## 1

#### Ethics must begin apriori

#### [1] Uncertainty – our experiences are inaccessible to others which allows people to say they don’t experience the same, however a priori principles are universally applied to all agents.

#### [2] Bindingness – I can keep asking “why should I follow this” which results in relatvism since obligations are predicated on ignorantly accepting rules. Only reason solves since asking “why reason?” requires reason which concedes its authority and equally proves agency as constitutive.

#### That implies universality

#### [1] Apriori truths are true for everyone, i.e. the sum of interior angles in a triangle equaling 180 can’t only be true for me but not you

#### Freedom follows

#### [1] Its impossible to will a violation of freedom, since it necessarily entails a violation of your own freedom thus violating your will.

#### [2] We could not hold agents responsible for their actions if we did not assume them to have the freedom to control their actions for themselves.

#### Thus, the standard is consistency with a system of equal and outer freedom.

#### Offense

#### 1] Violates the commitment to not cause harm

Fourie 17 Johan Fourie 11-30-2017 "Ethicality of Labor-Strike Demonstrates by Social Workers" <https://www.otherpapers.com/essay/Ethicality-of-Labor-Strike-Demonstrates-by-Social-Workers/62694.html> (Johan Fourie is professor of Economics and History at Stellenbosch University.) JG//actually Elmer

In addition to the above, engaging in a labor strike demonstration is a gross violation of the **prima facie duty of the social worker**, nonmaleficence: **to not cause harm**, and display a commitment to the well-being of the client, organization as well as society. As Social Workers withdraw their labor, services are ceased, and automatic disruption occurs which can inflict serious harm on clients, organizational functioning as well as society. According to Mehta and Swell (2014), examples of the harm caused to clients and organizational functioning include severe and fatal delays in executing or developing timeous interventions **for at-risk clients,** miscommunication, and no service delivery. Moreover, by withdrawing their labor in a strike demonstration, ethical principles such as beneficence and social justice are also not adhered to as no acts of kindness, empathy is shown, and the most vulnerable members of society **will be impacted the most**.

#### 2] Strikes in essential services hurt the patient but not the employer which reduces the patient to a mere means to an end.

Loewy 2K, Erich H. "Of healthcare professionals, ethics, and strikes." Cambridge Q. Healthcare Ethics 9 (2000): 513. (Erich H. Loewy M.D., F.A.C.P., was born in Vienna, Austria in 1927 and was able to escape first to England and then to the U.S. in late 1938. He was initially trained as a cardiologist. He taught at Case Western Reserve and practiced in Cleveland, Ohio. After 14 years he devoted himself fully to Bioethics and taught at the University of Illinois for 12 years. In 1996 he was selected as the first endowed Alumni Association Chair of Bioethics at the University of California Davis School of Medicine and has taught there since.) JG//actually Elmer

“Essential” Work and Strikes Healthcare professionals, garbage collectors, and other “essential” workers have a responsibility that is considered to be different from, say, the responsibilities of workers in a supermarket chain. There are almost certainly other supermarkets, but there is generally only one municipal garbage collection service**, one police force, and one fire department; and in general, only one healthcare system available to us. In the medical setting, furthermore, workers are much more apt to deal with identified lives**: they know their patients and often have known them for some time. Striking against their employer (even if it is done in part to benefit the patient) is **denying meaningful and often essential services to some of these identified lives**. We tend to relate differently with those lives we know and therefore call “identified” from those whom we consider “unidentified” or statistical lives, in part, because we have obligations as a result of relationships; in part because we fail to recognize that these so-called unidentified lives are not in fact unidentified but are merely not identified by us.4 When strikes are called by healthcare professionals, both types of lives are apt to be injured or, at least, severely inconvenienced. Except in the pocketbook, strikes in the healthcare setting generally do not directly hurt the employer. The employer **is hurt through the** **patient**. The patient thus becomes a **means toward the employees’ ends**, a football being kicked between two contending parties—**even if one of the employees’ goals is to serve the good of patients in general.** Theoretically, patients will then bring pressure on the employer (be it the government or a managed care organization), thus, quite frankly, using the patient as a means toward the ends of the health professionals.5 The dilemma, of course, is that without significantly inconveniencing or even endangering patients, no pressure is likely to be brought and, therefore, no amelioration of working conditions is effected. To be effective, a strike of healthcare professionals has to “hurt” patients and often patients known to the healthcare professionals.

## 2

#### Business Confidence is high now – best surveys.

ICAEW 8-20 8-20-2021 "Business confidence remains at record high as economy gets sales boost" <https://www.icaew.com/about-icaew/news/press-release-archive/2021-news-releases/business-confidence-remains-at-record-high-as-economy-gets-sales-boost> (Institute of Chartered Accountants in England and Wales)//Elmer

Friday 20 August 2021: **Business confidence** has **hit a record high** for the second quarter in a row, a survey of chartered accountants published today has found. Business confidence at record **high for second consecutive quarter**, ICAEW survey finds Strong sales growth projections key to confidence boost Companies face new challenges as economy reopens Business confidence has hit a record high for the second quarter in a row, a survey of chartered accountants published today (FRIDAY 20 AUGUST 2021) has found. Sentiment tracked by ICAEW’s Business Confidence Monitor™ (BCM) found **optimism at 47 on the quarterly index**, its **highest** level **since** the **survey was launched** in 2004 and surpassing the previous record set last quarter. [1] The optimism was **shared by businesses of all sizes across all sectors, nations and regions** in the UK. The record reading was a likely reflection of the expectation of strong sales growth in the year ahead, especially in the domestic market where a record rise of 7.4% is predicted over the coming 12 months. Companies also expect a sharp boost in export sales, which will rebound to pre-pandemic rates of increase. [2] However, the likelihood of confidence remaining positive is highly dependent on the COVID-19 situation not deteriorating further, ICAEW said. Decisions on interest rates, the winding down of support schemes, such as furlough, could also have an impact on future business sentiment. Office for National Statistics figures published last week showed that Britain’s economy grew 4.8% between April and June, below the 5% that the Bank of England had forecast. Michael Izza, ICAEW Chief Executive, said: “Business confidence has now hit record levels for two quarters in a row - companies are clearly benefitting from rising customer demand as the economy reopens and life begins to return to normal. The high level of optimism is unsurprising but it remains vulnerable to a possible resurgence of COVID-19 as we head into the autumn. “While confidence is high across all sectors, with companies reporting record expectations for domestic sales growth, they also told us they **face challenges from** **skills shortages**, wage increases and rising costs. “This is a crucial stage for the economy. Despite having to cope with the winding down of government financial support and possible interest rate rises, businesses are definitely bouncing back, but **finances are fragile** and any **additional costs could threaten** the recovery.”

#### Right to Strike has unintended effects that threaten growth and business confidence.

Tenza 20, Mlungisi. "The effects of violent strikes on the economy of a developing country: a case of South Africa." Obiter 41.3 (2020): 519-537. (lecturer in the field of Labour Law at the School of Law. He holds a LLM Degree.)//Elmer

2 BACKGROUND When South Africa obtained democracy in 1994, there was a dream of a better country with a new vision for industrial relations.5 However, the number of **violent strikes** that have bedevilled this country in recent years seems to have **shattered-down** the **aspirations of a better South Africa**. South Africa recorded 114 strikes in 2013 and 88 strikes in 2014, which **cost** the country about **R6.1 billion** according to the Department of Labour.6 The impact of these strikes has been hugely felt by the mining sector, particularly the platinum industry. The biggest strike took place in the platinum sector where about 70 000 mineworkers’ downed tools for better wages. Three major platinum producers (Impala, Anglo American and Lonmin Platinum Mines) were affected. The strike started on 23 January 2014 and ended on 25 June 2014. Business Day reported that “the five-month-long strike in the platinum sector pushed the economy to the brink of recession”. 7 This strike was closely followed by a four-week strike in the metal and engineering sector. All these strikes (and those not mentioned here) were characterised with violence accompanied by damage to property, intimidation, assault and sometimes the killing of people. Statistics from the metal and engineering sector showed that about 246 cases of intimidation were reported, 50 violent incidents occurred, and 85 cases of vandalism were recorded.8 Large-scale unemployment, soaring poverty levels and the dramatic income inequality that characterise the South African labour market provide a broad explanation for strike violence.9 While participating in a strike, workers’ stress levels leave them feeling frustrated at their seeming powerlessness, which in turn provokes further violent behaviour.10 These **strikes** are not only violent but **take long to resolve**. Generally, a lengthy strike has a **negative effect on employment**, **reduces business confidence** **and increases the risk of economic stagflation**. In addition, such strikes have a **major setback on** the growth of the economy and **investment opportunities**. It is common knowledge that consumer spending is directly linked to economic growth. At the same time, if the economy is not showing signs of growth, employment opportunities are shed, and poverty becomes the end result. The economy of South Africa is in need of rapid growth to enable it to deal with the high levels of unemployment and resultant poverty. One of the measures that may boost the country’s economic growth is by attracting potential investors to invest in the country. However, this might be difficult as **investors** would want to invest in a country where there is a likelihood of getting returns for their investments. The wish of getting returns for investment **may not materialise** **if the labour environment** **is not fertile** for such investments **as a result** **of**, for example, **unstable labour relations**. Therefore, investors may be reluctant to invest where there is an unstable or fragile labour relations environment. 3 THE COMMISSION OF VIOLENCE DURING A STRIKE AND CONSEQUENCES The Constitution guarantees every worker the right to join a trade union, participate in the activities and programmes of a trade union, and to strike. 11 The Constitution grants these rights to a “worker” as an individual.12 However, the right to strike and any other conduct in contemplation or furtherance of a strike such as a picket13 can only be exercised by workers acting collectively.14 The right to strike and participation in the activities of a trade union were given more effect through the enactment of the Labour Relations Act 66 of 199515 (LRA). The main purpose of the LRA is to “advance economic development, social justice, labour peace and the democratisation of the workplace”. 16 The advancement of social justice means that the exercise of the right to strike must advance the interests of workers and at the same time workers must refrain from any conduct that can affect those who are not on strike as well members of society. Even though the right to strike and the right to participate in the activities of a trade union that often flow from a strike17 are guaranteed in the Constitution and specifically regulated by the LRA, it sometimes happens that **the right to strike is exercised** **for purposes not intended** by the Constitution and the LRA, generally. 18 For example, it was not the intention of the Constitutional Assembly and the legislature that violence should be used during strikes or pickets. As the Constitution provides, pickets are meant to be peaceful. 19 Contrary to section 17 of the Constitution, the conduct of workers participating in a strike or picket has changed in recent years with workers trying to emphasise their grievances by causing disharmony and chaos in public. A media report by the South African Institute of Race Relations pointed out that between the years 1999 and 2012 there were 181 strike-related deaths, 313 injuries and 3,058 people were arrested for public violence associated with strikes.20 The question is whether employers succumb easily to workers’ demands if a strike is accompanied by violence? In response to this question, one worker remarked as follows: “[T]here is no sweet strike, there is no Christian strike … A strike is a strike. [Y]ou want to get back what belongs to you ... you won’t win a strike with a Bible. You do not wear high heels and carry an umbrella and say ‘1992 was under apartheid, 2007 is under ANC’. You won’t win a strike like that.” 21 The use of violence during industrial action **affects** not only the strikers or picketers, the **employer** and his or her **business** but it also affects **innocent members of the public**, **non-striking employees**, the **environment** **and the economy at large**. In addition, striking workers visit non-striking workers’ homes, often at night, threaten them and in some cases, assault or even murder workers who are acting as replacement labour. 22 This points to the fact that for many workers and their families’ living conditions remain unsafe and vulnerable to damage due to violence. In Security Services Employers Organisation v SA Transport & Allied Workers Union (SATAWU),23 it was reported that about 20 people were thrown out of moving trains in the Gauteng province; most of them were security guards who were not on strike and who were believed to be targeted by their striking colleagues. Two of them died, while others were admitted to hospitals with serious injuries.24 In SA Chemical Catering & Allied Workers Union v Check One (Pty) Ltd,25 striking employees were carrying various weapons ranging from sticks, pipes, planks and bottles. One of the strikers Mr Nqoko was alleged to have threatened to cut the throats of those employees who had been brought from other branches of the employer’s business to help in the branch where employees were on strike. Such conduct was held not to be in line with good conduct of striking.26

#### Corporate optimism, specifically investment, drives self-sustaining recovery.

Van der Welle 7-7 Peter Van der Welle 7-7-2021 “How capex holds the key to a self-sustaining economic recovery” <https://www.robeco.com/latam/en/insights/2021/07/how-capex-holds-the-key-to-a-self-sustaining-economic-recovery.html> (Strategist within the Global Macro team, M.A. in Economics from Tilburg University)//Elmer

Title: How capex holds **the key to a self-sustaining economic recovery**. **Capital expenditure** to fix supply shortages and meet burgeoning demand is seen figuring strongly in the post-Covid recovery. [Author and summary omitted]. **Companies** are **expected to invest heavily** in new equipment and capacity as they seek **to meet** the pent-up **demand released from** economic **reopening**. “The world is emerging from the pandemic, and much of the focus has been on the release of huge pent-up demand for goods and services that have been inaccessible for much of the past year,” says Peter Van der Welle, strategist with Robeco’s multi-asset team. “But there is a bigger issue regarding the ability of companies to supply these goods and services, due to the supply side constraints that have emerged through economic reopening. We believe this is powering a resurgence in capital expenditure by companies, and those which are investing in new equipment to meet greater demand will be the more sought after stocks.” Capex intentions Van der Welle says this trend can already be seen in the US Federal Reserve’s Capex Intentions Index, which shows that steep year-on-year increases in capital expenditures are planned. “So, that's **promising for** a near-term **rebound** in the capex cycle,” he says. “The market has already picked up on that theme because you can see a clear outperformance of capex-intensive stocks compared to the broader market year to date.” Fiscal dominance Van der Welle says five elements support the multi-asset team’s view that capex will rise from here onwards. “The first is the overarching macroeconomic picture in that we are increasingly moving towards an environment of fiscal dominance and away from one that has been monetary-led via quantitative easing,” he says. “Central banks have pursued very easy monetary policies, but they have hit the nominal lower bounds with regard to policy rates.” “This is a hard constraint because real rates are difficult for central banks to push even lower than they are nowadays, given the strong consensus among both central bankers and market participants that inflation is transitory.” Big spending plans For stimulus, fiscal policy is better suited to address the negative supply shock that Covid-19 has posed. Fiscal dominance can be seen in the huge infrastructure spending planned in the US, with the USD 1.9 trillion American Rescue Plan already in motion, and the USD 2 trillion American Jobs Plan going through Congress. In Europe, the disbursement of the EUR 750 billion EU Recovery Fund is due to start later in July. “An era of f**iscal dominance** is able to **say goodbye to** the secular **stagnation** thesis, which holds that the economy is suffering from under-investment,” says Van der Welle. “Under-investment due to insufficient demand, which was the biggest problem after the global financial crisis, has become less likely.” “We saw very subdued consumption growth both in the US and elsewhere between 2009 and 2019. That story is reversing in the US. Households’ income has been supported by fiscal policy during the Covid-19 recession, while burgeoning consumer demand in the reopening phase could prove to be more sticky as employment prospects continue to improve in the medium term.” Tobin’s Q looks good A third reason to expect higher capex is driven by ‘Tobin’s Q’ – the market value of a company divided by its assets' replacement cost. If this ratio is above one, then corporates have an incentive to invest directly in the underlying assets rather than buying another company at market value to acquire the same assets. The Tobin’s Q ratio is currently at 1.7 for the US. “So it's very expensive to do M&A, and it is wiser for corporates to invest in the underlying capital goods themselves,” Van der Welle says. “We should therefore expect a gradual move away from M&A activity towards companies making direct investments in capital goods.” Supply-side constraints The fourth element is the severe supply-side constraints seen in the global economy, as capacity shut down during the pandemic. “This is reflected in the ISM Prices Paid Index, which reached an all-time high in June in reflection of rampant shortages of raw materials and labor,” says Van der Welle. “Clearly the issue today following the pandemic is not demand related, but supply related. This will also trigger more awareness to push the productivity frontier and incentivize capital expenditure.” Less reliance on labor The fifth element is the partial substitution from labor to capital in the US against the backdrop of lingering labor shortages. “A decline in the labor force participation rate shows that people are not quickly returning to the labor force, as they have been disincentivized by the subsidies and pay checks they have gained from the stimulus plans, and/or structural changes in their work/life balance due to the pandemic,” says Van der Welle. “When the cost of labor becomes more expensive, substituting labor with capital becomes more attractive for employers. Typically, the inflection point for capex intentions becoming positive is when unit labor costs rise by more than 2% year on year, which is the case today.” Capex will lengthen the earnings cycle Regarding earnings, **there is a** significant **relationship** **between** capex intentions and productivity, though the lag from intending to invest to actually getting a realized productivity gain is quite long – up to several years. **Higher capex that eventually brings higher productivity** **growth will sustain the earnings cycle**, Van der Welle says. Higher productivity gives corporates more pricing power because they suppress unit labor costs, and that means profit margins can stay elevated for longer.

#### Business confidence is the best indicator for growth.

Khan 20, Hashmat, and Santosh Upadhayaya. "Does business confidence matter for investment?." Empirical Economics 59.4 (2020): 1633-1665. (Economics Professor at Carleton University)//Elmer

Abstract Business confidence is a well-known leading indicator of future output. Whether it has information about future investment is, however, unclear. We determine how informative business confidence is for investment growth independently of other variables using US business confidence survey data for 1955Q1–2016Q4. Our main findings are: (i) **business confidence has predictive ability for investment growth**; (ii) remarkably, business confidence has **superior** forecasting power, relative **to conventional predictors**, for investment downturns over 1–3-quarter forecast horizons and for the sign of investment growth over a 2-quarter forecast horizon; and (iii) exogenous shifts in business confidence reflect short-lived non-fundamental factors, consistent with the ‘animal spirits’ view of investment. Our findings have implications for improving investment forecasts, developing new business cycle models, and studying the role of social and psychological factors determining investment growth. Introduction Business confidence is a well-known leading indicator of future output, especially during economic downturns, and receives attention from the media, policymakers and forecasters. Somewhat surprisingly, the direct link between business confidence and investment has not yet been investigated. Our paper fills this gap. We provide a quantitative assessment of the information in business confidence for future investment growth, after **controlling for** the conventional determinants such as **user cost, output, cash flow and stock price**. Understanding the predictive power of business confidence is valuable along three dimensions. First, it can help forecasters and policymakers improve their investment forecasts. Second, it can provide a rationale for explicitly including **business confidence**—either **as causal or** as **anticipatory**—**in** theoretical models of **business cycles**. Third, it can help motivate studies on the how investment managers’ social and psychological circumstances influence investment decisions over and beyond rational cost-benefit analyses.Footnote1 We consider the Organization for Economic Co-Operation and Development (OECD)’s business confidence index for the USA as a measure of business confidence and ask the following three questions.Footnote2 Does business confidence have independent information about future business investment growth? Does it have forecasting power for investment downturns? Does it help in making directional forecasts—the positive or negative movements in the trajectory of investment growth? Previous literature that used business confidence has primarily studied its predictive properties for variables other than investment. Heye (1993) examines the relationship between business confidence and labour market conditions in the USA and other industrialized countries. Dasgupta and Lahiri (1993) show that business sentiments have explanatory power of forecasting business cycle turning points. Taylor and McNabb (2007) find that business confidence is procyclical and plays an important role in forecasting output downturns. Although we focus on business confidence, our paper is related to a large body of previous research that has studied consumer confidence or sentiment and its ability to forecast macroeconomic variables. Leeper (1992) finds that consumer sentiment does not help predict industrial production and unemployment, especially when financial variables are taken into account. On the other hand, Matsusaka and Sbordone (1995) reject the hypothesis that consumer sentiment does not predict output. Carroll et al. (1994), Fuhrer (1993), Bram and Ludvigson (1998), Ludvigson (2004) and Cotsomitis and Kwan (2006) find that the consumer attitudes have some additional information about predicting household spending behaviour. Lahiri et al. (2016) employ a large real-time dataset and find that the consumer confidence survey has important role in improving the accuracy of consumption forecasts. Christiansen et al. (2014) find that consumer and business sentiments contain independent information for forecasting business cycles. Barsky and Sims (2012) find that consumer confidence reflects news about future fundamentals and a confidence shock has a persistent effect on the economy. More recently, Angeletos et al. (2018) quantify the role of confidence for business cycle from both theoretical and empirical perspectives. They construct a measure of confidence within a Vector Autoregressive (VAR) framework by taking the linear combination of the VAR residuals that maximizes the sum of the volatilities of hours and investment at frequencies of 6–32 quarters. Their measure likely captures a mixture of consumer and business confidence and is, therefore, distinct from the survey-based measure that we use in our analysis. We find that business confidence leads US business investment growth by one quarter. It leads structures investment, which is one of the major components of business investment, by two quarters. Our **empirical analysis shows** that **investors’ confidence has** statistically **significant predictive power for** US business investment **growth** and its components (equipment and non-residential structures) after **controlling for other determinants of investment**. To better gauge the role of business confidence for investment growth, we also perform Out-Of-Sample (OOS) test for 1990Q1–2016Q4. Our findings suggest that the OOS test results are similar to the in-sample test results.Footnote3 While, as we found, business confidence has predictive power for total investment, it may also contain additional information on the trajectory of investment as captured by downturns and directional changes. This information would be of interest to policymakers in assessing the economy’s near-term outlook, over and above the general ability of business confidence to forecast investment. Indeed, we find that contemporaneous correlation between business confidence and investment growth rises during NBER recession dates. This property of the data suggests that it is worthwhile to explore the forecasting ability of business confidence for investment downturns and directional changes. Towards this end, we define investment downturns as business investment growth below the sample average for more than two consecutive quarters.Footnote4 Using a static probit forecasting model, we assess the OOS forecasting ability of business confidence for investment downturns for 1990Q1–2016Q4. A key finding of this approach in the literature is that term spread and stock price contain information for forecasting US recessions (Estrella and Mishkin 1998; Nyberg 2010; Kauppi and Saikkonen 2008). We follow a similar approach and find that business confidence has statistically significant forecasting power for investment downturns over 1–4-quarter forecast horizons in the US economy. It has stronger forecasting ability than the traditional predictors such as term spread, credit spread and stock price at 1–3-quarter forecast horizons. We also find strong evidence that the business confidence has good incremental predictive power for investment downturns over 1–4-quarter forecast horizons, controlling for other predictors of downturns.

#### Economic decline results in multilateral breakdown that causes state collapse, conflict, climate change, and Arctic and Space War.

McLennan 21 – Strategic Partners Marsh McLennan SK Group Zurich Insurance Group, Academic Advisers National University of Singapore Oxford Martin School, University of Oxford Wharton Risk Management and Decision Processes Center, University of Pennsylvania, “The Global Risks Report 2021 16th Edition” “http://www3.weforum.org/docs/WEF\_The\_Global\_Risks\_Report\_2021.pdf //Re-cut by Elmer

Forced to choose sides, governments may face **economic** or diplomatic **consequences**, as proxy disputes play out in control over economic or geographic resources. The deepening of geopolitical fault lines and the lack of viable middle power alternatives make it harder for countries to cultivate connective tissue with a diverse set of partner countries based on mutual values and maximizing efficiencies. Instead, networks will become thick in some directions and non-existent in others. The COVID-19 crisis has amplified this dynamic, as digital interactions represent a “huge loss in efficiency for diplomacy” compared with face-to-face discussions.23 With some **alliances weakening**, diplomatic relationships will become more unstable at points where superpower tectonic plates meet or withdraw. At the same time, without superpower referees or middle power enforcement, global **norms** may **no longer govern** state **behaviour**. Some governments will thus see the solidification of rival blocs as an opportunity to engage in regional posturing, which will have destabilizing effects.24 Across societies, domestic discord and **economic crises will** **increase** the risk of **autocracy**, **with corresponding** **censorship, surveillance**, restriction of movement and abrogation of rights.25 Economic crises will also amplify the **challenges for middle power**s as they navigate geopolitical competition. **ASEAN countries, for example, had offered a potential new manufacturing base as the United States and China decouple, but the pandemic has left these countries strapped for cash to invest in the necessary infrastructure and productive capacity.26** Economic fallout is pushing many countries to debt distress (see Chapter 1, Global Risks 2021). While G20 countries are supporting debt restructure for poorer nations,27 larger economies too may be at **risk of default** in the longer term;28 this would **leave them further stranded**—**and unable to exercise leadership—on the global stage**. Multilateral meltdown **Middle power weaknesses** will be **reinforced** in weakened institutions, which may translate to **more uncertainty and lagging progress on shared global challenges such as climate change**, **health, poverty reduction and technology governance**. In the absence of strong regulating institutions, **the Arctic and space represent new realms for** potential **conflict** as the superpowers and middle powers alike compete to extract resources and secure strategic advantage.29 If the global superpowers continue to accumulate economic, military and technological power in a zero-sum playing field, some middle powers could increasingly fall behind. Without cooperation nor access to important innovations, middle powers will struggle to define solutions to the world’s problems. In the long term, GRPS **respondents forecasted “w**eapons of **m**ass **d**estruction” **and “state collapse**” as the two top critical threats: in the absence of strong institutions or clear rules, clashes— such as those in **Nagorno-Karabakh or the Galwan Valley**—**may more frequently flare into** full-fledged **interstate conflicts**,30 which is particularly worrisome where unresolved tensions among nuclear powers are concerned. These conflicts may lead to state collapse, with weakened middle powers less willing or less able to step in to find a peaceful solution.

## Case

### Framing

1. Biological reaction vs deductively binding
2. Is, ought, nq
3. Fallacy of orgin
4. Clearer weighing under kant and reject gjf

### Democracy

**Democracy doesn’t solve war---it increases hostility.**

**Ghatak et al. 17**—Sam Ghatak is a Lecturer in Political Science at the University of Tennessee Knoxville; Aaron Gold is a PhD Student in Political Science at UT Knoxville; Brandon C. Prins is a Professor and Director of Graduate Studies of Political Science at UT Knoxville [“External threat and the limits of democratic pacifism,” *Conflict Management and Peace Science*, Vol. 34, No. 2, p. 141-159, Emory Libraries]

Conclusion It has become a **stylized fact** that dyadic democracy lowers the hazard of armed conflict. While the Democratic Peace has faced many challenges, we believe the most significant challenge has come from the argument that the pacifying effect of democracy is **epiphenomenal to territorial issues**, specifically the external threats that they pose. This argument sees the lower hazards of armed conflict among democracies **not** as a product of shared norms or institutional structures, but as a **result of settled borders**. Territory, though, remains only one geo-political context generating threat, insecurity, and a higher likelihood of armed conflict. Strategic rivalry also serves as an environment associated with fear, a lack of trust, and an expectation of future conflict. Efforts to assess democratic pacifism have largely **ignored rivalry** as a context conditioning the behavior of democratic leaders. To be sure, research demonstrates rivals to have higher probabilities of armed conflict and democracies rarely to be rivals. But fundamental to the Democratic Peace is the notion that even in the face of difficult security challenges and salient issues, dyadic democracy will associate with a lower likelihood of militarized aggression. But the presence of an **external threat**, be that threat disputed territory or strategic rivalry, may be the key mechanism by which democratic leaders, owing to **audience costs**, **resolve** and **electoral pressures**, **fail to resolve problems nonviolently**. This study has sought a ‘‘hard test’’ of the Democratic Peace by testing the conditional effects of joint democracy on armed conflict when external threat is present. We test three measures of threat: territorial contention, strategic rivalry, and a threat index that sums the first two measures. For robustness checks, we use two additional measures of our dependent variable: fatal MID onset, and event data from the Armed Conflict Database, which can be found in our Online Appendix. As most studies report, democratic dyads are associated with less armed conflict than mixed-regime and autocratic dyads. In every one of our models, when we control for each measure of external threat, joint democracy is strongly negative and significant and each measure of threat is strongly positive and significant. Here, liberal institutions maintain their pacific ability and external threats clearly increase conflict propensities. However, when we test the **interactive relationship** between democracy and our measures of external threat, the pacifying effect of democracy is **less visible**. Park and James (2015) find some evidence that when faced with an external threat in the form of territorial contention, the pacifying effect of joint democracy holds up. This study does not fully support the claims of Park and James (2015). Using a longer timeframe, we find more **consistent evidence** that when faced with an external threat, be it territorial contention, strategic rivalry, or a combination, **democratic pacifism does not survive**. What are the implications of our study? First, while it is clear that we do not observe a large amount of armed conflict among democratic states, if we organize interstate relationships along a continuum from highly hostile to highly friendly, we are probably observing what Goertz et al. (2016) and Owsiak et al. (2016) refer to as ‘‘lesser rivalries’’ in which ‘‘both the frequency and severity of violent interaction decline. Yet, the sentiments of threat, enmity, and competition that remain—along with the persistence of unresolved issues—mean that lesser rivalries still experience isolated violent episodes (e.g., militarized interstate disputes), diplomatic hostility, and non-violent crises’’ (Owsiak et al., 2016). Second, our findings show that the pacific benefits of **liberal institutions** or externalized **norms** are **not** always able to lower the likelihood of armed conflict when faced with external threats, whether those hazards are disputed territory, strategic rivalry, or a combination of the two. The structural environment clearly influences democratic leaders in their foreign policy actions more than has heretofore been appreciated. **Audience costs**, **resolve**, and **electoral pressures**, produced from external threats, are **powerful forces** that are present even in jointly democratic relationships. These forces make it difficult for leaders to **trust one another**, which **inhibits conflict resolution** and facilitates persistent **hostility**. It does appear, then, that there is a **limit** to the Democratic Peace.

**BUT---pursuit of democracy now uniqely causes nuclear war with China, Russia, and Iran.**

**Miller 17** (Benjamin; 4/27/17; Professor of International Relations at the School of Political Sciences, The University of Haifa; The International Security Studies Forum; “Policy Series: Will Trumpism increase the Danger of War in the International System?: IR Theory and the Illiberal Turn in World Politics”; <https://issforum.org/roundtables/policy/1-5ag-war>; DOA: 12/6/17)

Some realists might, however, not see these recent developments as necessarily leading to more conflict, although they may not see them as leading to stable peace either.[22] In the eyes of these realists, the seemingly unconditional U.S. security umbrella for America’s allies has **allowed them to ‘free-ride’** on the U.S. commitment and to **avoid allocating** the **necessary resources** for their own national defense.[23] Moreover, some of the allies have been **provocative toward** their **opponents**, while relying on the U.S. security umbrella. This could **cause** **unnecessary conflict**. Especially provocative toward Russia, for example, was the enlargement of NATO to the east and the EU economic agreement with Ukraine in 2014. Such anti-Russian expansionist Western moves, in the realist view, compelled Moscow to **behave** more **assertively** and to **annex Crimea** and to **intervene in** Eastern **Ukraine**.[24] Somewhat similarly, it seems **less costly** for American allies in East Asia to engage in maritime conflicts with China so long they are under the U.S. protective shield. Realists believe that moving away from such ever-growing commitments will **stabilize the international system**, or at the very least **reduce** the likelihood of a **great-power conflict**. The realists are especially concerned about the American policies to shape the domestic character of other states, particularly by advancing democracy-promotion, “nation-building,” and the universal protection of human rights.[25] In this context they highlight what they see as **disastrous** American **military interventions**, notably, in Iraq in 2003 and in Libya in 2011 and also the continuously costly intervention in Afghanistan since 2001. In their eyes such military interventions are not necessary for the protection of American national interests. Moreover, such military engagements are **unlikely to succeed** and in many cases are **de-stabilizing** and are causing unnecessary conflicts. Such interventions simply **increase the perceived threat** posed by the U.S. to some other countries. Thus, lessening—if not **completely abandoning**—the U.S. commitment to advance these liberal values is likely, in realist eyes, to **stabilize the international system** and to **serve well** the American national security interests. Even though liberals see trade as a major pacifying mechanism, realists view trade—and economic interdependence more broadly—as potential sources for conflict.[26] They highlight the earlier U.S. trade conflicts with Japan and currently with Mexico and China. Thus, moving away from free trade might diffuse conflicts rather than accelerate them. Moreover, there is a growing populist opposition in the West to globalization. In this sense, it cannot work as a useful recipe for the promotion of peace. Similarly, despite the high levels of economic interdependence between Japan and China, for example, such interdependence does not prevent conflict between them and definitely does not result in stable peace even if it might have helped to prevent a shooting war between them, at least thus far. Realists are also skeptical about the ability of international institutions to advance stable peace.[27] Such institutions are not independent actors, which can influence the behavior of the member-states in important ways. International institutions just reflect the balance of power among states. States follow their national interests, and even more so in this age of rising nationalism. Thus we **cannot** expect much from the ability of international institutions to **pacify intense conflicts**, especially among the great powers. Even the most remarkable of international intuitions—the EU—has recently **failed in advancing cooperation** among its members with regard to the key issues of immigration, terrorism and the Euro financial crisis. Realists might be a bit skeptical about a potential reconciliation between the U.S. and Russia based on factors such as the personal friendship between Trump and Russian President Vladimir Putin or the supposedly common traditional/illiberal values of key figures in their respective administrations. Yet, the presence of a common enemy might be a good source of friendship. In this sense the Islamic State and perhaps even China create a potential basis for cooperation and avoidance of conflict between Moscow and Washington. But on the whole this will not advance a high-level ‘warm’ peace in Europe or elsewhere; rather it may, at most, lead to some kind of an unstable spheres-of-influence arrangement, which is unlikely to endure for an extended period. In sum, while liberals offer a menu of mechanisms for promoting peace, these mechanisms seem now **under assault** or in some process of weakening **under Trumpism** and the illiberal turn in quite a few other countries. Realists, for their part, do not believe in the far-reaching peace-producing effects of such liberal mechanisms. They tend to see some level of great-power competition as the natural order under international anarchy. Realists at most expect that there will be some stabilizing effects of deterrence, especially **nuclear deterrence**, and of the balance of power among the great powers. These kind of factors might — also under Trumpism—**maintain world stability** and **prevent war** even if some level of great-power conflict is expected to endure at any rate. The **most effective instrument** for cooperation—applicable even under the illiberal turn– is based on common threats faced by the great powers such as large-scale terrorism or risky behavior by a small nuclear power such as North Korea and potentially Iran. Evaluation of the Realist and the Liberal Views At this stage, less than three months into the Trump administration, it is quite difficult to determine which approach is right. Still, on the whole, we might be able to distinguish between short-term versus long-term effects and among different types of peace. In the short-term, **realists** may **have a point**: the avoidance of American interventions for democracy-promotion and humanitarian interventions might **stabilize the international system**. The key American adversaries—Russia, China, and Iran— will be **less troubled** by regime–change strategies or ‘color revolutions’ advanced by the U.S. that are **perceived to be posing major threats** to their regimes. The eastward expansion of NATO and the EU, which realists argue has provoked Russia, **will** also **stop**. Such reassurances are likely to **increase stability** in international politics and to produce at least a ‘cold peace’ in the international system and in key regions.

#### DPT is a statistical artifact---empirical analysis.

Michael **Mousseau 18**. Professor @ UCF, PhD PoliSci @ Binghamton. Conflict Management and Peace Science, “Grasping the scientific evidence: The contractualist peace supersedes the democratic peace”, Vol 35(2) 175-192, SagePub.

A weighty controversy has enveloped the study of international conflict: whether the democratic peace, the observed dearth of militarized conflict between democratic nations, may be spurious and accounted for by institutionalized market ‘‘contractualist’’ economy. I have offered theory and evidence that economic norms, specifically contractualist economy, appear to account for both the explanans (democracy) and the explanandum (peace) in the democratic peace research program (Mousseau, 2009, 2012a, 2013; see also Mousseau et al., 2013a, b). Five studies have responded with several arguments for why we should continue to believe that democracy causes peace (Dafoe, 2011; Dafoe and Russett, 2013; Dafoe et al., 2013; Ray, 2013; Russett, 2010). Resolution of this controversy is fundamental to the study and practice of international relations. The observation of democratic peace is ‘‘the closest thing we have to an empirical law’’ in the study of global politics (Levy, 1988: 662), and carries the profound implication that the spread of democracy will end war. New economic norms theory, on the other hand, yields the contrary implication that universal democracy will not end war. Instead, it is market-oriented development that creates a culture of contracting, and this culture legitimates democracy within nations and causes peace among them. The policy implications could hardly be more divergent: to end war (and support democracy), the contractualist democracies should promote the economies of nations at risk (Krieger and Meierrieks, 2015; Meierrieks, 2012; Mousseau, 2000, 2009, 2012a, 2013; Nieman, 2015). In the literature are five factual claims for why we should continue to believe that democracy causes peace: (1) an assertion that in three of the five studies that overturned the democratic peace (Mousseau, 2013; Mousseau et al., 2013a, b), the insignificance of democracy controlling for contractualist economy is due to the treatment of missing data for contractualist economy (Dafoe et al., 2013, henceforth DOR); (2) a claim of error in the measure for conflict (DOR) that appears in one of the five studies that overturned the democratic peace (Mousseau, 2013); (3) an alleged misinterpretation of an interaction term that appears in one of the five studies (Mousseau, 2009) that overturned the democratic peace, along with in inference of democratic causality from an interaction of democracy with contractualist economy (Dafoe and Russett, 2013; DOR); (4) a claim of reverse causality, of democracy causing contractualist economy (Ray, 2013); and (5) a report of multiple regressions with most said to show democratic significance after controlling for contractualist economy (DOR). This study investigates all five of these factual claims. I begin by addressing the issue of missing data by constructing two entirely new measures for contractualist economy. I then take up possible measurement error in the dependent variable by reporting tests using both my own (Mousseau, 2013) and DOR’s measures for conflict. Next, I disaggregate the data to investigate a causal interaction of democracy with contractualist economy. I then examine the evidence for reverse causality, and scrutinize the competing test models to pinpoint the exact factors that can account for differences in test outcomes. The results are consistent across all tests: there is no credible evidence supporting democracy as a cause of peace. Using DOR’s base model, the impact of democracy is zero regardless of how contractualist economy or interstate conflict is measured. There is no misinterpreted interaction term in any study that has overturned the democratic peace, and the disaggregation of the data yields no support for a causal interaction of democracy with contractualist economy. Ray’s (2013) evidence for reverse causality from democracy to contractualist economy is shown to be based on an erroneous research design. And of DOR’s 120 separate regressions that consider contractualist economy, 116 contain controversial measurement and specification practices; the remaining four are analyses of all (fatal and non-fatal) disputes, where the correlation of democracy with peace is limited to mixedeconomic dyads, those where one state has a contractualist economy and the other does not, a subset that includes only 27% of dyads from 1951 to 2001, including only 50% of democratic dyads. It is further shown that this marginal peace is a statistical artifact since it does not exist among neighbors where everyone has an equal opportunity to fight. The results of this study should not be surprising, as they merely corroborate the present state of knowledge. This is because, while DOR ardently assert that four alleged errors, when corrected, each independently save the democratic peace proposition—multiple imputation, the exclusion of ongoing dispute years, an interaction term, and their alternative measure for contractualist economy—they never actually report any clear-cut evidence in support of their claims. One issue not addressed is Dafoe and Russett’s (2013) challenge to Mousseau et al. (2013a) on the grounds that our reported insignificance of democracy is not significant. Like the four claims of error made by DOR addressed here, Dafoe and Russett (2013) made this charge without supporting it. Mousseau et al. (2013b) then investigated it and showed that it too has no support. This issue appears resolved, as Russett and colleagues (DOR) did not raise it again. Nor have DOR or anyone else disputed the overturning of the democratic peace as reported in Mousseau (2012a), which has not been contested with any assertion, supported or unsupported. The implications of this study are far from trivial: the observation of democratic peace is a statistical artifact, seemingly explained by economic conditions. If scientific knowledge progresses and the field of interstate conflict processes is to abide by the scientific rules of evidence, then we must stop describing democracy as a ‘‘known’’ cause or correlate of peace, and stop tossing in a variable for democracy, willy-nilly, in quantitative analyses of international conflict; the variable to replace it is contractualist economy. If nations want to advance peace abroad, the promotion of democracy will not achieve it: the policy to replace it is the promotion of economic opportunity The economic norms account for how contractualist economy can cause both democracy and peace has been explicated in numerous prior studies and need not be repeated here (Mousseau, 2000, 2009, 2012a, 2013). An abundance of prior studies have also corroborated various novel predictions of the theory in wider domains (Ungerer, 2012), and no one has disputed the multiple reports that contractualist economy is the strongest non-trivial predictor of peace both within (Mousseau, 2012b) and between nations (Mousseau, 2013; see also Nieman, 2015). The only matter in controversy is whether democracy has any observable impact on peace between nations after consideration of contractualist economy. My investigation begins below with the allegation of measurement error.

#### Autocratic Peace Theory is true – reject your cognitive bias to think otherwise

Gartzke and Wesiger 13, Erik, and Alex Weisiger. "Permanent friends? Dynamic difference and the democratic peace." International Studies Quarterly 57.1 (2013): 171-185. (Professor at UPenn in Political Science)//Elmer

The “autocratic peace” involves a class of arguments about the conflictual consequences of regime similarity and difference. Theories disagree over whether demo- cratic and autocratic relations are distinct or equivalent. Early studies of the autocratic peace typically focused on certain geographic regions. Despite having little democracy, low levels of economic development, arbitrary national borders, and widespread civil conflict, Africa experiences surprisingly little interstate war. Several stud- ies attribute the “African peace” to historical norms and to the strategic behavior of insecure leaders who recog- nize that challenging existing borders invites continental war while encouraging secessionist movements risks reci- procal meddling in the country’s own domestic affairs (Jackson and Rosberg 1982; Herbst 1989, 1990). 6 How- ever, these arguments fail to address tensions between individual (state, leader) interests and social goods. The security dilemma implies precisely that leaders act aggres- sively despite lacking revisionist objectives (Jervis 1978). Initial statistical evidence of an autocratic peace emerged in a negative form with the observation that mixed democratic – autocratic dyads are more conflict prone than either jointly democratic or jointly autocratic dyads (Gleditsch and Hegre 1997; Raknerud and Hegre 1997). Studies have sought systematic evidence for or against an autocratic peace. Oren and Hays (1997) evalu- ate several data sets, finding that autocracies are less war prone than democracy – autocracy pairs. Indeed, they find that socialist countries with advanced industrialized econ- omies are more peaceful than democracies. Werner (2000) finds an effect of political similarity that coexists with the widely recognized effect of joint democracy. She attributes the result to shared preferences arising from a reduced likelihood of disputes over domestic politics. Peceny, Beer and Sanchez-Terry (2002) break down the broad category of autocracy into multiple subgroups and find evidence that shared autocratic type (personalistic dictatorships, single-party regimes, or military juntas) reduces conflict, although the observed effects are less pronounced than for joint democracy. Henderson (2002) goes further by arguing that there is no empirically verifi able democratic peace. Instead, political dissimilarity causes conflict. Souva (2004) argues and finds that simi- larity of both political and economic institutions encour- ages peace. In the most sophisticated analysis to date, Bennett (2006) finds a robust autocratic peace, though the effect is smaller than for joint democracy and limited to coherent autocratic regimes. Petersen (2004), in con- trast, uses an alternate categorization of autocracy and finds no support for the claim that similarity prevents or limits conflict. Still, the bulk of evidence suggests that similar polities are associated with relative peace, even among nondemocracies. The autocratic peace poses unique challenges for demo- cratic peace theories. Given that the democratic peace highlights apparently unique characteristics of joint democracy, many explanations are predicated on attributes found only in democratic regimes. An autocratic peace implies that scholars should focus on corollaries or conse- quences of shared regime type, in addition to, or perhaps even instead of democracy. In this context, arguments about democratic norms (Maoz and Russett 1993; Dixon 1994), improved democratic signaling ability (Fearon 1994; Schultz 1998, 1999, 2001), the peculiar incentives imposed on leaders by democratic institutions (Bueno de Mesquita et al. 1999, 2003), and democratic learning (Cederman 2001a) all invite additional scrutiny. While it is theoretically possible that a democratic peace and an autocratic peace could arise from independent causal processes, logical ele- gance and the empirical similarities inherent in shared regime type provide cause to explore theoretical argu- ments that spring from regime similarity in general.

### Econ

#### Increased strikes sabotage the economy – they cause major disruptions and lower income for workers.

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Labor strikes can cause major disruptions to industry, commerce and the lives of many people who aren't even connected to the strike itself. The Professional Air Traffic Controllers Association strike in 1981 resulted in the firing of thousands of air traffic controllers, and the New York City transit strike in late 2005 affected millions of people. The history of strikes and labor unions is a key chapter in the story of the Industrial Revolution.

While the reasons behind strikes can be complex, they all boil down to two key elements: money and power. In this article, we'll find out how labor strikes have affected the balance of power between corporations and workers, what laws regulate strikes and learn about some important strikes in history.

It's difficult to say when the first real labor strike occurred. The word "strike" was first used in the 1700s, and probably comes from to notion of dealing a blow to the employer [ref]. In 1786, a group of printers in Philadelphia requested a raise and the company rejected it. They stopped working in protest and eventually received their raise. Other professionals followed suit in the next few decades. Everyone in a city who practiced the same profession agreed to set prices and wages at the same rate. Members would shun anyone who diverged from the agreement, refusing to work in the same shop and forcing employers to fire them. By the 1800s, formal trade societies and guilds began to emerge.

To have a strike today, you must have a union (though not necessarily an official union) -- an organization of workers that bargain collectively with an employer. Workers form unions because an individual worker is powerless compared to an employer, who can set low wages and long working hours as long as it adheres to labor laws. When workers combine to form a union, they collectively have enough power to negotiate with the employer. The main weapon the union has against the employer is the threat of a strike action.

At its most basic level, a strike occurs when all the workers in the union stop coming to work. With no workers, the business shuts down. The employer stops making money, though it is still spending money on taxes, rent, electricity and maintenance. The longer the strike lasts, the more money the employer loses. Of course, the workers aren't getting paid either, so they're losing money as well. Some unions build up "war chests" -- funds to pay striking workers. But it isn't usually very much, and it's often not enough for a prolonged strike.

Strikes help explain why unions are more powerful than individuals. Imagine if an employer refuses to give a raise to an individual worker. She then decides to stop coming to work in protest. The employer simply fires her for not coming to work. That one worker has no power to influence the employer. However, it can be very costly for an employer to fire every single worker when a union goes on strike (though it has happened).

### Inequality

#### Econ turns

Always have to help well being- and I will use a prediction

Reason is