, and perseverance.

For starters, a preemptive multilateral debt-restructuring and relief initiative is needed to provide essential space for overly indebted countries and overstretched creditors to achieve orderly outcomes on a case-by-case basis. A multilaterally-coordinated approach is also crucial in order to reduce the disruptive – and sometimes paralysing – risk of free riders, and to ensure fair burden-sharing among official creditors, as well as with private lenders.

Reinvigorating emergency commodity buffers and financing facilities is critical in order to reduce the risk of food riots and famines. Such measures can also play a useful role in countering some countries’ understandable but shortsighted inclination to ban agricultural exports and/or engage in inefficient self-insurance through excessive stockpiling.

Finally, rich-country governments will need to provide more official development assistance to support individual countries’ reform efforts. This aid should be extended under highly concessional terms through long-maturity, low-interest loans or outright grants.

Absent more rapid progress in these areas, the little-fires-everywhere phenomenon will damage global economic wellbeing by further weakening growth, increasing the risk of a recession, and fuelling additional financial instability. This would add to current migration challenges, impede efforts to tackle the climate crisis, and delay the worldwide vaccination drive that is key to living more safely with Covid-19. Moreover, all these problems would promote geopolitical instability at a time when the global system is already subject to growing fragmentation pressures.

#### Social unrest is already tanking economies worldwide

Barrett, IMF Research Department economist, 22

[Philip, 5-20-22, IMF Blog, “Social Unrest is Rising, Adding to Risks for Global Economy,” <https://blogs.imf.org/2022/05/20/social-unrest-is-rising-adding-to-risks-for-global-economy/>, accessed 7-15-22, AFB]

In coming months, two important factors could lead to an increased risk of future unrest. First, as governments relax restrictions and public concerns about catching COVID in crowds diminish, pandemic-related disincentives for protest might abate. And second, public frustration with rising food and fuel prices may increase. Although the economic causes of civil disorder are complex, and unrest is exceptionally hard to predict, steep price increases for food and fuel have been associated with more frequent protests in the past.

Any rise in social unrest could pose a risk to the global economy’s recovery, as it can have a lasting impact on economic performance. In a paper last year, IMF staff showed that unrest can have a negative economic impact as consumers become spooked by uncertainty and output is lost in manufacturing and services. As a result, 18 months after the most serious unrest events, gross domestic product is typically about 1 percentage point lower than it would have been otherwise.

Although social unrest remains low relative to pre-pandemic levels for now, the lifting of pandemic-era restrictions and the continued cost-of-living squeeze mean that protests may yet increase. This could impose significant economic costs.