### 1nc – stocks da

#### The global stock market is high now, but liquidity can end soon

Economic Times 10/21 [The Economic Times, October 21, 2021. “What is keeping the stock market high despite the growing pessimism?” [https://economictimes.indiatimes.com/watch-crypto-challenge-by-coinswitch-kuber-ep-3/articleshow/87311600.cms Accessed 10/27](https://economictimes.indiatimes.com/watch-crypto-challenge-by-coinswitch-kuber-ep-3/articleshow/87311600.cms%20Accessed%2010/27) //gord0]

Stock market is making new highs every passing day. With every move, there is a rising nervousness about stretched valuations. As the world attempted to recover its economy, central banks opened the floodgates of liquidity which led to the relentless rally into the global stock markets. And India has been a prime beneficiary of it.

However, it is only a matter of time now before the dose of liquidity ends. The Federal Reserve has already announced its tapering program. Back home, RBI has also mirrored similar sentiments, taking first steps towards impending liquidity squeeze in its October MPC meeting.

Apart from liquidity squeeze, persistent commodity inflation, slowdown in China, global energy crisis, and India's very own issue of coal shortage, has kept the investors on the hook.

Clearly, with every new high that the market is scaling, the risk-reward ratio is turning unfavourable for investors. There is a growing pessimism among investors. However, the stock market has refused to budge from its current elevated levels.

It has left investors wondering- what is keeping the stock market high despite the growing pessimism?

**Growing Pace of Recovery**

Several indicators are pointing at a strong trend of recovery in the Indian economy post the second Covid-19 wave. With that, international investors are showing confidence in the India story.

The IMF has backed India to reclaim its tag of the fastest growing economy in the world.IMF expects India to clock a growth rate of 9.5% in FY22 and 8.5% in FY23 in its latest report.

Global rating agency Moody's has also recently upgraded India's sovereign credit rating outlook to stable from negative. Moody's has lowered its assessment about the declining downside risks in the financial system as the banks have come out of the pandemic relatively unscathed.

**Expectation of Strong Earnings**

The pandemic has fastened the trend of consolidation in favour of organised sector. They have managed to gain market share at the expense of MSMEs and unorganized sectors.

Majority of Nifty50 companies are expected to deliver strong earnings despite the inflationary pressure. The expectation of a strong festival season is also keeping the optimism of strong earnings intact.

**Push for Privatisation**

Air India's privatization has been a watershed moment for India’s disinvestment drive.It has built a positive narrative around the strong pro-business mind set of the government.

With Air India's privatization,the market is expecting quicker resolution of impending proposals as well.In a recent interview,Tuhin Kanta Pandey, secretary, DIPAM (department of investment and public asset management) expressed confidence that privatisation of Neelachal Ispat and Central Electronics could be completed during the December quarter.He also expects the sale of BPCL and BEML along with the LIC IPO to be concluded by March'22.

**Buoyant Manufacturing, Growing Exports**

A part of market buoyancy is also a reflection of stellar performance of the manufacturing sector. India's industrial production has been impressive since the receding of the second Covid-19 wave. India's IIP has grown in double digit at 13.6%, 11.5% and 11.9% respectively for June,July and August 2021.

India’s exports are clocking the highest ever growth rates due to the rise in global demand. Exports for the period April-September 2021 grew at 57.50% at $197.89 billion as against $125.62 billion a year ago.

**New Listings, Unicorns:A Move Toward New Economy**

India has witnessed a flurry of IPOs from fintech and consumer tech space. These new age tech-based IPOs are expected to help India's market capitalisation to raise exponentially as India is fast moving towards a new economy.

Rising number of unicorns have also given a major boost to India's rising credentials among the foreign investors. As many as 33 start-ups have attained a unicorn status as of October 2021- the highest ever in a calendar year.

**Closing Comments**

The government has shown a strong intent towards economic recovery with several initiatives like privatisation, formation of a bad bank, launching of PLI scheme reforms in telecom sector and farm laws. The market is expecting the pace of reforms to continue till 2024 which has kept the market resilient despite the stretched valuations and rising risk of correction.

#### Best data proves union strike victories statistically cause stock market crash.

Lee and Mas 12 [David; Princeton University and National Bureau of Economic Research; Alexandre; Princeton University and National Bureau of Economic Research; “Long-Run Impacts of Unions on Firms: New Evidence from Financial Markets, 1961–1999,” The Quarterly Journal Of Economics; February 2012; <https://academic.oup.com/qje/article-abstract/127/1/333/1834007?redirectedFrom=fulltext>] Justin

We begin analyzing the stock market reaction to union victories using event-study methodologies. The most distinctive feature of our data—crucial for our research design—is the long panel (up to 48 months before and after the election) of high frequency data on stock market returns for each firm. This feature allows us to use the pre-event data to test the adequacy of the benchmarks used to predict the counterfactual returns in the postevent period. The long panel also allows us to examine returns several months beyond the event, so as to capture the long-run expected effects of new unions, without having to rely heavily on the assumption that the stock price immediately and instantaneously adjusts to capture the expected presence of the unions.9

Our event-study analysis reveals substantial losses in market value following a union election victory—about a 10% decline in market value, equivalent to about $40,500 per unionized worker. According to our calculations, if unionization represented a one-to-one transfer from investors to workers through higher wages, this magnitude would be in line with a union wage premium of 10%. Because the total loss of market value represents the sum of transfers to workers and any other productivity impacts of unionization this implies, for example, that if the true union compensation premium were greater than 10%, there would be positive productivity effects of unions. The evidence supporting our event-study estimates is compelling: we find that these firms’ average returns are quite close to the benchmark returns every month leading up to the election, but precisely at the time of the election, the actual and benchmark returns diverge. The results for these firms are robust to a number of different specifications. In the sample of firms where we know that the union is a small fraction of the workforce, we donot find a similar divergence of returns from the benchmark.

Importantly, we find that the effect takes 15 to 18 months to fully materialize, a somewhat slow market reaction. As we discuss, this short-run mispricing can persist if exploiting the slow reaction is not sufficiently profitable to arbitrageurs. Indeed, our own analysis shows that strategies designed to exploit the mispricing entail a significant degree of fundamental risk. The fact that union victories are sufficiently rare and spread throughout time prevents the necessary diversification that could generate an attractive arbitrage opportunity. For example, our analysis suggests that attempts to exploit the short-lived mispricing would lead to a portfolio that would be dominated by simple buy-and hold strategies

The event-study estimate appears to average a great deal of heterogeneity in the effects. We additionally employ a regression discontinuity (RD) design, implicitly comparing close union victories to close union losses, and consistent with DiNardo and Lee (2004), we find little evidence of a significant discontinuous relationship between the vote share and market returns. If anything, the RD point estimates show a 4% positive (though statistically insignificant) effect of union certification (vis-`a-vis union defeat). The event-study estimates vary systematically by the observed vote share, with the largest negative abnormal returns for cases where the union won the election by a large margin.

#### Crashes lead to a great depression.

Rusoff 21 [Jane; ThinkAdvisor Contributing Editor specializing in interviews with thought leaders. She has written for The New York Times, The Washington Post, USA Today and Esquire, among numerous other publications. Author/co-author of five books, Jane was a staff editor at London Express Features and Billboard’s Merchandising Magazine; “Harry Dent: ‘Biggest Crash Ever’ Likely by End of June,” ThinkAdvisor; 3/10/21; <https://www.thinkadvisor.com/2021/03/10/harry-dent-biggest-crash-ever-likely-by-end-of-june/>] Justin

Why will the downturn that you see be so harsh?

The only reason the 2008 downturn didn’t turn into a depression was that they turned on the monetary spigots so hard and blew us out of it, which kept the bubble going. They kept printing money and put it off. Now we’ve got a bigger bubble. This downturn is going to be the Great Depression that the deep recession of 2008 was [falling into].

How long do you think the depression will last?

If the economy finally falls apart after this much stimulus, economists will flip from being endlessly bullish to endlessly bearish. They’ll say, “Now we’re in a decade-long-plus depression, like the 1930s.” But I’ll say, “Nope, this thing will be hell: It’s going to do its work very fast. By 2024, it will be over.” By 2023 or 2024, we’re going to be coming out of it into what I call the next Spring Boom.

Right now, you favor investing in Treasury bonds. What’s your strategy?

Man, what’s better than sleeping with 30-year Treasury bonds — the safest investment in the reserve currency of a country that’s in big trouble — but not as much as Europe and Japan are in and nowhere near as much as China is in. We’re in the best house in a bad neighborhood.

What will happen to the 30-year Treasury bond during the massive crash you foresee?

It’s going to fall to half a percent and maybe zero. It will expand your money 30%, 40%, 50%, while stocks are crashing 70%, 80%, 90%. Real estate will go down 30%, 40%, 50%. Commodities are already down 50% and are going down another 30% or 40%. Everything is going to default. Cash will preserve your money. The 30-year Treasury will magnify your money.

So, do you think 50% of an investment portfolio should be in Treasurys?

If you’re willing to take more risk, you’ll have one bucket in long-term U.S. Treasury bonds and maybe in a few other good governments, like Sweden or Australia. Triple-A corporates could go in there too. Then you’ll have another bucket — of short stocks, not leveraged.

Stocks are very volatile on the way down. You can also be in REITs that are in very solid areas, like multi-family housing in affordable cities and medical facilities because those will hold up the best.

There’s a discernable euphoria now among investors. But John Templeton, the renowned investor and fund manager, famously said that “bull markets die on euphoria.” Do you agree with that?

Yes. And Jeremy Grantham [GMO co-founder] said [on Jan. 5] this level of euphoria means you’re within months — not years — of a major bubble peak. You’re at the end.

Wil cryptocurrency be part of that huge crash?

Yes. I think Bitcoin is the big thing long term and that crypto and blockchain is a big trend. It’s like the internet of finance — money and assets — instead of information. So it’s a big deal — but in its early stages.

Bitcoin is going to go to 58 [thousand], 60, 80 — and then end up back at 3,000 to 4,000. I would buy it long term, a couple of years from now. I wouldn’t touch it between now and then.

What are your expectations for the economy once the pandemic substantially fades?

Some industries are never going to come back. We’re not back to where we were before COVID — by GDP or any other major indicator. Everybody is acting like “When we get over COVID, we’ll be back better than ever.” The stock market is already anticipating that. But it’s wrong.

The only reason people are spending is because the government handed businesses and consumers tons of money. But it will get to a point where it’s not going to matter how much money is printed — and then you’ll have an avalanche. A huge collapse is coming.

What specifically will cause it?

There’s is no way you can [keep] having fake earnings, fake GDP, fake interest rates and super-high valuations. Financial assets have to come down to reality.

What are the implications?

Loans will fail by the boatload. Then money disappears. That causes bank and business failures. We have to get all the financial leverage, financial assets and debt out of our economy.

Twenty percent of public companies are zombies. They can’t even pay their debt service in a growth economy. They’re already dead. We’ve just keeping them alive with embalming.

#### Extinction.

Liu '18 [Qian; 11/13/18; Managing Director of Greater China for The Economist Group, previously director of the global economics unit and director of Access China for the Economist Intelligence Unit, PhD in economics from Uppsala University; "The next economic crisis could cause a global conflict. Here's why," <https://www.weforum.org/agenda/2018/11/the-next-economic-crisis-could-cause-a-global-conflict-heres-why/>] Justin

The next economic crisis is closer than you think. But what you should really worry about is what comes after: in the current social, political, and technological landscape, a prolonged economic crisis, combined with rising income inequality, could well escalate into a major global military conflict. The 2008-09 global financial crisis almost bankrupted governments and caused systemic collapse. Policymakers managed to pull the global economy back from the brink, using massive monetary stimulus, including quantitative easing and near-zero (or even negative) interest rates. But monetary stimulus is like an adrenaline shot to jump-start an arrested heart; it can revive the patient, but it does nothing to cure the disease. Treating a sick economy requires structural reforms, which can cover everything from financial and labor markets to tax systems, fertility patterns, and education policies. Policymakers have utterly failed to pursue such reforms, despite promising to do so. Instead, they have remained preoccupied with politics. From Italy to Germany, forming and sustaining governments now seems to take more time than actual governing. And Greece, for example, has relied on money from international creditors to keep its head (barely) above water, rather than genuinely reforming its pension system or improving its business environment. The lack of structural reform has meant that the unprecedented excess liquidity that central banks injected into their economies was not allocated to its most efficient uses. Instead, it raised global asset prices to levels even higher than those prevailing before 2008. In the United States, housing prices are now 8% higher than they were at the peak of the property bubble in 2006, according to the property website Zillow. The price-to-earnings (CAPE) ratio, which measures whether stock-market prices are within a reasonable range, is now higher than it was both in 2008 and at the start of the Great Depression in 1929. As monetary tightening reveals the vulnerabilities in the real economy, the collapse of asset-price bubbles will trigger another economic crisis – one that could be even more severe than the last, because we have built up a tolerance to our strongest macroeconomic medications. A decade of regular adrenaline shots, in the form of ultra-low interest rates and unconventional monetary policies, has severely depleted their power to stabilize and stimulate the economy. If history is any guide, the consequences of this mistake could extend far beyond the economy. According to Harvard’s Benjamin Friedman, prolonged periods of economic distress have been characterized also by public antipathy toward minority groups or foreign countries – attitudes that can help to fuel unrest, terrorism, or even war. For example, during the Great Depression, US President Herbert Hoover signed the 1930 Smoot-Hawley Tariff Act, intended to protect American workers and farmers from foreign competition. In the subsequent five years, global trade shrank by two-thirds. Within a decade, World War II had begun. To be sure, WWII, like World War I, was caused by a multitude of factors; there is no standard path to war. But there is reason to believe that high levels of inequality can play a significant role in stoking conflict. According to research by the economist Thomas Piketty, a spike in income inequality is often followed by a great crisis. Income inequality then declines for a while, before rising again, until a new peak – and a new disaster. Though causality has yet to be proven, given the limited number of data points, this correlation should not be taken lightly, especially with wealth and income inequality at historically high levels. This is all the more worrying in view of the numerous other factors stoking social unrest and diplomatic tension, including technological disruption, a record-breaking migration crisis, anxiety over globalization, political polarization, and rising nationalism. All are symptoms of failed policies that could turn out to be trigger points for a future crisis. Voters have good reason to be frustrated, but the emotionally appealing populists to whom they are increasingly giving their support are offering ill-advised solutions that will only make matters worse. For example, despite the world’s unprecedented interconnectedness, multilateralism is increasingly being eschewed, as countries – most notably, Donald Trump’s US – pursue unilateral, isolationist policies. Meanwhile, proxy wars are raging in Syria and Yemen. Against this background, we must take seriously the possibility that the next economic crisis could lead to a large-scale military confrontation. By the logic of the political scientist Samuel Huntington , considering such a scenario could help us avoid it, because it would force us to take action. In this case, the key will be for policymakers to pursue the structural reforms that they have long promised, while replacing finger-pointing and antagonism with a sensible and respectful global dialogue. The alternative may well be global conflagration.

#### 1nc – Heg

#### Econ decline destroys US hegemony

**Baird ’20** [Zoe; October 2020; C.E.O. and President of the Markle Foundation, Member of the Aspen Strategy Group and former Trustee at the Council on Foreign Relations, J.D. and A.B. from the University of California at Berkeley; Domestic and International (Dis)order: A Strategic Response, “Equitable Economic Recovery is a National Security Imperative,” Ch. 13]

A strong and inclusive economy is **essential** for American **national security** and **global leadership**. As the nation seeks to return from a historic economic crisis, the national security community should support an equitable recovery that helps every worker adapt to the **seismic shifts** underway in our economy.

Broadly shared economic prosperity is a **bedrock** of America’s **economic** and **political strength**—both **domestically** and in the **international** arena. A **strong** and **equitable** recovery from the economic crisis created by COVID-19 would be a **powerful testament** to the **resilience** of the American system and its **ability to create prosperity** at a time of **seismic change** and persistent **global crisis**. Such a recovery could attack the profound economic inequities that have developed over the past several decades. Without **bold action** to help all workers access good jobs as the economy returns, the **U**nited **S**tates risks **undermining** the **legitimacy of its institutions** and its **international standing**. The **outcome** will be a **key determinant** of America’s **national security** for years to come.

An equitable recovery requires a national commitment to help all workers obtain good jobs—particularly the two-thirds of adults without a bachelor’s degree and people of color who have been most affected by the crisis and were denied opportunity before it. As the nation engages in a historic debate about how to accelerate economic recovery, ambitious public investment is necessary to put Americans back to work with dignity and opportunity. We need an intentional effort to make sure that the jobs that come back are good jobs with decent wages, benefits, and mobility and to empower workers to access these opportunities in a profoundly changed labor market.

To achieve these goals, **America**n policy makers need to establish **job growth strategies** that address **urgent public needs** through **major programs** in green energy, infrastructure, and health. Alongside these job growth strategies, we need to recognize and develop the talents of workers by creating an adult learning system that meets workers’ needs and develops skills for the digital economy. The national security community must lend its support to this cause. And as it does so, it can bring home the lessons from the advances made in these areas in other countries, particularly our European allies, and consider this a realm of international cooperation and international engagement.

Shared Economic Prosperity Is a National Security Asset

A **strong economy** is **essential** to America’s **security and diplomatic strategy**. Economic strength increases our **influence** on the global stage, **expands markets**, and **funds** a **strong and agile military** and **national defense**. Yet it is not enough for America’s economy to be strong for some—prosperity must be broadly shared. **Widespread belief** in the ability of the American **economic system** to create economic security and mobility for all—the American Dream— creates **credibility** and **legitimacy** for America’s **values**, **governance**, and **alliances** around the world.

After World War II, the **U**nited **S**tates grew the middle class to historic size and strength. This achievement made America the **model** of the free world—**setting the stage** for decades of American political and economic **leadership**. Domestically, broad participation in the economy is **core** to the **legitimacy** of our democracy and the strength of our political institutions. A belief that the economic system works for millions is an important part of creating trust in a democratic government’s ability to meet the needs of the people.

The COVID-19 Crisis Puts Millions of American Workers at Risk

For the last several decades, the American Dream has been on the wane. Opportunity has been increasingly concentrated in the hands of a small share of workers able to access the knowledge economy. Too many Americans, particularly those without four-year degrees, experienced stagnant wages, less stability, and fewer opportunities for advancement.

Since COVID-19 hit, millions have lost their jobs or income and are struggling to meet their basic needs—including food, housing, and medical care.1 The crisis has impacted sectors like hospitality, leisure, and retail, which employ a large share of America’s most economically vulnerable workers, resulting in alarming disparities in unemployment rates along education and racial lines. In August, the unemployment rate for those with a high school degree or less was more than double the rate for those with a bachelor’s degree.2 Black and Hispanic Americans are experiencing disproportionately high unemployment, with the gulf widening as the crisis continues.3

The experience of the Great Recession shows that without intentional effort to drive an inclusive recovery, inequality may get worse: while workers with a high school education or less experienced the majority of job losses, nearly all new jobs went to workers with postsecondary education. Inequalities across racial lines also increased as workers of color worked in the hardest-hit sectors and were slower to recover earnings and income than White workers.4

The Case for an Inclusive Recovery

A recovery that promotes broad economic participation, renewed opportunity, and equity will strengthen American moral and political authority **around the world**. It will **send a strong message** about the strength and **resilience** of **democratic government** and the American people’s **ability to adapt** to a changing global economic landscape. An inclusive recovery will reaffirm American leadership as core to the success of our most critical international alliances, which are rooted in the notion of shared destiny and interdependence. For example, NATO, which has been a cornerstone of U.S. foreign policy and a force of global stability for decades, has suffered from American disengagement in recent years. A strong American recovery—coupled with a renewed openness to international collaboration—is core to **NATO’s ability** to solve **shared geopolitical and security challenges**. A renewed partnership with our European allies from a **position of economic strength** will enable us to address **global crises** such as **climate change**, **global pandemics**, and **refugees**. Together, the United States and Europe can pursue a commitment to investing in workers for shared economic competitiveness, innovation, and long-term prosperity.

The U.S. has **unique advantages** that give it the **tools** to emerge from the crisis with **tremendous economic strength**— including an entrepreneurial spirit and the technological and scientific infrastructure to lead global efforts in developing industries like green energy and biosciences that will shape the international economy for decades to come.

#### US goes down fighting – perception of decline causes inevitable engagement

Michael Beckley 12. Assistant professor of political science at Tufts. “China’s Century? Why America’s Edge Will Endure.” International Security 36(3): 41-78.

One danger is that declinism could prompt trade conflicts and immigration restrictions. The results of this study suggest that the United States benefits immensely from the free flow of goods, services, and people around the globe; this is what allows American corporations to specialize in high-value activities, exploit innovations created elsewhere, and lure the brightest minds to the United States, all while reducing the price of goods for U.S. consumers. Characterizing China’s export expansion as a loss for the United States is not just bad economics; it blazes a trail for jingoistic and protectionist policies. It would be tragically ironic if Americans reacted to false prophecies of decline by cutting themselves off from a potentially vital source of American power.

Another danger is that declinism may impair foreign policy decisionmaking. If top government officials come to believe that China is overtaking the United States, they are likely to react in one of two ways, both of which are potentially disastrous.

The first is that policymakers may imagine the United States faces a closing “window of opportunity” and should take action “while it still enjoys preponderance and not wait until the diffusion of power has already made international politics more competitive and unpredictable.”158 This belief may spur positive action, but it also invites parochial thinking, reckless behavior, and preventive war.159 As Robert Gilpin and others have shown, “[H]egemonic struggles have most frequently been triggered by fears of ultimate decline and the perceived erosion of power.”160 By fanning such fears, declinists may inadvertently promote the type of violent overreaction that they seek to prevent.

The other potential reaction is retrenchment—the divestment of all foreign policy obligations save those linked to vital interests, defined in a narrow and national manner. Advocates of retrenchment assume, or hope, that the world will sort itself out on its own; that whatever replaces American hegemony, whether it be a return to balance of power politics or a transition to a postpower paradise, will naturally maintain international order and prosperity.

Order and prosperity, however, are unnatural. They can never be presumed. When achieved, they are the result of determined action by powerful actors and, in particular, by the most powerful actor, which is, and will be for some time, the United States. Arms buildups, insecure sea-lanes, and closed markets are only the most obvious risks of U.S. retrenchment. Less obvious are transnational problems, such as global warming, water scarcity, and disease, which may fester without a leader to rally collective action.

Hegemony, of course, carries its own risks and costs. In particular, America’s global military presence might tempt policymakers to use force when they should choose diplomacy or inaction. If the United States abuses its power, however, it is not because it is too engaged with the world, but because its engagement lacks strategic vision. The solution is better strategy, not retrenchment.

The first step toward sound strategy is to recognize that the status quo for the United States is pretty good: it does not face a hegemonic rival, and the trends favor continued U.S. dominance. The overarching goal of American foreign policy should be to preserve this state of affairs. Declinists claim the United States should “adopt a neomercantilist international economic policy” and “disengage from current alliance commitments in East Asia and Europe.”161 But the fact that the United States rose relative to China while propping up the world economy and maintaining a hegemonic presence abroad casts doubt on the wisdom of such calls for radical policy change.

#### Conventional US-China war escalates to nuclear war

**Talmadge 17**—Caitlin Talmadge, Associate Professor of Security Studies at Georgetown University, Ph.D. in Political Science from MIT (“Would China Go Nuclear? Assessing the Risk of Chinese Nuclear Escalation in a Conventional War with the United States,” *International Security*, Vol. 41, No. 4, April 25th, Available Online)

**Chinese nuclear escalation** in the event of a **conventional war with the United States** is a **significant risk**, although for reasons not fully surfaced in the existing debate. A U.S. conventional campaign would indeed pose a **large**, though not total, **threat to China's nuclear arsenal**. More important than the purely military-technical implications of the U.S. campaign, however, is what China is likely to believe the campaign signals about U.S. intentions in a world where **conventional deterrence has just failed**. Reasonable Chinese fears that the United States might be attempting **conventional counterforce**, or considering or preparing for nuclear counterforce, could lead China to engage in **limited nuclear escalation** to gain military advantage or coercive leverage—**despite China's** **no-first-use policy**. This conclusion, derived from the article's general framework, raises a host of questions for further research. One of the most important is whether China's efforts to alert its nuclear forces during a crisis in order to improve survivability could **look to the United States like preparation for escalation**, leading the United States to launch what it saw as a **damage-limitation strike** even if it had originally not intended to engage in counterforce at all.133 This possibility points to **additional escalatory dynamics** that might emerge in a future U.S.-China conflict, arising from U.S. interpretations of Chinese actions, especially as Chinese nuclear capabilities expand. Some expansion could be stabilizing, however. If China eventually develops a larger and more survivable nuclear arsenal, the threshold at which U.S. conventional operations could start to seriously erode that arsenal would increase, reassuring Chinese leaders in wartime. Whether such a development would be a net positive for the United States would depend among other things on how China's nuclear expansion affected other aspects of China's behavior, but on the escalation question, it could be beneficial. More broadly, analysis of the China case raises the question of why the United States might adopt conventional military strategies that could increase risks of **opponent nuclear escalation** in the first place. Optimists often simply do not address the underlying drivers of such policies, whereas pessimists tend to characterize them as the inadvertent product of U.S. military planning run amok of civilian guidance.134 It seems more likely that such policies are not inadvertent, at least not in the sense that senior civilian policymakers are blindly unaware of the escalatory risks these policies entail. Rather, my interviews and conversations with senior policymakers, both military and civilian, suggest that they have long been generally cognizant of the fact that U.S. conventional military operations have the potential to **create nuclear pressures** on opponents.135

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**Global tech innovation high now.**

**Mercury News et al 6/4** [Mercury News and East Bay Times Editorial Boards, June 4, 2021, “Editorial: How America can Win the Global Tech War” <https://www.mercurynews.com/2021/06/04/editorial-why-silicon-valley-needs-endless-frontier-bill/> //gord0]

The nation that wins the global tech race will dominate the 21st century. This has been true since the 1800s. Given the rapid pace of innovation and tech’s impact on our economy and defense capabilities in the last decade, there is ample evidence to suggest that the need for investment in tech research and development has never been greater. China has been closing the tech gap in recent years by making bold investments in tech with the intent of overtaking the United States. This is a tech war we cannot afford to lose. It’s imperative that Congress pass the Endless Frontier Act and authorize the biggest R&D tech investment in the United States since the Apollo years. Rep. Ro Khanna, D-Santa Clara, made a massive increase in science and technology investment a major part of his platform while campaigning for a seat in Congress in 2016. Now the co-author of the 600-page legislation is on the cusp of pushing through a bipartisan effort that has been years in the making. Khanna and his co-authors, Senate Majority Leader Chuck Schumer, D-N.Y., Sen. Todd Young, R-Ind., and Rep. Mike Gallagher, R-Wisc., are shepherding the bill through the Senate, which is expected to approve it sometime later this month. That would set up a reconciliation debate between the House and Senate that would determine the bill’s final language. The ultimate size of the investment is still very much up in the air. Khanna would like Congress to authorize $100 billion over a five-year period for critical advancements in artificial intelligence, biotechnology, cybersecurity, semiconductors and other cutting-edge technologies. The Senate is talking of knocking that number down to $50 billion or $75 billion. They should be reminded of China Premier Li Keqiang’s March announcement that China would increase its research and development spending by an additional 7% per year between 2021 and 2025. The United States still outspends China in R&D, spending $612 billion on research and development in 2019, compared to China’s $514 billion. But the gap is narrowing. At the turn of the century, China was only spending $33 billion a year on R&D, while the United States was spending nearly 10 times that amount. The bill would authorize 10 technology hubs throughout the nation designed to help build the infrastructure, manufacturing facilities and workforce needed to help meet the nation’s tech goals. Building tech centers throughout the United States should also create more support for the industry across the country. Tech’s image has taken a beating in recent years — the emergence of the term “Big Tech” is hardly a positive development — and the industry will need all the support it can muster in Congress. The United States continues to have a crucial tech edge over its competitors, most notably China. The only way we can hope to win the 21st century is to make significant investments in research and development that will spark the next wave of innovation.

**Violent strike efforts are increasing – they slow innovation, specifically in the tech sector.**

**Hanasoge 16** [Chaithra; Senior Research Analyst, Market Researcher, Consumer Insights, Strategy Consulting; “The Union Strikes: The Good, the Bad and the Ugly,” Supply Wisdom; April/June 2016 (Doesn’t specifically say but this is the most recent event is cites); https://www.supplywisdom.com/resources/the-union-strikes-the-good-the-bad-and-the-ugly/]//SJWen

The result: Verizon conceded to several of the workers’ demands including hiring union workers, protection against outsourcing of call-center jobs, and employee benefits such as salary hikes and higher pension contributions, among others and thus bringing an end to the strike in June.

The repercussion: The strike witnessed **several instances** of **social disorder**, **violence** and **clashes**, ultimately calling for third party intervention (Secretary of Labor – Thomas Perez) to initiate negotiations between the parties. Also, as a result of the strike, Verizon reported **lower** than **expected revenues** in the **second quarter of 2016**.

Trade unions/ labor unions aren’t just this millennia’s product and has been in vogue since times immemorial. **Unions**, to **ensure fairness** to the working class, have **gone on strike for better working conditions** and employee benefits since the **industrial revolution** and are as strong today as they were last century. With the **advent of technology and advancement in artificial intelligence**, machines are grabbing the jobs which were once the bastion of the humans. So, questions that arise here are, what relevance do unions have in today’s work scenario? And, are the strikes organized by them avoidable?

As long as the concept of labor exists and employees feel that they are not receiving their fair share of dues, unions will exist and thrive. Union protests in most cases cause work stoppages, and in certain cases, disruption of law and order. Like in March 2016, public servants at Federal Government **departments across Australia** went on a series of **strikes** over failed pay negotiations, **disrupting operations** of many **government departments** for a few days.  Besides such direct effects, there are many **indirect effects** as well such as **strained employee relations**, **slower work processes**, **lesser productivity** and **unnecessary legal hassles**.

Also, union strikes can **never be taken too lightly** as they have prompted major overturn of decisions, on a few occasions. Besides the **Verizon incident** that was a **crucial example** of this, nationwide strikes were witnessed in India in March and April this year when the national government introduced reforms related to the withdrawal regulations and interest rate of employee provident fund, terming it as ‘anti-working class’. This compelled the government to withhold the reform for further review. In France, strike against labor law reforms in May turned violent, resulting in riots and significant damage to property. The incident prompted the government to consider modifications to the proposed reforms.

However, aside from employee concerns, such incidents are also determined by a number of other factors such as the country’s political scenario, economy, size of the overall workforce and the unions, history of unionization, labor laws, and culture. For example, it is a popular saying that the French are always on strike as per tradition (although recent statistics indicate a decline in frequency). In a communist government like China, strikes have steadily risen in number. In 2015, China Labor Bulletin (CLB), a Hong Kong-based workers’ rights group recorded 2,700 incidents of strikes and protests, compared to 1,300 incidents in 2014. Most of them have stemmed out of failure by the government to respect the basic rights of employees and address labor concerns.

Interestingly, unions have **not been able to gain a strong foothold** in the **IT-BPO industry**. While many countries do have a separate union to represent workers from the sector, incidents of strikes like Verizon **have been relatively lo**w.  However, workplace regulations, in addition to other factors mentioned could be a trigger for such incidents, even if on a smaller scale. For example, a recent survey that **interviewed several BPO employees** in India revealed that while **forming a union** in the BPO sector was **difficult**, irksome workplace regulations such as constant surveillance, irregular timings and incentives have prompted employees to express their resentment in smaller ways such as corruption of internal servers and so on.  Such risks are further enhanced in a city like Kolkata, which carries a strong trade union culture.

**Victories like the aff mobilizes unions in the IT sector.**

**Vynck et al 21** [Gerrit De; Carleton University, BA in Journalism and Global Politics, tech reporter for The Washington Post. He writes about Google and the algorithms that increasingly shape society. He previously covered tech for seven years at Bloomberg News; Nitashu Tiku; Columbia University, BA in English, New York University, MA in Journalism, Washington Post's tech culture reporter based in San Francisco; Macalester College, BA in English, Columbia University, MS in Journalism, reporter for The Washington Post who is focused on technology coverage in the Pacific Northwest; “Six things to know about the latest efforts to bring unions to Big Tech,” The Washington Post; https://www.washingtonpost.com/technology/2021/01/26/tech-unions-explainer/]//SJWen

In response to **tech** company crackdowns and lobbying, gig workers have **shifted their strategy** to emphasize building **worker-led movements** and increasing their ranks, rather than focusing on employment status as the primary goal, says Veena Dubal, a law professor at the University of California Hastings College of the Law in San Francisco. The **hope** is that with **President Biden in the White House and an even split in the Senate**, legislators will **mobilize** at the federal level, through the **NLRA or bills such as the PRO Act**, to **recognize gig worker collectives as real unions**.

**Technological innovation solves every existential threat – which outweighs.**

**Matthews 18** Dylan. Co-founder of Vox, citing Nick Beckstead @ Rutgers University. 10-26-2018. "How to help people millions of years from now." Vox. https://www.vox.com/future-perfect/2018/10/26/18023366/far-future-effective-altruism-existential-risk-doing-good

If you care about improving human lives, you should overwhelmingly care about those quadrillions of lives rather than the comparatively small number of people alive today. The 7.6 billion people now living, after all, amount to less than 0.003 percent of the population that will live in the **future**. It’s reasonable to suggest that those **quadrillions** of future people have, accordingly, **hundreds of thousands of times** more moral weight than those of us living here **today** do. That’s the basic argument behind Nick Beckstead’s 2013 Rutgers philosophy dissertation, “On the overwhelming importance of shaping the far future.” It’s a glorious mindfuck of a thesis, not least because Beckstead shows very convincingly that this is a conclusion any plausible moral view would reach. It’s not just something that weird utilitarians have to deal with. And Beckstead, to his considerable credit, walks the walk on this. He works at the Open Philanthropy Project on grants relating to the far future and runs a charitable fund for donors who want to prioritize the far future. And arguments from him and others have turned “long-termism” into a very vibrant, important strand of the effective altruism community. But what does prioritizing the far future even mean? The most **literal** thing it could mean is preventing human **extinction**, to ensure that the species persists as long as possible. For the long-term-focused effective altruists I know, that typically means identifying concrete threats to humanity’s continued existence — like unfriendly artificial intelligence, or a pandemic, or global warming/out of control geoengineering — and engaging in activities to prevent that specific eventuality. But in a set of slides he made in 2013, Beckstead makes a compelling case that while that’s certainly **part** of what caring about the far future entails, approaches that address **specific threats** to humanity (which he calls “**targeted**” approaches to the far future) have to **complement** “**broad**” approaches, where instead of trying to **predict** what’s going to kill us all, you just **generally try to keep civilization running as best it can**, so that it is, as a whole, well-equipped to deal with **potential** extinction events in the **future**, not just in 2030 or 2040 but in 3500 or 95000 or even 37 million. In other words, caring about the far future **doesn’t mean just paying attention to low-probability risks of total annihilation**; it also means **acting on pressing needs now**. For example: We’re going to be **better prepared** to prevent extinction from **AI** or a **supervirus** or **global warming** if society as a whole makes **a lot of scientific progress**. And a significant bottleneck there is that the vast majority of humanity doesn’t get high-enough-quality education to engage in scientific research, if they want to, which reduces the odds that we have enough trained scientists to come up with the breakthroughs we need as a civilization to survive and thrive. So maybe one of the **best thing**s we can do for the **far future** is to improve school systems — here and now — to harness the group economist Raj Chetty calls “lost Einsteins” (**potential innovators** who are thwarted by poverty and inequality in rich countries) and, more importantly, the hundreds of millions of kids in developing countries dealing with even worse education systems than those in depressed communities in the rich world. What if living ethically for the far future means living ethically now? Beckstead mentions some other broad, or very broad, ideas (these are all his descriptions): Help make computers faster so that people everywhere can work more efficiently Change intellectual property law so that technological innovation can happen more quickly Advocate for open borders so that people from poorly governed countries can move to better-governed countries and be more productive Meta-research: improve **incentives** and **norms** in **academic work** to better advance human knowledge Improve education Advocate for political party X to make future people have values more like political party X ”If you look at these areas (economic growth and technological progress, access to information, individual capability, social coordination, motives) a lot of everyday good works contribute,” Beckstead writes. “An implication of this is that a lot of everyday good works are good from a broad perspective, even though hardly anyone thinks explicitly in terms of far future standards.” Look at those examples again: It’s just a list of what normal altruistically motivated people, not effective altruism folks, generally do. Charities in the US love talking about the lost opportunities for innovation that poverty creates. Lots of smart people who want to make a difference become scientists, or try to work as teachers or on improving education policy, and lord knows there are plenty of people who become political party operatives out of a conviction that the moral consequences of the party’s platform are good. All of which is to say: Maybe effective altruists aren’t that special, or at least maybe we don’t have access to that many specific and weird conclusions about how best to help the world. If the far future is what matters, and generally trying to make the world work better is among the best ways to help the far future, then effective altruism just becomes plain ol’ do-goodery.

### Framing

#### Moreover, *only* pleasure and pain are intrinsically valuable. All other values can be explained with reference to pleasure; Occam’s razor requires us to treat these as instrumentally valuable.

Moen 16 [(Ole Martin Moen, Research Fellow in Philosophy at University of Oslo) “An Argument for Hedonism,” Journal of Value Inquiry (Springer), 50 (2) 2016: 267–281, <https://link.springer.com/article/10.1007/s10790-015-9506-9>] TDI

I think several things should be said in response to Moore’s challenge to hedonists. First, **I do not think the burden of proof lies on hedonists to explain why the additional values are not intrinsic values. If someone claims that X is intrinsically valuable, this is a substantive, positive claim, and it lies on him or her to explain why we should believe that X is in fact intrinsically valuable.** Possibly, this could be done through thought experiments analogous to those employed in the previous section. Second, **there is something peculiar about the list of additional intrinsic values** that counts in hedonism’s favor**: the listed values have a strong tendency to be well explained as things that help promote pleasure and avert pain.** To go through Frankena’s list, life and consciousness are necessary presuppositions for pleasure; activity, health, and strength bring about pleasure; and happiness, beatitude, and contentment are regarded by Frankena himself as “pleasures and satisfactions.” The same is arguably true of beauty, harmony, and “proportion in objects contemplated,” and also of affection, friendship, harmony, and proportion in life, experiences of achievement, adventure and novelty, self-expression, good reputation, honor and esteem. Other things on Frankena’s list, such as understanding, **wisdom, freedom, peace, and security, although they are perhaps not themselves pleasurable, are important means to achieve a happy life, and as such, they are things that hedonists would value highly.** **Morally good dispositions and virtues, cooperation, and just distribution of goods and evils, moreover, are things that, on a collective level, contribute a happy society, and thus the traits that would be promoted and cultivated if this were something sought after.** To a very large extent, the intrinsic values suggested by pluralists tend to be hedonic instrumental values. Indeed, pluralists’ suggested intrinsic values all point toward pleasure, for while the other values are reasonably explainable as a means toward pleasure, pleasure itself is not reasonably explainable as a means toward the other values. Some have noticed this. Moore himself, for example, writes that though his pluralistic theory of intrinsic value is opposed to hedonism, its application would, in practice, look very much like hedonism’s: “Hedonists,” he writes “do, in general, recommend a course of conduct which is very similar to that which I should recommend.”24 Ross writes that “[i]t is quite certain that by promoting virtue and knowledge we shall inevitably produce much more pleasant consciousness. These are, by general agreement, among the surest sources of happiness for their possessors.”25 Roger Crisp observes that “those goods cited by non-hedonists are goods we often, indeed usually, enjoy.”26 What Moore and Ross do not seem to notice is that their observations give rise to two reasons to reject pluralism and endorse hedonism. The first reason is that if **the suggested non-hedonic intrinsic values are potentially explainable by appeal to just pleasure and pain** (which, following my argument in the previous chapter, we should accept as intrinsically valuable and disvaluable), **then—by appeal to Occam’s razor—we have at least a pro tanto reason to resist the introduction of any further intrinsic values and disvalues. It is ontologically more costly to posit a plurality of intrinsic values and disvalues, so in case all values admit of explanation by reference to a single intrinsic value and a single intrinsic disvalue, we have reason to reject more complicated accounts.** **The fact that suggested non-hedonic intrinsic values tend to be hedonistic instrumental values does not, however, count in favor of hedonism solely in virtue of being most elegantly explained by hedonism; it also does so in virtue of creating an explanatory challenge for pluralists.** The challenge can be phrased as the following question: **If the non-hedonic values suggested by pluralists are truly intrinsic values in their own right, then why do they tend to point toward pleasure and away from pain?**27

#### Moral uncertainty means preventing extinction should be our highest priority.

Bostrom 13 [Nick Bostrom, Professor in the Faculty of Philosophy @ University of Oxford, “Existential Risk Prevention as Global Priority,” Global Policy Vol. 4 Issue 1, February 2013]  
These reflections on **moral uncertainty suggest** an alternative, complementary way of looking at existential risk; they also suggest a new way of thinking about the ideal of sustainability. Let me elaborate.¶ **Our present understanding of axiology might** well **be confused. We may not** nowknow — at least not in concrete detail — what outcomes would count as a big win for humanity; we might not even yet **be able to imagine the best ends** of our journey. **If we are** indeedprofoundly **uncertain** about our ultimate aims,then we should recognize that **there is a great** option **value in preserving** — and ideally improving — **our ability to recognize value and** to **steer the future accordingly. Ensuring** that **there will be a future** version of **humanity** with great powers and a propensity to use them wisely **is** plausibly **the best way** available to us **to increase the probability that the future will contain** a lot of **value.** To do this, we must prevent any existential catastrophe.

### Case

#### Unions are endemically corrupt and tied to organized crime – that includes extortionate strikes.

Erin Shannon 18 [Erin Shannon is the Director of the Center for Worker Rights at Washington Policy Center and manages WPC’s Olympia office. She has testified numerous times before legislative committees on small business issues. Her op-eds regularly appear in newspapers around the state, including The Seattle Times and The Puget Sound Business Journal, and she has been interviewed on numerous radio and TV programs including Fox News, CNN Money, and “Stossel with John Stossel” on Fox Business. Before joining Washington Policy Center, Erin was the Public Relations Director of Washington state's largest pro-small business trade association, and was formerly a Legislative Correspondent for U.S. Congressman Randy Tate in Washington, D.C. Over the past 15 years she has appeared regularly in print, broadcast and radio media. She was a recurring guest on ABC's Bill Maher's "Politically Incorrect," until the show's cancellation in 2002, and participated in a live, on-stage version of “Politically Incorrect” in Seattle with Bill Maher. Erin has served as the spokesperson for several pro-small business initiative campaigns including Referendum 53, repealing increases in unemployment insurance taxes; Initiative 841, repealing the state's ergonomics rule; and Initiative 1082, to end the state's monopoly on workers' compensation. Erin holds a bachelor's degree in political science from the University of Washington.) "Report shows corruption continues to plague labor unions," No Publication, 1-22-2018] SM

Many in the public perceive labor unions to be synonymous with corruption. For decades, the labor bosses running unions have been caricatured as morally bankrupt, mobster-like thugs who care more about power and money than serving their hard-working, dues-paying members.

It’s a perception that some union officials like to perpetuate. One Teamsters official would introduce himself as “Jimmy the Bull” before threatening businesses and non-profits if they didn’t hire his workers for jobs that didn’t even exist (because they weren’t needed). Ironically, the jobs he strong-armed were for friends and family members, some of whom weren’t even union members.

He and his union gang (they referred to themselves as the “Perry Crew”) would shake down employers and pocket the payments that were supposed to go to the union benefit fund. Jimmy the Bull and the Perry Crew also assaulted and intimidated rank and file union members who were critical of union leadership and physically blocked them from the union hall to keep them from voting on a contract proposal with a major employer.

Jimmy the Bull and the Perry Crew were ultimately found guilty of extortion and racketeering, joining the ranks of hundreds of union leaders who have been found guilty of a myriad of crimes against their union brothers and sisters.

According to an investigation by the Detroit Free Press, federal records reveal embezzling from union offices is “endemic” around the country.

The Detroit Free Press reports that documents obtained from the U.S. Department of Labor (DOL) show embezzlement took place in hundreds of union offices across the nation over the past ten years. In just the last two years alone, more than 300 union offices were found to have a union official or employee stealing from union members.

The article highlights some examples, but a more extensive list can be found on the Labor Racket Weekly, a recurring and regularly updated list of the union officials around the country who have been charged, or found guilty, of stealing from the hard-working members who pay dues. Or you can peruse the Office of Labor-Management Standards (OLMS) Annual Report, which highlights the most significant enforcement actions against union officers and employees each year.

The Detroit Free Press report said individual cases compiled by the OLMS last year cite theft and fraud ranging from $1,051 to a staggering $6.5 million. The stolen dues are used to buy everything from luxury goods and lavish vacations to everyday items like gas and food.

OLMS has investigated and prosecuted union leaders for embezzling more than $100 million in union dues since 2001.

Like Jimmy the Bull, the crimes don’t stop with embezzlement. Hundreds of union officials have been indicted for other crimes that victimize union members, such as filing false reports, keeping false records, destruction of records, extortionate picketing and deprivation of rights by violence. The OLMS notes:

“As part of its effort to protect and safeguard union funds and assets, OLMS investigates possible embezzlement from unions and other violations of criminal laws. Over the past 10 years, restitution of $102,625,236 has been paid or ordered to be paid to defrauded unions and other parties.”

Just to clarify, that is restitution of more than $102 million.

In addition to those crimes, the DOL’s Office of Inspector General (OIG) has investigated numerous cases of labor racketeering and organized crime’s influence within the labor movement. Since 2001, there have been more than 2,000 union racketeering indictments and $3 billion levied in fines and restitutions.

Of course, the shocking data from the Department of Labor only includes the cases where the theft, racketeering and other criminal activity were caught. One can’t help but wonder how high the incidence of theft, fraud and other criminal activity by union officials might really be.

Regardless, it is clear that union corruption is alive and well across the country.

#### That doesn’t adhere to jewish law