### FW

**My value is morality because the use of the word ought the resolution implies moral obligation**

**My standard is maximizing expected wellbeing.**

**Prefer it for …**

#### Actor spec- When one promotes societal well-being, one can ensure that a utilitarian calculus is used. As a result, the most fair and/or beneficial option is chosen, thus upholding a society’s sense of justice.

**Goodin 90.** Robert Goodin 90, [professor of philosophy at the Australian National University college of arts and social sciences], “The Utilitarian Response,” pgs 141-142 //RS

My larger argument turns on the proposition that there is something special about the situation of public officials that makes utilitarianism more probable for them than private individuals. Before proceeding with the large argument, I must therefore say what it is that makes it so special about public officials and their situations that make it both more necessary and more desirable for them to adopt a more credible form of utilitarianism. Consider, first, the argument from necessity. Public officials are obliged to make their choices under uncertainty, and uncertainty of a very special sort at that. All choices – public and private alike – are made under some degree of uncertainty, of course. But in the nature of things, private individuals will usually have more complete information on the peculiarities of their own circumstances and on the ramifications that alternative possible choices might have for them. Public officials, in contrast, are relatively poorly informed as to the effects that their choices will have on individuals, one by one. What they typically do know are generalities: averages and aggregates. They know what will happen most often to most people as a result of their various possible choices, but that is all. That is enough to allow public policy-makers to use the utilitarian calculus – assuming they want to use it at all – to choose general rules or conduct.

#### Promoting societal well-being is a prerequisite to their framework – it provides access to other value criteria because it allows others to perform favorable actions, such as ensuring safety, fairness, etc.

## Econ DA

#### UQ – U.S. economy is positively recovering but its progress has significantly slowed due to shortages. Feuer 10/28:

Feuer, Will (Will is a writer on CNBC.com’s health and science team. He joined CNBC in June 2019 after graduating from the University of Michigan with a BA in Public Policy and Chinese. Before that, he held internships with The Philadelphia Inquirer, the Detroit Metro Times and Southeast Asia Globe in Phnom Penh, Cambodia). “US Economy Grew Just 2 Percent in Third Quarter as COVID Recovery Cools.” New York Post, 28 Oct. 2021, nypost.com/2021/10/28/us-economy-grows-as-covid-recovery-cools-down.

US GDP rose 2 percent in the third quarter of the year — slower than expected — as the supercharged recovery from the depths of the COVID-19 pandemic [cooled down amid rampant inflation and supply-chain bottlenecks](https://nypost.com/2021/10/20/supply-chain-crisis-sparks-hoarding-in-parts-of-the-us/), the feds announced Thursday. America’s gross domestic product — the value of all goods and services produced here — grew by 2 percent from July to September compared with the same period a year ago, the feds said Thursday. That’s a [significant slowdown from the 6.7 percent spike in GDP growth seen last quarter](https://nypost.com/2021/07/29/us-gdp-grew-6-5-percent-in-second-quarter/), as the economy powered forward thanks to rapid vaccinations and pent-up demand to spend from Americans across the country. Economists polled by Dow Jones and the Wall Street Journal expected an annualized growth rate of 2.8 percent in the third quarter. It’s the third consecutive quarter that the US GDP growth number has missed expectations under President Joe Biden. The lackluster economic growth came as businesses across the country faced various operational challenges — from [labor shortages](https://nypost.com/2021/05/12/worker-shortage-threatening-to-derail-us-economic-recovery-experts/) to a [snarled global supply chain](https://nypost.com/2021/10/12/snarled-shipping-lanes-could-mean-empty-shelves-come-holiday-shopping-time/) — that have likely held back sales. The surge of COVID-19 cases at the end of the summer, driven by the emergence of the Delta variant of the coronavirus, also likely hurt the numbers, economists said. Chris Zaccarelli, chief investment officer for Independent Advisor Alliance, called the reading “very disappointing.” “It was to be expected that growth would slow down, as the US economy can’t sustain 6 percent or higher growth for long, but to drop all the way back to 2 percent is disappointing and should reignite the growth slowdown debate in the midst of inflation continuing to run much higher than average,” he added. Zaccarelli said he remains optimistic heading into the end of the year and the first half of 2022, so long as COVID-19 cases continue to fall and Americans keep on spending, but the second half of next year could prove challenging. Mark Hamrick, senior economic analyst at Bankrate, said the disappointing GDP numbers are “likely only a fairly temporary speed bump caused by the global traffic jam of goods with which we’ve become all too familiar.” “A consistent theme in the economy is the fact that demand is not the key issue. That’s true for workers as well as for goods,” he said, adding that supply chain issues will hopefully ease in the next few months.

#### This is a problem because our promising recovery has made the US the top destination of overseas investment.

**Hannon**, Paul, et al. “U.S. Economy Is Bouncing Back from Covid-19. Now Foreign Investors Are Rushing in.” *The Wall Street Journal*, Dow Jones & Company, 21 June 20**21**, https://www.wsj.com/articles/turbocharged-u-s-economy-attracts-foreign-investors-11624263520.  Paul Hannon is a Wallstreet Journalist reporter.[RP]

The extraordinary recovery of the U.S. economy is likely to make the country the world’s top destination for overseas investment this year and next, according to new United Nations projections, with foreign businesses drawn by the prospect of a rapid and sustained rebound in consumer spending and the Biden administration’s multitrillion-dollar infrastructure plans. According to U.N. figures published Monday, overseas investments by businesses around the world fell by a third in 2020 from the previous year. The U.S. recorded a 40% fall in investment but narrowly held on to its long-held position as the top destination ahead of China. The U.N. in January estimated that the U.S. had lost the top slot. For 2021 and 2022, the U.N. expects the U.S. to cement its leading position, with China in the second spot, as overseas investors expand capacity to meet huge post-pandemic demand. The Federal Reserve expects the American economy to grow 7% this year, supported by nearly $6 trillion in approved stimulus spending and about $2.6 trillion in extra savings American households have built up during the pandemic. “We’re incredibly bullish about the U.S. economy, even more so now,” said Mark Vassella, chief executive of BlueScope Steel Ltd., an Australian steel company that is expanding capacity in the U.S. to meet demand from car makers and construction companies. With the U.S. and the wider global economy recovering at a faster pace than many expected at the start of the year, the U.N. Conference on Trade and Development, or Unctad, expects businesses around the world to increase foreign investments by 10-15% this year and a further 20-30% in 2022. That would take foreign investment back above pre-pandemic levels. However, it seems unlikely that flows of foreign investment will soon exceed the highs seen just before the global financial crisis.

#### Link - RTS and Unionization steers employers and investors from riskier projects and investments.

Chen, Jun, et al. “The Economic Consequences of Labor Unionization: Evidence from Stock Price Crash Risk.” Journal of Business Ethics, Springer Netherlands, 6 Sept. 2017, https://link.springer.com/article/10.1007/s10551-017-3686-0.

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Employees play a vital role in a firm’s value creation. Unionized employees have a greater ability to influence a firm’s operations and financial reporting policy than their nonunionized peers. In this paper, we investigate whether labor unionization affects a firm’s future stock price crash risk (crash risk hereafter). The impact of labor unionization on crash risk is of particular interest to both practitioners and regulators not only because crash risk has received much attention in the past decades but also because labor unions in the USA are regulated by labor laws and can be changed over time. Defined as the frequency of extreme negative stock returns, crash risk is able to capture asymmetry in risk, especially downside risk, and thus plays an important role in risk management (Kim et al. 2014). Previous literature suggests that engaging in unprofitable and risky projects will accumulate and increase the future crash likelihood (Bleck and Liu 2007). We argue that labor unions are able to lower the probability of stock price crash risk by reducing managerial risk-taking behaviors. Employees, like creditors, primarily hold a fixed claim on a firm’s cash flow in the form of wages and salaries. Employees therefore prefer less risk than shareholders or managers since they have little to gain when a firm per forms better than expected, but have much to lose when it performs poorly (Faleye et al. 2006). Employees also require a premium in wages or benefits as compensation for unemployment risk that increases with a firm’s preference to risky investments (Li 1986; Hamermesh and Wolfe 1990). Unionization enables employees to play a more influential role in refraining managers from undertaking risky investment projects. The high concerns of unionized employees about downside risks also motivate them to urge the implementation of conservative information disclosure polices so that they are able to take protective actions upon receiving bad news in a timely manner, leading to lowered crash risk. Besides, the greater ability of unionized employees to extract above-market rents and capture future profits reduces returns on risky investments, while com pensation premium demand for increased unemployment exposures boosts the cost of risky investments. Unionized firms are thus less willing to invest in risky projects on the margin. The above argument suggests a negative association between labor unionization and crash risk. Following prior literature (Klasa et al. 2009; Chen et al. 2011), we use industry unionization rate, defined as the percentage of workers in a firm’s industry covered by unions in collecting bargaining agreements, to proxy for labor unions’ ability to affect the firm’s behaviors. Following prior studies (e.g., Chen et al. 2001; Kim et al. 2011b, 2014; Li and Cai 2016), we measure crash risk as the conditional skewness of return distribution. Our empirical results indicate that firms with higher unionization rates are less likely to experience firm specific stock price crashes in the future… Therefore, labor unions have both stronger incentives and greater abilities to constrain the firms from high risky investments regardless of their present values. Like debtholders, they are also likely to exert efforts to constrain managers from overstating earnings and assets for compensations they are not entitled to. In addition, workers demand higher wages, additional benefits, and improved working conditions to compensate for unemployment risk (Abowd and Ashenfelter 1981; Topel 1984; Li 1986; Hamermesh and Wolfe 1990), which increases with the riskiness of future cash flows. To the extent that all stakeholders suffer from adverse consequences associated with risky investment projects, unionized employees likely suffer more because of their locked-in firm-specific human capital investment and much longer time horizon in firms than that of managers or shareholders who can quit the firms more easily. Unionized workers would require additional compensation if expected future cash flow volatility is higher due to firms’ risky investments. Such compensation premium increases the marginal cost of risky investments and decreases the returns accrued to shareholders and managers. As a response, unionized firms could rationally cut risky investments to reduce the need to compensate unionized employees for their perception of unemployment risk.

#### IL - Risky investments are key to the economy

**Schrager**, Allison. “Propeller of Growth.” *City Journal*, 22 Jan. 20**20**, https://www.city-journal.org/risk-management?wallit\_nosession=1.  Allison Schrager is a senior fellow at the Manhattan Institute.

But many of their risk-management proposals go too far, address the wrong sources of risk, and would undermine America’s economic leadership. Risk propels economies and motivates entrepreneurs to innovate. Risk, for better and worse, is at the heart of economic growth, and successfully apportioning it—not avoiding it—is the key to prosperity. The purpose of markets is not only to match buyers and sellers and establish prices but also to allocate risk. In a functioning market, people who take the most risk can reap the biggest reward. Those who wish to avoid risk can reduce it by hedging or diversifying or by paying someone, in the form of insurance, to take on the downside risk for them.

#### A downgrade devastates the economy, especially during crises like COVID – many countries prove.

Mutize ’20 (Misheck Mutize; Post Doctoral Researcher, Graduate School of Business (GSB), University of Cape Town; published 4-30-2020; "Why downgrading countries in a time of crisis is an exceptionally bad idea"; https://theconversation.com/why-downgrading-countries-in-a-time-of-crisis-is-an-exceptionally-bad-idea-136863; accessed 10-30-2020)

A number of rating agencies have **downgraded** emerging market economies during the COVID-19 pandemic. Their actions have raised the question: why do so during a crisis? This is not the first time ratings agencies have adopted a procyclical approach – that is, one in which bad news is simply piled on bad news. During the **2008 global financial crisis**, ratings agencies were accused of **aggressively downgrading** countries whose economies were **already strained**. Reports by the European and US Commissions found evidence that their decisions **worsened** the **financial crisis**. Nobel laureate Joseph Stiglitz has also accused rating agencies of aggressively downgrading countries during the 1997 East Asian financial crisis. The downgrades were more than what would be justified by the countries’ economic fundamentals. This unduly **added to the cost of borrowing** and caused the supply of international capital to **evaporate**. In addition to the issue of timing, the effectiveness and objectivity of the rating methodology continues to be questioned by policymakers. Their **methodological errors** in times of crisis, together with the unresolved problem of conflict of interests, leave both issuers and investors **vulnerable to losses**. The procyclical nature of ratings needs to be put under check to avoid market panic. The **devastating effects** they add on economies that are **already strained** has to be challenged. The coronavirus pandemic is yet another episode to prove this. **Ten African countries** have been downgraded since the COVID-19 pandemic started – Angola, Botswana, Cameroon, Cape Verde, Democratic Republic of the Congo, Gabon, Nigeria, South Africa, Mauritius and Zambia. These decisions were based on expectations that their **fiscal situations would deteriorate** and their **health systems would be severely strained** by the pandemic. But, in my view, the downgrade decisions reflect monumental bad timing. I would also argue that, in most cases, they were premature and unjustified. Since international rating agencies have **tremendous power** to influence **market expectations** and **investors’ portfolio allocation decisions**, crisis-induced downgrades **undermine macroeconomic fundamentals**. Once downgraded, like a self-fulfilling prophecy, even countries with strong macroeconomic fundamentals **deteriorate** to converge with model-predicted ratings. Investors respond by **raising the cost of borrowing** or by **withdrawing their capital**, **aggravating a crisis situation**. South Africa was stripped of its last investment grade by Moody’s. The rating agency cited a rising debt burden of 62.2%, which was estimated to reach 91% of GDP by fiscal 2023; and structurally weak growth of less than 1%, which was estimated to shrink to -5.8%. It was hoped that Moody’s would delay its rating action to see the impact of the coronavirus onshore and the country’s policy responses. The procyclical effect of the downgrade **magnified the impact** of the lockdown. Fitch further pushed it deep into junk a week later. Fitch cut Gabon’s sovereign rating to CCC from B on 3 April 2020. The rationale for the downgrade was that agencies expected the risks to sovereign debt repayment capacity to increase due to liquidity pressure from the fall in oil prices. Moody’s revised Mauritius’s sovereign rating outlook from Baa1 stable to negative on 1 April 2020. Moody’s said the downgrade was driven by the expectation of lower tourist arrivals and earnings due to the coronavirus. Both would have a **negative impact** on the country’s economic growth. Nigeria was downgraded by S&P from B to B- on 26 March 2020. The reason was that COVID-19 had added to the risk of fiscal and external shock resulting from lower oil prices and economic recession. Yet the investment grades of Saudi Arabia and Russia were spared. S&P also downgraded Botswana – one of the most stable economies in Africa – which had an A rating. The agency cited weakening fiscal and external balance sheets due to a drop in demand for commodities and expected economic deceleration because of COVID-19. Botswana’s downgrade came four days after it went into a lockdown and before it had recorded a confirmed case of COVID-19. These downgrades deep into junk impose a **wave of other problems**, **worse than COVID-19**. They **cut sovereign bond value** as collateral in central bank funding operations and **drive interest rates high**. Sovereign bond values are grossly discounted, at the same time **escalating the cost of interest repayment instalments**, ultimately contributing to a **rise in the cost of debt**. A wave of corporate downgrades also follows because of the sovereign ceiling concept – a country’s rating generally dictates the highest rating assigned to companies within its borders.

#### Economic collapse increases the risk of war – a decline in trade dramatically raises tensions.

Tønnesson ’15 (Stein Tønnesson; Department of Peace and Conflict Research, Uppsala University, Sweden, and Peace Research Institute Oslo (PRIO), Norway; published 8-20-2015; "Deterrence, interdependence and Sino–US peace"; https://journals.sagepub.com/doi/10.1177/2233865915596660?icid=int.sj-full-text.similar-articles.2)

Several recent works on China and Sino–US relations have made substantial contributions to the current understanding of how and under what circumstances a combination of nuclear deterrence and economic interdependence may reduce the risk of war between major powers. At least four conclusions can be drawn from the review above: first, those who say that interdependence may both inhibit and drive conflict are right. Interdependence raises the cost of conflict for all sides but asymmetrical or unbalanced dependencies and negative trade expectations may generate tensions leading to trade wars among inter-dependent states that in turn increase the risk of military conflict (Copeland, 2015: 1, 14, 437; Roach, 2014). The risk may increase if one of the interdependent countries is governed by an inward-looking socio-economic coalition (Solingen, 2015); second, the risk of war between China and the US should not just be analysed bilaterally but include their allies and partners. Third party countries could drag China or the US into confrontation; third, in this context it is of some comfort that the three main economic powers in Northeast Asia (China, Japan and South Korea) are all deeply integrated economically through production networks within a global system of trade and finance (Ravenhill, 2014; Yoshimatsu, 2014: 576); and fourth, decisions for war and peace are taken by very few people, who act on the basis of their future expectations. International relations theory must be supplemented by foreign policy analysis in order to assess the value attributed by national decision-makers to economic development and their assessments of risks and opportunities. If leaders on either side of the Atlantic begin to seriously fear or anticipate their own nation’s decline then they may blame this on external dependence, appeal to anti-foreign sentiments, contemplate the use of force to gain respect or credibility, adopt protectionist policies, and ultimately refuse to be deterred by either nuclear arms or prospects of socioeconomic calamities. Such a dangerous shift could happen abruptly, i.e. under the instigation of actions by a third party – or against a third party. Yet as long as there is both nuclear deterrence and interdependence, the tensions in East Asia are unlikely to escalate to war. As Chan (2013) says, all states in the region are aware that they cannot count on support from either China or the US if they make provocative moves. The greatest risk is not that a territorial dispute leads to war under present circumstances but that changes in the world economy alter those circumstances in ways that render inter-state peace more precarious. If China and the US fail to rebalance their financial and trading relations (Roach, 2014) then a trade war couldresult, interrupting transnational production networks, provoking social distress, and exacerbating nationalist emotions. This could have unforeseen consequences in the field of security, with nuclear deterrence remaining the only factor to protectthe world from Armageddon, and unreliably so. Deterrence could lose its credibility**:** one of the two great powers might gamble that the other yield in a cyber-war or conventional limited war, or third party countries might engage in conflict with each other, with a view to obliging Washington or Beijing to intervene.

#### Nuclear war causes extinction – famine, fallout, and Ice Age.

Starr ’15 (Steven Starr; Steven is an Associate member of the Nuclear Age Peace Foundation and has been published by the Bulletin of the Atomic Scientists. His writings appear on the websites of PSR, the Nuclear Age Peace Foundation, the Moscow Institute of Physics and Technology Center for Arms Control, Energy and Environmental Studies, Scientists for Global Responsibility, and the International Network of Scientists Against Proliferation. From 2007 through 2011, he worked with the governments of Switzerland, Chile, and New Zealand, in support of their efforts at the United Nations to eliminate thousands of high-alert, launch-ready nuclear weapons. Mr. Starr is also an expert on the environmental consequences of nuclear war, and in 2011, he made an address to the U.N. First Committee describing the dangers that nuclear weapons and nuclear war poses to all nations and peoples. He has made presentations to Ministry Officials, Parliamentarians, Universities, citizens and students from around the world, and specializes in making technical scientific information understandable to all audiences.; published 2-28-2015; "Nuclear War: An Unrecognized Mass Extinction Event Waiting To Happen"; https://ratical.org/radiation/NuclearExtinction/StevenStarr022815.html)

A war fought with 21st century strategic nuclear weapons would be **more than just a great catastrophe** in human history. If we allow it to happen, such a war would be a **mass extinction event** that [ends human history](https://ratical.org/radiation/NuclearExtinction/StarrNuclearWinterOct09.pdf). There is a profound difference between extinction and “an unprecedented disaster,” or even “the end of civilization,” because even after such an immense catastrophe, human life would go on. But extinction, by definition, is an event of **utter finality**, and a nuclear war that could cause human extinction should really be considered as the **ultimate criminal act**. It certainly would be the crime to end all crimes. The world’s leading climatologists now tell us that nuclear war **threatens our continued existence** as a species. Their studies predict that a large nuclear war, especially one fought with strategic nuclear weapons, would create a post-war environment in which for many years it would be **too cold and dark to even grow food**. Their findings make it clear that not only humans, but most large animals and many other forms of complex life would likely **vanish forever** in a nuclear darkness of our own making. The environmental consequences of nuclear war would attack the ecological support systems of life at **every level**. Radioactive fallout, produced not only by nuclear bombs, but also by the destruction of nuclear power plants and their spent fuel pools, would **poison the biosphere**. Millions of tons of smoke would act to **destroy Earth’s protective ozone layer** and **block most sunlight** from reaching Earth’s surface, creating **Ice Age weather conditions** that would **last for decades**. Yet the political and military leaders who control nuclear weapons strictly avoid any direct public discussion of the consequences of nuclear war. They do so by arguing that nuclear weapons are not intended to be used, but only to deter. Remarkably, the leaders of the Nuclear Weapon States have chosen to ignore the authoritative, long-standing scientific research done by the climatologists, research that predicts virtually **any nuclear war**, fought with **even a fraction** of the operational and deployed nuclear arsenals, will leave the Earth **essentially uninhabitable**.

## Interest Arbitration CP

#### CP Text: Employees should have the right to request a government-mandated interest arbitration session, to renegotiate contracts and wages.

#### Either the right to strike or interest arbitration is needed for collective bargaining, and interest arbitration doesn’t link to the disad or solvency deficit

**Anderson**, A., & **Krause**, L. A. (19**87**). Interest Arbitration: The Alternative to the Strike. Fordham Law Review, 56(2), 153–179.

It is our view that **either the right to strike or interest arbitration is needed to make collective bargaining work**. The success of collective bargaining requires only one of these alternatives**. The fact that the right to strike is banned' 6 in all cases where interest arbitration is required by statute 17 bears out this point**. **In those states that have adopted interest arbitration, illegal strikes are virtually nonexistent.** Undeniably, in some cases the strike weapon can be extremely effective in obtaining bargaining rights for employees as well as in achieving contract gains. Unfortunately, however**, a strike can result in the self-immolation of those employees without the power to strike effectively."**8 Moreover, even **states** that **have sanctioned the right to strike for some public employees** **have not done so** for police, firefighters and other **categories of employees who have the power to threaten** seriously **the health and safety of the community** if they strike. 9 We submit that **interest arbitration enables all employees to achieve favorable employment contract terms** 20 by offering an alternative to the strike that similarly stimulates bargaining.

#### NET BENEFIT: 1 - No link to the DA, no shutdowns of work 2 - No link to the solvency deficit, arbitrators are neutral and federally protected 3 - Also prevents unreasonable worker demands 4 - Reveals unfair work practices directly to federal employees

## Case