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#### Immigration reform package moving smoothly through congress now – Obama pressure and engagement is key to maintain momentum and prevent the GOP from smothering the bill

 I-Hsien Sherwood (writer for the Latino Post) March 21, 2013 “Immigration Reform 2013 News: Delays Could Hinder Reform Bill, So Speed is Necessary” http://www.latinospost.com/articles/14995/20130321/immigration-reform-2013-news-delays-hinder-bill-speed-necessary.htm

Lately, proponents of immigration reform have been optimistic about the progress of bipartisan bills in both the Senate and House of Representatives. But many pitfalls still remain, and the sooner an immigration reform bill emerges from Congress, the greater its chances of eventually passing.¶ In general, the longer a piece of legislation remains before Congress, with its partisan bickering, disparate constituencies and army of lobbyists each pursuing targeted ends, the more easily it is torn apart, poked through with exceptions and slandered in the press. A bill unsheltered is a bill likely doomed.¶ So while some conservatives opposed to immigration reform are raising policy objections, other are attempting a procedural flank.¶ Six Republican senators, led by Jeff Sessions of Alabama, sent a letter to Senate Judiciary Committee Chairman Patrick Leahy (D-Vt.) demanding that the process move more slowly and senators be given several months to review the bill.¶ In addition, the GOP is still reeling from its resounding loss in last year's presidential election, when 71 percent of Latinos voted to reelect their opponent, President Obama. That sent the Republicans into a bout of soul searching, prompting the latest openness to reform.¶ But that willingness may be short-lived, especially as the lessons of November fade and Congress gears up for primary battles from the conservative right and the Tea Party.¶ The window for reform is short, and the stakes are high, so the potential for heated arguments and tense standoffs increases, further endangering any kind of compromise bill.¶ For now, the Senate's "Gang of Eight" seems to be moving quickly and relatively smoothly toward a proposal, despite delays. They admit they'll miss their first self-imposed deadline at the end of the month, but the White House, which has been keeping the pressure on, says it is still confident they will present a worthwhile bill.¶ "The good news is that the Gang of Eight seems to be making progress. We are engaged with them. We are encouraged by their progress," Cecilia Muñoz, head of the White House Domestic Policy Council, which is spearheading the immigration initiative, said.¶ Whether Congress can maintain momentum on the issue remains to be seen.

#### Coal’s unpopular

AP (Associated Press) September 2012 [“House moves to quash Obama coal, gas rules,” Kxan, http://www.kxan.com/dpp/news/national/House-moves-to-halt-Obama-coal-gas-rules\_56118543]

Rep. Bill Johnson, who authored the act, challenged Obama to follow through on his State of the Union vow to support an all-of-the-above approach to American energy. Coal makes for dicey politics for Democrats in energy-producing West Virginia, Pennsylvania, Montana and other states. The 2010 defeat of former Virginia Rep. Rick Boucher, a 14-term lawmaker from a coal-heavy district, was largely attributed to a vote supporting cap-and-trade. Energy issues have flared in several competitive House and Senate races this year, with Democrats seeking distance from Obama and their party. In West Virginia, Democratic Sen. Joe Manchin, facing re-election in November, has embraced the GOP's "war on coal" language and echoed their attacks on the EPA. Both candidates in North Dakota's tossup Senate race have criticized Obama for hampering energy production.¶ Democrats voting with Republicans Friday to support the package included Reps. Nick Rahall of West Virginia, Mark Critz of Pennsylvania and Ben Chandler of Kentucky.¶ The White House, warning that the bills wouldn't survive Obama's veto pen, said the legislation rolls back public health safeguards and measures that will save Americans money — and not only on their gas bills. Obama officials pegged the annual savings from the health benefits of the rules at up to $90 billion.¶ Debate over the measures exposed a growing rift between those in Congress who champion cheap energy regardless of the source and those whose constituencies demand they stand up for coal. Massachusetts Rep. Edward Markey, the top Democrat on the House Natural Resources Committee, said Republicans were breaching their own principles by favoring coal over natural gas, the price of which has plummeted in recent years.

#### **Top priority—PC stewardship key**

Shifter 12/27 Michael is the President of Inter-American Dialogue. “Will Obama Kick the Can Down the Road?” 2012, http://www.thedialogue.org/page.cfm?pageID=32&pubID=3186

Not surprisingly, Obama has been explicit that reforming the US’s shameful and broken immigration system will be a top priority in his second term. There is every indication that he intends to use some of his precious political capital – especially in the first year – to push for serious change. The biggest lesson of the last election was that the “Latino vote” was decisive. No one doubts that it will be even more so in future elections. During the campaign, many Republicans -- inexplicably -- frightened immigrants with offensive rhetoric. But the day after the election, there was talk, in both parties, of comprehensive immigration reform. ¶ Despite the sudden optimism about immigration reform, there is, of course, no guarantee that it will happen. It will require a lot of negotiation and deal-making. Obama will have to invest a lot of his time and political capital -- twisting some arms, even in his own party. Resistance will not disappear.

#### **Obama’s reform is key to all aspect of heg---[competitiveness, hard and soft power]**

Nye 12 Joseph S. Nye, a former US assistant secretary of defense and chairman of the US National Intelligence Council, is University Professor at Harvard University. “Immigration and American Power,” December 10, Project Syndicate, http://www.project-syndicate.org/commentary/obama-needs-immigration-reform-to-maintain-america-s-strength-by-joseph-s—nye

CAMBRIDGE – The United States is a nation of immigrants. Except for a small number of Native Americans, everyone is originally from somewhere else, and even recent immigrants can rise to top economic and political roles. President Franklin Roosevelt once famously addressed the Daughters of the American Revolution – a group that prided itself on the early arrival of its ancestors – as “fellow immigrants.”¶ In recent years, however, US politics has had a strong anti-immigration slant, and the issue played an important role in the Republican Party’s presidential nomination battle in 2012. But Barack Obama’s re-election demonstrated the electoral power of Latino voters, who rejected Republican presidential candidate Mitt Romney by a 3-1 majority, as did Asian-Americans.¶ As a result, several prominent Republican politicians are now urging their party to reconsider its anti-immigration policies, and plans for immigration reform will be on the agenda at the beginning of Obama’s second term. Successful reform will be an important step in preventing the decline of American power.¶ Fears about the impact of immigration on national values and on a coherent sense of American identity are not new. The nineteenth-century “Know Nothing” movement was built on opposition to immigrants, particularly the Irish. Chinese were singled out for exclusion from 1882 onward, and, with the more restrictive Immigration Act of 1924, immigration in general slowed for the next four decades.¶ During the twentieth century, the US recorded its highest percentage of foreign-born residents, 14.7%, in 1910. A century later, according to the 2010 census, 13% of the American population is foreign born. But, despite being a nation of immigrants, more Americans are skeptical about immigration than are sympathetic to it. Various opinion polls show either a plurality or a majority favoring less immigration. The recession exacerbated such views: in 2009, one-half of the US public favored allowing fewer immigrants, up from 39% in 2008.¶ Both the number of immigrants and their origin have caused concerns about immigration’s effects on American culture. Demographers portray a country in 2050 in which non-Hispanic whites will be only a slim majority. Hispanics will comprise 25% of the population, with African- and Asian-Americans making up 14% and 8%, respectively.¶ But mass communications and market forces produce powerful incentives to master the English language and accept a degree of assimilation. Modern media help new immigrants to learn more about their new country beforehand than immigrants did a century ago. Indeed, most of the evidence suggests that the latest immigrants are assimilating at least as quickly as their predecessors.¶ While too rapid a rate of immigration can cause social problems, over the long term, immigration strengthens US power. It is estimated that at least 83 countries and territories currently have fertility rates that are below the level needed to keep their population constant. Whereas most developed countries will experience a shortage of people as the century progresses, America is one of the few that may avoid demographic decline and maintain its share of world population.¶ For example, to maintain its current population size, Japan would have to accept 350,000 newcomers annually for the next 50 years, which is difficult for a culture that has historically been hostile to immigration. In contrast, the Census Bureau projects that the US population will grow by 49% over the next four decades.¶ Today, the US is the world’s third most populous country; 50 years from now it is still likely to be third (after only China and India). This is highly relevant to economic power: whereas nearly all other developed countries will face a growing burden of providing for the older generation, immigration could help to attenuate the policy problem for the US.¶ In addition, though studies suggest that the short-term economic benefits of immigration are relatively small, and that unskilled workers may suffer from competition**,** skilled immigrants can be important to particular sectors – and to long-term growth. There is a strong correlation between the number of visas for skilled applicants and patents filed in the US. At the beginning of this century, Chinese- and Indian-born engineers were running one-quarter of Silicon Valley’s technology businesses, which accounted for $17.8 billion in sales; and, in 2005, immigrants had helped to start one-quarter of all US technology start-ups during the previous decade. Immigrants or children of immigrants founded roughly 40% of the 2010 Fortune 500 companies.¶ Equally important are immigration’s benefits for America’s soft power. The fact that people want to come to the US enhances its appeal, and immigrants’ upward mobility is attractive to people in other countries. The US is a magnet, and many people can envisage themselves as Americans, in part because so many successful Americans look like them. Moreover, connections between immigrants and their families and friends back home help to convey accurate and positive information about the US.¶ Likewise, because the presence of many cultures creates avenues of connection with other countries, it helps to broaden Americans’ attitudes and views of the world in an era of globalization. Rather than diluting hard and soft power, immigration enhances both.¶ Singapore’s former leader, Lee Kwan Yew, an astute observer of both the US and China, argues that China will not surpass the US as the leading power of the twenty-first century, precisely because the US attracts the best and brightestfrom the rest of the world and melds them into a diverse culture of creativity. China has a larger population to recruit from domestically, but, in Lee’s view, its Sino-centric culture will make it less creative than the US.¶ That is a view that Americans should take to heart. If Obama succeeds in enacting immigration reform in his second term, he will have gone a long way toward fulfilling his promise to maintain the strength of the US.

#### Global war

**Zhang and Shi, 2011** – \*Yuhan Zhang is a researcher at the Carnegie Endowment for International Peace, Washington, D.C.; Lin Shi is from Columbia University. She also serves as an independent consultant for the Eurasia Group and a consultant for the World Bank in Washington, D.C. (America’s decline: A harbinger of conflict and rivalry, http://www.eastasiaforum.org/2011/01/22/americas-decline-a-harbinger-of-conflict-and-rivalry/)

This does not necessarily mean that the US is in systemic decline, but it encompasses a trend that appears to be negative and perhaps alarming. Although the US still possesses incomparable military prowess and its economy remains the world’s largest, the once seemingly indomitable chasm that separated America from anyone else is narrowing. Thus, the global distribution of power is shifting, and the inevitable result will be a world that is less peaceful, liberal and prosperous, burdened by a dearth of effective conflict regulation. Over the past two decades, no other state has had the ability to seriously challenge the US military. Under these circumstances, motivated by both opportunity and fear, many actors have bandwagoned with US hegemony and accepted a subordinate role. Canada, most of Western Europe, India, Japan, South Korea, Australia, Singapore and the Philippines have all joined the US, creating a status quo that has tended to mute great power conflicts. However, as the hegemony that drew these powers together withers, so will the pulling power behind the US alliance. The result will be an international order where power is more diffuse, American interests and influence can be more readily challenged, and conflicts or wars may be harder to avoid. As history attests, power decline and redistribution result in military confrontation. For example, in the late 19th century America’s emergence as a regional power saw it launch its first overseas war of conquest towards Spain. By the turn of the 20th century, accompanying the increase in US power and waning of British power, the American Navy had begun to challenge the notion that Britain ‘rules the waves.’ Such a notion would eventually see the US attain the status of sole guardians of the Western Hemisphere’s security to become the order-creating Leviathan shaping the international system with democracy and rule of law. Defining this US-centred system are three key characteristics: enforcement of property rights, constraints on the actions of powerful individuals and groups and some degree of equal opportunities for broad segments of society. As a result of such political stability, free markets, liberal trade and flexible financial mechanisms have appeared. And, with this, many countries have sought opportunities to enter this system, proliferating stable and cooperative relations. However, what will happen to these advances as America’s influence declines? Given that America’s authority, although sullied at times, has benefited people across much of Latin America, Central and Eastern Europe, the Balkans, as well as parts of Africa and, quite extensively, Asia, the answer to this question could affect global society in a profoundly detrimental way. Public imagination and academia have anticipated that a post-hegemonic world would return to the problems of the 1930s: regional blocs, trade conflicts and strategic rivalry. Furthermore, multilateral institutions such as the IMF, the World Bank or the WTO might give way to regional organisations. For example, Europe and East Asia would each step forward to fill the vacuum left by Washington’s withering leadership to pursue their own visions of regional political and economic orders. Free markets would become more politicised — and, well, less free — and major powers would compete for supremacy. Additionally, such power plays have historically possessed a zero-sum element. In the late 1960s and 1970s, US economic power declined relative to the rise of the Japanese and Western European economies, with the US dollar also becoming less attractive. And, as American power eroded, so did international regimes (such as the Bretton Woods System in 1973). A world without American hegemony is one where great power wars re-emerge, the liberal international system is supplanted by an authoritarian one, and trade protectionism devolves into restrictive, anti-globalisation barriers. This, at least, is one possibility we can forecast in a future that will inevitably be devoid of unrivalled US primacy.

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#### The aff decreases regulations but not restrictions—restrictions are direct prohibitions on production

Sinha 6

Supreme Court of India Union Of India & Ors vs M/S. Asian Food Industries on 7 November, 2006 Author: S.B. Sinha Bench: S Sinha, Mark, E Katju CASE NO.: Writ Petition (civil) 4695 of 2006 PETITIONER: Union of India & Ors. RESPONDENT: M/s. Asian Food Industries DATE OF JUDGMENT: 07/11/2006 BENCH: S.B. Sinha & Markandey Katju JUDGMENT: J U D G M E N T [Arising out of S.L.P. (Civil) No. 17008 of 2006] WITH CIVIL APPEAL NO. 4696 OF 2006 [Arising out of S.L.P. (Civil) No. 17558 of 2006] S.B. SINHA, J :

http://www.indiankanoon.org/doc/437310/

We may, however, notice that this Court in State of U.P. and Others v. M/s. Hindustan Aluminium Corpn. and others [AIR 1979 SC 1459] stated the law thus:

"It appears that a distinction between **regulation and restriction** or prohibition has always been drawn, ever since Municipal Corporation of the City of Toronto v. Virgo. Regulation promotes the freedom or the facility which is required to be regulated in the interest of all concerned, whereas prohibition obstructs or shuts off, or denies it to those to whom it is applied. The Oxford English Dictionary does not define regulate to include prohibition so that if it had been the intention to prohibit the supply, distribution, consumption or use **of energy,** the legislature would not have contented itself with the use of the word regulating without using the word prohibiting or some such word, to bring out that effect."

#### Regulations concern how you control an activity—outright prohibitions are distinct

Randy Barnett (writer for the Free Republic) June 2005 “The power to regulate v. the power to prohibit” http://www.freerepublic.com/focus/f-news/1419654/posts

The power to regulate does not generally include the power to prohibit.

Samuel Johnson defines "to regulate" as "To adjust by rule or method. . . . To direct." In other words, the term "to regulate" means "to make regular."¶ The power to regulate is, in essence, the power to say, "if you want to do something, here is how you must do it." For example, the making of contracts and wills are "regulated" by the law of contracts and estates. To make an enforceable agreement for a sale of goods over five hundred dollars requires that the agreement be in writing. To make a will requires a specified number of witnesses to one's signature. These requirements regulate--or "make regular"--the making of contracts and wills by subjecting them to a rule or method.¶ The power to regulate the making of contracts or wills is not the power to prohibit such activity, even though contracts or wills that do not conform to the regulation are necessarily unenforceable. A pure regulation of commerce, then, is a set of rules that tells people, "If you want to trade or exchange with others, here is how you must go about it."¶ In contrast, Johnson defines "to prohibit" as "1. To forbid; to interdict by authority. . . . 2. To debar; to hinder."¶ Forbidding, interdicting, and hindering are not the same thing as regulating, or "making regular," or adjusting by rule or method. It does not tell you how to do something, but instead tells you that you may not do it at all.¶ And in Johnson's dictionary, neither "to regulate" nor "to prohibit" is defined in terms of the other; each seems quite distinct. Indeed, both terms appear in the Constitution and the context in which they are used suggests that their meanings sharply differ. Apart from the Commerce Clause, the terms "regulate" or "regulation" appear seven other times in the body of the Constitution and three times in the amendments proposed by Congress to the states, though only once in the Bill of Rights as ratified. The term "prohibit" is used once in the body of the Constitution and twice in the Bill of Rights. Article I, Section 4 gives Congress the power to "alter such Regulations" on the time, place, and manner of elections prescribed by state legislatures. Clearly, the power to regulate or facilitate elections is not the power to prohibit them. Article I, Section 8 gives Congress the power "to . . . regulate the Value" of money, not to prohibit the use of money or to "regulate" its value to zero.¶ In two places the Constitution makes an explicit distinction between prohibition and regulation. Article III, Section 2 gives the Supreme Court appellate jurisdiction, both as to law and fact, "with such Exceptions, and under such Regulations as the Congress shall make." By distinguishing "exceptions" from "regulations," the Constitution distinguished Congress's power to regulate or subject to rule the Court's appellate jurisdiction and its power to prohibit the Court from exercising its jurisdiction by making "exceptions" thereto.¶ If the power to make regulations included the power to prohibit that which is regulated, there would have been no need to give explicit power to Congress to make "exceptions" to appellate jurisdiction. That the Constitution does not adopt the broader meaning of regulation as "to govern" is also reflected in Article I, Section 8, which gives Congress the power "to make Rules for the Government and Regulation of the land and naval Forces."Here, the term "government" is coupled with "regulation" in a manner that makes clear that Congress has complete power to command or govern the army and navy, not merely the power to regulate them.¶ Less clear, but still consistent with the distinction between "To regulate" and "to govern," is Congress's power in Article IV, Section 3 "to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States." Congress clearly has the power to govern the territories, and the term "rules and regulations" suggests strongly that its powers are broader than merely regulatory, though it includes the power to make "regulations" as well as other needful "rules."¶ That the Constitution uses the term "to regulate" in this sense is made plain by the Second Amendment, the first portion of which reads, "A well-regulated Militia, being necessary to the security of a free State."¶ A "well-regulated" militia is not a prohibited militia but one that is well drilled. Even those who read the Second Amendment as a "collective" rather than an individual right on the basis of this preface concede--indeed their theory requires them to insist--that the power to regulate the militia that the Constitution elsewhere confers upon Congress does not include the power to forbid or prohibit the militia. By their interpretation, the sole purpose of the Second Amendment was to protect the continued existence of the state militias.¶ By the same token, the power of Congress to "well-regulate" commerce among the states does not include the power to forbid or prohibit commerce. James Madison described a direct parallel between the regulation of the militia and the regulation of commerce when he asked: How can the trade between the different States be duly regulated without some knowledge of their relative situations in these and other points? . . . How can uniform regulations for the militia be duly provided without a similar knowledge of some internal circumstances by which the States are distinguished from each other? These are the principal objects of federal legislation and suggest most forcibly the extensive information which the representatives ought to acquire.¶ How do the debates in the state ratification debates bear out this distinction between the power "to regulate" and the power "to prohibit"?¶ The term "regulate" appears fifty-five times in all the records we have of the deliberations in the states. In every case where the context makes the meaning clear, the term connotes "subject to a rule" or "make regular" in the sense that "if you want to do something, here is how you should do it." As with the word "commerce," the term "regulate" is used with stunning uniformity--so much so that it would be tedious to reproduce the quotes here. And it is unnecessary because the term appears overwhelmingly in the context of regulatory powers that, as we observed in the intratextual discussion above, could not plausibly have included the power to prohibit such activities. These are references to the powers to regulate elections, jury trials, courts, militias, taxes, treaties, and the deliberations of the Senate In the rest, the term "regulate" is used in its ordinary sense, in some context other than the Constitution of the new government.

#### Restrictive effects don’t meet—technical distinctions matter

Annamaria Viterbo 12 , Assistant Professor in International Law at the University of Torino, PhD in International Economic Law from Bocconi University and Jean Monnet Fellow at the European University Institute, 2012, International Economic Law and Monetary Measures: Limitations to States' Sovereignty and Dispute, p. 166

In order to distinguish an exchange restriction from a trade measure, the Fund chose not to give relevance to the purposes or the effects of the measure and to adopt, instead, atechnical criterion that focuses on the method followed to design said measure.

An interpretation that considered the economic effects and purposes of the measures (taking into account the fact that the measure was introduced for balance of payments reasons or to preserve foreign currency reserves) would have inevitably extended the Fund's jurisdiction to trade restrictions, blurring the boundaries between the IMF and the GATT. The result of such a choice would have been that a quantitative restriction on imports imposed for balance of payments reasons would have fallen within the competence of the Fund.

After lengthy discussions, in 1960 the IMF Executive Board adopted Decision No. 1034-(60/27).46 This Decision clarified that the distinctive feature of a restriction on payments and transfers for current international transactions is "whether it involves a direct governmental limitation on the availability or use of exchange as such\*.47 This is a limitation imposed directly on the use of currency in itself, for all purposes.

#### Voter for limits—expansive readings confound research predictability and undermine our ability to engage in meaningful energy debates

#### And, neg ground—questionable restrictions affs are terminally skewed because no counterplans and few DAs apply—that’s the core of our prep.

### K

**The 1AC inscription of value to the PHYSICAL LOCATION of capital is a nationalist fantasy of control -- geography has become obsolete – the 1AC demand on behalf of capital for more favorable transportation is classic corporate blackmail – change your policy for us or we’ll move! – sustains a slippery slope that reduces the social world to the lowest common denominator of misery**

**Dyer-Witheford ‘1** Nick, Associate Professor in the Faculty of Information and Media Studies at the University of Western Ontario, “The New Combinations: Revolt of the Global Value-Subjects” The New Centennial Review, Volume 1, Number 3, Winter

2001, pp. 155-200 (Article) [muse]

**In the postwar era, the famous tripartite division of First, Second, and Third World described the provisional success of this international order in segregating value subjects into zones of differential control.** This international order was, however, shaken by national liberation movements in the Third World, industrial unrest, student revolts, and other new social movements in the First. By the early 1970s, it was clear that, from capital’s point of view, the “triplanetary” division of the world wasn’t working. **The process that is today known as “globalization” represents capital’s response to this crisis.**34 To destroy the multiplying threats, it broke from its old entrenchments, overran the previous divisions of its world system, and, empowered by its new digital technologies, opened up the whole planet as a field for maneuver. **Corporate flight from the demands of the mass worker led to the partial Third-Worlding of the First World—deindustrializing manufacturing centers, canceling the Keynesian deal, lowering wages, and intensifying work. The other side of this coin was the selective First-Worlding of the Third World, modernizing the threat of revolutionary insurgency out of existence by harnessing the turbulent energies of immiserated labor to the creation of various growth sites**—Export Processing Zones (EPZs) and Newly Industrializing Countries (NICs)—that seemed to confound theories of perpetual dependency. At the same time the one alternative to capitalist development and underdevelopment—the Second World of state socialism—was blown apart when the pressures of arms race competition and information-age restructuring ignited the contradictions of authoritarian communism. The **Three Worlds imploded. The result is the creation of a world-space of accumulation, increasingly smooth and planar in terms of capital’s liberty of movement, intensely striated and segmented in terms of the conditions enjoyed or suffered by capital’s value subjects.35** **Globalization does not overcome the dyadic division of high-value/low-value subjects. Rather it replicates it on an expanded geographical basis and through a wider range of scales, reproducing it “fractally” at local, regional, and transnational levels.**36 The line between highand low-value subjects is no longer drawn between North and South, but includes the “First World in the Third and the Third World in the First.” This replication of dyadic structures at successively smaller territorial scales does not dissolve the original North/South divide, which is reinstituted at a “higher” level—not so much as a division between industrial centers and natural resource hinterlands, but in an informational/industrial hierarchy. The multiplication of self-similar structures occurs within the original colonial and neocolonial matrix, in ways that may blur its outlines but do not disintegrate them, generating asymmetries within asymmetries in increasingly dense and interlocked patterns. **Polarities of “development” and “underdevelopment” still exist, are indeed massively intensified, and continue to fall preponderantly on either side of a North/South axis. But at the same time these poles designate possibilities of ascendant affluence or abysmal misery that can be visited on any point in the planet according to the movement of corporate investment.** In the rhetoric of global capital, these polarities are represented as an expansion and universalization of the prosperity of core metropolitan capital: if, as an interim phase, standards of life in the North fall, as low-value subjects in the South “catch up” through adjustments of the global market, this is only a transitory moment in a trajectory that will lead eventually to growth for all. The answer from the new combinations is that the truth of globalization is precisely the reverse**, a “race to the bottom” in which all are reduced by competitive pressures to the lowest common denominator of working, social, and environmental conditions.**37 Whatever gains in productivity may result from the international division of labor are offset by the way in which capital can set all its subjects in competition with each other and thereby seize for itself an ever-increasing proportion of this global wealth. The social surplus grows—but so, and to an ever-greater extent, does capital’s capacity to expropriate that surplus, in a net increase in the social rate of exploitation. **These consequent patterns are complex. There are subjects in the South for whom globalization represents an entrepreneurial opportunity, or a chance to seize the privileges once exclusive to labor in the industrial North. There are millions more for whom**, as Midnight Notes makes clear, **it represents a massive intensification of exclusion, exploitation, marginalization, and immiseration.** In North America and Europe, capital’s unwelcome devaluation of formerly high-value subjects through the exposure of the Keynesian-welfare deal to direct competition with low value zones is the major force catalyzing the new combinations.

**Energy policy driven by national priorities of capital accumulation are a smokescreen for corporate capital consolidation that results in cycles of profitable disaster**

**Liu '10** Cheng, Shanghai Normal University for an international conference this April on “Global Economic Recession vs. Deregulation” jointly organized by the Peking University Law School and the Shanghai Normal University Faculty of Law and Politics and supported by the ILO Beijing Office "Globalization, Neoliberalism and Climate Change" http://www.labor4sustainability.org/post/974/

As the global economy hurtles toward Great Recession II, the earth hurtles toward climate catastrophe. Both represent the results of a neoliberal deregulation that has left humanity no means to shape our economies to serve human needs — not even the need for economic and environmental survival.How global movements respond to these intertwined environmental and economic crises will be key to our common survival. The politics will surely be complicated. A case in point is an [**a recent article in the New York Times**](http://www.nytimes.com/2010/09/10/business/energy-environment/10steel.html?_r=1) about the [**United Steelworkers**](http://www.usw.org/) union’s WTO complaint against China for providing “illegal clean energy subsidies” to domestic solar, wind and other green industries. To promote international dialogue on these questions, we thought it might be useful to post a recent paper, entitled “Globalization, Neoliberalism and Climate Change”, which was prepared by at the invitation of Professor Liu Cheng of Shanghai Normal University for an international conference this April on “Global Economic Recession vs. Deregulation” jointly organized by the Peking University Law School and the Shanghai Normal University Faculty of Law and Politics and supported by the ILO Beijing Office. The paper stresses the interest of workers around the world in cooperating to create an alternative to neoliberalism based on making the transition to a green economy. **Globalization, Neoliberalism, and Climate Change: Toward a New Regulatory Regime** For thirty years, global and national economies have been guided by policies of neoliberal deregulation, often known as the “Washington Consensus.” **Neoliberalism has been disastrous for workers in most countries, pitting workers against each other in a race to the bottom and making it all but impossible to protect working class interests. There is now a growing consensus that the Washington Consensus has been a failure. There is also a growing global recognition that we are in the midst of an unprecedented climate crisis. Ready or not, that crisis is affecting every nation, every locality, and every worker. Its effects are already serious, and unless decisive global action is taken to counter it, they will soon be catastrophic. Neoliberal deregulation, by dismantling the means for public steering of society to meet social needs, has also made it nearly impossible to correct global climate crisis**. These twin realizations, the failure of neoliberalism and the climate crisis, will define the struggle for the interests of poor and working people for the next century. At the same time, the necessity to counter climate change may provide an opportunity to address the broader problems of neoliberal deregulation. This article argues that it is only by rolling back neoliberalism that we can protect the rights of workers globally and solve the crisis of climate change. In Part 1 we provide a short history of globalization. In Part 2 we discuss the climate crisis and its effects on workers. In Part 3 describes proposals for a “global green new deal” to create full employment through climate protection. Part 4 argues that a new global and national regulatory regime is necessary both to counter both climate change and the race to the bottom. Part 5 discussions the role of organized labor nationally and globally in bringing about such a transformation. **1. Globalization, neoliberalism, and deregulation** The systems of national and international regulation that emerged in the “Breton Woods era” after World War II provided one of the greatest periods of sustained economic growth in world history. But after a quarter-century of global change they were less and less adequate for regulating the new world that had emerged. Various strategies for updating them, such as the Third World’s proposals for a New International Economic Order, were widely discussed. But in the end, the strategy adopted was to abandon the effort to improve and update these regulatory regimes and instead to replace them with a reckless neoliberal strategy of abandoning rather than fixing regulation. This strategy was implemented in a variety of arenas: The International Monetary Fund had been created at the end of World War II as a means to regulate currencies to forestall competitive devaluation and allow nations to pursue full employment policies on the basis of Keynesian monetary and fiscal policies and/or pubic ownership and control of economic enterprise. The neoliberal transformation of the IMF turned it into the enforcer to impose austerity on poorer countries through structural adjustment. It retained the unsustainable role of the dollar as the world’s reserve currency while dismantling the regulatory regime that supported stable economic growth and provided a way to counteract crises. The post-World War II international economic system included the General Agreement on Tariffs and Trade (GATT) as a vehicle for negotiating trade agreements on a the basis of the Most Favored Nation principle. This allowed a steady movement toward freer trade while allowing nations to manage their trade policies in accord with national economic development needs. The neoliberal offensive gutted the GATT-based negotiated trade agreements and replaced them with the WTO, which imposed neoliberal policies that made it necessary for all countries to turn themselves into export platforms, rather developing production for an internal market focused on the needs of their own people. **At a national level, countries came out of the Great Depression with systems of financial regulation to ward against the speculative binges and banking failures that had contributed so much to the Depression. The neoliberal era saw unremitting and ultimately successful efforts to eliminate such regulation. The result has been the succession of speculative bubbles, explosion of financial assets with no relation to the real economy, and crashes, most notably but not solely the one in 2008 that initiated the Great Recession. The period after World War II saw significant moves toward equality between and within countries.** More than one hundred former colonies won their independence. Many of them saw significant economic growth. Trade and aid policies gave at least token support to development. Within countries, progressive taxation and social welfare led to greater equality even in countries with very different economic systems. The neoliberal era saw the competitive gutting of these social protections, ranging from the destruction of the employer-based pension and healthcare systems in the US to the elimination of the “iron rice bowl” in China, to the reduction of social welfare and public employment in poor countries by the structural adjustment programs of the IMF and World Bank. The 1930s and 1940s were marked by a great expansion of labor protections and labor organization in countries with very different economic systems. The neoliberal era saw the dismantling of such labor protections and a full-scale attack on the rights and power of organized labor. In the United States, less than eight percent of workers in the private sector are now represented by unions and workers right to join unions is systematically denied. The 1960s saw a rapidly expanding awareness of threats to the natural environment, the emergence of the modern environmental movement, and the development of governmental policies for environmental protection. With the rise of neoliberalism, these became defined as impediments to economic growth and competitive disadvantages for the countries and other jurisdictions that adopted them. This approach has led not only to escalating emission of greenhouse gasses but to a national and global failure to regulate the — manifested at the Copenhagen climate conference — even though the failure to do so threatens the well-being and even the survival of people and natons worldwide. **The long-term result of neoliberal deregulation has been a “race to the bottom” in which workforces, regions, and nations compete to provide the cheapest labor, least environmental and social protection, and largest subsidies to globally mobile capital. That has led to growing inequality within and between countries. These results are economically, socially, and environmentally unsustainable for any nation and for the world as a whole. These long-term trends have, not surprisingly, culminated in global crisis**. On the one hand, neoliberal deregulation has put the world into the deepest economic crisis since the Great Depression, with little indication that anything more than further crisis lies ahead. On the other hand, neoliberal deregulation has brought on an unprecedented global environmental crisis whose magnitude is so great that it dwarfs the problems that the human species has ever had to deal with previously. **2. Labor and climate change** The International Trade Union Confederation, which represents 175 million workers in 155 countries, [has noted](http://climate.ituc-csi.org/IMG/pdf/TradeUnions_ClimateChange_COP14.pdf) “the dangerous and irreversible consequences of climate change.” It points out that “The effects on the economy — including on employment — will be catastrophic if ambitious and effective measures are not taken to reduce GHG [greenhouse gas] emissions. Both climate change and the effort to combat it will directly affect workers and unions. Climate change, if not halted, will lead to massive economic disruption and job loss. Some climate protection measures will lead to job losses in particular sectors and this presents a challenge to the unions that represent those workers as well as to traditional notions of labor solidarity. At the same time, there are huge opportunities for job growth presented by many climate protection measures. The reality of climate change and its catastrophic consequences are today beyond debate. But organized labor in many countries is caught in an internal stalemate among those who fear job loss from efforts to deal with climate change, those who have not considered climate change an important union issue, and those who see the climate crisis as a call for immediate action and an opportunity for sustainable economic development. Labor will confront critical issues to which it must respond at the bargaining table and in the public policy arena. Labor must develop a coherent response that meets the specific needs of its members at the bargaining table and the general needs of its members as human beings confronting a potentially catastrophic threat. Labor must stake out a position if it is to remain a vital social and political force. Tackling the tension between the specific sectoral interests of unions and their more general class and social interest is an essential first step in that process. A serious “climate debate” is finally underway throughout the world. Labor is one of the few organized forces that can represent the interests of ordinary people in that debate. A constructive labor involvement is essential both for establishing the measures needed to counter climate change, and for ensuring a “just transition” in which workers and the poor are not forced to bear the burden while corporations and the wealthy further enrich themselves. The search for constructive involvement offers an important way for unions and worker friendly organizations from around the world to work together. **3. A Global Green New Deal** A series of conferences by world leaders, from the 2009 London conference for “Stability, Growth, and Jobs” to the 2010 Copenhagen conference on climate protection, have tried to address the global economic and climate crises through neoliberal market-based approaches. They have failed miserably. Each country has pursued the competitive advantage of national elites and privileged economic interests while abandoning the planet and its people to their fate. A solution to these crises requires that the world abandon neoliberalism and adopt a new strategy that puts the world’s human resources to work meeting the world’s desperate need for economic transformation that radically reduces carbon and other greenhouse gas emissions. Such a new regulatory regime has often been referred to as a “Global Green New Deal.” In the depths of the Great Depression, US President Franklin D. Roosevelt launched the New Deal — a set of government programs to provide employment and social security, reform tax policies and business practices, and stimulate the economy. It included the building of homes, hospitals, school, roads, dams, and electrical grids, as well as extensive programs to protect and restore vulnerable natural environments. The New Deal put millions of people to work and created a new policy framework for America democracy. A global equivalent has been endorsed by UN Secretary-General Ban Ki-moon. He maintains that the financial crisis requires massive global stimulus, and that a big part of that spending should be investing in a green future: “An investment that fights climate change, creates millions of green jobs and spurs green growth.” What the world needs, in short, is a “Green New Deal.” The United Nation Environment Program (UNEP) has formed a Green Economy Initiative, which advocates “mobilizing and re-focusing the global economy towards investments in clean technologies and natural infrastructure such as forests and soils.” According to UNEP Executive Director Achim Steiner, the financial, fuel, and food crises result in part from “speculation and a failure of governments to intelligently manage and focus markets.” **Enormous economic, social and environmental benefits are likely to arise from “combating climate change and re-investing in natural infrastructures — benefits ranging from new green jobs in clean tech and clean energy businesses up to ones in sustainable agriculture and conservation-based enterprises.” According to UNEP, the objectives of a “Global Green New Deal” should be to create jobs and restore the financial system and global economy to health; to put the post-crisis economy on a sustainable path that deals with ecological scarcity and climate instability; and to end extreme poverty**. It spells out investments and policy reforms to achieve these goals. **4. Toward a new regulatory regime** Such a new strategy is currently made impossible by the neoliberal “rules of the game.” **Under the neoliberal policy regime, all countries are forced to concentrate their resources on “competitiveness” in the global market, rather than on meeting social needs — including in particular the need to protect the climate. In such a regime, public employment and investment in climate protection are defined as costs that detract from competitiveness. Countries that pursue them are punished by international policy discrimination and capital flight.**

**Refuse the plan’s rescue operation for the corporate form in order to affirm the crisis of the status quo as a space for dissent against the monolithic valuation of capital over our everyday lives which threatens the planet with extinction. This affirmation allows us to re-write the antagonism between capital and the social in order to act in solidarity with emergent collectivism**

**Dyer-Witheford ‘1** Nick, Associate Professor in the Faculty of Information and Media Studies at the University of Western Ontario, “The New Combinations: Revolt of the Global Value-Subjects” The New Centennial Review, Volume 1, Number 3, Winter

2001, pp. 155-200 (Article) [muse]

Negri, Paolo Virno, Michael Hardt, and Maurizio Lazaratto and others suggest that in the consideration of “general intellect” it is not enough to focus on the accumulation of the “fixed capital” of advanced machines.40 The critical factor is rather the variable possibilities of the human subjectivity that continues—in indirect and mediated rather than direct, hands-on form—to be critical in this high-technology apparatus. This subjective element is variously termed “mass intellect,” “immaterial labour,” or, in Franco Berardi’s formulation, “the cognitariat.”41 These terms designate the **human “know-how**”—technical, cultural, linguistic, and ethical—that **supports the operation of the high-tech economy**, especially evident in the informational, communicational, and aesthetic aspects of contemporary high-tech commodity production. **The question thus becomes how far capital can contain** what Jean-Marie Vincent calls “**this plural, multiform constantly mutating intelligence” within the structures of the world market**.42 One crucial arena in which these issues focus is the Net—or, more generally, the digital information systems indispensable to globalized capital. As Vincent puts it, “general intellect” is in fact “a labour of networks and communicative discourse.” In effect, it is not possible to have a “general intellect” without a great variety of polymorphous communications, sequences of communication in the teams and collectivities work, communications to use in a creative fashion the knowledge already accumulated, communications to elaborate and record new knowledge.43 If we for a moment entertain—as Marx did—the conceit that the world market constitutes an enormous capitalist “metabolism,” then **capital’s communication network already constitutes a sort of primitive nervous system. If we had to identify a main site for this ganglion we would name first the digital networks of the international financial system.** **This system only responds to money signals: it does not receive and cannot process information about life destruction, biosphere hazard, or social degradation except as investment risk or opportunity.** **It thus operates on the basis of an extremely simple set of signal inputs, which although efficient for operations of accumulation are potentially lethal to the life-fabric of the planet. The information transmitted from this reptilian system then cascades down through a whole series of workplace and consumer information systems, to constitute the operating intelligence of the world market** as a whole. A critical role is played by **the commercial media**, which translate the signals received from this primary level into a series of representations comprehensible at an everyday level by individual subjects. Thus corporate media, acting through mundane and well-known responses to marketing demographic and advertising revenues, construct matrix-like simulations that **convert the abstract valuations of capital back into a series of sensuously apprehensible stories, narratives, characters, and news stories, so that it indeed seems as if the world as ordered, identified, and prioritized by global money is the “real” world**—**so that**, for example, **television** and journalism **show a planet almost solely inhabited by affluent value subjects with a lively interest in stock market fluctuations and constant traumatic lifestyle and household design choices.** One of the most marked features of the new combinations has, however, been its rejection of this form of simulatory conditioning. **Revulsion against the power of a commercially driven media to saturate consciousness, structure social interactivity, and standardize creativity has become a major theme of the new dissidence, for which culture jamming, ad-busting, and subvertisements are familiar forms of self-valorization**. This theme of revulsion is particularly apparent in the arena of advertising and culture. The “no logo” slogan repudiates the “word” of capital, its power to brand and name, a rejection, that is to say, of the basic processes by which markets interpellate and constitute value subjects.44 **The positive side of such self-valorization is the potential of digital networks for** what Hardt and Negri call **“a kind of spontaneous** and elementary **communism**.”45 **The history of the Internet is in fact that of a hyperaccelerated “cycle of struggles,” a helical spiral of appropriations and reappropriations that have taken it from a military command and control system to an academic research network to an experiment in populist communication and virtual community** in a process that has outstripped the dreams, let alone the plans, of capital’s managers. From the early 1990s they have tried to recorral this process through a series of information highway and e-business initiatives. **Today, cyberspace is the scene within which the vectors of e-capital tangle and entwine with those of a molecular proliferation of activists, researchers, gamers, artists, hobbyists, and hackers.** The most obvious political manifestation is the creation of an “electronic fabric of struggles.”46 From the e-mailed communiqués of Zapatista spokesperson Subcommandante Marcos through the networked opposition to the Multilateral Agreement on Investment, to the parody of official World Trade Organization web sites in the “Battle of Seattle,” the Internet has become a vehicle of the new combinations. These **experiments create in cyberspace a recompositional arena where multiplicitous trans-sectoral, transnational oppositional forces can forge a new language of alliance and also make of it, through electronic civil disobedience, net strikes, and other forms of hacktivism, a combat zone in which the flows of capital and neoliberal policy can be interrupted.** Cyberspace is important as a political arena, not, as some postmodern theorists suggest, because it is a sphere where virtual conflicts replace struggles “on the ground,” but because it is a medium within which terrestrial struggles can be made visible to and linked with one another. This process is no magic bullet. It is fraught with hazards of technical fetishism, new hierarchies of expertise, health risks, and the “ultimate nightmare,” the creation of “a simulated international radical network in which information circulates endlessly between computers without being put back into a human context.”47 Nonetheless, new forms of struggle have been sufficiently vigorous to catalyze a lively discussion of countermeasures and “netwars” in the think tanks of Empire.48 Behind cyberactivism, however, lies **an array of other activities** that, though less overtly politicized, **challenge capital’s law of value equally or more severely by de-commodifying its digital products. These include piracy; open source and free software initiatives; peer-to-peer production; and gift economy practices.** Information society theorists have long pointed out that **“ethereal goods” have qualities—inexhaustibility, simultaneous use, zerocost reproduction, growth in value as used—anomalous in a market economy.** These features have become increasingly problematic to those concerned with policing digital commodity transactions. Ease of digital reproduction and the speed of network circulation are warping and blasting gaping holes in the fabric of intellectual property. As Richard Barbrook has recently pointed out, **while the official ideology of post–Cold War North America is triumphal celebration of the free market, in their daily practice millions of Americans are actually involved in an online digital circulation of a free and unpaid “gift economy” of music, films, games, and information that in effect amounts to a form of “dot.communism.”**49 These practices are part of the daily life of the youth activists of the new combinations. Today’s moral panics over Napster and Gnutella simply mark the most recent and acute episodes in an unquenchable hemorrhage of commercial value intrinsic to the network capital. The turmoil in the music industry oligopoly is certainly no indicator of the imminent collapse of digital capital, which is rapidly moving to co-opt and adapt such systems for commercial purposes. But “download rage” suggests that the very dynamism of a perpetual-innovation economy promises an ongoing escalation of measures and countermeasures between owners and hackers. As important as technological capacity is ideological legitimacy—a battle that the music business seems significantly to have lost. “Peer-to-peer (P2P)” is the product of a generation socialized within what Negri calls capitalism’s “ecology of machines,” for whom the potentialities to freely reproduce and circulate digital information are a taken-for-granted component of their environment.50 Indeed, although the term “peer-to-peer” is primarily associated with systems such as Napster and Gnutella, some analysts use it to designate a much more far-reaching model of digitally enabled, nonprofit content creation and circulation, based on what Yochai Benkler terms IRISDROPS— “information rich distributed production systems.”51 In this sense, the term embraces the **enormous amounts of self-valorizing, noncommercially-produced Internet and web content, free and open-source software, game patching, and scenario building that is the stuff of digital culture**. Such “semiotic democracy” is already in headlong collision with tendencies to intensify copyright regimes and proprietarily enclose networks. In this perspective, “P2P” is the contemporary formulation of the “free association of producers.” In the longer run, these developments point to possibilities of assembly and self-organization that stretch far beyond street demonstrations. Over the last decade, radical economists have raised the issue of how digital networks can be used to coordinate and process highly decentralized forms of participatory economic planning.52 Proposals range from loose governmental directives backed by high levels of public disclosure about labor, environmental, and production costs to more complex systems iteratively matching needs and production between assemblies at many levels of local, regional, and transnational collectivity. What all share, however, is the suggestion that the information technologies deployed to create “friction free” capitalism—just-in-time systems, customer-supplier networks, easy-to-use accounting and simulation programs—open the way to an inverse result, namely the subjugation of market to plan without the hypertrophy of a centralized state. Though most discussion about the **cyberactivism** of the new combinations focuses only on tactical features, a more interesting way to view it is **as a prefigurative use of networks for distributed social coordination and organization, a digital counterplanning from below**. As Tiziana Terranova points out, “general intellect” is in fact a sort of Marxian inflection on the theme of a global mind or world brain network persistent in futurist works from Teilhard de Chardin’s “noosphere” to Pierre Levy’s concept of “collective intelligence.”53 **Classical Marxisms** **have** rightly **been contemptuous of such ideas for their technological determinism** or idealism, and above all their assumption that such a collective consciousness arises as the selfreflexive awareness of global capitalism. **But this rejection might be reconsidered if we position the issue within an antagonistic perspective: the global mind versus the limbic system of the stock market, social knowledge versus financial capital, the noosphere generating and generated by the revolt of global value subjects.**

**The illusory nature of financial blackmail in competition for capital allows us to challenge the do-or-die logic of striated social relations globally. Our structural question of political legitimacy comes first**

**Panitch and Gindin '9** Leo, Leo Panitch, FRSC is a Distinguished Research Professor, renowned political economist, Marxist theorist and editor of the Socialist Register, Sam Gindin is a Canadian academic and intellectual who served as research director of the Canadian region of the United Auto Workers (UAW) union "Finance and American Empire" http://actuelmarx.u-paris10.fr/m4panitch.htm

**The openings for radical change in the present era of capitalism will generally revolve around problems of political legitimacy rather than any sudden economic collapse.** In the third world, the neoliberal restructuring of states to support global accumulation has not led to coherent patterns of internal development. The pressure to open up their economies leaves these countries extremely vulnerable to financial crises, given the lack of depth of their financial institutions. The ‘new financial architecture’ promoted by the American Treasury after the 1997-98 financial crises to require transparency and accountability in the new market economies came to look increasingly hypocritical and implausible as a spate of scandals hit Wall Street. This has tended to delegitimate both the empire itself and those third world states, exacerbated by foreign takeover of third world banking sectors. The restructuring of other states through direct military intervention, as in the case of Iraq, not to mention the unlimited ‘war on terrorism’ makes imperial rule more and more visible, and less and less perceived as legitimate. **In the developed world, neoliberalism has also weakened those dimensions of the state that address legitimation; and as pressures mount in Europe for further ‘reforms’, the fact that this must be done without the US economy’s luxury of access to global savings only intensifies the degree of exploitation that must be achieved in those countries. The American state depends on other states to develop popular backing for its imperial role, and this is becoming increasingly difficult for those states to secure. The economic costs of empire at home are correspondingly higher as popular forces abroad limit the ability of other states to share the military, economic and rhetorical burdens of empire.** Meanwhile measures taken inside the US to secure support for this burden by creating paranoia and suppressing dissent (as in the Patriot Acts) are subverting the very freedoms the US is supposed to be fighting for – and this could become a major focus of debate inside the US itself. This might even coalesce with resentment at home as well as abroad against the instabilities and tribulations that volatile financial markets bring to people’s daily lives. The Left will not, however, go far in creating political openings out of such contradictions, by waxing nostalgic about a previous golden age of capitalism, when empire was apparently beneficent and finance allegedly repressed . That the US state was not seen as imperial, and finance was not actually repressed, when the world’s working class movements were strong is part of the unfortunate legacy that we have had to contend with in recent decades. That is why in trying to analyze the nature of global finance and American empire today we began by tracing the actual historical process that brought us here. The way out of global capitalism and American empire will not be found in a return to a reformism modeled on the post-war order. The fact that the globalization of capitalism has left virtually no national bourgeoisies for labour to ally with, and few divisions to exploit between finance and industry, helps make the case for struggles at the level of the national state that are anti-capitalist as well as anti-imperial. **While we cannot rely on, renewed inter-imperial rivalries, or financial crises spiralling out of control to clear the way to social transformation, the openings provided by the problems of neoliberal and imperial legitimacy provide an ample terrain for the development of new political strategies that do fundamentally challenge capitalist social relations.**

### CP

#### Text: The United States Federal Reserve System should substantially lower long-term interest rates as prescribed by QE3 initiatives and provide incentives for utilities to establish micro-grids.

#### Solves the economy – stimulates agg demand

**Krugman 4/24** – Keynesian economist and Professor of Economics at Princeton University (Paul, “Earth to Ben Bernanke”, 4/24/12; <http://www.nytimes.com/2012/04/29/magazine/chairman-bernanke-should-listen-to-professor-bernanke.html?pagewanted=all)//AB>

The Federal Reserve has a dual mandate: price stability and maximum employment. It normally tries to meet these goals by moving short-term interest rates, which it can do by adding to or subtracting from bank reserves. If the economy is weak and inflation is low, the Fed cuts rates; this makes borrowing attractive, stimulates private spending and, if all goes well, leads to economic recovery. If the economy is strong and inflation is a threat, the Fed raises rates; this discourages borrowing and spending, and the economy cools off. Right now, the Fed believes that it’s facing a weak economy and subdued inflation, a situation in which it would ordinarily cut interest rates. The problem is that rates can’t be cut further. When the recession began in 2007, the Fed started slashing short-term interest rates until November 2008, when they bottomed out near zero, where they remain to this day. And that was as far as the Fed could go, because (some narrow technical exceptions aside) interest rates can’t go lower. Investors won’t buy bonds if they can get a better return simply by putting a bunch of $100 bills in a safe. In other words, the Fed hit what’s known in economic jargon as the zero lower bound (or, alternatively, became stuck in a liquidity trap). The tool the Fed usually fights recessions with had reached the limits of its usefulness. That doesn’t mean the Fed was out of options. Not according to the work of a number of economists, anyway, among them a prominent Princeton professor by the name of Ben Bernanke. As noted above, Bernanke was among the economists who took notice, back in the 1990s, of the troubles afflicting Japan — a huge real estate bubble that left behind a legacy of high private-sector debt when it burst and a central bank up against the zero lower bound. The woes confronting the United States today aren’t identical to those faced by Japan. For one thing, Japanese inflation wasn’t just low; by the end of the 1990s, Japan was actually suffering chronic *deflation*. For another, Japan’s slump was never as terrible as ours; unemployment, in particular, never became the scourge it has become here. Still, Japan provided an example of how an advanced modern economy could seemingly be caught in an economic trap. In a hard-hitting 2000 paper titled “Japanese Monetary Policy: A Case of Self-Induced Paralysis?” Bernanke declared that “far from being powerless, the Bank of Japan could achieve a great deal if it were willing to abandon its excessive caution and its defensive response to criticism.” He proceeded to lay out a number of actions the Bank of Japan could take. And he called on Japanese policy makers to act like F.D.R. and do whatever it took: “Japan is not in a Great Depression by any means, but its economy has operated below potential for nearly a decade. Nor is it by any means clear that recovery is imminent. Policy options exist that could greatly reduce these losses. Why isn’t more happening? To this outsider, at least, Japanese monetary policy seems paralyzed, with a paralysis that is largely self-induced. Most striking is the apparent unwillingness of the monetary authorities to experiment, to try anything that isn’t absolutely guaranteed to work. Perhaps it’s time for some Rooseveltian resolve in Japan.” Bernanke had some specific proposals that could serve as advice for the Fed today. One set of options **would have it take a larger role in financial markets. Short-term interest rates may be zero,** unable to go lower, but longer-term rates aren’t. So the Fed, which typically buys only short-term U.S. government debt, could expand its portfolio, **buying long-term government debt, bonds backed by home mortgages and so on, in an effort to drive down the interest rates on these assets. This § Marked 11:22 § is the strategy that has come to be known, unhelpfully, as quantitative easing.** Another set of options involves trying to change expectations about future Fed policy. Right now, investors believe that the economy will eventually recover enough for the Fed to start raising rates again. Such expectations about future Fed plans, in turn, can have an important impact on the economy right now. In particular, beliefs about how long the Fed will wait before raising rates can have a major impact on expectations of future inflation. At the moment, investors assume that the Fed will raise rates enough to keep inflation from rising much above 2 percent. If the Fed were to raise its target for inflation — and if investors believed in the new target — expected inflation over the medium term, say the next 10 years, would be higher. Many economists, ranging from the chief economist of the International Monetary Fund to one of Mitt Romney’s top economic advisers, have argued, as I have, that **higher expected inflation would aid an economy** up against the zero lower bound, because it would help persuade investors and businesses alike that sitting on **cash is a bad idea.** Bernanke endorsed the idea in his “Paralysis” paper, suggesting that the Bank of Japan declare “a target in the 3-to-4-percent range for inflation, to be maintained for a number of years.” So which of these steps has the Fed taken lately? Well, it has bought more than **$2 trillion** worth of long-term government debt and bonds of government-backed housing agencies. That sounds like a lot, but it’s much **less than most analysts think necessary to jump-start economic recovery**. The Fed has also tried to influence market expectations about future policy, but only for the fairly near term, declaring that it doesn’t expect to raise short-term rates until late 2014. What’s more, Bernanke has ruled out more ambitious policies. In 2010, for example, he dismissed the notion of a higher inflation target for the United States, arguing that it would undermine confidence and the Fed’s “hard-won inflation credibility.” In short, Chairman Bernanke’s Fed has been much more passive than Professor Bernanke’s writings would have led us to expect.

#### Solves the grid

Lundin 12—long-time energy industry reporter (Barbara, 8/22/12, Grid instability a global problem; smart grid offers global solutions, <http://www.fiercesmartgrid.com/story/grid-instability-global-problem-smart-grid-offers-global-solutions/2012-08-22>, RBatra)

In the face of recent black outs across the U.S. and internationally, smart grid technology represents a value proposition in addressing excessive costs of service interruptions – estimated to reach $71 billion in the U.S. alone by 2020, according to the American Society of Civil Engineers.

SBI Energy contends that responses to grid instability globally will include smart grid technology as less costly complements to additional power plants, and transmission and distribution (T&D) infrastructure expansions and rejuvenation. By 2020, the U.S. smart grid market will represent less than 10 percent of that cost and an excellent investment over more costly grid infrastructure replacements or expansions.

The causes of grid instability will differ from country to country but they share a common interest in the solutions that come as part of the smart grid. Disjointed grid systems cause voltage disruptions, blackouts and brownouts. Energy demand outpaces available generation in India. In the U.S., transmission line congestion and regional bottlenecks in a patchwork grid cause disruptions to critical energy services.

Smart grid strategies enable the dynamic deployment of system resources (load shaving, additional generation, voltage regulation) and provide **added system flexibility** through real-time, two-way communications.

A growing trend is microgrids. The loss of a transmission line or the malfunction of a transmission-to-distribution substation could be addressed by a microgrid **to "island" a distribution network**, and manage its own generators and consumption loads with or without a centralized grid.

"This ability [of microgrids] to improve energy security and reliability respective to the centralized grid has caught the attention of the market with commercial districts, campuses, healthcare facilities, military bases and neighborhoods alike making notable forays in microgrid development," said SBI Energy Analyst Bernie Galing.

### ADV 1

### blackouts

#### Claims of baseload reliability are an industry fallacy – if the quality of baseload power declines, adaptation is easy

**Nelder, 12 -** columnist for SmartPlanet; this article is drawn from a study by Australian researcher Dr. Mark Diesendorf, an expert on integrating wind into power grids. (Chris, “Why baseload power is doomed” 3/28, <http://www.smartplanet.com/blog/energy-futurist/why-baseload-power-is-doomed/445>)

A 2010 study called “The Base Load Fallacy” by Australian researcher Dr. Mark Diesendorf, an expert on integrating wind into power grids, fingers the “operational inflexibility of base-load power stations” as the main obstacle to further integration of renewables. “The renewable electricity system could be just as reliable as the dirty, fossil-fuelled system that it replaces,” he observes, if demand were more efficient and intelligent, and supply were made up of a wide variety of renewable sources plus a small amount of gas-fired capacity to cover the peaks. The perpetrators of the baseload fallacy, he argues, are mainly the industries who benefit from the status quo: coal, oil and gas companies, the nuclear industry, power generators, and industries who depend on them like aluminum and cement manufacturers.

Claims that renewables could never generate more than a few percent of grid power without taking down the grid have been given the lie by the real-world experience of areas that deliberately adapted their grids.§ Marked 11:23 §

The best example in the U.S. is Texas. By virtue of having its own grid (technically, an “interconnection”), it is generally outside the purview of federal regulation by FERC. The entire grid is operated by a single ISO, ERCOT, so it has a lot of control over its generation mix and grid planning. Texas decided long ago to pursue its wind potential vigorously, and now has the largest installed wind capacity in the States at over 10 gigawatts (GW).

On March 7, ERCOT used a record 7,599 MW of wind power, constituting 22 percent of the load and representing over 77 percent of its nameplate wind capacity. The previous day it had met 24 percent of the load with wind. Baseload proponents had said that such levels of integration were flatly impossible. But ERCOT had made it possible with the help of a new modeling tool that analyzes real-time conditions every half-hour, giving grid technicians greater ability to match generation with demand and control transmission more discretely. The National Renewable Energy Laboratory has found that if other grid operators adopted similar tools, over one third of U.S. power could be generated from renewables.

All that ERCOT needed to accommodate more wind power was some sensors, a better flow of information, and better modeling tools. As the MIT report notes, the hardware to provide better grid information already exists, but few operators have employed it in their control and dispatch operations. The obstacle is not technology, but “the industry’s culture of resistance to new and experimental projects.”

#### Natural gas and new grid innovation is solving

**FreshEnergy, 12** – energy service company “Reliable electricity in an age of coal plant retirement” <http://www.iwla.org/index.php?ht=a/GetDocumentAction/i/47819>

Innovations that are reducing cost and variability:

• Wind reached cost parity with traditional energy sources several years ago, and solar costs have been dropping by at least 7 percent annually for the past 10 years and are expected to continue on that downward trend.

• Grid operators and utilities are using more agile resources, like natural gas plants, to complement the variability inherent in renewable generation. Natural gas plants were used in the old system to quickly ramp up and down with changes in customers’ electricity demand. In the new system, they can be deployed to ramp up and down with changes in demand and supply. There is presently a glut of capacity in existing natural gas plants that can be cost-effectively and quickly deployed, especially if gas prices remain low for the long term.

• Grid operators are improving their ability to follow customer demand more closely. New innovations in demand response and load management allow utilities and grid operators to increasingly rely on the ability to quickly reduce customer demand when needed through voluntary agreements with commericial and industrial users.

• Improved planning tools are enabling grid operators to more accurately predict when changes in renewable output will occur and to plan complementary resources accordingly.

• Regional electricity grids are becoming more connected and able to transmit and optimize power across longer distances. As the geographical footprint of the electricity grid expands, the amount of solar and wind resources available at any given time also increases. The more geographical diversity in a grid operator’s area of control, the more the operator can optimize variable generation resources to meet demand.

**Their impact is overstated—resilience and adaptation check**

**Farrell et al, 02 -** research engineer in the Department of Engineering and Public Policy at Carnegie Mellon University and the executive director of the Carnegie Mellon Electricity Industry Center (Alexander, “Bolstering the Security of the Electric Power System,” Issues in Science and Technology, Spring, http://www.issues.org/18.3/farrell.html)

Turning out the lights

Many terrorism scenarios involve disruption of electric service, or "turning out the lights." Whether this would allow terrorists to create widespread fear and panic is open to question. In the United States, households lose power for an average of 90 minutes per year. For the most part, individuals and society cope with these outages well, and power companies respond rapidly to restore service. Facilities that have special needs for reliability, such as hospitals and airports, typically have backup generators.

§ Marked 11:23 § The local distribution system is the source of most outages; these affect relatively small numbers of people. The bulk power (generation and transmission) system causes only a few outages each year. In its most recent report on failures in this part of the electric power system, the North American Electricity Reliability Council (NERC) identified 58 "interruptions, unusual occurrences, demand and voltage reductions, and public appeals" in 2000. Of these events, almost half (26) were due to weather, mostly thunderstorms. Operator or maintenance errors accounted for 12 events, another 12 were due to faulty equipment, and 2 (including the largest single event) were due to forest fires. Six outages occurred simply due to failure to have sufficient power to meet demand. Not all of these 58 events caused the lights to go out, but when they did, many customers were affected. Even so, recovery was typically swift. The largest single outage in 2000 affected more than 660,000 customers in New Mexico but lasted for less than four hours.

Natural challenges of even larger scale have been met. For example, in January 1998 an ice storm struck Southern Canada and New York State, felling 1,000 transmission towers and 30,000 distribution poles while sending thousands of tree branches into power lines. This event left 1.6 million people without power, some for more than a month. Almost a quarter-million people were forced to leave their homes. Insurance claims reached about $1 billion (Canadian). This event was disruptive and costly, but it did not create terror or significant loss of life.

**Tons of alt causes**

**Washington Post 4** [Jay Apt (former NASA astronaut, Carnegie Mellon Electricity Industry Center Executive Director) and Lester Lave (co-director). “Blackouts Are Inevitable: Coping, Not Prevention, Should Be the Primary Goal” http://www.washingtonpost.com/wp-dyn/articles/A52952-2004Aug9.html WWX]

As we approach the first anniversary of the Blackout of '03, we're reminded of the many times that officials, from New York Gov. Nelson Rockefeller in 1977 to Gov. George Pataki now -- along with a host of senators and representatives -- have assured us that they will take steps to prevent future blackouts. Yet roughly every four months, the United States experiences a blackout large enough to darken a half-million homes. Now the pressure is on Congress to enact an energy bill that will protect us from the lights going out. There's just one problem: It can't be done.

In a large, complicated arrangement such as our system for generating, transmitting and distributing electricity, blackouts simply cannot be prevented. Data for the past four decades show that blackouts occur more frequently than theory predicts, and they suggest that it will become increasingly expensive to prevent these low-probability, high-consequence events. The various proposed "fixes" are expensive and could even be counterproductive, causing future failures because of some unanticipated interaction. The state of current engineering is such that we cannot verify that any particular change won't impose problems larger than those it is designed to remedy. Nor can we eliminate all problems. Further, with a bit of "luck" and sufficient resources, an informed, intelligent terrorist organization could get around any protective structures and software to bring down the system.

Fortunately, we do have a model to follow. The problems uncovered by the blackout of August 2003 can be addressed by the kind of changes that transformed the air traffic control system from one that had occasional deadly crashes to one that has provided a relatively crash-free environment, despite enormous growth in daily flights and occasional errors by pilots and controllers.

While making obvious improvements in control and operation of the grid, we should focus the greater part of our effort on fulfilling the mission of the electricity system, not on trying to prevent blackouts. When hurricanes, tornadoes, ice storms or other problems black out the system, backup generators at hospitals, airports and other critical institutions prevent their missions from being interrupted.

The problem in New York, Toronto, Cleveland and Detroit last Aug. 14 was not that the hospitals or television stations were blacked out. The problem was that other critical missions could not be accomplished. Elevators were stuck between floors, trains stopped between stations, traffic lights went dark, cell phones quieted, and, in Cleveland, water ceased to flow and sewers overflowed. Water treatment and pumping the water to reservoirs requires electricity; without power, water would cease to be available to many people after just a few days. If the blackout had persisted for a week, public health and welfare would have suffered from the failure of a rapidly growing number of critical missions.

Since transmission was a prime contributor to the blackout, one proposal has been to invest $100 billion in upgrading the system. But while transmission investments are required to make deregulated electricity markets work, they will not prevent future blackouts.

Natural hazards produce many local and regional blackouts, and society has learned to cope with them. In fact, August 2003 revealed that many private institutions are far ahead of the public sector in defining their critical missions and taking steps to fulfill them when the lights go out. But it was even more obvious that other facilities, and especially such public functions as traffic lights, water and sewage, were not protected. In the public sector, we need to set priorities among the missions that depend on electricity.

### econ

**Economy is in decline – don’t trust their deluded sources or illusory stock growth.**

**Synder 2/20 -** Graduate of McIntire School of Commerce at University of Virginia and holder of two law degrees from the University of Florida; economics commentator (Michael T., ECB, 2/20/13 “20 Signs that the US Economy is Heading for Big Trouble in the Months Ahead” < http://theeconomiccollapseblog.com/archives/20-signs-that-the-u-s-economy-is-heading-for-big-trouble-in-the-months-ahead>)//CC

Is the U.S. economy about to experience a major downturn? Unfortunately, there are a whole bunch of signs that economic activity in the United States is really slowing down right now. Freight volumes and freight expenditures are way down, consumer confidence has declined sharply, major retail chains all over America are closing hundreds of stores, and the "sequester" threatens to give the American people their first significant opportunity to experience what "austerity" tastes like. Gas prices are going up rapidly, corporate insiders are dumping massive amounts of stock and there are high profile corporate bankruptcies in the news almost every single day now. In many ways, what we are going through right now feels very similar to 2008 before the crash happened. Back then the warning signs of economic trouble were very obvious, but our politicians and the mainstream media insisted that everything was just fine, and the stock market was very much detached from reality. When the stock market did finally catch up with reality, it happened very, very rapidly. Sadly, most people do not appear to have learned any lessons from the crisis of 2008. Americans continue to rack up staggering amounts of debt, and Wall Street is more reckless than ever. As a society, we seem to have concluded that 2008 was just a temporary malfunction rather than an indication that our entire system was fundamentally flawed. In the end, we will pay a great price for our overconfidence and our recklessness. So what will the rest of 2013 bring? Hopefully the economy will remain stable for as long as possible, but right now things do not look particularly promising.

**Economic security puts a happy face on violent practices that slaughter those who fail to conform. This card slays their aff**

**Neocleous 2008** – professor of government at Brunel (Mark, “Critique of Security”, pages 101-105)

In other words, the new international order moved very quickly to reassert the connection between economic and national security: the commitment to the former was simultaneously a commitment to the latter, and vice versa. As the doctrine of national security was being born, the major player on the international stage would aim to use perhaps its most important power of all – its economic strength – in order to re-order the world. And this re-ordering was conducted through the idea of ‘economic security’.99 Despite the fact that ‘economic security’ would never be formally defined beyond ‘economic order’ or ‘economic well-being’,100 the significant conceptual consistency between economic security and liberal order-building also had a strategic ideological role. By playing on notions of ‘economic well-being’, economic security seemed to emphasise economic and thus ‘human’ needs over military ones. The reshaping of global capital, international order and the exercise of state power could thus look decidedly liberal and ‘humanitarian’. This appearance helped co-opt the liberal Left into the process and, of course, played on individual desire for personal security by using notions such as ‘personal freedom’ and ‘social equality’.101

Marx and Engels once highlighted the historical role of the bourgeoisie in shaping the world according to its own interests. The need of a constantly expanding market for its products chases the bourgeoisie over the whole surface of the globe. It must nestle everywhere, settle everywhere, establish connections everywhere . . . It compels all nations, on pain of extinction, to adopt the bourgeois mode of production; it compels them . . . to become bourgeois in themselves. In one word, it creates a world after its own image.102

In the second half of the twentieth century this ability to ‘batter down all Chinese walls’ would still rest heavily on the logic of capital, but would also come about in part under the guise of security. The whole world became a garden to be cultivated – to be recast according to the logic of security. In the space of fifteen years the concept ‘economic security’ had moved from connoting insurance policies for working people to the desire to shape the world in a capitalist fashion – and back again. In fact, it has constantly shifted between these registers ever since, being used for the constant reshaping of world order and resulting in a comprehensive level of intervention and policing all over the globe. Global order has come to be fabricated and administered according to a security doctrine underpinned by the logic of capital accumulation and a bourgeois conception of order. By incorporating within it a particular vision of economic order, the concept of national security implies the interrelatedness of so many different social, economic, political and military factors that more or less any development anywhere can be said to impact on liberal order in general and America’s core interests in particular. Not only could bourgeois Europe be recast around the regime of capital, but so too could the whole international order as capital not only nestled, settled and established connections, but also ‘secured’ everywhere.

Security politics thereby became the basis of a distinctly liberal philosophy of global ‘intervention’, fusing global issues of economic management with domestic policy formations in an ambitious and frequently violent strategy. Here lies the Janus-faced character of American foreign policy.103 One face is the ‘good liberal cop’: friendly, prosperous and democratic, sending money and help around the globe when problems emerge, so that the world’s nations are shown how they can alleviate their misery and perhaps even enjoy some prosperity. The other face is the ‘bad liberal cop’: should one of these nations decide, either through parliamentary procedure, demands for self-determination or violent revolution to address its own social problems in ways that conflict with the interests of capital and the bourgeois concept of liberty, then the authoritarian dimension of liberalism shows its face; the ‘liberal moment’ becomes the moment of violence. This Janus-faced character has meant that through the mandate of security the US, as the national security state par excellence, has seen fit to either overtly or covertly re-order the affairs of myriads of nations – those ‘rogue’ or ‘outlaw’ states on the ‘wrong side of history’.104

‘Extrapolating the figures as best we can’, one CIA agent commented in 1991,‘there have been about 3,000 major covert operations and over 10,000 minor operations – all illegal, and all designed to disrupt, destabilize, or modify the activities of other countries’, adding that ‘every covert operation has been rationalized in terms of U.S. national security’.105 These would include ‘interventions’ in Greece, Italy, France, Turkey, Macedonia, the Ukraine, Cambodia, Indonesia, China, Korea, Burma, Vietnam, Thailand, Ecuador, Chile, Argentina, Brazil, Guatemala, Costa Rica, Cuba, the Dominican Republic, Uruguay, Bolivia, Grenada, Paraguay, Nicaragua, El Salvador, the Philippines, Honduras, Haiti, Venezuela, Panama, Angola, Ghana, Congo, South Africa, Albania, Lebanon, Grenada, Libya, Somalia, Ethiopia, Afghanistan, Iran, Iraq, and many more, and many of these more than once. Next up are the ‘60 or more’ countries identified as the bases of ‘terror cells’ by Bush in a speech on 1 June 2002.106 The methods used have varied: most popular has been the favoured technique of liberal security – ‘making the economy scream’ via controls, interventions and the imposition of neo-liberal regulations. But a wide range of other techniques have been used: terror bombing; subversion; rigging elections; the use of the CIA’s ‘Health Alteration Committee’ whose mandate was to ‘incapacitate’ foreign officials; drug-trafficking;107 and the sponsorship of terror groups, counterinsurgency agencies, death squads. Unsurprisingly, some plain old fascist groups and parties have been co-opted into the project, from the attempt at reviving the remnants of the Nazi collaborationist Vlasov Army for use against the USSR to the use of fascist forces to undermine democratically elected governments, such as in Chile; indeed, one of the reasons fascism flowed into Latin America was because of the ideology of national security.108 Concomitantly, ‘national security’ has meant a policy of non-intervention where satisfactory ‘security partnerships’ could be established with certain authoritarian and military regimes: Spain under Franco, the Greek junta, Chile, Iraq, Iran, Korea, Indonesia, Cambodia, Taiwan, South Vietnam, the Philippines, Turkey, the five Central Asian republics that emerged with the break-up of the USSR, and China. Either way, the whole world was to be included in the new ‘secure’ global liberal order.

**The result has been the slaughter of untold numbers**. John Stock well, who was part of a CIA project in Angola which led to the deaths of over 20,000 people, puts it like this:

Coming to grips with these U.S./CIA activities in broad numbers and figuring out how many people have been killed in the jungles of Laos or the hills of Nicaragua is very difficult. But, adding them up as best we can, we come up with a figure of six million people killed – and this is a minimum figure. Included are: one million killed in the Korean War, two million killed in the Vietnam War, 800,000 killed in Indonesia, one million in Cambodia, 20,000 killed in Angola – the operation I was part of – and 22,000 killed in Nicaragua.109

Note that the six million is a minimum figure, that he omits to mention rather a lot of other interventions, and that he was writing in 1991. **This is security as the slaughter bench of history**. All of this has been more than confirmed by events in the twenty first century: in a speech on 1 June 2002, which became the basis of the official National Security Strategy of the United States in September of that year, President Bush reiterated that the US has a unilateral right to overthrow any government in the world, and launched a new round of slaughtering to prove it.

While much has been made about the supposedly ‘new’ doctrine of preemption in the early twenty-first century, the policy of preemption has a long history as part of national security doctrine. The United States has long maintained the option of pre-emptive actions to counter a sufficient threat to our national security. The greater the threat, the greater is the risk of inaction – and the more compelling the case for taking anticipatory action to defend ourselves . . . To forestall or prevent such hostile acts by our adversaries, the United States will, if necessary, act pre emptively.110

In other words, the security policy of the world’s only superpower in its current ‘war on terror’ is still underpinned by a notion of liberal order-building based on a certain vision of ‘economic order’. The National Security Strategy concerns itself with a ‘single sustainable model for national success’ based on ‘political and economic liberty’, with whole sections devoted to the security benefits of ‘economic liberty’, and the benefits to liberty of the security strategy proposed.111

Economic security (that is, ‘capitalist accumulation’) in the guise of ‘national security’ is now used as the justification for all kinds of ‘intervention’, still conducted where necessary in alliance with fascists, gangsters and drug cartels, and the proliferation of ‘national security’ type regimes has been the result. So while the national security state was in one sense a structural bi-product of the US’s place in global capitalism, it was also vital to the fabrication of an international order founded on the power of capital. National security, in effect, became the perfect strategic tool for landscaping the human garden.112 This was to also have huge domestic consequences, as the idea of containment would also come to reshape the American social order, helping fabricate a security apparatus intimately bound up with national identity and thus the politics of loyalty.

**Only scenario for conflict**

Barnett, senior managing director of Enterra Solutions LLC, contributing editor/online columnist for Esquire, 8/25/’9

(Thomas P.M, “The New Rules: Security Remains Stable Amid Financial Crisis,” Aprodex, Asset Protection Index, <http://www.aprodex.com/the-new-rules--security-remains-stable-amid-financial-crisis-398-bl.aspx>)

When the global financial crisis struck roughly a year ago, the blogosphere was ablaze with all sorts of scary predictions of, and commentary regarding, ensuing conflict and wars -- a rerun of the Great Depression leading to world war, as it were. Now, as global economic news brightens and recovery -- surprisingly led by China and emerging markets -- is the talk of the day, it's interesting to look back over the past year and realize how globalization's first truly worldwide recession has had virtually no impact whatsoever on the international security landscape.

None of the more than three-dozen ongoing conflicts listed by GlobalSecurity.org can be clearly attributed to the global recession. Indeed, the last new entry (civil conflict between Hamas and Fatah in the Palestine) predates the economic crisis by a year, and three quarters of the chronic struggles began in the last century. Ditto for the 15 low-intensity conflicts listed by Wikipedia (where the latest entry is the Mexican "drug war" begun in 2006). Certainly, the Russia-Georgia conflict last August was specifically timed, but by most accounts the opening ceremony of the Beijing Olympics was the most important external trigger (§ Marked 11:23 § followed by the U.S. presidential campaign) for that sudden spike in an almost two-decade long struggle between Georgia and its two breakaway regions.

Looking over the various databases, then, we see a most familiar picture: the usual mix of civil conflicts, insurgencies, and liberation-themed terrorist movements. Besides the recent Russia-Georgia dust-up, the only two potential state-on-state wars (North v. South Korea, Israel v. Iran) are both tied to one side acquiring a nuclear weapon capacity -- a process wholly unrelated to global economic trends.

And with the United States effectively tied down by its two ongoing major interventions (Iraq and Afghanistan-bleeding-into-Pakistan), our involvement elsewhere around the planet has been quite modest, both leading up to and following the onset of the economic crisis: e.g., the usual counter-drug efforts in Latin America, the usual military exercises with allies across Asia, mixing it up with pirates off Somalia's coast). Everywhere else we find serious instability we pretty much let it burn, occasionally pressing the Chinese -- unsuccessfully -- to do something. Our new Africa Command, for example, hasn't led us to anything beyond advising and training local forces.

### internet

**Semi conducts emit PFCs not CO2- they have no spillover evidence that a broader regulation spills over to non CO2 gasses**

**California already implemented restrictions on semi conductor emissions- their internal link is industry garbage**

**TG Daily** 2-27-**9** http://www.tgdaily.com/sustainability-features/41577-california-targets-semiconductor-industry-for-huge-greenhouse-gas-redu

Silicon Valley - California's Air Resources Board voted unanimously yesterday to regulate "some of the most potent gases produced by the semiconductor industry, which makes chips for cell phones, computer and cars." Some of the gases in question are fluorinated gases, which reportedly have a 23,000 times greater greenhouse effect on the Earth than does CO2. Board chairman, Mary Nichols, said, "The chemicals are highly potent greenhouse gases. It's important that we begin the process of phasing them out." The new measures are estimated to cost some business nearly $40 million § Marked 11:23 § to retrofit existing equipment with gas capture or reduction technology. This significant fee comes at a time when many companies are seeing their profits decrease. Recognizing this reality, John Greenagel, a spokesman for the Semiconductor Industry Association (based out of San Jose, California), said, "To the extent California makes it more costly, more cumbersome to operate here, you're not going to attract these facilities in the future." The regulations will not take effect until January 1, 2012, however companies must be compliant by that date meaning expenditures in 2010 and 2011. The reductions in these types of semiconductor-company greenhouse gas emissions account for less than one percent of California's target provided for by the 2006 "global warming law" which intends to significantly reduce greenhouse gas emissions by the year 2020. Gus Ballis, manager of the American division of the global NEC Electronics company, one of California's largest manufacturing facilities, has reported losing millions of dollars per month during the recession. Ballis said, "The financial impact is going to be severe and affect our ability to be competitive in the market. We're potentially on the chopping block -- whether they are going to keep us or pull our production back to Japan." Semiconductor companies have voluntarily agreed to reduce fluorinated gas emissions by 10% compared to 1995 levels by next year. However, California is calling for a 56% reduction by 2012.

**No Internal link- their GHG card says regulations increase cost in the US, their impact says existence of semi conductors helps modernization- no card says semi conductors will cease to exist or that they have to be produced in the US to solve**

**Cloud computing fails – 94% experience security attacks that often cause outages**

**Linthicum 2/5**/13 – Info World correspondent (David, As cloud use grows, so will the rate of DDoS attacks, Info World, http://www.infoworld.com/d/cloud-computing/cloud-use-grows-so-will-rate-of-ddos-attacks-211876)

The eighth annual Worldwide Infrastructure Security Report, from security provider Arbor Networks, reveals how both cloud service providers and traditional data centers are under attack. The report examined a 12-month period and asked 200 security-based questions of 130 enterprise and network operations professionals. The key findings follow: 94 percent of data center managers reported some type of security attacks 76 percent had to deal with distributed denial-of-service (DDoS) attacks on their customers 43 percent had partial or total infrastructure outages due to DDoS 14 percent had to deal with attacks targeting a cloud service The report concluded that cloud services are very tempting for DDoS attackers, who now focus mainly on private data centers. It's safe to assume that, as more cloud services come into use, DDoS attacks on them will become more commonplace. Arbor Networks is not the only company that cites the rise of DDoS attacks on cloud computing. Stratsec, in a report published last year, stated that some cloud providers are being infiltrated in botnet-style attacks. This should not surprise anyone. In my days as CTO and CEO of cloud providers, these kinds of attacks were commonplace. Indeed, it became a game of whack-a-mole to keep them at bay, which was also the case at other cloud providers that suffered daily attacks. The bitter reality is that for cloud computing to be useful, it has to be exposed on public networks. Moreover, cloud services' presence is advertised and the interfaces well-defined. You can count on unauthorized parties to access those services, with ensuing shenanigans. The only defense is to use automated tools to spot and defend the core cloud services from such attacks. Over time, the approaches and tools will become better, hopefully to a point where the attacks are more of a nuisance than a threat. The larger cloud providers, such as Amazon Web Services, Hewlett-Packard, Microsoft, and Rackspace, already have good practices and technology in place to lower the risk that these attacks will hinder customer production. However, the smaller cloud providers may not have the resources to mount a suitable defense. Unfortunately, I suspect they will make them the primary targets.

**Be skeptical of their evidence – all the purported benefits of cloud computing are uncertain**

**Forbes 1/30**/13 (7 Great Unsolved Mysteries of Cloud Computing, http://www.forbes.com/sites/joemckendrick/2013/01/30/7-great-unsolved-mysteries-of-cloud-computing/)

There has been no shortage of assumptions made and confusion about cloud computing, along with boatloads of conventional wisdom. But the rise of cloud brings with it some so far unanswerable questions. Here are just seven of the great unsolved mysteries that are accompanying the great cloud computing migration of the 2010s: 1) Who really pays for cloud? This is a tangle in and of itself. In surveys I have seen and conducted, it’s all over the place. IT departments pay for a lot of it, and a lot of it is put on corporate credit cards. As a result, the costs get hidden or buried within corporate budgets. Another issue — when the holder of the corporate credit card tied to a cloud account leaves the company, guess what? The subscription is jeopardized. 2) Is cloud really cheaper in the long run? There is a lot of evidence that no, cloud often is not cheaper than buying on-premises software and systems when looking over a five-year horizon. Why? Companies keep paying monthly subscription fees for something they never own. 3) Is it sustainable for vendors to cannibalize their own business to get into cloud? For the IT industry, the $64-billion conundrum. Moving clients from lucrative on-site licenses to monthly subscription fees has got to hurt — at least in the short run (see mystery number 2, above). Those vendors that can ease through the transition will see impressive rewards at the end of the tunnel, with clients locked into their particular services. 4) Is cloud computing a step backwards in the openness movement? For more than a decade, enterprises and industry leaders have been hashing out standards, protocols and technologies that are more interchangeable and even hot-swappable. There’s no reason why an enterprise can’t swap out a back-end procurement system without touching the front-end interface that its employees use. Progress was being made for on-premises systems, but with cloud services, it may be an ugly scene when attempting to change cloud providers. 5) Who owns the data and intellectual property in cloud? The legal eagles are already puzzling over this one. For example, cloud providers have been cagey about the actual physical location of the data — an important legal concern in some jurisdictions. And issues such as data retention for legally required purposes, such as litigation e-discovery or preservation as evidence upon law enforcement request are a big question mark. And how long will cloud providers hold on to data after a contract ends? Is it a good or a bad thing if they do? 6) Is data actually safer in the cloud than on-premises? There are a number of cloud proponents and even CIOs who say yes, it’s actually safer to retain data with a cloud vendor that is certified and has trained its staff in security protocols and best practices. On-site data center staff, as good as they are, may not necessarily have all the security skills they need. Is data any safer in the hands of your own corporate IT staff than it is with someone else’s IT staff? 7) Are the gigantic cloud data centers energy resource hogs, or are they actually saving natural resources? It’s the new “industrial era” — gigantic data center complexes being built across the land by cloud providers such as Google, Amazon, Microsoft, IBM, RackSpace. Environmentalists claim these huge centers are gobbling a lot of energy, which is true. But no one knows how much cloud computing may be conserving — less paper used, fewer stores built because of e-commerce, less commuting and travel because of collaboration capabilities — and so forth.

**Cloud computing is inevitable – it’s increasingly viable and demand is growing**

**Information Management 1/17**/13 (4 Big Cloud Computing Trends for 2013, http://www.information-management.com/news/four-big-cloud-computing-trends-10023835-1.html)

What will happen in cloud computing in 2013? Henrik Rosendahl, senior vice president of cloud solutions at Quantum – a maker of data management, backup and recovery products – recently weighed in with some thoughts on a number of trends to watch. Based on what the company is hearing from customers, IT managers should be thinking about the following cloud “hot spots” as they plan for the coming year: Backup to the public cloud as an extension of virtual infrastructures. Enterprises have been looking at private cloud solutions as an extension of their virtual infrastructures, where a VMware environment works in concert with a local backup solution, Rosendahl says. But how do you back up your data when it’s sitting in the public cloud, where you aren’t in control of it any more? Addressing this challenge will become more urgent this year, he says, as emerging solutions gain traction. Cloud subscription models. Cloud continues to generate hype and attention, for both consumers and enterprises, Rosendahl says. “Most enterprises are still in the early adopter phase, but we’ll begin seeing more customers who are prepared to discuss their experiences with [the] cloud,” he says. The cloud subscription model is enabling a “pay as you grow” approach to adding backup/archive resources that allows companies to pay only for the capacity they need, when they need it. “We’ll soon have more data points to judge how the promise of this approach is playing out for a range of industries,” he says. Cloud-based disaster-recovery-as-a-service. Leveraging offsite resources, such as the public cloud storage for backup and DR, is proving increasingly viable as a best practice for a wider range of companies, Rosendahl says. “This area is gaining traction as enterprises and SMBs look for cost-effective ways to implement a DR strategy,” he says. Integrating de-duplication and cloud data protection. Deduplicating data before it is sent to a cloud storage service will increasingly be viewed as an integral component for cost-effective cloud-based backup, Rosendahl says. The services that aren’t specifically designed to optimize this capability will find it harder to compete, he says.

### ADV 2

### deterrence

**Nuke threat not credible now—crushes deterrence.**

**Gerson 9** – senior fellow at CFR, was at Heritage Foundation (9/29, Michael, "Rethinking US Nuclear Posture" http://carnegieendowment.org/files/0929\_transcript\_nuclear\_posture.pdf)

On the one hand, I think you can make a case that U.S. threats, whether they’re implicit or explicit – and really what we’re talking about here is the ambiguous threat – is simply not credible. It’s not credible for a variety of reasons. I mean, one is the nuclear taboo, this moral and political aversion to using nuclear weapons that has emerged in the long absence of nuclear use and conflict. In the nuclear arena, the United States is largely seen as cool-headed, risk-averse and sensitive to casualties and collateral damage. The United States does not seem to be able to benefit from the sort of rationality of irrationality type argument. The prospect that the United States would unilaterally shatter the almost seven-decade record of non-use in conflict I think contributes to the belief that the United States would in fact not use nuclear weapons.

Another argument is I think that one could make the case that an unintended consequence of the United States first use – the United States efforts to lead to the global non-proliferation regime is that it reduces the credibility of the United States to use nuclear weapons first. If the United States spends all of this time working on the efforts to prevent others from getting nuclear weapons, it seems – it makes it less credible that the United States would risk shattering that and throwing it all away § Marked 11:24 § by using nuclear weapons first.

And finally, in the Gulf War, despite the threats of calculated ambiguity and the ambiguous threat of nuclear weapons, which some believe deterred Saddam, Bush, Scowcroft, Powell, and Baker, all said after the conflict that they had actually never intended on using nuclear weapons. And such public admission I think reduces the credibility of those threats.

**The plan’s acceleration of warfare guarantees accidents that trigger their impacts**

Kellner, 08 Douglas Kellner, professor of philosophy at UCLA, "Preface The Ideology of HIgh-Tech/Postmodern War vs. the Reality of Messy Wars." <http://gseis.ucla.edu/faculty/kellner/essays/2008_Kellner_MessyWarPreface_ver29052008FINAL.pdf>

Hence, phenomenal new military technologies are being produced in the Third Millennium, described as the instruments of an emergent postmodern warfare, and envisaged earlier by Philip K. Dick and other SF writers. These military technologies, described in Messy Wars, are changing the nature of warfare and are part of a turbulent technological revolution with wide-ranging effects. They are helping to engender a novel type of highly intense "hyperwar," cyberwar, or technowar, where technical systems make military decisions and humans are put out of the loop, or are forced to make instant judgments based on technical data. As computer programs displace military planners and computer simulations supplant charts and maps of the territory, technology supersedes humans in terms of planning, decision making and execution. On the level of the battlefield itself, human power is replaced by machines, reducing the soldier to a cog in a servomechanism. These developments are alarming and led French theorist Paul Virilio (1989, 84) to comment in War and Cinema: The disintegration of the warrior's personality is at a very advanced stage. Looking up, he sees the digital display (optoelectronic or holographic) of the windscreen collimator; looking down, the radar screen, the onboard computer, the radio and the video screen, which enables him to follow the terrain with its four or five simultaneous targets; and to monitor his selfnavigating Sidewinder missiles fitted with a camera of infra-red guidance system. The autonomization of warfare and ongoing displacement of humans by technology creates the specter of technology taking over and the possibility of military accidents, leading to, Virilio warns us, the specter of global catastrophe. There is a fierce argument raging in military circles between those who want to delegate more power and fighting to the new "brilliant" weapons opposed to those who want to keep human operators in charge of technical systems. Critics of cyberwar worry that as technology supplants human beings, taking humans out of decision-making loops, the possibility of accidental firing of arms at inappropriate targets and even nuclear war increases. Since the 1980s, Virilio criticized the accelerating speed of modern technology and indicated how it was producing developments that were spinning out of control, and that, in the case of military technology, could lead to the end of the human race (see Virilio and Lotringer’s Pure War 1983). For Virilio, the acceleration of events, technological development, and speed in the current era unfolds such that "the new war machine combines a double disappearance: the disappearance of matter in nuclear disintegration and the disappearance of places in vehicular extermination" (Virilio 1986: 134). The increased pace of destruction in military technology is moving toward the speed of light with laser weapons and computer-governed networks constituting a novelty in warfare in which there are no longer geostrategic strongpoints since from any given spot we can now reach any other, creating "a strategy of Brownian movement through geostrategic homogenization of the globe" (Virilio 1986: 135). Thus, "strategic spatial miniaturization is now the order of the day," with microtechnologies transforming production and communication, shrinking the planet, and preparing the way for what Virilio calls "pure war," a situation where military technologies and an accompanying technocratic system come to dominate every aspect of life. In Virilio's view, the war machine is the demiurge of technological growth and an ultimate threat to humanity, producing "a state of emergency" where nuclear holocaust threatens the very survival of the human species. This consists of a shift from a "geo-politics" to a "chrono-politics," from a politics of space to a politics of time, in which whoever commands the means of instant information, communication, and destruction is a dominant sociopolitical force. For Virilio, every technological system contains its specific form of accident and a nuclear accident would be catastrophic. Hence, in the contemporary era, in which weapons of mass destruction could create an instant world holocaust, we are thrust into a permanent state of emergency with hightech networks that enables military state to impose its imperatives on ever more domains of political and social life, as shown in Messy Wars’ chapter 3 about war environment.

**Deterrence no longer applies—their impacts are false**

**Kober 10**—Research Fellow in Foreign Policy Studies, Cato. PhD, Fletcher School of Law and Diplomacy, Tufts. (Stanley, The Deterrence Illusion, 13 June 2010, http://www.cato.org/pub\_display.php?pub\_id=11898, AMiles)

And just like the situation at the beginning of the last century, deterrence is not working. Much is made, for example, of the North Atlantic Treaty Organisation (NATO) invoking Article V — the famous "three musketeers" pledge that an attack on one member is to be considered as an attack on all — following the terrorist attacks of September 11. But the United States is the most powerful member of NATO by far. Indeed, in 2001, it was widely considered to be a hegemon, a hyperpower. Other countries wanted to be in NATO because they felt an American guarantee would provide security. And yet it was the US that was attacked. This failure of deterrence has not received the attention it deserves. It is, after all, not unique. The North Vietnamese were not deterred by the American guarantee to South Vietnam. Similarly, Hezbollah was not deterred in Lebanon in the 1980s, and American forces were assaulted in Somalia. What has been going wrong? The successful deterrence of the superpowers during the cold war led to the belief that if such powerful countries could be deterred, then lesser powers should fall into line when confronted with an overwhelmingly powerful adversary. It is plausible, but it may be too rational. For all their ideological differences, the US and the Soviet Union observed red lines during the cold war. There were crises — Berlin, Cuba, to name a couple — but these did not touch on emotional issues or vital interests, so that compromise and retreat were possible. Indeed, what we may have missed in the west is the importance of retreat in Soviet ideology. "Victory is impossible unless [the revolutionary parties] have learned both how to attack and how to retreat properly," Lenin wrote in Left-Wing Communism: An Infantile Disorder. When the Soviets retreated, the US took the credit. Deterrence worked. But what if retreat was part of the plan all along? What if, in other words, the Soviet Union was the exception rather than the rule? That question is more urgent because, in the post-cold war world, the US has expanded its security guarantees, even as its enemies show they are not impressed. The Iraqi insurgents were not intimidated by President Bush's challenge to "bring 'em on". The Taliban have made an extraordinary comeback from oblivion and show no respect for American power. North Korea is demonstrating increasing belligerence. And yet the US keeps emphasising security through alliances. "We believe that there are certain commitments, as we saw in a bipartisan basis to NATO, that need to be embedded in the DNA of American foreign policy," secretary of state Hillary Clinton affirmed in introducing the new National Security Strategy. But that was the reason the US was in Vietnam. It had a bipartisan commitment to South Vietnam under the Southeast Asia Treaty Organisation, reaffirmed through the Tonkin Gulf Resolution, which passed Congress with only two dissenting votes. It didn't work, and found its commitments were not embedded in its DNA. Americans turned against the war, Secretary Clinton among them. The great powers could not guarantee peace in Europe a century ago, and the US could not guarantee it in Asia a half-century ago.

**Techno-strategic planning removes us from the consequences of our actions, risking nuclear war**

Bleiker, 03(Roland, Poli.Sci., Int’l Rtlns, U. Queensland, “Aestheticising Terrorism: Alternative Approaches to 11 September,” Australian Journal of Politics and History, EBSCO)

The complexities of terrorism, and of world politics in general, cannot be understood or addressed by dogmatic approaches that simply advocate a return to “realism, not abstract philosophising”. And yet, such approaches are as prevalent in academic analysis as they are in popular discourse. Consider one of the most influential and sophisticated contemporary commentators on international affairs, Alexander Wendt: “Poetry, literature and other humanistic disciplines are not designed to explain global war or third world poverty, and as such if we want to solve those problems our best hope, slim as it may be, is social science.”54 As Kant already knew, and as this essay outlined at the outset, such an approach is problematic because it provides a few dominant forms of insight, usually those emerging from reason, with the power to synchronise a variety of otherwise rather disparate faculties, from imagination to intuition. The consequences are manifold. The techno-strategic language of defence analysis, for instance, has become the most accepted — and by definition most credible and rational — way of assessing issues of terrorism and security in general. The (realist) language that defence intellectuals speak is not only highly abstract, but also sanitises war and creates a distance from the grotesque realities of nuclear weapons. The terms created through this techno-strategic language, such as “clean bombs” or “collateral damage”, make it possible for analysts to focus on technical issues without having to deal with the possible moral consequences of their work, including the prospect of what Herman Kahn once called a “wargasm” — a nuclear holocaust that precipitates the end of humanity. Fortunately, the Cold War was one of the very few arms races that did not culminate in outright war. But the realist mindset and language that had guided its strategic “logic” continue to delineate our understanding of security.

**We can’t deter ourselves – maintaining the hubris of America causes extinction**

**Willson, 03** [Brian – Ph.D New College San Fransisco, Humanities, JD, American University, “Dear America: An Open Letter to My Country”] < http://www.brianwillson.com/?q=node/13

Once again you have shown your ever-increasing military might with a massive display of explosive weapons that overwhelmingly outmatch your adversary. You have murdered countless civilians in the process, along with members of their army who were legally defending their homeland from your illegal, criminal invasion. Every bullet fired, every missile launched, and every bomb dropped was an egregious criminal act in violation of international and U.S. Constitutional law. You now physically occupy new oil fields, guaranteeing more petrol under your control and allowing continued denial of your dangerous dependency upon a resource facing imminent depletion. Let us be honest. Your latest manifestation of psychotic behavior is not war, but another massacre against a nation that you insisted on disarming before unleashing your latest firepower. Your obsession with military violence and global hegemony if not arrested soon, will surely doom the world to a series of catastrophes that may lead to our species' **extinction**. I wonder how you are feeling--I mean really deep down in your heart and soul? Are you feeling satisfied or do you yearn for more bloodletting? Is this a trial run for a series of barbaric "preventive wars" against virtually defenseless countries in the greater Middle East, eastern Asia, South America, and elsewhere? Are you so racist and paranoid that you will murder anyone you imagine not being subservient to your demands, whether or not they are able to defend themselves? What deep, unmet needs do you suppose are driving you to continually commit such barbarism, such madness? From where did our apparent unconscious sense of invalidation and alienation originate, demanding such distracting, brutish behavior? Though many of your citizens are cheering your actions like rabid dogs in a wild pack, including some from my own family, I am feeling depressed. I am enraged that your lack of empathy, and **your addiction to violence**, causes so much needless harm in the world. I feel sick to my stomach. I am hurt and grief-stricken, anguished beyond comprehension, that so much carnage is committed in my name as one of your natural born citizens, all for lies. I wonder how and when the forces of the cosmos will ultimately require an accounting? Perhaps our unwillingness to admit our wrongs in Vietnam remain like an oozing sore in our psyche. The piercing of our sense of invincibility, our humiliation, could have led to an honest reckoning with our distorted view of ourselves, and profound healing. Instead it has stirred us to pump ourselves up with evermore technological superiority enabling conquest without protracted conflicts or too many U.S. body bags. I reluctantly see now, America, that your whole existence is rooted in patterns of nearly **incomprehensible violence**, and that this forms the essence of your cultural ethos. You seem obsessed with a sense of superiority, drunk with brute power, unable to feel empathy and compassion, think clearly, or act responsibly, and your actions endanger us all. Your behavior fits diagnoses of mental illness and criminal psychopathy. You need a shaking up, a moment equivalent to the storming of the Bastille nearly 215 years ago. When and how will this happen? I wonder whether and when you might be able to listen to a deeper place in your own heart and soul? My hope, and that of billions of other human beings around the globe, is that someday soon you will experience a huge "aha!" -- a relief and joy that enables you to let go of your need for superiority and become an equal part of the awesome interweave of life that is the ultimate guiding wisdom of the universe. I repeat: Does it ever occur to you that your thinking and behavior likely **will lead our species to extinction** after an incredible 7-million-year evolutionary journey. America, I weep endlessly knowing in my heart that at a deep, unconscious level you are experiencing pain and deprivation that you are desperately avoiding. If you are willing to endure a painful but liberating healing process by honestly facing these uncomfortable hurts, then you will no longer feel the need for violent, macho behavior. You will be able to let go of your defensiveness. You'll be able to stop looking over your shoulder and breathe freely, maybe for the first time. Honest healing will create win-win for all. Continuing your destructive behavior will create lose-lose for the world, and for us.

### asia aviation

role in intl bodies that set standards

no collapse

#### No Asia war—multiple safeguards and reversible tensions

**Feng 10 –** professor at the Peking University International Studies [Zhu, “An Emerging Trend in East Asia: Military Budget Increases and Their Impact”, http://www.fpif.org/articles/an\_emerging\_trend\_in\_east\_asia?utm\_source=feed]

As such, the surge of defense expenditures in East Asia does not add up to an arms race. No country in East Asia wants to see a new geopolitical divide and spiraling tensions in the region. The growing defense expenditures powerfully illuminate the deepening of a regional “security dilemma,” whereby the “defensive” actions taken by one country are perceived as “offensive” by another country, which in turn takes its own “defensive” actions that the first country deems “offensive.” As long as the region doesn’t split into rival blocs, however, an arms race will not ensue. What is happening in East Asia is the extension of what Robert Hartfiel and Brian Job call “competitive arms processes.” The history of the cold war is telling in this regard. Arm races occur between great-power rivals only if the rivalry is doomed to intensify. The perceived tensions in the region do not automatically translate into consistent and lasting increases in military spending. Even declared budget increases are reversible. Taiwan’s defense budget for fiscal year 2010, for instance, will fall 9 percent. This is a convincing case of how domestic constraints can reverse a government decision to increase the defense budget. Australia’s twenty-year plan to increase the defense budget could change with a domestic economic contraction or if a new party comes to power. China’s two-digit increase in its military budget might vanish one day if the type of regime changes or the high rate of economic growth slows. Without a geopolitical split or a significant great-power rivalry, military budget increases will not likely evolve into “arms races.” The security dilemma alone is not a leading variable in determining the curve of military expenditures. Nor will trends in weapon development and procurement inevitably induce “risk-taking” behavior. Given the stability of the regional security architecture—the combination of U.S.-centered alliance politics § Marked 11:24 § and regional, cooperation-based security networking—any power shift in East Asia will hardly upset the overall status quo. China’s military modernization, its determination to “prepare for the worst and hope for the best,” hasn’t yet led to a regional response in military budget increases. In contrast, countries in the region continue to emphasize political and economic engagement with China, though “balancing China” strategies can be found in almost every corner of the region as part of an overall balance-of-power logic. In the last few years, China has taken big strides toward building up asymmetric war capabilities against Taiwan. Beijing also holds to the formula of a peaceful solution of the Taiwan issue except in the case of the island’s de jure declaration of independence. Despite its nascent capability of power projection, China shows no sign that it would coerce Taiwan or become **militarily assertive** over contentious territorial claims ranging from the Senkaku Islands to the Spratly Islands to the India-China border dispute.

#### You’re racist, that causes war

**Kang, 3.** David (Professor of International Relations and Business, Director of Korean Studies Institute), Getting Asia Wrong: The Need for New Analytical Frameworks International Security, Volume 27, Number 4, Spring 2003, pp. 57-85 MUSE

Following the end of the Cold War in 1991, some scholars in the West began to predict that Asia was “ripe for rivalry.”12 They based this prediction on the following factors: wide disparities in the levels of economic and military power among nations in the region; their different political systems, ranging from democratic to totalitarian; historical animosities; and the lack of international institutions. Many scholars thus envisaged a return of power politics after de- cades when conºict in Asia was dominated by the Cold War tension between the United States and the Soviet Union. In addition, scholars envisaged a re- turn of arms racing and the possibility of major conflict among Asian coun- tries, almost all of which had rapidly changing internal and external environments. More specific predictions included the growing possibility of Japanese rearmament;13 increased Chinese adventurism spurred by China’s rising power and ostensibly revisionist intentions;14 conºict or war over the status of Taiwan;15 terrorist or missile attacks from a rogue North Korea against South Korea, Japan, or even the United States;16 and arms racing or even conflict in Southeast Asia, prompted in part by unresolved territorial disputes.17 More than a dozen years have passed since the end of the Cold War, yet none of these pessimistic predictions have come to pass. Indeed there has not been a major war in Asia since the 1978–79 Vietnam-Cambodia-China conflict; and with only a few exceptions (North Korea and Taiwan), Asian countries do not fear for their survival. Japan, though powerful, has not rearmed to the ex- tent it could. China seems no more revisionist or adventurous now than it was before the end of the Cold War. And no Asian country appears to be balancing against China. In contrast to the period 1950–80, the past two decades have witnessed enduring regional stability and minimal conºict. Scholars should directly confront these anomalies, rather than dismissing them. Social scientists can learn as much from events that do not occur as from those that do. The case of Asian security provides an opportunity to examine the usefulness of accepted international relations paradigms and to determine how the assumptions underlying these theories can become misspecified. Some scholars have smuggled ancillary and ad hoc hypotheses about preferences into realist, institutionalist, and constructivist theories to make them fit various aspects of the Asian cases, including: assumptions about an irrational North Korean leadership, predictions of an expansionist and revisionist China, and depictions of Japanese foreign policy as “abnormal.”18 Social science moves forward from the clear statement of a theory, its causal logic, and its predictions. Just as important, however, is the rigorous assessment of the theory, especially if predictions flowing from it fail to materialize. Exploring why scholars have misunderstood Asia is both a fruitful and a necessary theoretical exercise. Two major problems exist with many of the pessimistic predictions about Asia. First, when confronted with the nonbalancing of Asian states against China, the lack of Japanese rearmament, and five decades of noninvasion by North Korea, scholars typically respond: Just wait. This reply, however, is intel- lectually ambiguous. Although it would be unfair to expect instantaneous national responses to changing international conditions, a dozen years would seem to be long enough to detect at least some change. Indeed Asian nations have historically shown an ability to respond quickly to changing circum- stances. The Meiji restoration in Japan in 1868 was a remarkable example of governmental response to European and American encroachment, and by 1874 Japan had emerged from centuries of isolation to occupy Taiwan.19 More re- cently, with the introduction of market reforms in late 1978, when Deng Xiaoping famously declared, “To get rich is glorious,” the Chinese have trans- formed themselves from diehard socialists to exuberant capitalists beginning less than three years after Mao’s death in 1976.20 In the absence of a speciªc time frame, the “just wait” response is unfalsiªable. Providing a causal logic that explains how and when scholars can expect changes is an important as- pect of this response, and reasonable scholars will accept that change may not be immediate but may occur over time. Without such a time frame, however, the “just wait” response is mere rhetorical wordplay designed to avoid trou- bling evidence.

#### Multiple alt causes that spill over

**UN 6** (United Nations, Sixty-first session August 2006, Request for the inclusion of a supplementary item in the agenda of the sixty-first session: A proactive role for the United Nations in maintaining peace and security in East Asia, http://74.125.47.132/search?q=cache:sjdJ-QwBI0UJ:www.mofa.gov.tw/webapp/public/Data/681698871.doc+asean+%22east+asia%22+war+resolution+mediation&cd=3&hl=en&ct=clnk&gl=us&client=firefox-a)

Rapid economic and trade development in East Asia has depended upon peace in the region, and whether or not growth continues relies heavily upon the maintenance of this peace and security. However, long-standing potential threats to East Asian peace and security, which include such issues as ethnic tensions, historical hatred and territorial disputes, have not been properly removed, and some of them have openly surfaced. In addition, there are new factors for potential conflict and other non-traditional threats to security, such as competition for energy and other resources, terrorism and environmental degradation, which could trigger regional political confrontations and even military conflicts. While these are causing much uncertainty in East Asia, what concerns us more is that multilateral cooperation mechanisms in the region only play a very limited role in security issues, and have no function with regard to collective military security. Hence the region cannot cope effectively with the ever-more complicated security challenges.

# 2nc overview

**B) Risk— corporations systematically conceal the dangers they pose on society and exaggerate their benefits – treat their impact claims with skepticism**

**Perelman ‘5**  Michael, Professor of Economics at CSU-Chico, “Manufacturing Discontent: The Trap of Individualism in Corporate Society” Pluto Press, p.123-124

**Unemployment is only one of the many risks that corporations impose on society. They often sell products that harm consumers— sometimes with lethal effects. They release toxins that put society as a whole at risk**. In the process, **the corporation can profit handsomely, while those who bear the risk must suffer the consequences.** Ordinary people have only two avenues of protection: They can appeal to the courts to remedy their circumstances or they can trust that government regulation will protect them. **Corporations can and do muster enormous resources to ensure that they are free to operate relatively unencumbered by interference from either regulators or the courts.** I have already discussed the tort reform movement, which has successfully limited the ability of individuals to turn to the courts. That movement’s momentum will undoubtedly constrain such rights even more in the future unless the public gets involved. **Corporations have succeeded in getting government to subject new regulations to cost-benefit analysis as part of a larger movement to reduce regulator oversight of corporate activities.** This particular victory did not come without a touch of irony. The government originally developed cost-benefit as “a means of project ‘justification’ alone (this word is used in the US Government literature) ... ; in American practice (as distinct from theory) it often has served as window dressing for projects whose plans have already been formulated with little if any reference to economic criteria” (Marglin 1967: 18). Within a decade, **aggressive supporters of cost-benefit analysis turned its original purpose on its head. Rather than supporting government programs, the technique was used to eliminate them**. This turn of events cannot be terribly surprising to anybody familiar with cost-benefit analysis. **Although the idea of measuring costs and benefits sounds as if it promises a scientific, objective analysis, in practice, cost-benefit analysis is woefully simple to manipulate. Skilled practitioners of this technique can easily obtain whatever results that they desire**. So, depending on its preferences, a government agency can just as easily invoke cost-benefit analysis to reject an action as to justify that same action. According to the requirement of meeting the test of cost-benefit analysis, the government compares estimates of an economic measure of a potential harm that a regulation might prevent with estimates of the economic costs of prevention. **Armed with this new cost-benefit mechanism, the corporate sector or government agencies sympathetic to the corporate sector set out to minimize the estimated risks of harm, while inflating the estimates of the costs of regulation.** Manipulating these estimates is very easy. To begin with, all too often the government has no choice but to accept industry’s inflated estimates of the cost of regulations. In addition, since many of the costs and benefits do not involve marketed commodities, placing values on them offers another source of latitude for unscrupulous risk-benefit calculations. Finally, **the practice of risk assessment often involves confidently placing precise probabilities on what are really uncertainties. So while risk assessment might seem to be a proper activity for statisticians or actuaries, in reality, risk assessment**—or at least what goes by the name of risk assessment—**has turned into a highly charged political activity. In short, when practiced by those with vested interests, risk assessment becomes little more than an exercise in public relations with a pseudoscientific gloss** (see Heinzerling and Ackerman 2002). To lend credibility to their analysis, **corporations go beyond manufacturing risk-benefit analyses. They launch smear campaigns against researchers who point to corporate responsibility for creating risks. The corporate-friendly anti-regulators use harsh rhetorical terms, such as “junk science,” to denounce studies that support the case for regulatory or compensatory actions**. Unlike the “junk science,” practiced by those whose work supports the need for regulation, researchers funded by corporations purport to use only “sound science”—at least according to the prevailing corporate rhetoric. Peter Huber, whose book *Galileo’s Revenge: Junk Science in the Courtroom* set off the movement to counter junk science, once explained that junk science included under this rubric “anything that associated victim harm with toxic exposure or medical negligence” (cited in Alliance for Justice 1993: 54).

**Unchecked corporate consolidation means that these hidden risks cause extinction – the BP oil spill was a wake-up call**

**Adams ’10** Mike, health writer, Natural News “Corporate atrocities against nature may ultimately destroy human civilization” 6/18

http://www.naturalnews.com/029023\_corporations\_crimes\_against\_nature.html

**This is more than just holding corporations accountable for specific crimes such as poisoning the Gulf Coast; it's about our very survival. We're not merely talking about small, local damage to specific regions or industries here -- we are talking about the possibility of the extinction of the human race. If the world's powerful corporations are allowed to continue operating as they have done, they will destroy our world and cause the collapse of human civilization. We cannot survive when suffocated under a cloud of chemical toxicity, financial fraud,** genetically-modified seeds **and widespread environmental destruction. Corporations are incapable of acting within the guidelines of long-term sustainable living. Their power and reach are now so great that they have the capacity to destroy modern civilization** (which is quite fragile already).

**C) Sustainability—the global economy is a snake eating its tail**

**Judis ’10** John B, a senior editor of The New Republic and a visiting scholar at the Carnegie Endowment for International Peace. “The Case for Economic Doom and Gloom” 5/10

http://www.tnr.com/article/politics/the-case-economic-doom-and-gloom?page=0,1

**The American economy added 290,000 jobs in April, the biggest monthly increase in four years**. Clearly, **a recovery has taken hold. But** how strong and buoyant will it be? **Will we eventually get back to growth rates above 4 percent and to an unemployment rate of less than 5 percent? Or will this recovery sputter like the last one that began in 2002?** The strongest case for gloom that I’ve read has been made by UCLA economic historian Robert Brenner in a new introduction that he wrote to the Spanish edition of his 2006 book, The Economics of Global Turbulence. New Republic readers will detect a similarity between Brenner’s views and my own, but his are grounded in a far greater knowledge of economic history than mine. His pessimism also outpaces mine. Brenner’s analysis of the current downturn can be boiled down to a fairly simple point: that **the underlying cause of the current downturn lies in the “real” economy of private goods and service production rather than in the financial sector, and that the current remedies—from government spending and tax cuts to financial regulation—will not lead to the kind of robust growth and employment that the United States enjoyed after World War II and fleetingly in the late 1990s. These remedies won’t succeed because they won’t get at what has caused the slowdown in the real economy: global overcapacity in tradeable goods production. Global overcapacity means that the world’s industries are capable of producing far more steel, shoes, cell phones, computer chips, and automobiles (among other things) than the world’s consumers are able and willing to consume. Companies can still sell their goods but at prices that undercut their rate of profit.** In the nineteenth century, the redundant and less productive firms would have folded, and as wages fell, and profit rates went back up, the economy would start to revive. But that no longer happens. Firms have become too big and powerful to fail; and the citizens of democratic nations will justifiably no longer tolerate unemployment above 20 percent. Instead**, the average rate of profit falls, private and public debt rises, and the danger of a large crash looms.** Brenner traces this problem of global overcapacity to the early 1970s when the countries decimated by World War II had rebuilt their industrial base and were capable of competing equally with the United States, and when newly industrializing countries in Asia and Latin America were beginning their ascent. At that point, global overcapacity manifested itself in declining rates of profit. In the United States, for instance, average profit rates in manufacturing fell from 24.5 percent in the 1960s to 13.4 percent in the 1970s and 11.8 percent in the 1980s. As profit rates declined, firms were less inclined to invest and expand, leading to a decline in overall growth in the economy and to higher average unemployment over a decade. The more immediate causes of the current downturn, he suggests, go back to the vagaries of the real economy in the 1990s. The revival of American manufacturing during that period was cut short by what Brenner calls “the reverse Plaza accord.” (See my article, “Dollar Foolish,” in TNR, December 9, 1996.) The U.S. agreed to drive down the value of the yen and mark and drive up the value of the dollar to protect Japan in particular from a severe recession. But the effect was to price American goods out of markets in Asia and to widen the American trade deficit. In the past, this might have led to a downturn, but there were special circumstances that sustained the Clinton era boom into the late ’90s. In order to hold down the value of the dollar relative to their own currencies, Asian nations sent the dollars they accumulated from their trade surpluses back to the U.S. to buy Treasuries, stocks and bonds, and real estate. The accumulation of dollars helped fuel a speculative frenzy in information technology stocks, which created a “wealth effect” of its own that buoyed consumption and investment. Brenner calls it “asset price Keynesian.” Paul **Volcker summed up the situation thusly: “The fate of the world economy is now totally dependent on the growth of the U.S. economy, which is dependent on the stock market, whose growth is dependent upon about 50 stocks, half of which have never reported any earnings.”** Of course, the dot-com bubble burst in 2001—inconveniently on the same day that Ruy Teixeira and I were trying to auction our proposed book, The Emerging Democratic Majority. Overcapacity had spread to information technology. (See Noam Scheiber, “Wretched Excess,” in TNR, December 3, 2001.) **A recession had taken hold. A year later, the economy began to recover, but the tradeable goods sector remained stagnant. In 2005, investment by non-financial corporations was still almost 5 percent below what it had been in 2000**. Net borrowing by non-financial corporations was nugatory. And the trade deficit continued to rise. How then was recovery possible at all? What happened was that the fundamentals behind the dot-com boom and bubble were replicated in the housing and commercial real estate markets. The rush of foreign dollars into the U.S. from the trade deficit helped the Federal Reserve keep interest rates near zero. With the interest rates plummeting, home sales rose. And as sales rose, the price of homes rose. Homeowners used their newfound home equity to purchase cars and other homes. Construction boomed, even while manufacturing floundered. When home prices threatened to discourage new purchases, banks and brokers, with encouragement from the Fed, offered new subprime mortgage deals. When the banks and brokers became worried about risk from these mortgages, they invented elaborate financial instruments to cushion and spread the risk. And when housing prices finally stalled, the whole Ponzi scheme collapsed, and the recession, the most severe since the 1930s, commenced. **Did the housing bubble cause the recession? Yes, in the same sense that a patient suffering from lung cancer finally dies as a result of pneumonia. The bursting of the bubble precipitated the recession, but the underlying condition, which made possible the financial chicanery of the last 15 years, was the global overcapacity in tradeable goods**. With American firms no longer eagerly seeking funds for expansion, the banks and shadow banks had to look elsewhere for profitable outlets. And **with the economy that produces tradeable goods not producing new jobs, a government that took its responsibility for maintaining employment had to look elsewhere to stimulate demand and growth. Ergo, two bubbles, and two recessions. So what now?** There are good reasons to re-regulate finance—among them, to prevent fraud and to create transparency—but financial reform will not necessarily create an incentive for banks to loan money to firms that want to invest and expand. The problem right now is primarily that firms are fearful that they won’t make a sufficient rate of return on their investments, and are holding back. There is also good reason to make expenditures for infrastructure that will create jobs and make American industry more productive. But, Brenner argues, **Keynesian spending is at best a palliative that temporarily creates jobs and that, over the long run, exacerbates the problem of excess capacity**. This is a crucial point and I want to quote Brenner on it. He says that Keynesian additions of purchasing power were especially critical in reversing the severe cyclical downturns of 1974-5, 1979-1982, and the early 1990s, which were far more serious than any during the first postwar quarter century and would likely have led to profound economic dislocations in the absence of the large increases in government and private indebtedness that took place in their wake. Nevertheless, the ever increasing borrowing that sustained aggregate demand also led to an ever greater build-up of debt, which, over time, left firms and households less responsive to new rounds of stimulus and rendered the economy ever more vulnerable to shocks. Even more debilitating, it slowed the shakeout of high-cost low profit means of production required to eliminate overcapacity in the world system as a whole and in that way prevented profitability from making a recovery. Brenner is not saying that the U.S. economy won’t “recover” from this or future recessions. What he is saying is that **we and the rest of global capitalism will continue on the gradual downward slope that began in the 1970s. We will not be able to recreate the Golden Age of capitalism that lasted from 1945 to 1970 simply by applying the right mixture of spending, subsidies, re-regulation, and international negotiation. Instead, the world economy, and the U.S. economy, will resemble the post-bubble Japan of the 1990s—with its “L-shaped” recovery writ large. Brenner doesn’t discuss the political repercussions, but they are pretty clear: Continued economic uncertainty and instability will make for political instability. This has already happened in Japan, and appears to be spreading to Europe, where recent elections in Germany and Great Britain have created uneasy governing coalitions**. In the United States, the Republicans are likely to take back at least the House of Representatives in November, but that won’t issue in a new era of Republicanism any more than Obama’s victory now appears to have created a long-lasting Roosevelt-type Democratic majority. **Unless a solution is at hand, we’re in for an era of what political scientist W. D. Burnham called “unstable equilibrium.”**

**Our alternative is an interruption of competitive production that rejects competition in favor of valorizing human community. This views the finance crisis of the 1AC impact claim as a political zone of contestation.**

# 2nc framework—theory

**1.) Their framework makes them extratopical—resolved means to personally think about things—fiat is extratopical and allows them to claim absurd solvency arguments that we can’t predict, which is a reason to reject the team.**

**AHD 2k6.** American Heritage Dictionary

resolved v. To cause (a person) to reach a decision.

# 2nc framework—role of ballot

**Framing questions necessarily precede the evaluation of the 1AC cause-and-effect truth claims because those can only be validated within the frames of dominant theories of international relations.**

**Bleiker ‘3** Roland, Professor of International Relations, University of Queensland “Discourse and Human Agency” Contemporary Political Theory. Avenel: Mar 2003.Vol. 2, Iss. 1;  pg. 25

Confronting the difficulties that arise with this dualistic dilemma, I have sought to advance a positive concept of human agency that is neither grounded in a stable essence nor dependent upon a presupposed notion of the subject. The ensuing journey has taken me, painted in very broad strokes, along the following circular trajectory of revealing and concealing: discourses are powerful forms of domination. They frame the parameters of thinking processes. They shape political and social interactions. Yet, discourses are not invincible. They may be thin. They may contain cracks. By moving the gaze from epistemological to ontological spheres, one can explore ways in which individuals use these cracks to escape aspects of the discursive order. To recognize the potential for human agency that opens up as a result of this process, one needs to shift foci again, this time from concerns with Being to an inquiry into tactical behaviours. Moving between various hyphenated identities, individuals use ensuing mobile subjectivities to engage in daily acts of dissent, which gradually transform societal values. Over an extended period of time, such tactical expressions of human agency gradually transform societal values. By returning to epistemological levels, one can then conceptualize how these transformed discursive practices engender processes of social change. **I have used everyday forms of resistance to illustrate how discourses not only frame and subjugate our thoughts and behaviour, but also offer possibilities for human agency. Needless to say, discursive dissent is not the only practice of resistance that can exert human agency. There are many political actions that seek immediate changes in policy or institutional structures, rather than 'mere' shifts in societal consciousness. Although some of these actions undoubtedly achieve results, they are often not as potent as they seem. Or, rather, their enduring effect may well be primarily discursive, rather than institutional.** Nietzsche (1982b, 243) already knew that **the greatest events 'are not our loudest but our stillest hours.' This is why he stressed that the world revolves 'not around the inventors of new noise, but around the inventors of new values.' And this is why, for Foucault too, the crucial site for political investigations are not institutions, even though they are often the place where power is inscribed and crystallized. The fundamental point of anchorage of power relations, Foucault claims, is always located outside institutions, deeply entrenched within the social nexus. Hence, instead of looking at power from the vantage point of institutions, one must analyse institutions from the standpoint of power relations** (Foucault, 1982, 219-222).

# competitiveness turn

**Innovation and competitiveness are the trademarks of consultants who justify executive bonuses by firing the underpaid workers—innovations don’t produce efficiency, they pay dividencds to executives by externalizing costs onto workers through slashed beneits. They assume profits get reinvested.**

**Gorz ’99** Andre, political ecologist, editor of Les Temps Moderne “Reclaiming Work: Beyond the Wage-Based Society” trans. Chris Turner, Polity Press p.14-16

**Globalization and the intensified competition in every market in every country are used as all-purpose justifications: for the fall in real wages, the dismantling of social welfare systems, spiralling unemployment, generalized job insecurity, deteriorating working conditions** and so on. **We are told these things are all inevitable and necessary.** It is like this, explains Pierre-Noel Giraud, with irrefutable logic, because the ability of companies to compete depends on their investments in productivity. **‘They have to have broadly the same rates of investment’ to remain competitive. ‘This means that the wage/profit distribution can no longer be decided on economic policy criteria, but that. . . *the territory which has the distribution most favourable to profits,* and hence the highest potential growth [of investment] *will set the standard.****’6* In other words, to be able to meet competition from American and Japanese firms, for example, European companies will have to achieve American or Japanese rates of profit. **This formally correct argument would apply, however, only if companies’ rates of investment were equal to their rates of profit or, in other words, if all profits were reinvested**. But **what happens in reality is actually quite different. In the 1980s, thanks to ‘re-engineering’, the pre-tax profits of the 500 largest American companies rose on average by 92 per cent**. In 1987, 61 per cent of those profits (as against 22 per cent in 1953) went to the chief executive officers (CEOs) of those firms and in many cases the dividends paid to shareholders increased fourfold. **Two-thirds of American economic growth went into the pockets of 1 per cent of the working population**.7 In 1994, a CEO earned on average 187 times as much as a blue- or white-collar worker. In 1975 he earned ‘only’ 41 times as much and in 1992 ‘only’ 145 times as much.8 The same trend has also been seen in the rest of the world. In France, for example, the tax breaks on financial earnings between 1989 and 1991 deprived the state coffers of an annual 80 billion francs of revenue. Throughout the world, it was solemnly explained that ‘the competitive imperative’ demanded a reduction in the taxes on high incomes, since it was the savings of the rich which (in part) financed the investment essential to business competitiveness. But that investment has not occurred. And not just in America. In France the rate of investment by companies fell to its lowest level for 35 years in 1995, when it was 16.2 per cent, as against 19.4 per cent in 1980 and 21.6 per cent in 1970. Since 1992, total profits have invariably been higher than total investment. They were 71 billion francs higher in 1993, 102 billion higher in 1995 and 127 billion higher in 1997 — 127 billion earned from ‘downsizing’, ‘restructuring’, from making jobs more ‘flexible’ and more insecure; 127 billion francs sterilized, by being ‘invested’ — if you can call it that — on the financial markets. In Germany in 1978 net wages represented 54 per cent of national disposable income; unearned income represented 22 per cent and welfare benefits and pensions 23 per cent. In 1994, the share of wages had fallen to 45 per cent (a drop of 17 per cent), with profits and unearned income rising to 33 per cent (a 50 per cent increase). **Adjusting for inflation, profits rose by 90 per cent between 1979 and 1994 and wages by 6 per cent, but the share of taxes on profits in total tax receipts fell by a half during these fifteen years, dropping from 25 to 13 per cent. It was 35 per cent in 1960 in a period of strong economic expansion. Was it, in fact, the pressure of international competition which required these changes?** Is it not, rather, that such competition provided an alibi for redistributing income from the poorest to the richest and for onslaughts on the ‘welfare state’ and the ‘featherbedding’ of wage-earners? **How can international competition explain French publishers putting out their books to be typeset in Madagascar, Tunisia or Mauritius? Is it to make a few pennies on the price of a book? And is it to meet competition that gentlemen’s shirt- makers have garments made up in China which are then sold at 50—100 times their cost price? Or that Nike (or Reebok or Puma) have their shoes manufactured in the Philippines, then in Indonesia, before moving on to China and Vietnam where the wage costs for a pair of ‘Pegasus’ trainers which sell for 70 dollars are 1 dollar 66 cents — and that the fourteen American board members of Nike have been able to pick up an annual income equal to the wages of 18,000 women workers in the Philippines? Or that Ford immediately sacked the workforce of two of its Mexican subsidiaries for protesting against the 50-hour week forced on them in contravention of Mexican law? Why, to use Main Lipietz’s excellent phrase, does ‘competitiveness’ demand the lowest wage costs, while allowing the highest management costs?**9 If we ask what transnational companies have done with their profits, we see they have certainly not invested them. In fact, their rates of investment have fallen by comparison with the levels of the sixties and seventies. 10 What has increased, and very greatly, by contrast, are the dividends to the shareholders, the remuneration of senior management and CEO5, and: 1 purchases of companies by other companies (‘mergers’), which have given rise to transactions of 400—800 billion dollars a year, as against 20—40 billion in the early l980s. The financing of these mergers has absorbed 90 per cent of the transnationals’ foreign investment;1’ 2 purely financial ‘investments’, on the money and foreign exchange markets in particular, through which countless firms (including, among others, Siemens, which is the largest European corporation) earn more than they do from their productive activities. ‘The competitive imperative’ is a fine catch-all explanation; anything at all can be blamed on globalization. For the main players in that process, globalization is not a passively felt constraint, but an array of constraints they themselves impose in the service of their own global power. This power is being concentrated in fewer and fewer hands. Of the 37,000 transnationals which control 40 per cent of world trade and a third of conventionally quantifiable world production, 370 (1 per cent) control 50 per cent of the financial assets. According to the IMF, no more than fifty banks control all the daily transactions, amounting to 1.4 trillion dollars, on the foreign exchange markets. And just six chartered banks control 90 per cent of operations on derivatives.’2 THE RESISTIBLE DICTATORSHIP OF THE FINANCIAL MARKETS **Financial logic is winning out over economic logic, rent is winning out over profit. Financial power, referred to euphemistically as ‘the markets’, is becoming independent of societies and the real economy, and is imposing its norms of profitability on businesses and states.** The president of the Bundesbank, Hans Tietmeyer, said this clearly at Davos in February 1996: ‘The financial markets will increasingly play the role of “policemen” . . . Politicians have to understand that they are now under the control of the financial markets and not, any longer, of national debates.”3 Into those financial markets, the American pension funds, which manage 8 trillion dollars, and investment funds have introduced a practice commonly known elsewhere as ‘extortion’ or, more colloquially, ‘racketeering’. They choose a number of prosperous, highly priced companies, buy up sizeable quantities of their shares and then confront the boards of those companies with the following option: either give us a dividend of at least 10 per cent or we wreck your share price. That practice, which makes maximum short-term financial returns the highest imperative, has pushed up shareholder value to unprecedented levels. In the light of these facts, the argument that an increase in public expenditure reduces ‘the amount of savings likely to be lent to companies. . . and hence their capacity to defend their competitiveness’ becomes laughable.’4 Denmark has a level of public expenditure equal to 62 per cent of GDP, a rate of mandatory contributions of Mexico — are often more automated than their equivalents in the United States. They distribute too little in wages to propel economic expansion by increasing effective demand. On the other hand, with the help of customs union, they open up the country to imported mass-produced goods, leading to the ruin of small local and craft industries.35 Finding alternatives to wage-based society is, then, no mere indulgence of decadent intellectuals in the rich countries. Wage-based society has less to offer humanity and the world than the social model of Kerala,36 the technically advanced self-providing cooperatives in the agricultural villages of India which Alvin Toffler describes, or the ‘high-tech self-providing’ advocated by Frithjof Bergmann in the United States.37

# at: poverty down

#### We control uniqueness—inequality is high and rising

**Pogge 2011** – PhD, Director of the Global Justice Program and Leitner Professor of Philosophy and International Affairs at Yale University (12/7, Thomas, Financial Task Force, “Endless Poverty Is A Human Rights Failure”, http://www.financialtaskforce.org/2011/12/07/endless-poverty-is-a-human-rights-failure/, WEA)

Contrary to much official rhetoric, these problems are not being overcome. The number of chronically undernourished people, for instance, has risen since the 1996 World Food Summit in Rome where the world’s governments promised to halve it by 2015. Reported at 788 million in 1996, this number has in 2009 broken above 1 billion for the first time in human history.

A key driver of the persistence of severe poverty is rising global inequality. While the top five percent of the world’s population increased its share of global household income from 42.9 to 46.4 percent in the 1988–2005 period, the share of the poorest quarter declined by a third from 1.16 to 0.78 percent — despite all the development assistance.[1] Clearly, and unsurprisingly, the rules of the world economy are better aligned with the interests of the world’s affluent than with those of the poor.

The Task Force on Financial Integrity and Economic Development has been analyzing and fighting some important structural injustices in our global financial system, calling attention, for instance, to how corporate tax evasion in developing countries is facilitated through lax accounting standards for multinational corporations. Since they are not required to do country-by-country reporting, such corporations can easily manipulate transfer prices among their subsidiaries to concentrate their profits where they are taxed the least. As a result, they may report little to no profits in the countries in which they extract, manufacture or sell goods or services, having their worldwide profits taxed instead in some tax haven where they only have a paper presence. Task Force member Global Financial Integrity (GFI) estimates that, during the 2000–2008 time period, trade mispricing deprived developing countries of US$382.6 – US$405 billion per annum.

Even more important, as seen over the last year, existing rules have allowed banks to accept for private depositfunds from public officials in developing countries. The funds found stashed by Gaddafi in various accounts exceed the annual GDP of Libya and are clearly proceeds of corruption. This type of complicity could easily be avoided: banks are already under strict reporting requirements with regard to funds suspected of being related to terrorism or drug trafficking. Yet many banks still eagerly accept and manage embezzled funds — and legally so, with secrecy laws ensuring that their banks remain attractive for such illicit deposits. GFI estimates that developing countries have lost an average of $342- 404.7 billion annually during the 2000–2008 period due to leakages via bankingsystems—more than four times the amount they have received in official development assistance. The impact of this financial drain on the livelihood of the poor is magnified by the effects of corruption on the quality of governance.

#### Their poverty metrics are inaccurate—prefer our uniqueness ev

**Hassoun 2011** – PhD, assistant professor in philosophy and international relations at Carnegie Mellon University (1/13, Nicole, Carnegie Mellon University, Department of Philosophy, “Free Trade, Poverty, and Inequality”, http://repository.cmu.edu/cgi/viewcontent.cgi?article=1354&context=philosophy, WEA)

In 2005, the World Bank claimed that poverty had fallen further. The Bank asserted that ¶ “the number of people living on less than US$1 a day declined from 1.5 billion (40 ¶ percent of the population) in 1981, to 1.2 billion (28 percent) in 1990, and 1.1 billion (21¶ percent) in 2001.”¶ 25¶ Others associated with the World Bank have made similar claims.¶ 26¶ In “How Have the World’s Poorest Fared since the Early 1980s?”, for instance, Shaohua¶ Chen and Martin Ravallion state that the number of poor people has declined by “almost ¶ 400 million” between 1981 and 2001.27¶ Today the World Bank poverty database tells us that, on the US$1 a day poverty ¶ line, the number of people in poverty fell by more than 22% (from 40.36% of the world’s ¶ population in 1981 to 17.72% of the world’s population in 2004).¶ 28¶ According to the ¶ World Bank’s US$2 a day poverty line, the database reports that the number of people in¶ poverty fell by about 20% (from 67.13% of the world’s population in 1981 to 47.27% of¶ the world’s population in 2004).¶ 29¶ Unfortunately, the Bank’s new method of calculating poverty lines cannot support ¶ such comparisons. The World Bank’s method of measuring poverty changed in the late ¶ 1990’s.¶ 30¶ To see the effect of this change, consider the 1993 poverty rates using the new ¶ and old methodologies: ¶ Table 1. Poverty estimates in 1993 as determined by new and old World Bank ¶ methodology31¶ ¶ We need not arbitrate between these different ways of measuring poverty here.¶ 32¶ Both ¶ methods of measuring poverty share some common problems. ¶ The Bank relies on PPP measures to convert country estimates of income poverty ¶ into a common currency. This is problematic. The main sources of PPP measures are the ¶ Penn World Tables (PWT) and the International Comparison Project (ICP). These ¶ measures are based on surveys with inadequate coverage. Only 63 countries participated ¶ in the 1985 ICP.¶ 33¶ China did not participate at all in the ICP surveys until 2005 and India¶ did not participate between 1985 and 2005.¶ 34¶ Since China and India account for about a ¶ third of the world’s population, the above estimates of world poverty are quite ¶ uncertain.¶ 35¶ ¶ Another problem is that the most common PPP measures make it seem like the ¶ poor are doing better than they actually are. So, using these measures to estimate poverty ¶ rates makes it seem like there are fewer poor people in the world than there are. To see ¶ how the problem arises, consider how PPP is calculated on the most common (GearyKhamis) method. The Geary-Khamis method essentially averages the international price ¶ differentials across all commodities.¶ 36¶ This method weights “each commodity in ¶ proportion to its share in international consumption expenditure,” essentially estimating ¶ purchasing power over an international “basket” of goods and services.¶ 37¶ Unfortunately, ¶ this “basket” does not represent the “basket” of goods and services the poor purchase. It ¶ contains services and other non-tradables that the poor do not buy – the poor primarily ¶ purchase food.¶ 38¶ Services and “nontradables” are relatively cheaper in developing¶ countries.¶ 39¶ This implicitly inflates the assessed purchasing power of the poor in ¶ developing country currencies. Consider the following illustrative graph:¶ 40¶ Graphs 2 and 3: World Consumption 1950 and the Poor’s Consumption 1950-2008 ¶ Suppose the first graph represents the world’s consumption “basket” on the basis of ¶ which the PPP estimates are made. The second graph represents the “basket” of ¶ commodities actually purchased by the poor. Services make up more of the “basket” on ¶ the basis of which PPP estimates are made. Since services are relatively cheaper in poor ¶ countries this makes it seem like the poor’s currency will go further than it does for ¶ purchasing the things the poor purchase. Food makes up less of the world’s consumption ¶ “basket” than it does of the poor’s consumption “basket.”¶ 41¶ Food is cheaper in developing ¶ countries but it is not as cheap as PPP suggest. To see this, we can compare prices in ¶ some of the poorest countries included in the 1985 ICP survey with world prices. Doing ¶ so, we find that prices for basic food stuffs “Breads and Cereals” averaged 111 percent ¶ higher than consumer prices generally.¶ 42¶ This means it is relatively more expensive to ¶ buy a “basket” of food than it is to buy the world’s consumption “basket” in developing¶ countries (when the “baskets” are compared with similar “baskets” in developed ¶ countries). Again, since the poor primarily purchase food, but PPP exchange rates are ¶ based on the world’s consumption “basket,” these exchange rates make it seem that the ¶ poor are doing better than they are. Estimates of PPP exchange rates using only the ICP ¶ 1985 or 1993 data for foods (or “breads and cereals”) raise national poverty lines of poor ¶ countries 30-40%.¶ 43¶ This problem makes it particularly hard to get accurate estimates of ¶ the number of people who are poor in the real world because many people have incomes ¶ close to the poverty lines.¶ 44¶ “Recent research on China suggests that a 10% increase in ¶ the line brings a roughly 20% increase in the poverty headcount.”¶ 45¶ And when China’s ¶ prices were re-evaluated last year the number of Chinese below the World Bank’s ¶ poverty line increased by two-thirds.¶ 46¶ A related problem stems from the fact that the rich have started to consume more ¶ services in recent years. This changes the international “basket” of goods underlying the ¶ most common PPP comparisons. The “basket” now contains more services which are ¶ relatively cheaper in poor countries.¶ 47¶ Over time it, thus, **seems that the poor have gotten** ¶ **richer simply as a result of a change in the consumption patterns of the rich.**¶48¶ Compare ¶ these graphs: ¶ Graphs 5 and 6: World Consumption 1950 and World Consumption 2008 ¶ The poor’s consumption has not changed much since 1950 (they still primarily purchase ¶ food). So let us suppose that the following graph represents the “basket” of goods the ¶ poor purchased in both 1950 and 2008: ¶ Graph 7: The Poor’s Consumption 1950-2008 ¶ Over time the mismatch between the consumption patterns of the poor and the ¶ consumption patterns of the rest of the world has grown because rich people are buying ¶ more services.¶ 49¶ Again, services are relatively cheaper in poor countries.¶ 50¶ This makes it ¶ seem like the poor’s currency will go even further in 2008 than it did in 1950 for ¶ purchasing the things the poor purchase. So, when poverty estimates rely on these PPP ¶ measures they suggest that there are fewer poor people in the world now than there used ¶ to be. But they say that poverty is declining just because poor peoples’ currencies could¶ purchase a lot of services relatively cheaply. Poor people, on the other hand, cannot ¶ spend much of their money on services. To survive, they have to spend most of their ¶ money on food.¶ 51

#### This means their results systematically downplay inequality

**Hassoun 2011** – PhD, assistant professor in philosophy and international relations at Carnegie Mellon University (1/13, Nicole, Carnegie Mellon University, Department of Philosophy, “Free Trade, Poverty, and Inequality”, http://repository.cmu.edu/cgi/viewcontent.cgi?article=1354&context=philosophy, WEA)

Before the industrial revolution there was much ¶ less weighted international inequality. As Western countries industrialized, their average ¶ incomes rose while those in Asia and Africa grew more slowly than average. Weighted¶ international inequality increased greatly. Today, India and China where most of the ¶ world’s population lives, are growing, and weighted international inequality is declining ¶ despite increasing inequality in some of the more developed countries.¶ 78¶ One worry about these results is that they may be biased because of the currency ¶ conversion measures used to estimate international inequality. In order to compare ¶ changes in income levels between countries one has to convert the currencies of different ¶ countries into a common currency. There are two common ways of doing this. So far we ¶ have only discussed studies using purchasing power parity exchange rates. Market ¶ exchange rates are another option. ¶ We have already discussed some problems for the most common PPP exchange ¶ rates: One problem we mentioned is that the data underlying PPP exchange rates for ¶ some countries (most notably China and India) is unreliable. Given the large number of ¶ people in these countries this is an extremely large problem. Another problem for ¶ inequality estimates stems from the Gershenkron effect, that is, that a country’s income ¶ appears greater at other countries’ prices.¶ 79¶ The most common PPP exchange rates bias ¶ estimates of inequality downward since they make poor countries’ incomes look greater ¶ than they actually are.¶ 80 ¶ The primary reason for this is that “quantities of services and ¶ goods consumed in poor countries are estimated at ‘international’ prices which are much ¶ closer to prices that prevail in rich countries.”¶ 81¶ Rich countries have greater weight in ¶ determining ‘world’ prices.¶ 82¶ The bias has also increased over time. Recall that the poor ¶ do not buy many of the services that have come to make up more of the international ¶ “basket” of goods on which PPP comparisons are made. Since this makes the poor seem ¶ like they are doing better than they are it reduces inequality. Consider the following ¶ graph: ¶ Graph 9: PPP Bias Grows Over Time ¶ Unfortunately, market exchange rates may make it even harder to determine how ¶ people are faring. They tend to undervalue non-traded goods.¶ 83¶ It may, thus, be best to try ¶ to avoid the problems with PPP conversion by correcting for the biases. ¶ Different PPP exchange rates are available.¶ 84¶ Steve Dowrick and Muhammad ¶ Akmal have calculated population weighted inequality measures using one such index -- ¶ the Afriat. They find that the biases in Geary-Khamis PPP exchange rates may more than¶ account for the change in weighted international inequality seen here.¶ 85¶ Using the Afriat ¶ PPP exchange rate instead, Dowrick and Akmal find that weighted international ¶ inequality is increasing, if anything.¶ 86

# 2nc alt

**Resistance is inevitable—only question is whether you align yourself with it. Doing so disrupts dominant horizons—we control terminal impact questions—the plan perpetuates a system of labor relations that guarantees extinction**

**Dyer-Witheford ‘1** Nick, Associate Professor in the Faculty of Information and Media Studies at the University of Western Ontario, “The New Combinations: Revolt of the Global Value-Subjects” The New Centennial Review, Volume 1, Number 3, Winter

2001, pp. 155-200 (Article) [muse]

But comparison with the political, intellectual, and cultural climate of even a decade ago—the heyday of neoliberalism, the era of the Fall of the Wall, of the “end of history” thesis, the time when Margaret Thatcher’s “there is no alternative” vindication of free-market policies rang with conviction— shows how much has changed. **Horizons of contestation have opened up, so that, in ways few expected, there is appearing a watershed of social struggles that bear comparison with the explosion of, were it not that such resemblance-finding too easily annuls the specificity and innovation of these emergent, twenty-first-century movements.** That **the scale and intensity of these insurgencies**—usually pejoratively and misleadingly termed “antiglobalization” movements—**has caught their opponents by surprise** is clear. Even to participants and sympathizers, however, understanding the new mobilizations is a challenge. Perhaps the most current self-description within the movement uses the terminology of “civil society” to speak of an uprising “in the space between the state and the corporation.” 1 But although valuable accounts have been offered within this framework, it is difficult to avoid the suspicion that what recommends the category of “civil society” to platform speakers is its very vagueness, which papers over critical divisions within the movement. As the best work in this genre admits, civil society is what Gramsci called “a maze of conflicting attitudes, values and interests.”2 Theorists of “new social movements” and “identity politics” will have no trouble in identifying familiar subjects—green, feminist, antiracist—in the throng. But such analysts, who have often been energetic in denying the importance of “old” class struggles—might be given pause by the fact that these agents now appear in coalitions that often exceed single issues and specific identities precisely by the assertion of common “anticorporate, “ and sometimes overtly “anticapitalist,” perspectives. Similarly, while “postMarxists” such as Ernesto Laclau and Chantal Mouffe might be keen to discuss the “discursive articulation” of such coalitions, they should be abashed that these processes of connection occur around the very issues of globalized commodification, internationalized production, and financial capital from which they have so assiduously distanced themselves.3 On the other hand, while long faces on the Marxian left have been cheered by the appearance of what are now recognized—even in the mainstream press—as “anticapitalist demonstrators,” it is equally clear that **the renewed militancy is not easily ramroded into their familiar categories. The demonstrators’ diffusion of composition, diversity of perspective, decentralization of organization, and, usually, determined disassociation from the disastrous historical experience of state socialism defies the grasp of most class analysis.** Even sophisticated versions often end up focusing on familiar problems, such as the conflicting radical and reactionary potentials of “organized labor,” at the expense of other equally, perhaps even more, important elements. “**Anarchists? Hacktivists? Witches?” scientific socialists intone, with mounting exasperation**.4 And while there are certainly available within a broadly Marxian optic innovative concepts such as that of “antisystemic movements” proposed by the world systems theorists—which by virtue of its internationalist and inclusive perspective might seem well suited to understanding events such as those in Seattle—their elaboration largely remains tied to early generations of struggle.5