### Util

**My standard is maximizing expected well-being.**

**1. Reducing existential risks is the top priority in any coherent moral theory**

**Plummer, PhD, 15**

(Theron, Philosophy @St. Andrews http://blog.practicalethics.ox.ac.uk/2015/05/moral-agreement-on-saving-the-world/)

There appears to be lot of disagreement in moral philosophy. Whether these many apparent disagreements are deep and irresolvable, I believe **there is** at least **one thing** **it is reasonable to agree on** right now, **whatever** general **moral view we adopt**: that **it is** very **important to reduce** **the risk that** all intelligent **beings** on this planet **are eliminated by** an enormous **catastrophe**, such as a nuclear war. How we might in fact try to reduce such existential risks is discussed elsewhere. My claim here is only that **we** – **whether we’re consequentialists, deontologists, or virtue ethicists** – **should all agree that we should try to save the world.** According to consequentialism, we should maximize the good, where this is taken to be the goodness, from an impartial perspective, of outcomes. Clearly one thing that makes an outcome good is that the people in it are doing well. There is little disagreement here. If the happiness or well-being of possible future people is just as important as that of people who already exist, and if they would have good lives, it is not hard to see how reducing existential risk is easily the most important thing in the whole world. This is for the familiar reason that there are so many people who could exist in the future – there are trillions upon trillions… upon trillions. **There are so many possible future people that reducing existential risk is arguably the most important thing in the world**, even if the well-being of these possible people were given only 0.001% as much weight as that of existing people. **Even on a wholly person-affecting view** – according to which there’s nothing (apart from effects on existing people) to be said in favor of creating happy people – **the case for reducing existential risk is very strong**. As noted in this seminal paper, this case is strengthened by the fact that there’s a good chance that many existing people will, with the aid of life-extension technology, live very long and very high quality lives. **You might think what I have just argued applies to consequentialists only.** **There is a tendency to assume that, if an argument appeals to consequentialist considerations** (the goodness of outcomes), **it is irrelevant to non-consequentialists**. **But that is a huge mistake**. **Non-consequentialism is the view that there’s more that determines rightness** **than** the goodness of **consequences** or outcomes; **it is not the view that the latter don’t matter**. **Even** John **Rawls wrote, “All ethical doctrines worth our attention take consequences into account** in judging rightness. **One which did not would simply be irrational**, crazy.” **Minimally plausible versions of deontology and virtue ethics must be concerned in part with promoting the good, from an impartial point of view**. **They’d thus imply very strong reasons to reduce existential risk**, at least when this doesn’t significantly involve doing harm to others or damaging one’s character. What’s even more surprising, perhaps, is that even if our own good (or that of those near and dear to us) has much greater weight than goodness from the impartial “point of view of the universe,” indeed even if the latter is entirely morally irrelevant, we may nonetheless have very strong reasons to reduce existential risk. **Even egoism**, the view that each agent should maximize her own good, **might imply strong reasons to reduce existential risk.** It will depend, among other things, on what one’s own good consists in. If well-being consisted in pleasure only, it is somewhat harder to argue that egoism would imply strong reasons to reduce existential risk – perhaps we could argue that one would maximize her expected hedonic well-being by funding life extension technology or by having herself cryogenically frozen at the time of her bodily death as well as giving money to reduce existential risk (so that there is a world for her to live in!). I am not sure, however, how strong the reasons to do this would be. But views which imply that, if I don’t care about other people, I have no or very little reason to help them are not even minimally plausible views (in addition to hedonistic egoism, I here have in mind views that imply that one has no reason to perform an act unless one actually desires to do that act). To be minimally plausible, egoism will need to be paired with a more sophisticated account of well-being. To see this, it is enough to consider, as Plato did, the possibility of a ring of invisibility – suppose that, while wearing it, Ayn could derive some pleasure by helping the poor, but instead could derive just a bit more by severely harming them. Hedonistic egoism would absurdly imply she should do the latter. To avoid this implication, egoists would need to build something like the meaningfulness of a life into well-being, in some robust way, where this would to a significant extent be a function of other-regarding concerns (see chapter 12 of this classic intro to ethics). But once these elements are included, we can (roughly, as above) argue that this sort of egoism will imply strong reasons to reduce existential risk. Add to all of this Samuel Scheffler’s recent intriguing arguments (quick podcast version available here) that **most of what makes our lives go well would be undermined if there were no future generations** of intelligent persons. On his view, my life would contain vastly less well-being if (say) a year after my death the world came to an end. **So obviously** if Scheffler were right **I’d have very strong reason to reduce existential risk**. **We should also take into account moral uncertainty.** W**hat is it reasonable for one to do, when one is uncertain** not (only**) about** the empirical facts, but also about the **moral facts?** I’ve just argued that there’s agreement among minimally plausible ethical views that we have strong reason to reduce existential risk – not only consequentialists, but also deontologists, virtue ethicists, and sophisticated egoists should agree. But even **those** (hedonistic egoists) **who disagree should have a significant level of confidence that they are mistaken,** and that one of the above views is correct. **Even if they were 90% sure that their view is the correct one** (and 10% sure that one of these other ones is correct), **they would have pretty strong reason, from the standpoint of moral uncertainty, to reduce existential risk**. Perhaps most disturbingly still, **even if we are only 1% sure that the well-being of possible future people matters**, it is at least arguable that, from the standpoint of moral uncertainty, **reducing existential risk is the most important thing in the world**. Again, this is largely **for the reason that there are so many people who could exist in the future –** there are trillions upon trillions… upon trillions. (For more on this and other related issues, see this excellent dissertation**). Of course, it is uncertain whether these untold trillions would, in general, have good lives**. It’s possible they’ll be miserable**. It is enough** for my claim **that there is moral agreement in the relevant sense if, at least given certain empirical claims about what future lives would most likely be like, all minimally plausible moral views would converge on the conclusion that we should try to save the world**. While there are some non-crazy views that place significantly greater moral weight on avoiding suffering than on promoting happiness, for reasons others have offered (and for independent reasons I won’t get into here unless requested to), they nonetheless seem to be fairly implausible views. And **even if things did not go well for our ancestors, I am optimistic that they will overall go fantastically well for our descendants, if we allow them to**. I suspect that **most of us alive today** – at least those of us not suffering from extreme illness or poverty – **have lives that are well worth living, and that things will continue to improve**. Derek Parfit, whose work has emphasized future generations as well as agreement in ethics, described our situation clearly and accurately: “We live during the hinge of history. Given the scientific and technological discoveries of the last two centuries, the world has never changed as fast. We shall soon have even greater powers to transform, not only our surroundings, but ourselves and our successors. If we act wisely in the next few centuries, humanity will survive its most dangerous and decisive period. Our descendants could, if necessary, go elsewhere, spreading through this galaxy…. Our descendants might, I believe, make the further future very good. But that good future may also depend in part on us. If our selfish recklessness ends human history, we would be acting very wrongly.” (From chapter 36 of On What Matters)

**2. Science proves non util ethics are impossible and our version of util solves all aff offense**

**Greene 10** – Joshua, Associate Professor of Social science in the Department of Psychology at Harvard University (The Secret Joke of Kant’s Soul published in Moral Psychology: Historical and Contemporary Readings, accessed: www.fed.cuhk.edu.hk/~lchang/material/Evolutionary/Developmental/Greene-KantSoul.pdf)

**What turn-of-the-millennium science** **is telling us is that human moral judgment is not a pristine rational enterprise**, that our **moral judgments are driven by a hodgepodge of emotional dispositions, which themselves were shaped by a hodgepodge of evolutionary forces, both biological and cultural**. **Because of this, it is exceedingly unlikely that there is any rationally coherent normative moral theory that can accommodate our moral intuitions**. Moreover, **anyone who claims to have such a theory**, or even part of one, **almost certainly doesn't**. Instead, what that person probably has is a moral rationalization. It seems then, that we have somehow crossed the infamous "is"-"ought" divide. How did this happen? Didn't Hume (Hume, 1978) and Moore (Moore, 1966) warn us against trying to derive an "ought" from and "is?" How did we go from descriptive scientific theories concerning moral psychology to skepticism about a whole class of normative moral theories? The answer is that we did not, as Hume and Moore anticipated, attempt to derive an "ought" from and "is." That is, our method has been inductive rather than deductive. We have inferred on the basis of the available evidence that the phenomenon of rationalist deontological philosophy is best explained as a rationalization of evolved emotional intuition (Harman, 1977). Missing the Deontological Point I suspect that **rationalist deontologists will remain unmoved by the arguments presented here**. Instead, I suspect, **they** **will insist that I have simply misunderstood what** Kant and like-minded **deontologists are all about**. **Deontology, they will say, isn't about this intuition or that intuition**. It's not defined by its normative differences with consequentialism. **Rather, deontology is about taking humanity seriously**. Above all else, it's about respect for persons. It's about treating others as fellow rational creatures rather than as mere objects, about acting for reasons rational beings can share. And so on (Korsgaard, 1996a; Korsgaard, 1996b). **This is, no doubt, how many deontologists see deontology. But this insider's view**, as I've suggested, **may be misleading**. **The problem**, more specifically, **is that it defines deontology in terms of values that are not distinctively deontological**, though they may appear to be from the inside. **Consider the following analogy with religion. When one asks a religious person to explain the essence of his religion, one often gets an answer like this: "It's about love**, really. It's about looking out for other people, looking beyond oneself. It's about community, being part of something larger than oneself." **This sort of answer accurately captures the phenomenology of many people's religion, but it's nevertheless inadequate for distinguishing religion from other things**. This is because many, if not most, non-religious people aspire to love deeply, look out for other people, avoid self-absorption, have a sense of a community, and be connected to things larger than themselves. In other words, secular humanists and atheists can assent to most of what many religious people think religion is all about. From a secular humanist's point of view, in contrast, what's distinctive about religion is its commitment to the existence of supernatural entities as well as formal religious institutions and doctrines. And they're right. These things really do distinguish religious from non-religious practices, though they may appear to be secondary to many people operating from within a religious point of view. In the same way, I believe that most of **the standard deontological/Kantian self-characterizatons fail to distinguish deontology from other approaches to ethics**. (See also Kagan (Kagan, 1997, pp. 70-78.) on the difficulty of defining deontology.) It seems to me that **consequentialists**, as much as anyone else, **have respect for persons**, **are against treating people as mere objects,** **wish to act for reasons that rational creatures can share, etc**. **A consequentialist respects other persons, and refrains from treating them as mere objects, by counting every person's well-being in the decision-making process**. **Likewise, a consequentialist attempts to act according to reasons that rational creatures can share by acting according to principles that give equal weight to everyone's interests, i.e. that are impartial**. This is not to say that consequentialists and deontologists don't differ. They do. It's just that the real differences may not be what deontologists often take them to be. What, then, distinguishes deontology from other kinds of moral thought? A good strategy for answering this question is to start with concrete disagreements between deontologists and others (such as consequentialists) and then work backward in search of deeper principles. This is what I've attempted to do with the trolley and footbridge cases, and other instances in which deontologists and consequentialists disagree. **If you ask a deontologically-minded person why it's wrong to push someone in front of speeding trolley in order to save five others, you will get** characteristically deontological **answers**. Some **will be tautological**: **"Because it's murder!"** **Others will be more sophisticated: "The ends don't justify the means**." "You have to respect people's rights." **But**, as we know, **these answers don't really explain anything**, because **if you give the same people** (on different occasions) **the trolley case** or the loop case (See above), **they'll make the opposite judgment**, even though their initial explanation concerning the footbridge case applies equally well to one or both of these cases. **Talk about rights, respect for persons, and reasons we can share are natural attempts to explain, in "cognitive" terms, what we feel when we find ourselves having emotionally driven intuitions that are odds with the cold calculus of consequentialism**. Although these explanations are inevitably incomplete, **there seems to be "something deeply right" about them because they give voice to powerful moral emotions**. **But, as with many religious people's accounts of what's essential to religion, they don't really explain what's distinctive about the philosophy in question**.

**3. Uncertainty and social contract require governments use util**

**Gooden, 1995 (**Robert, philsopher at the Research School of the Social Sciences, Utilitarianism as Public Philosophy. P. 62-63)

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 on 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—if they want to use it at all—to choose general rules of conduct. Knowing aggregates and averages, they can proceed to calculate the utility payoffs from adopting each alternative possible general rules.

4. **Disregarding foreseeable harm reifies structures of domination**

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(Martha, “How the "Unintended Consequences" Story Promotes Unjust Intent and Impact,” Berkeley La Raza, doi: dx.doi.org/doi:10.15779/Z381664)

**By similarly making structures of inequality appear beyond the reach of law** reform, **the "unintended consequences" message helps update and reinforce the narrowing of protections against intentional racial harm. Justice is centrally a question of whose** interests and whose **harms should count**, in what context and in what form and to whom. **Power is centrally about being able to act without having to take harm to others into account. This power to gain by harming others is strongest when it operates through** systems and **structures that make disregarding that harm appear** routine, rational, and beneficial or at least **acceptable** or perhaps inevitable. By portraying law's unequal harms as the "side effects" of systems and structures with unquestionable "main effects," **the** "**unintended consequences" story helps affirm the resulting harm** even as it seems to offer sympathy and technical assistance. In considering solutions to the financial market problems, the policy puzzle is not that struggling homeowners' interests are overwhelmingly complex or uncertain. Instead, the bigger problem is that overwhelmingly powerful interests and ideologies are actively resisting systemic changes that would make those interests count. The failure to criminally prosecute or otherwise severely penalize high-level financial industry fraud is not primarily the result of uncertainty about the harmful effects of that fraudulent behavior, but because the political and justice systems are skewed to protect the gains and unaccountability of wealthy executives despite the clear harms to hosts of others. **The unequal effects of** the prevailing **policy** response to the crisis **are foreseeable and obvious, not accidental or surprising**. It would not take advanced knowledge of economics to readily predict that modest-income homeowners would tend to be far worse off than bank executives by a policy approach that failed to provide substantial mortgage forgiveness and foreclosure protections for modest-income homeowners but instead provided massive subsidized credit and other protections for Wall Street. Many policy actions likely to alleviate the unequal harm of the crisis similarly are impeded not because consumer advocates, low-income homeowners, or racial justice advocates hesitate to risk major changes in existing systems, or are divided about the technical design of alternative programs or more effective mechanisms for enforcing laws against fraud and racial discrimination. Instead, the problem is that these voices pressing for effective change are often excluded, drowned out or distorted in Congress and in federal agencies such as the Treasury Department and the Federal Reserve, or in the media, in the mainstream economics profession, and to a large extent in legal scholarship about financial markets. More generally, those diverse voices from the bottom have been largely absent or marginalized in the dominant theoretical framework that constructs widespread and severe inequality as unforeseeable and largely inevitable, or even beneficial. Moreover, **justice requires careful attention to both harmful intent and to complex harmful effects**. But **the concept of "unintended consequences" inverts justice by suggesting that the best way to care** for those at the bottom **is to not care to make law more attentive** to the bottom. "**Unintended consequences" arguments promote a simplistic moral message in the guise of sophisticated intellectual critique**-the message that those who lack power should not seek it because the desire for more power is what hurts most. Further, **like Ayn Rand's overt philosophy of selfishness, that message promotes the theme that those who have power to ignore** their **harmful effects on others need not-indeed should not-be induced by law to care about this harm**, because this caring is what is harmful. One right-wing think tank has recently made this moral message more explicit with an economic values campaign suggesting that the intentional pursuit of economic equality is a problem of the immoral envy of those whose economic success proves they are more deserving.169 **Legal scholars and advocates who intend to put intellectual rigor and justice ahead of service to** financial **elites should reject stories of "unintended consequences" and instead scrutinize the power and laws that have so effectively achieved the intention of making devastating losses to so many of us seem natural, inevitable, and beneficial**.

### NC – Trade DA

#### Unions cause protectionism – that slows growth and causes tariffs

Epstein 16 [Richard A. Epstein Peter and Kirsten Bedford Senior Fellow @ the Hoover Institution. "The Rise of American Protectionism." https://www.hoover.org/research/rise-american-protectionism]

This point explains why the American labor movement has historically opposed free trade. The essence of unionism is, and always will be, the acquisition of monopoly power. There is no way for a union to obtain that monopoly power in the marketplace. It can only secure it through legislation. The first step in that process was the exemption of unions from the antitrust laws under Section 6 of the Clayton Act of 1914. The second major step was the legitimation of collective bargaining under the National Labor Relations Act of 1935, which gave the union the exclusive bargaining rights against the firm once it was successful in a union election. These major statutory benefits strengthened private sector unions and imposed inefficiencies on unionized firms. This, in turn, opened the field for new firms, like the Japanese automobile companies, to organize outside the union envelope. In response, labor’s strategy went one step further. It pushed hard on trade and tariff barriers to keep out foreign imports, and exerted political influence to encourage local zoning boards to exclude new businesses that do not use union labor. Add to these issues the aggressive rise of minimum wage laws and other mandates like Obamacare and family leave statutes, and you construct a regulatory fortress that defeats the corrective forces of free trade and renders the nation less economically resilient and productive than before.

It is easy to say that people are “screwed” by free trade if you only look at the stories of those individuals who lose their jobs. It is much more difficult to make that case after taking into account the simple but powerful truth that overall levels of profitability and wealth increase under free trade. The short-term relief that targeted groups get from protectionist measures mask the larger inefficiencies that slow down the rate of growth. Despite what the Democrats think, transfer programs are no substitute for growth. Indeed, the imposition of new taxes without return benefits on the firms taxed only depresses the rate of return on investment further, which will necessarily compound the problem.

#### New trade conflicts cause global war and undermine cooperation on collective action problems

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Four structural forces will shape the future of International Relations: globalization (but without liberal rules, institutions, and leadership)1; multipolarity (the end of American hegemony and wider distribution of power among states and non-states2); the strengthening of distinctive, national and subnational identities, as persistent cultural differences are accentuated by the disruptive effects of Western style globalization (what Samuel Huntington called the “non-westernization of IR”3); and secular economic stagnation, a product of longer term global decline in birth rates combined with aging populations.4 These structural forces do not determine everything. Environmental events, global health challenges, internal political developments, policy mistakes, technology breakthroughs or failures, will intersect with structure to define our future. But these four structural forces will impact the way states behave, in the capacity of great powers to manage their differences, and to act collectively to settle, rather than exploit, the inevitable shocks of the next decade.

Some of these structural forces could be managed to promote prosperity and avoid war. Multipolarity (inherently more prone to conflict than other configurations of power, given coordination problems)5 plus globalization can work in a world of prosperity, convergent values, and effective conflict management. The Congress of Vienna system achieved relative peace in Europe over a hundred-year period through informal cooperation among multiple states sharing a fear of populist revolution. It ended decisively in 1914. Contemporary neoliberal institutionalists, such as John Ikenberry, accept multipolarity as our likely future, but are confident that globalization with liberal characteristics can be sustained without American hegemony, arguing that liberal values and practices have been fully accepted by states, global institutions, and private actors as imperative for growth and political legitimacy.6 Divergent values plus multipolarity can work, though at significantly lower levels of economic growth-in an autarchic world of isolated units, a world envisioned by the advocates of decoupling, including the current American president. 7 Divergent values plus globalization can be managed by hegemonic power, exemplified by the decade of the 1990s, when the Washington Consensus, imposed by American leverage exerted through the IMF and other U.S. dominated institutions, overrode national differences, but with real costs to those states undergoing “structural adjustment programs,”8 and ultimately at the cost of global growth, as states—especially in Asia—increased their savings to self insure against future financial crises.9

But all four forces operating simultaneously will produce a future of increasing internal polarization and cross border conflict, diminished economic growth and poverty alleviation, weakened global institutions and norms of behavior, and reduced collective capacity to confront emerging challenges of global warming, accelerating technology change, nuclear weapons innovation and proliferation. As in any effective scenario, this future is clearly visible to any keen observer. We have only to abolish wishful thinking and believe our own eyes.10

Secular Stagnation

This unbrave new world has been emerging for some time, as US power has declined relative to other states, especially China, global liberalism has failed to deliver on its promises, and totalitarian capitalism has proven effective in leveraging globalization for economic growth and political legitimacy while exploiting technology and the state’s coercive powers to maintain internal political control. But this new era was jumpstarted by the world financial crisis of 2007, which revealed the bankruptcy of unregulated market capitalism, weakened faith in US leadership, exacerbated economic deprivation and inequality around the world, ignited growing populism, and undermined international liberal institutions. The skewed distribution of wealth experienced in most developed countries, politically tolerated in periods of growth, became intolerable as growth rates declined. A combination of aging populations, accelerating technology, and global populism/nationalism promises to make this growth decline very difficult to reverse. What Larry Summers and other international political economists have come to call “secular stagnation” increases the likelihood that illiberal globalization, multipolarity, and rising nationalism will define our future. Summers11 has argued that the world is entering a long period of diminishing economic growth. He suggests that secular stagnation “may be the defining macroeconomic challenge of our times.” Julius Probst, in his recent assessment of Summers’ ideas, explains:

…rich countries are ageing as birth rates decline and people live longer. This has pushed down real interest rates because investors think these trends will mean they will make lower returns from investing in future, making them more willing to accept a lower return on government debt as a result.

Other factors that make investors similarly pessimistic include rising global inequality and the slowdown in productivity growth…

This decline in real interest rates matters because economists believe that to overcome an economic downturn, a central bank must drive down the real interest rate to a certain level to encourage more spending and investment… Because real interest rates are so low, Summers and his supporters believe that the rate required to reach full employment is so far into negative territory that it is effectively impossible.

…in the long run, more immigration might be a vital part of curing secular stagnation. Summers also heavily prescribes increased government spending, arguing that it might actually be more prudent than cutting back – especially if the money is spent on infrastructure, education and research and development.

Of course, governments in Europe and the US are instead trying to shut their doors to migrants. And austerity policies have taken their toll on infrastructure and public research. This looks set to ensure that the next recession will be particularly nasty when it comes… Unless governments change course radically, we could be in for a sobering period ahead.12

The rise of nationalism/populism is both cause and effect of this economic outlook. Lower growth will make every aspect of the liberal order more difficult to resuscitate post-Trump. Domestic politics will become more polarized and dysfunctional, as competition for diminishing resources intensifies. International collaboration, ad hoc or through institutions, will become politically toxic. Protectionism, in its multiple forms, will make economic recovery from “secular stagnation” a heavy lift, and the liberal hegemonic leadership and strong institutions that limited the damage of previous downturns, will be unavailable. A clear demonstration of this negative feedback loop is the economic damage being inflicted on the world by Trump’s trade war with China, which— despite the so-called phase one agreement—has predictably escalated from negotiating tactic to imbedded reality, with no end in sight. In a world already suffering from inadequate investment, the uncertainties generated by this confrontation will further curb the investments essential for future growth. Another demonstration of the intersection of structural forces is how populist-motivated controls on immigration (always a weakness in the hyper-globalization narrative) deprives developed countries of Summers’ recommended policy response to secular stagnation, which in a more open world would be a win-win for rich and poor countries alike, increasing wage rates and remittance revenues for the developing countries, replenishing the labor supply for rich countries experiencing low birth rates.

Illiberal Globalization

Economic weakness and rising nationalism (along with multipolarity) will not end globalization, but will profoundly alter its character and greatly reduce its economic and political benefits. Liberal global institutions, under American hegemony, have served multiple purposes, enabling states to improve the quality of international relations and more fully satisfy the needs of their citizens, and provide companies with the legal and institutional stability necessary to manage the inherent risks of global investment. But under present and future conditions these institutions will become the battlegrounds—and the victims—of geopolitical competition. The Trump Administration’s frontal attack on multilateralism is but the final nail in the coffin of the Bretton Woods system in trade and finance, which has been in slow but accelerating decline since the end of the Cold War. Future American leadership may embrace renewed collaboration in global trade and finance, macroeconomic management, environmental sustainability and the like, but repairing the damage requires the heroic assumption that America’s own identity has not been fundamentally altered by the Trump era (four years or eight matters here), and by the internal and global forces that enabled his rise. The fact will remain that a sizeable portion of the American electorate, and a monolithically pro- Trump Republican Party, is committed to an illiberal future. And even if the effects are transitory, the causes of weakening global collaboration are structural, not subject to the efforts of some hypothetical future US liberal leadership. It is clear that the US has lost respect among its rivals, and trust among its allies. While its economic and military capacity is still greatly superior to all others, its political dysfunction has diminished its ability to convert this wealth into effective power.13 It will furthermore operate in a future system of diffusing material power, diverging economic and political governance approaches, and rising nationalism. Trump has promoted these forces, but did not invent them, and future US Administrations will struggle to cope with them.

What will illiberal globalization look like? Consider recent events. The instruments of globalization have been weaponized by strong states in pursuit of their geopolitical objectives. This has turned the liberal argument on behalf of globalization on its head. Instead of interdependence as an unstoppable force pushing states toward collaboration and convergence around market-friendly domestic policies, states are exploiting interdependence to inflict harm on their adversaries, and even on their allies. The increasing interaction across national boundaries that globalization entails, now produces not harmonization and cooperation, but friction and escalating trade and investment disputes.14 The Trump Administration is in the lead here, but it is not alone. Trade and investment friction with China is the most obvious and damaging example, precipitated by China’s long failure to conform to the World Trade Organization (WTO) principles, now escalated by President Trump into a trade and currency war disturbingly reminiscent of the 1930s that Bretton Woods was designed to prevent. Financial sanctions against Iran, in violation of US obligations in the Joint Comprehensive Plan Of Action (JCPOA), is another example of the rule of law succumbing to geopolitical competition. Though more mercantilist in intent than geopolitical, US tariffs on steel and aluminum, and their threatened use in automotives, aimed at the EU, Canada, and Japan,15 are equally destructive of the liberal system and of future economic growth, imposed as they are by the author of that system, and will spread to others. And indeed, Japan has used export controls in its escalating conflict with South Korea16 (as did China in imposing controls on rare earth,17 and as the US has done as part of its trade war with China). Inward foreign direct investment restrictions are spreading. The vitality of the WTO is being sapped by its inability to complete the Doha Round, by the proliferation of bilateral and regional agreements, and now by the Trump Administration’s hold on appointments to WTO judicial panels. It should not surprise anyone if, during a second term, Trump formally withdrew the US from the WTO. At a minimum it will become a “dead letter regime.”18

As such measures gain traction, it will become clear to states—and to companies—that a global trading system more responsive to raw power than to law entails escalating risk and diminishing benefits. This will be the end of economic globalization, and its many benefits, as we know it. It represents nothing less than the subordination of economic globalization, a system which many thought obeyed its own logic, to an international politics of zero-sum power competition among multiple actors with divergent interests and values. The costs will be significant: Bloomberg Economics estimates that the cost in lost US GDP in 2019- dollar terms from the trade war with China has reached $134 billion to date and will rise to a total of $316 billion by the end of 2020.19 Economically, the just-in-time, maximally efficient world of global supply chains, driving down costs, incentivizing innovation, spreading investment, integrating new countries and populations into the global system, is being Balkanized. Bilateral and regional deals are proliferating, while global, nondiscriminatory trade agreements are at an end.

Economies of scale will shrink, incentivizing less investment, increasing costs and prices, compromising growth, marginalizing countries whose growth and poverty reduction depended on participation in global supply chains. A world already suffering from excess savings (in the corporate sector, among mostly Asian countries) will respond to heightened risk and uncertainty with further retrenchment. The problem is perfectly captured by Tim Boyle, CEO of Columbia Sportswear, whose supply chain runs through China, reacting to yet another ratcheting up of US tariffs on Chinese imports, most recently on consumer goods:

We move stuff around to take advantage of inexpensive labor. That’s why we’re in Bangladesh. That’s why we’re looking at Africa. We’re putting investment capital to work, to get a return for our shareholders. So, when we make a wager on investment, this is not Vegas. We have to have a reasonable expectation we can get a return. That’s predicated on the rule of law: where can we expect the laws to be enforced, and for the foreseeable future, the rules will be in place? That’s what America used to be.20

The international political effects will be equally damaging. The four structural forces act on each other to produce the more dangerous, less prosperous world projected here. Illiberal globalization represents geopolitical conflict by (at first) physically non-kinetic means. It arises from intensifying competition among powerful states with divergent interests and identities, but in its effects drives down growth and fuels increased nationalism/populism, which further contributes to conflict. Twenty-first-century protectionism represents bottom-up forces arising from economic disruption. But it is also a top-down phenomenon, representing a strategic effort by political leadership to reduce the constraints of interdependence on freedom of geopolitical action, in effect a precursor and enabler of war. This is the disturbing hypothesis of Daniel Drezner, argued in an important May 2019 piece in Reason, titled “Will Today’s Global Trade Wars Lead to World War Three,”21 which examines the pre- World War I period of heightened trade conflict, its contribution to the disaster that followed, and its parallels to the present:

Before the First World War started, powers great and small took a variety of steps to thwart the globalization of the 19th century. Each of these steps made it easier for the key combatants to conceive of a general war. We are beginning to see a similar approach to the globalization of the 21st century. One by one, the economic constraints on military aggression are eroding. And too many have forgotten—or never knew—how this played out a century ago.

…In many ways, 19th century globalization was a victim of its own success. Reduced tariffs and transport costs flooded Europe with inexpensive grains from Russia and the United States. The incomes of landowners in these countries suffered a serious hit, and the Long Depression that ran from 1873 until 1896 generated pressure on European governments to protect against cheap imports.

…The primary lesson to draw from the years before 1914 is not that economic interdependence was a weak constraint on military conflict. It is that, even in a globalized economy, governments can take protectionist actions to reduce their interdependence in anticipation of future wars. In retrospect, the 30 years of tariff hikes, trade wars, and currency conflicts that preceded 1914 were harbingers of the devastation to come. European governments did not necessarily want to ignite a war among the great powers. By reducing their interdependence, however, they made that option conceivable.

…the backlash to globalization that preceded the Great War seems to be reprised in the current moment. Indeed, there are ways in which the current moment is scarier than the pre-1914 era. Back then, the world’s hegemon, the United Kingdom, acted as a brake on economic closure. In 2019, the United States is the protectionist with its foot on the accelerator. The constraints of Sino-American interdependence—what economist Larry Summers once called “the financial balance of terror”—no longer look so binding. And there are far too many hot spots—the Korean peninsula, the South China Sea, Taiwan—where the kindling seems awfully dry.

### Cap Inevitable and Sustainable

#### Capitalism is inevitable

Stromberg 4 - Joseph R. Stromberg, Research Fellow at the Independent Institute and has held the JoAnn B. Rothbard chair in History at the Ludwig von Mises Institute. He received his BA and MA from Florida Atlantic University, and his further graduate work was completed at the University of Florida, 2004 ("Why Capitalism is Inevitable," Mises Institute, 7-09-2004, Available Online at https://mises.org/library/why-capitalism-inevitable, Accessed on 7-5-2017 //JJ)

How striking to discover, then, how few writers and thinkers are willing to spell out precisely what they mean when they refer to the economics of capitalism. For many, the term capitalism is nothing but a vessel into which they pour all the people, institutions, and ideas that they hate. And so capitalism emerges as a synonym for greed, dirty rivers and streams, pollution, corrupt businessmen, entrenched social privilege, the Republican Party, criminal syndicates, world Jewry, war for oil, or what have you. In fact, the advocates of capitalism themselves haven't always been entirely clear on the meaning and implications of capitalist theory.

And this is why Murray Rothbard went to such lengths to spell out precisely what he was endorsing when he championed the economics of capitalism. This was especially necessary when he was writing in 1973, a time which was arguably the low point for capitalist theory. Mises died that year, all economists were said to be Keynesians, Nixon closed the gold window, wage and price controls were fastened on industry as an inflation fix, and the US was locked in a titanic Cold War struggle that emphasized government weaponry over private enterprise. Murray Rothbard, meanwhile, was hard at work on his book For A New Liberty: The Libertarian Manifesto, an effort to breath new life into a traditionally liberal program by infusing it with a heavy dose of political radicalism. It must have seemed like a hopeless task.

The same year, he was asked to contribute an essay in a series of readings called Modern Political Economy (Boston: Allyn and Bacon, 1973). He was to address "The Future of Capitalism" (pp. 419-430), the conclusion of which might have seemed self-evidently bleak. But not to Rothbard. His contribution to the volume was lively, optimistic, enormously clarifying, and prescient to the extreme. Above all, he used the opportunity to explain with great clarity what precisely he means when he refers to capitalism: no more and no less than the sum of voluntary activity in society, particularly that characterized by exchange.

Does that seem like a stretch? Rothbard explains that the term capitalism itself was coined by its greatest enemy Karl Marx, and ever since the term has conflated two very different ideas: free-market capitalism, on the one hand, and state capitalism, on the other. "The difference between them, Rothbard notes, "is precisely the difference between, on the one hand, peaceful, voluntary exchange, and on the other, violent expropriation." This may seem like a small point, but the confusion accounts for why whole swaths of American historiography are incorrect, for example, in distinguishing Alexander Hamilton's supposed sympathy for capitalism from Thomas Jefferson's sympathy for "agrarianism." Rothbard points out that Jefferson was in fact an advocate of laissez-faire who had read and understood the classical economists; as an "agrarian" he was merely applying the doctrine of free markets to the American regional context, even as Hamilton's mercantilist and inflationist sympathies are best described as a preference for state capitalism.

As Rothbard explains, capitalism is nothing but the system that emerges in the framework of free exchange of property and the absence of government efforts to stop it. Whether you are talking about buying a newspaper from a vendor or a group of stockholders hiring a CEO, the essence of the exchange is the same: two parties finding ways to benefit by the trade goods and services. From the exchange, both parties expect to benefit else the trade would not have occurred. The global marketplace at all levels is nothing but the extension of the idea of mutual betterment through peaceful exchange.

In contrast to market exchange, we have its opposite in government intervention. It can be classified in two ways: either as prohibiting or partially prohibiting an exchange between two people or forcing someone to make an "exchange" that would otherwise not take place in the market. All government activity—regulation, taxation, protectionism, inflation, spending, social insurance, ad infinitum—can be classified as one of those two types of interventions. Taxation is nothing more than robbery (Rothbard challenges anyone to define taxation in a way that would not also describe high-minded theft), and the state itself is nothing but a much-vaunted robber on a mass scale—and it matters not whether the state is conducting domestic or foreign policy; the essence of statecraft is always coercion whereas the essence of markets is always voluntarism.

In Rothbard's conception, it is not quite correct to characterize support for free markets as either right or left. In 1973, he heard as many complaints about the supposed greed unleashed by markets from the followers of Russell Kirk as he did from the new left socialists. The right, in fact, was afflicted with a serious intellectual attachment to pre-capitalistic institutional forms of monopoly privilege, militarism, and the unrelenting drive to war.

This was what Rothbard saw the political establishment of 1973 bringing to the US: the march of the partnership between government and business that is nothing but the reinvention of political forms that pre-dated the capitalist revolution that began in the Italian city states of the 16th century. The US conservatives were entirely complicit in this attempt to reverse the classical liberal revolution in favor of free markets in order to fasten an old-world monopolist system on society.

In this, the conservatives resembled their supposed enemies, the socialists. After all, socialism was, as Rothbard put it, "essentially a confused, middle-of-the-road movement." Its supposed goal of liberty, peace, and prosperity was to be achieved through the imposition of new forms of regimentation, mercantilism, and feudalism. Socialism seeks, in Rothbard's words, "liberal ends by the use of conservative means." ("Left and Right: The Prospects for Liberty," Left and Right, I, 1, Spring 1965).

Conservatives could be counted on to support the means but not the ends, and the result is something that approaches the current status quo in the US: a mixed political system that combines the worst features of egalitarian ideology with corporate militarism—a system that leaves enough of the private sector unhampered to permit impressive growth and innovation. It was precisely the productive power of market, as versus the dead-end of statist methods favored by both left and right, that led Rothbard to see that the gains of capitalism could not finally be reversed.

In addition, he may have been the first to anticipate the way in which the terms left and right would eventually come to mean their precise opposite in the reforming economies of Eastern Europe. He was fascinated but not entirely surprised by the events in old Yugoslavia, where a Stalinist system had been forced to reform into a more market oriented economy. In fact, he noted that the trend had begun in the 1960s, and extended all over Eastern Europe. What was essentially happening, Rothbard wrote, was that socialism had been tried and failed and now these countries were turning to market models.

Keep in mind that this was 1973, when hardly anyone else believed these countries capable of reform: "In Eastern Europe, then, I think that the prospects for the free market are excellent--I think we’re getting free-market capitalism and that its triumph there is almost inevitable." Ten years later, it was still fashionable to speak of authoritarian regimes that could reform, as contrasted with socialist totalitarianism that could not be reform and presumably had to be obliterated. Rothbard did not believe this, based on both theory and evidence.

Rothbard saw that all sectors in all countries moving either toward capitalism or toward socialism, which is to say, toward freedom or toward control. In the US, the trends looked very bleak indeed but he found trends to cheer in the antiwar movement, which he saw as a positive development against military central planning. "Both in Vietnam and in domestic government intervention, each escalating step only creates more problems which confront the public with tile choice: either, press on further with more interventions, or repeal them--in Vietnam, withdraw from the coun­try."

His conclusion must have sounded impossibly naïve in 1973 but today we can see that he saw further than any other "futurists" of his time:

"the advent of industrialism and the Industrial Revolution has irreversibly changed the prognosis for freedom and statism. In the pre-industrial era, statism and despotism could peg along indefinitely, content to keep the peasantry at subsistence levels and to live off their surplus. But industrialism has broken the old tables; for it has become evident that socialism cannot run an industrial system, and it is gradually becoming evident that neomercantilism, interventionism, in the long run cannot run an industrial system either. Free-market capi­talism, the victory of social power and the economic means, is not only the only moral and by far the most productive system; it has become the only viable system for mankind in the industrial era. Its eventual triumph is therefore virtually inevitable."

Rothbard's optimism about the prospects for liberty is legendary but less well understood is the basis for it: markets work and government do not. Left and right can define terms however much they want, and they can rant and rave from the point of view of their own ideological convictions, but what must achieve victory in the end is the remarkable influence of millions and billions of mutually beneficial exchanges putting relentless pressure on the designs of central planners to thwart their will. To be optimistic about the prospects for capitalism requires only that we understand Mises's argument concerning the inability of socialist means to produce rational outcomes, and to be hopeful about the triumph of choice over coercion.

#### Capitalism is fundamentally sustainable- innovation, increasing equality, improved standard of living, democracy, and empirics prove

Forbes 09 Steve Forbes, editor in chief of Forbes Magazine, (“How Capitalism Will Save Us”, <https://www.forbes.com/2009/11/03/capitalism-greed-recession-forbes-opinions-markets.html>, 11/3, accessed 7/7/17 EVH)

Because of the Rap, people are blind to the Reality–that far from having failed, democratic capitalism is the world’s greatest economic success story. No other system has improved the lives of so many people. The turmoil of the past few years by no means mitigates the explosion of prosperity that has taken place since the early 1980s, when President Ronald Reagan enacted promarket reforms to free the economy from the Carter-Nixon stagnation of the 1970s. Those reforms–lowering tax rates and loosening regulations–unleashed job-creating capital. The result: a roaring economy that produced a flood of innovations–from personal computers and cellular phones to the Internet. Indeed, we may one day look back on the period of 1982 to 2007 as an economic golden age. Many conveniences we take for granted today–from automatic teller machines and DVD players to home computers and CAT scans–did not exist or were not widely used as recently as the 1970s and early ’80s. It’s not just that we have more and better gizmos. All you have to do is watch an old movie from the 1970s. Even when the past is glamorized by Hollywood, it’s obvious–looking at everything from appliances to cars to homes–that living standards back then were lower. We’ve come a long way. Not only “the rich” but people of all incomes today are doing better. No system has been as effective as capitalism in turning scarcity into abundance. Think of computers. Forty years ago, only business and government could afford the old massive mainframes. A single machine filled an entire room. Today the BlackBerry device in the palm of your hand has even more computing power than those old machines. Thanks to capitalism, Americans as a nation are living dramatically better and longer than they did at the beginning of the twentieth century. In The Greatest Century That Ever Was: 25 Miraculous Trends of the Past 100 Years, noted economist Stephen Moore and the late business professor Julian Simon make the powerful observation that since the early twentieth century, life expectancy has increased; infant mortality rates have fallen tenfold. Major killer diseases–from tuberculosis to polio, typhoid, and pneumonia–have in most parts of the world been, if not eradicated, drastically reduced; agricultural productivity has soared. The environment is also cleaner in many parts of the world. Air quality has improved about 30 percent in American cities since 1977. Not only that, Moore and Simon write, “the affordability and availability of consumer goods have greatly increased. Even most poor Americans have a cornucopia of choices that a century ago the Rockefellers and the Vanderbilts could not have purchased.” Until the credit crisis, tens of millions of people a year worldwide were joining the middle class. Between 2003 and 2007, the growth of the American economy alone exceeded the size of the entire Chinese economy. We grew the equivalent of China in four and a half years. China’s growth rates are higher–but they’re coming from a much smaller base. Free-market economic reforms–especially since the fall of the Berlin wall–have brought an unprecedented explosion of wealth to India, China, Brazil, and nations in central and eastern Europe as well as in Latin America and Africa. Capitalism has helped to usher in an era of wealth and economic growth that failed foreign-aid programs since World War II were never able to accomplish. In China, for example, over two hundred million people now have discretionary income. The country has a burgeoning middle class. The current recession should be seen historically as an interruption, not an end, of this extraordinary economic expansion. Along with bringing prosperity to millions, democratic capitalism has undermined political tyranny and promoted democracy and peace between nations of the world. It is, without doubt, the world’s most moral system. This last statement may raise eyebrows in an era that has seen scandals from the collapse of Enron to the devastation of personal and charitable wealth caused by Bernard Madoff. That is not to minimize the crimes of individuals like Madoff and others or the damage they cause. As we explain, the off-the-charts criminality of individuals like Madoff no more reflects the immorality of free enterprise than the murderous crimes of a Ted Bundy or a Jeffrey Dahmer reflect a fundamental breakdown of democratic society. Democratic capitalism, as a system, is more humane than government-dominated economies, including those in countries that are otherwise democracies. Nations that liberalize their economies, that allow people greater economic self-determination, end up moving, sooner or later, toward democracy. Since the nations of the world began to liberalize their economies in the mid-1980s, the percentage of democratically elected governments has surged from 40 percent to more than 60 percent today. China, for example, is not yet a Western-style democracy. But the nation is freer today than it was during the era of Mao Tse Tung and the repressive Cultural Revolution. Despite all the gloom and doom voiced by its critics, the free-enterprise system is–and has always been–the best way to unleash the creativity, inventiveness, and energy of people and mobilize them to meet the wants and needs of others. That’s because free-market transactions, far from being driven by greed, are about achieving the greatest possible mutual benefit, not only for the parties directly involved but eventually for the rest of society.

### Cap Good---Environment

#### **Capitalism is the only way to incentivize the innovation necessary to solve the environment**

Franz 4/25 (Caleb, podcast director for *Outset* magazine. “Markets Work: Capitalism and Innovation Heal the Earth”, 4/25/17. <http://outsetmagazine.com/2017/04/25/capitalism-and-innovation-heal-the-earth/>, 7/7/17)//JM

When it comes to opposing factions, it seems as though no two factions could be more averse to each other than environmentalists and capitalists. We are taught to believe that those who care about economic growth cannot possibly care about environmental protection and vice versa. While this rhetoric is a good way to polarize those with opposing priorities, the truth is that they can co-exist. In fact, not only can capitalism and environmentalism co-exist, but only with free market capitalism can the environment ever hope to be clean. Even though critics of capitalism accuse the system of placing profits above people or the environment, the reality sets a different tone. The market demand for clean and renewable energy is growing every day. Companies and businesses are finding it profitable to keep the environment that their costumers live in clean. There is also an opportunity for those who care about the cause to take action like never before and to do so within the market. Technology and innovation are evolving at such a rate that dirty fuels and pollution will soon become a thing of the past. Elon Musk is the perfect example of this concept. Musk has created an entire empire based on clean and affordable energy; not because of government decree or regulation, but from private incentives to innovate and compete, which drives product quality up. Because Musk is allowed to profit and gain from the demand of the marketplace, his companies are on the cutting edge of innovation changing the world and the environment. Musk recently announced that he could produce roof solar panels at a cheaper rate than even conventional roofs. He is using Tesla Motors to revolutionize the automobile and clean energy industries. While Tesla cars are currently not as quite as profitable as I’m sure he would like, these innovations are setting the essential groundwork for years to come. On a smaller scale, new industries are finding innovative ways to help fight pollution and restore clean water to the planet. The only reason any company is even able to do this is capitalism. Competition is a powerful force, and people often forget that the market is what we make it. Going to government is not just a lazy way of trying to achieve sustainability, but it is also ineffective and does more harm than good. The market, so long as it is free and without crony assistance from the government, always hold businesses accountable. Sure, in a genuinely free market, a business might pollute, but the decision to pollute in excess will eventually prove counter to business interests. First, a company’s pollution would significantly affect the water that their employees drink or the air that they breathe, which would raise employment costs. Second, and more importantly, the company would also be polluting the water or air of their customers, who will be far less likely to continue doing business with the company after they have damaged the ecosystem of the community. Pollution would leave the company vulnerable to outside competition that recognizes these environmental concerns as well as the economic concerns. The business that pollutes the air and waters of the community it serves will quickly lose customers and suffer significant losses because the community, and not the government, will punish the business. Not only should we explore innovation with the market to protect the environment, but we must also act to curtail the world’s largest polluter: the U.S. Government. While environmentalist protest and rally against large corporations who pollute the air and water, the government remains the world’s largest overall polluter. Calls for government reform are silent. Not only are they the largest overall, but the federal government is also the fourth largest contributor to greenhouse gas pollution alone. Of course, we also cannot forget about the terrible EPA mine spill polluting the Colorado River in 2015. If environmentalists want to be serious about reducing pollution, they must focus on cutting the size of government. We should all strive for sustainability. Therefore, we should not view capitalism at odds with a clean Earth. Only through capitalism can we have a realistic expectation of a cleaner Earth. Government intervention only hinders economic progress and does little to protecting the environment. The path to a clean and sustainable planet cannot and should not go through the government but through competition and innovation. The government cannot mandate economic growth. The only thing it can and should do is get out of the way and remove all restrictions that slow innovation. Fossil fuels are already on their way out, and clean energy is the way of the future. But that fact does not, by itself make clean energy affordable. Only with the creative destruction that the market provides can we have a clean and sustainable future that coincides with our economic growth and prosperity. Capitalism leading the way to heal the planet is just one excellent example of how well markets work.

#### Improving capitalism is key to solve warming

Kellner 4-11 (Peter, founder and managing partner of Richmond Global Ventures L.L.C. and chairman and C.E.O. of the Richmond Global Compass Fund L.P., 4-11-2017, "To fight climate change, we need to improve capitalism, not get rid of it," America Magazine, <https://www.americamagazine.org/politics-society/2017/04/11/fight-climate-change-we-need-improve-capitalism-not-get-rid-it>) kb

Pope Francis correctly points out the evil fruits of capitalism, including inequality. However, no other system has lifted billions of people out of poverty. It is an imperfect system, with many flavors, but it is our best form of imperfection. Now, more than ever, we must rely on—and change—its dynamics. We live in the Anthropocene, a period defined by the emergence of humans and our impact on the climate and environment. Before this period, there were five major mass extinctions: Ordovician, Devonian, Permian, Triassic and Cretaceous. Each time, a catastrophic event, or series of events, wiped out between 76 percent and 86 percent of all species. Should we be concerned about another mass extinction? The Industrial Revolution has dramatically affected the climate, causing the melting of the Arctic, rising sea levels and unbearable pollution in cities such as Beijing and Mumbai (and, at one time, Los Angeles). Yet the idea of climate change is still controversial. Is it hyperbole or undeniable reality? I contend it is the latter. We cannot ignore the signals from nature itself, akin to red alerts if one pays close attention. Scientists estimate that we are now losing species at 1,000 to 10,000 times the natural long-term rate. That means dozens of species are going extinct daily. In her book The Sixth Extinction: An Unnatural History, Elizabeth Kolbert reports that a third of all reef-building corals, a third of all freshwater mollusks, a third of sharks and rays, a quarter of all mammals, a fifth of all reptiles and a sixth of all birds are headed toward extinction. The answer to this scourge is capitalism, but in a new form and magnitude. For decades, there has been a largely philanthropy-driven effort to promote socially conscious investing and grant-making. There has also been a substantial growth in socially responsible for-profit businesses of various kinds. But only recently has a focus on social and environmental responsibility started to gain traction among for-profit investors and financial markets. It takes the form of a new approach called E.S.G. (for “environmental, social and governance”) investing, and it is increasingly being used by endowments, pensions and family-controlled investment groups. E.S.G. investing has been mainstreamed through “impact investment” firms that seek both financial and social returns, as well as through philanthropy. In total, these efforts account for the hundreds of.billions of dollars invested in private markets annually. Evidence from leading business schools and experts suggest that E.S.G. investing can increase financial and social returns by lowering the cost of capital, reducing volatility, increasing returns (or the risk premium), improving governance (a proxy for management) and mitigating a variety of regulatory and other risks. Once an outlier, E.S.G. is now seen by the U.S. Department of Labor as valid in helping to determine the value of an investment. Here is the challenge, and it is enormous: The hundreds of billions invested annually from impact investing and philanthropy is critical but only a first step in addressing worldwide environmental change. Compared with the scale of global capital markets overall, it is a drop in the bucket. We must focus on the approximately $180 trillion invested annually in public global financial assets. E.S.G. investing barely touches this sector, but it is only this quantum of capital that is truly capable of shifting our global trajectory, through investments in a cleaner environment, improved governance and healthy communities. We have not yet seized the opportunity to drive powerful change through the allocation of global public capital. Reasons for this include the short-termism of financial reporting, managerial priorities and differences between investors in different geographic areas (for example, Europe is much more E.S.G.-focused than the United States is). We are nearly out of time. Most environmental scientists warn that if temperatures rise another two to four degrees Celsius (as I am sure they will without action), we will face irreversible change, including crop failure, flooding, diseases, wildfires, rising waters, extreme heat, and social and economic instability at a global level. An alternate course is possible if our greatest investors, and the trillions in assets behind them, recognize the gold mine waiting to be prospected: $180 trillion annually! The time is now for a course correction in capitalism, and its rewards are abundant. Everyone should preach this gospel.

#### Capitalism is key to resolve climate change, alternatives take too long, the belief that squo governments can solve only feeds into right wing criticisms of climate change

Chait 15 (Jonathan, an American liberal commentator and writer for New York magazine, previously a senior editor at The New Republic and an assistant editor of The American Prospect, 10-23-2015, "Is Naomi Klein Right That We Must Choose Between Capitalism and the Climate?," Daily Intelligencer, <http://nymag.com/daily/intelligencer/2015/10/must-we-choose-between-capitalism-and-climate.html>) kb

It is not the right but the center-left that provides the main target of Klein’s polemic. Mainstream liberalism, in keeping with classic economic analysis, has always seen pollution as a straightforward market failure. If an individual or a business is dumping a harmful by-product into the commons, economic logic dictates they be forced to internalize the cost. Creating a price for carbon emissions, so that greenhouse gasses cannot be emitted for free, will give the marketplace the correct financial incentive to reduce its emissions to the necessary level. Klein insists, on the contrary, that liberal remedies that leave in place the underlying structure of the market economy do not, and cannot, work. Klein portrays the 2010 failure of a cap-and-trade bill as a victory for true environmentalism against the corporate neoliberal sellouts that promoted it. “The fact that the U.S. Senate failed to pass climate legislation in 2009 should not be seen, as it often is, as the climate movement’s greatest defeat,” she writes, “but as a narrowly-dodged bullet.” Klein attacks the cap-and-trade bill for compromising with energy producers in order to neutralize their opposition. At one point, she mocks the bill as a giveaway to Big Energy (“a huge amount of wealth being transferred to their companies”). Two pages later, she mocks the bill for being opposed and defeated by those energy companies (who “made it abundantly clear that they had never stopped being its enemies”). Cap-and-trade is damned by evidence of energy companies supporting it, and it is also damned by evidence of energy companies opposing it. If her logic does not make sense to you, that is because you fail to grasp Klein’s moral code, which considered corporations an irredeemably evil force tainting anything with which they come into contact. Consider a passage in which she dismisses the Environmental Defense Fund, a moderate green outfit. EDF, she writes, “prided itself as putting ‘results’ above ideology, but Krupp’s EDF was highly ideological.” Its neoliberal ideology led it to advocate a cap-and-trade system in the 1980s to reduce emissions of sulfur dioxide, which caused acid rain. “The new approach worked and it was popular among foundations and private donors, particularly on Wall Street,” she reports. If you’re a neoliberal sellout, you probably think the important part of that sentence is the beginning, where Klein concedes that the cap-and-trade system proposed by EDF “worked.” The successful results would seem to disprove Klein’s accusation that EDF is hyperideological and merely pretends to be results-driven. Indeed, she might even pause to consider the possibility that this program’s success demonstrates that it is possible to reduce pollution through market mechanisms. (Numerous other examples can be found.) Instead, Klein just blows right past the fact that EDF’s program worked right into associating it with Wall Street, a fact that tells her everything she needs to know. This is not the only time Klein comes face-to-face with evidence that falsifies her thesis and ignores it. In one passage, she castigates the World Trade Organization, an old bête noire, for blocking a Canadian law designed to protect a domestic solar manufacturer. This episode, she tells her readers, shows how free trade prevents the transition to a clean economy. Yet, in a footnote, she complains that China “flooded the market with cheap panels in recent years, contributing to a global oversupply that has outpaced demand.” Klein presents this as more evidence of the WTO’s nefarious impact. But, from the standpoint of the climate, aren’t cheap solar panels good? \*\*\* The most fascinating thing about This Changes Everything is how much factual refutation of Klein’s thesis is contained within the book itself. She faithfully reports huge amounts of damning facts, but confines them to subordinate clauses and footnotes. Klein’s major thesis, remember, is that the triumph of anti-corporate economics is the only way to reduce greenhouse-gas emissions. In another brief but damning passage, she concedes that a number of governments with sufficiently progressive economic character have taken power in recent years, citing Ecuador, Bolivia, Argentina, Venezuela, and Greece. Alas, she admits, “have so far been unable to come up with economic models that do not require extremely high levels of extraction of finite resources, often at tremendous ecological and human cost.” In other words, Klein’s proposed remedy of addressing climate change by electing a left-wing government has been tried repeatedly, and it has failed every single time. Even left-wing governments turn out to not be keen on shutting down their fossil-fuel industries and jacking up energy prices on their voters. Once again, though, Klein moves quickly past this deep record of unbroken failure. Her book and the documentary linger extensively on positive anecdotes she gathers from activists. “Large and growing social movements in all these countries,” she reports, “are pushing back against the idea that extraction-and-redistribution is the only route out of poverty and economic crisis.” Klein backs this up with lots of inspiring drum-circle footage. If Klein’s arguments do not pass any plausible evidentiary standard, it may be a result of her lack of interest in traditional standards of evidence. Klein’s narrative rests heavily on moral disgust with market-based mechanisms and the cold reasoning associated with them. She dismisses the “language of risk assessment,” a traditional economist way of measuring the dangers of climate change, and approvingly quotes a spiritual leader who tells her, “Water is holy.” Klein deems this analytic method superior to economic modelling of how to restrict pollution. “These truths,” she writes, “emerge not out of an abstract theory about ‘the commons’ but out of lived experience.” Klein’s fervently ideological, anti-empiricist style, and her deep skepticism of the mainstream liberals who believe emissions can be controlled without destroying capitalism, places her in odd agreement with the far right. Visiting a conference of climate-science deniers, Klein discovers the kind of absolutist ideological reasoning and suspicion of mushy technocracy to which she can relate. Climate-science deniers see the fight to restrain emissions as a pretext to expand government power over the economy. Since that is exactly how Klein sees climate change, she thinks they are on to something: “I think these hard-core ideologues understand the real significance of climate change better than most of the ‘warmists’ in the political center … ” she writes, “when it comes to the scope and depth of change required to avert catastrophe, they are right on the money.” Finally, somebody else who understands that the real choice is capitalism versus the climate. In the actual world outside this jointly inhabited ideological bubble, capitalism and climate science are discovering ways to co-exist. Klein dismisses the “past quarter century of international negotiations,” which she characterizes as “struggling, sputtering, failing utterly to achieve its goals.” In reality, American greenhouse-gas emissions peaked several years ago. European Union emissions peaked several decades ago. Chinese coal use has peaked, and its energy intensity has fallen. The world may not be decarbonizing as rapidly as it should, but it is moving rapidly. It may be slow by the standards of atmospheric conditions, but it is fast by the standards of global political cooperation. U.N. efforts to fight climate change have only been under way since 1988. Compare this with the notion of replacing capitalism with a radical egalitarian alternative, which has been around for a century and a half. The project does not seem to be moving forward. Waiting to limit the damage of greenhouse-gas emissions until the people can overthrow the yoke of unfettered capitalism may represent the most dangerous advice the left has come up with in a very long time.