# Round 1 – NC

### Politics DA

#### Biden’s reconciliation bill passes now but compromises are delicate

Caygle and Everett 10/20 (Heather and Burgess, Congress reporters at Politico) “Dems edge closer to ditching disarray” <https://www.politico.com/news/2021/10/20/dems-edge-closer-ditching-disarray-516312> EE, DebateDrills

Nancy Pelosi and Chuck Schumer’s strategy to force through Democrats’ domestic agenda flamed out spectacularly in September. They’re ready to try it all over again.

With their party’s long-sought priorities on the line, the speaker and Senate majority leader are hustling to clinch a deal as soon as possible that would lock in evasive centrists on a framework for President Joe Biden’s $2 trillion social spending package. That framework, in turn, would free up needed progressive votes for a bipartisan infrastructure bill by Oct. 31.

It’s a rerun of the playbook Democratic leaders used just weeks ago, [only to have it blow up](https://www.politico.com/news/2021/10/01/house-democrats-biden-infrastructure-deal-514878) in their faces. But Democrats insist it actually might work this time, with political and legislative incentives aligning more neatly than they did in September.

Pelosi and Schumer are telling their members they need to secure an agreement on the social spending bill by the end of this week. The House could even vote by the end of the month.

“We’re getting there. The gaps are closing. The vibe in our caucus is different. Folks are being more clear-eyed about: ‘We’ve got to get this done,’” said Sen. Chris Coons (D-Del.), who is close to Biden. “There’s a lot of reasons why these next 10 days are critical. To chip shot this into December is really, really problematic.”

Democrats are also getting more specific, with Sen. Joe Manchin (D-W.Va.) tossing a carbon tax and a green utilities program overboard while insisting on means testing much of the bill. Biden also told progressives Tuesday that an expanded boost to the child tax credit could be made shorter and that free community college could be jettisoned.

Biden’s price tag for the bill at the moment is around $2 trillion and he wants to lock down an agreement before heading overseas at the end of this month for climate talks, according to Democrats familiar with Tuesday’s discussions.

Rep. Jimmy Gomez (D-Calif.) said he left Biden’s meeting with progressives thinking “the president is committed to getting this done as soon as possible. And I was kind of surprised by that.”

Gomez said things remain “touch and go” and it’s unclear how much is finalized, even as Democratic leaders hope to close in on a framework in the coming days.

But it’s clear the momentum has shifted in recent days. Biden and Democrats are having substantive conversations about which programs will stay in the bill, which priorities will be cut and how to knit the rest together into a package both centrists and liberals can support.

“He's being decisive, he’s showing leadership,” Rep. Debbie Dingell (D-Mich.) said of Biden after progressives’ two-hour Tuesday meeting at the White House. “I think it’s going to get done this time.”

There’s still much more to get through, however. And Democrats have a crunch of deadlines waiting later this year that they must balance with [their last, best chance](https://www.politico.com/news/2021/10/17/democrats-agenda-last-chance-516160) to capitalize on their full control of Washington and pass once-in-a-generation legislation that would significantly shore up the nation’s social safety net.

Manchin and Sen. Kyrsten Sinema (D-Ariz.) are the toughest votes to secure, but both were whirlwinds of activity on Tuesday. Each of the centrists met with Biden. And while Manchin was in the Democratic lunch with his colleagues settling on a quick timeline, Sinema was meeting with senior White House staff, according to her office. Sinema’s office declined to comment on her commitment to finishing things by the end of the week.

Though the odds are still stacked against the party, Democrats say it’s clear there’s a renewed sense of urgency among party leaders. Schumer is nudging his holdouts more than ever before, Pelosi is free from the constraints of [an agreement with moderates](https://www.politico.com/news/2021/08/24/gottheimer-house-dems-pelosi-deal-506819) that imploded and Biden is finally engaged in a meaningful way. Plus, nearly everyone has accepted the bill won’t be $3.5 trillion, as originally proposed.

“There’s a real consensus that it’s time,” said the party’s No. 3 Senate leader, Patty Murray (D-Wash.). “We all see the timeline, there’s a lot of struggle about what’s going to go in a bill that’s literally half the size of what people envisioned.”

A month ago, some Democrats privately grumbled that Pelosi was working with an artificial deadline based on an agreement she made with moderates in her chamber — but one that didn’t motivate, and maybe even alienated, key Senate holdouts from cutting a deal. Manchin and Sinema, specifically, are still fuming that the House hasn’t passed the Senate’s bipartisan infrastructure bill.

Still, just a few weeks later, several Democrats involved in the negotiations insist that even the centrists much-maligned by their party's base for chipping away at the bill are springing into action. At a caucus meeting Tuesday, Manchin listened intently to his colleagues in what one attendee called a “turning point, in that there was more of a focus on urgency.”

Importantly, Democrats on all sides are coming to grips with the reality that all of their demands will not be met. The Obamacare subsidies that House Democratic leaders have pushed for are still in the package, while liberals’ demand for a massive Medicare expansion — something Sen. Bernie Sanders (I-Vt.) called non-negotiable last week — may be significantly pared back.

While jettisoning some policy proposals and slimming the bill seem like unwelcome developments for Democrats, the more specific negotiations indicate that the party is actually down to brass tacks. Still, Gomez said some of the discussion involved “trial balloons to see what the reactions of the different factions are.”

Sen. Jon Tester (D-Mont.) said on Tuesday morning that the “fact we don’t have a deal and have been gone for 10 days [on recess] means we’ve got to do better.” But after meeting with Biden Tuesday afternoon, his opinion had changed: “I think there’s a lot that’s happened the last 10 days, I just wasn’t aware of it. We’re getting to a point where we can move pretty well.”

It's critical for Pelosi and Schumer to show they can govern in a sharply divided Congress with the thinnest of majorities. Biden needs a huge win ahead of a global climate summit in Glasgow. And every Democrat wants to put a victory on the board to boost Virginia gubernatorial candidate Terry McAuliffe, whose loss would be [a major setback](https://www.politico.com/news/2021/10/16/democrats-reckoning-virginia-governor-race-516086) to the party’s agenda and midterm prospects.

Plus, the nation's highway trust fund runs dry at the end of October and will need more money from Congress — which the bipartisan infrastructure bill will supply once it clears the House.

House Majority Leader Steny Hoyer (D-Md.) insisted Tuesday that Democratic leaders are still pushing to finalize both a roughly $2 trillion social infrastructure bill and pass the $550 billion infrastructure bill by the end of the month. But even if party leaders can get their warring factions to agree to a framework for the spending bill after weeks of public feuding, that too will amount to a triumph after months of jockeying.

“We're working very hard to have both of those bills ready to be passed by the House of Representatives before that date,” Hoyer told reporters. “Now, if we make significant progress, that'll also be success towards those ends.”

#### The plan gets lumped in with the reconciliation bill and causes conflict

Mueller 09/21/2021 (Eleanor, labor reporter) “Unions squeeze pro-labor priorities into Democrats’ spending bill” Politico, <https://www.politico.com/news/2021/09/21/unions-reconciliation-bill-513423> EE, DebateDrills

Tucked amid the investments in child care, higher education and clean energy are below-the-radar provisions that would make it easier for workers to organize, such as giving the National Labor Relations Board sharper teeth and empowering it to conduct union elections online.

Both of those policies are also included in the Protecting the Right to Organize Act — an overhaul of U.S. labor law Democrats drafted to resuscitate tapering union membership, which is stalled in the Senate.

How much the language in the spending bill could really move the needle on the fortunes of organized labor remains to be seen. It must also survive the Byrd rule, which allows only spending-related legislation to move through the reconciliation process that Democrats intend to use to pass the bill. Democrats have had one of their other top priorities — immigration reform — stymied by the rule already.

Union officials are pouring time, money and energy into making sure the provisions — which they helped shape — make it across the finish line. If they are successful, it could constitute the biggest pro-union shift in U.S. labor law since the National Labor Relations Act was enacted in 1935, labor experts said.

“Labor is not only all over supporting it, it has helped craft it,” American Federation of Teachers President Randi Weingarten said in an interview.

Some on the employer side of the table say the provisions are far too consequential to be tucked into a massive spending bill.

“These are cataclysmic questions of the most fundamental policy that have gargantuan implications for the way labor and management is going to work together or not work together in this country,” said attorney Michael Lotito, who represents employers for the law firm Littler. “And this type of fundamental policy change is being done using a backdoor approach.”

Republican lawmakers have also denounced the tactic.

"The PRO Union Bosses Act was dead upon arrival in the Senate, so Speaker Pelosi and Committee Democrats are manipulating the legislative process to enact portions,” said Rep. Virginia Foxx (N.C.), the top Republican on the House Education and Labor Committee.

Unions and their allies have seen the reconciliation bill as a possible vehicle for the labor provisions since they were introduced in the PRO Act.

#### Infrastructure only passes if reconciliation does

Cochrane et al 10/18/2021 (Emily Cochrane, Luke Broadwater, and Jonathan Weisman, NYT reporters) Biden Meets With Feuding Democrats and Expresses Confidence a Deal Can Be Reached, <https://www.nytimes.com/live/2021/10/01/us/infrastructure-bill-house#house-infrastructure-delay-vote> EE, DebateDrills

President Biden, facing an intraparty battle over his domestic agenda, put his own $1 trillion infrastructure bill on hold on Friday, telling Democrats that a vote on the popular measure must wait until Democrats pass his far more ambitious social policy and climate change package.

It was largely a bid to mediate the impasse that has stalled a planned vote on the bipartisan infrastructure bill, which progressives refuse to support until they see action on the remainder of Mr. Biden’s agenda in a major budget bill to expand health care, education, climate change initiatives and paid leave.

“I’m telling you, we’re going to get this done,” Mr. Biden said at the Capitol after huddling with Democrats who have been feuding over the two bills. He added: “It doesn’t matter when. It doesn’t matter whether it’s in six minutes, six days or six weeks. We’re going to get it done.”

In private remarks, he counseled Democrats that while he wanted both pieces of legislation to become law, final passage of the Senate-passed infrastructure bill needed to wait until the party agreed to the details of the broader reconciliation package. But he also warned liberal Democrats that a proposed $3.5 trillion price tag would probably need to drop in order to accommodate centrist holdouts, and he tossed out a range of figures around $2 trillion as a possible alternative.

“He is the president of the United States, and he says that he wants to get this done, and he basically linked them together,” said Representative Henry Cuellar, Democrat of Texas. “I think if we get it done, there’ll be a victory. The question is when do we get that victory?”

Mr. Cuellar noted that moderates had an agreement with Speaker Nancy Pelosi of California to vote on the bill this week, and said it was up to her how to handle that promise.

On Friday evening, Ms. Pelosi indefinitely postponed a vote on the infrastructure bill that she had promised to moderates who had publicly pushed for a stand-alone vote. She wrote in a letter to colleagues, “Clearly, the bipartisan infrastructure bill will pass once we have agreement on the reconciliation bill.”

“Our priority to create jobs in the health care, family and climate agendas is a shared value,” she wrote, adding that leading lawmakers were “still working for clarity and consensus.”

Representative Pramila Jayapal of Washington, the chairwoman of the Congressional Progressive Caucus, said Mr. Biden “was very clear” that the two bills were tied together.

#### Failure of the infrastructure package locks in catastrophic climate change---extinction

Paul Bledsoe 9/4, strategic adviser at the Progressive Policy Institute and a professorial lecturer at American University’s Center for Environmental Policy. He served on the White House Climate Change Task Force under former President Bill Clinton, “Climate devastation is upon us. Congress must act.,” NY Daily News, 9-4-2021, https://www.nydailynews.com/opinion/ny-oped-climate-congress-20210904-mqbe75qni5b77ocke5orzrmjce-story.html?outputType=amp

Many Democrats publicly expressed the need to act on climate change, and offered legislation at the federal and state level. Yet while the ability of Democrats to pass needed legislation was hindered by some divisions within their own ranks, resistance came primarily from Republicans who overwhelmingly opposed any serious actions to limit climate change and the greenhouse gas emissions that cause it. With a few prominent exceptions like former Sen. John McCain, most Republicans derided climate concerns as alarmism and claimed any attempts to limit emissions would be devastating to the U.S. economy.

Fast forward 20 years, and our climate situation has grown immeasurably more grave. As predicted climate change impacts are inflicting huge human and economic costs in the U.S., with much worse to come without immediate action. Yet stunningly, our broken politics on climate change seem much the same as decades before.

Democrats, beginning with President Biden, are desperately pushing to enact hundreds of billions of dollars in climate change and clean energy measures later this month as part of a wider economic and budget bill. These actions can cut U.S. emissions by 50% below 2005 levels by the end of the decade, and put the U.S. in a stronger position to force other nations to act in key climate negotiations in November.

But right now Republicans are unified in opposition to any but cursory climate actions. John Barrasso of Wyoming, the top Republican on the Senate Energy Committee, claimed the Biden climate measure was a “spree to impose this green new disaster on every American,” willfully ignoring the real climate disasters all around us that Biden’s legislation will help limit. This summer, every single Republican member of the key Senate Finance Committee voted against tax incentives for solar, wind, geothermal, electric vehicles and dozens of other clean energy sources.

The stakes of the climate crisis are far more profound and long-lasting than most leaders seem to recognize. What’s needed is a united, bipartisan front like that the U.S. created during the Cold War, in part to force other key nations like China to cut their emissions as aggressively as we do. An inkling that this may be possible is found in bipartisan support for recent legislation promoting American technology innovation to compete globally, and significant bipartisan support for infrastructure legislation.

But slow action to cut emissions won’t work. We must act decisively and quickly now in Congress this fall to create a clean energy future and cut emissions that are destabilizing our climate. Otherwise, we are consigning ourselves and all of those who come after us to a devastated and denuded world.

### Econ

#### The global economy is recovering and is set to accelerate this year, but any shocks can devastate growth

World Bank 21 - [The World Bank is an international financial institution that provides loans and grants to the governments of low- and middle-income countries for the purpose of pursuing capital projects.] "The Global Economy: on Track for Strong but Uneven Growth as COVID-19 Still Weighs" 06/08/2021 <https://www.worldbank.org/en/news/feature/2021/06/08/the-global-economy-on-track-for-strong-but-uneven-growth-as-covid-19-still-weighs> VS

A year and a half since the onset of the COVID-19 pandemic, the global economy is poised to stage its most robust post-recession recovery in 80 years in 2021. But the rebound is expected to be uneven across countries, as major economies look set to register strong growth even as many developing economies lag. Global growth is expected to accelerate to 5.6% this year, largely on the strength in major economies such as the United States and China. And while growth for almost every region of the world has been revised upward for 2021, many continue to grapple with COVID-19 and what is likely to be its long shadow. Despite this year’s pickup, the level of global GDP in 2021 is expected to be 3.2% below pre-pandemic projections, and per capita GDP among many emerging market and developing economies is anticipated to remain below pre-COVID-19 peaks for an extended period. As the pandemic continues to flare, it will shape the path of global economic activity. The United States and China are each expected to contribute about one quarter of global growth in 2021. The U.S. economy has been bolstered by massive fiscal support, vaccination is expected to become widespread by mid-2021, and growth is expected to reach 6.8% this year, the fastest pace since 1984. China’s economy – which did not contract last year – is expected to grow a solid 8.5% and moderate as the country’s focus shifts to reducing financial stability risks.

#### Strikes deck economy– 3 warrants

#### 1] Stop investment

Tenza 20 - Tenza, Mlungisi. . [Senior Lecturer, University of KwaZulu-Natal] “The Effects of Violent Strikes on the Economy of a Developing Country: A Case of South Africa.” Obiter, Nelson Mandela University, 2020, http://www.scielo.org.za/scielo.php?script=sci\_arttext&amp;pid=S1682-58532020000300004VS

These strikes are not only violent but take long to resolve. Generally, a lengthy strike has a negative effect on employment, reduces business confidence and increases the risk of economic stagflation. In addition, such strikes have a major setback on the growth of the economy and investment opportunities. It is common knowledge that consumer spending is directly linked to economic growth. At the same time, if the economy is not showing signs of growth, employment opportunities are shed, and poverty becomes the end result. The economy of South Africa is in need of rapid growth to enable it to deal with the high levels of unemployment and resultant poverty.

One of the measures that may boost the country's economic growth is by attracting potential investors to invest in the country. However, this might be difficult as investors would want to invest in a country where there is a likelihood of getting returns for their investments. The wish of getting returns for investment may not materialise if the labour environment is not fertile for such investments as a result of, for example, unstable labour relations. Therefore, investors may be reluctant to invest where there is an unstable or fragile labour relations environment.

#### 2] Strikes decrease productivity, create investment risk, weaken capital, and market volatility– causes econ collapse

Wisniewski et al 19 - Wisniewski, T. P., Lambe, B. J., & Dias, A. (2019). The Influence of General Strikes against Government on Stock Market Behavior. Scottish Journal of Political Economy. doi:10.1111/sjpe.12224 VS

The research that has been done to date focused primarily on the incidence of general strikes and the motivations that drive the unions to stage opposition to government plans and reforms (Vandaele, 2011; Gall, 2013; Hamann et al., 2013a). A number of papers considered the determinants of union success, which can be measured according to the concessions granted by the government (Johnson, 2000; Hamann et al., 2013b; Nowak and Gallas, 2014).Implications for policy-makers were further highlighted by Hamann et al. (2013c) who documented the vote share losses of incumbents in the presence of general strikes. This is unsurprising considering the substantial efforts exerted by the unions to engage voters, generate news stories, and expose the alleged incompetency of the government. To counter the resultant electoral losses, a country’s leadership that faces popular protests is more likely to align fiscal policy with the election cycle. More specifically, Klomp and de Haan (2013) showed that affected governments increase their spending and deficits in the pre-election year in order to temporarily stimulate the economy and, as a consequence, boost popular support. While some clarity may have emerged with respect to the outcomes encountered by workers and governments, the literature remains silent with regards to the ramifications faced by employers. It is this void in the body of knowledge that our paper intends to fill. Even if the general strikes are not strictly directed against companies, their value may be adversely affected for several reasons. First, the unproductive periods impose costs in terms of lower levels of output and profits. Although general strikes are typically short in duration, the large number of employees involved has a bearing on the total number of days not worked (Gall, 2013). Second, such manifestations of popular dissent signal to the market the workforce’s frustration with the government and its policies. In the case where policy-makers are responsive to the demands being made, a general strike may also signal the weakening position of capital providers and other sources of power within the productive process. Corporations may also be forced into a position of carrying the burden of government concessions and the costs of social pacts that are agreed in the aftermath of a general strike. Third, in instances where the future response of the government is not known with certainty, additional investment risk is created. Such risk will raise the time-varying discount rates leading to lower stock valuations and increased market volatility. Fourth, conceding to workers’ demands may lead to a deterioration in a government’s financial position, which will exert upward pressure on bond yields and discount rates. This, in turn, would further aggravate the falls in stock prices. Our findings in this study reflect the abovementioned considerations. Through investigating a large sample spanning an array of countries, we demonstrate a valuation impact that is both statistically and economically significant. Since the magnitude of the fall in stock prices coinciding with the occurrence of a general strike is substantial, investors should pay particular attention to this type of event. Furthermore, we record significant increases in stock index return volatility and Value-at-Risk1 in the year of the event, which could be indicative of the policy uncertainty that arises alongside mass strike action. Such findings should be brought into consideration by those on both sides of the divide who are engaged in the collective bargaining process. Market vulnerability around times of mass strike action could be particularly distressing to shareholders who are not internationally diversified. The problem is of concern not only to frontline investors but extends to a wider swathe of the population invested in the market through pension funds. It is neither in the interest of trade unions nor governments to adversely affect the value of retirement portfolios. For this reason, both parties should seek alternative resolutions that do not involve walkouts. This means that in order to avoid costly economic frictions, governments should be wary of situations which may inflame worker indignation. Similarly, trade unions should consider the full welfare implications for their members before staging a mass protest.

#### Econ decline results in nuclear war.

Tønnesson 15 [Tønnesson is a research professor at the Peace Research Institute Oslo (PRIO) in Norway and the leader of the East Asia Peace program at Uppsala University in Sweden.] “Deterrence, interdependence and Sino–US peace.” International Area Studies Review, volume 18, number 3, pgs. 297-311. 2015.

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

## Unions

#### Recognizing the right to strike strengthens the power that unions have by creating unconditional leverage against companies.

**Hennebert et al. 20** [Hennebert, Marc-Antonin, and Marcel Faulkner. “Are Strikes Still a Tool for Union Action? A Qualitative Investigation into the Private Sector in Quebec, Canada.” Economic and Industrial Democracy, vol. 41, no. 1, Feb. 2020, pp. 73–97, doi:10.1177/0143831X16684963.] //DD PT

Economic and structural factors. Many respondents first recognized that the decision to go on strike was a ‘strategic choice’ dictated by several variables including the particularly important variable of their economic environment. Thus, for these respondents, it was important to analyse the economic conditions and, in particular, the conditions of the industry sector involved, and to thoroughly understand the state of the labour market before even considering going on strike as a rational choice of action. At this stage, the company’s financial situation appears to have been the most important variable to consider in making an informed decision. However, the respondents’ comments revealed a paradoxical argument. In fact, in order for a strike to be effective, it must have ‘serious financial consequences for the employer’, that is, it must ‘hurt the company’, but without undermining its survival. One union representative underlined the importance of seeking such a balance: … if I want to go on strike, or even if I want to put pressure on the employer, if I undermine the work of my members and the company, I have nothing to gain by it. So, the decision to go on strike must be taken in light of the company’s situation … I will be in a better position if the economic situation of the company is positive. Although the analysis of the company’s financial situation is not a new step in the decisional process leading to a strike, according to our interviewees, it nevertheless appears to be more complex than in the past because of the changing corporate structures of companies and the increasing blurring of their organizational boundaries. Identifying ‘the real corporate entity’ involved in the negotiation, knowing who ‘the real employer’ is, or ‘simply determining the real corporate profitability level’, have become increasingly difficult tasks. These tasks become even more complex when management teams refuse to be transparent about their financial information. One of our interlocutors summed up these difficulties as follows:

#### An influx of union power forces widespread wage hikes.

**McNicholas et al. 20** [[Celine McNicholas](https://www.epi.org/people/celine-mcnicholas/), [Lynn Rhinehart](https://www.epi.org/people/lynn-rhinehart/), [Margaret Poydock](https://www.epi.org/people/margaret-poydock/), [Heidi Shierholz](https://www.epi.org/people/heidi-shierholz/), and [Daniel Perez](https://www.epi.org/people/daniel-perez/), 8-25-2020, "Why unions are good for workers—especially in a crisis like COVID-19: 12 policies that would boost worker rights, safety, and wages," Economic Policy Institute, <https://www.epi.org/publication/why-unions-are-good-for-workers-especially-in-a-crisis-like-covid-19-12-policies-that-would-boost-worker-rights-safety-and-wages/>] //DDPT

On average, a worker covered by a union contract earns 11.2% more in wages than a peer with similar education, occupation, and experience in a nonunionized workplace in the same industry; this wage advantage is known as the “union wage premium.”[16](https://www.epi.org/publication/why-unions-are-good-for-workers-especially-in-a-crisis-like-covid-19-12-policies-that-would-boost-worker-rights-safety-and-wages/#_note16) And unions don’t just help union workers—they help all of us. When union density is high, nonunion workers benefit, because unions effectively set broader standards—including higher wages, as noted by Rosenfeld, Denice, and Laird (2016)—that nonunion employers must meet in order to attract and retain the workers they need (and to avoid facing a union organizing drive themselves). The combination of the direct effect of unions on union members and this “spillover” effect to nonunion workers means unions are crucial in raising wages for working people and reducing income inequality. Research shows that deunionization accounts for a sizable share of the growth in inequality between typical (median) workers and workers at the high end of the wage distribution in recent decades—on the order of 13–20% for women and 33–37% for men.[17](https://www.epi.org/publication/why-unions-are-good-for-workers-especially-in-a-crisis-like-covid-19-12-policies-that-would-boost-worker-rights-safety-and-wages/#_note17)

#### A sudden increase in wages causes a rapid rise in inflation.

**Rockeman and Pickert 21** [Olivia Rockeman and Reade Pickert, 06-09-21, "Surprise Jump in U.S. Wages Gives Inflation Debate a New Twist," BloombergQuint, <https://www.bloombergquint.com/global-economics/surprise-jump-in-u-s-wages-gives-inflation-debate-a-new-twist>] //DDPT

An unexpected jump in U.S. wages has given financial markets a new reason to worry that higher inflation may be here to stay. Consumer prices are rising quickly as the economy reopens after the pandemic. A closely watched data release on Thursday is expected to show prices rose another 0.4% in May -- pushing annual inflation above April’s 4.2%, already the highest in more than a decade. Many policy makers and economists see the price spike as temporary –- partly because they haven’t been anticipating much in the way of wage growth, which has been relatively stagnant for years at the lower end of the pay scale. Employment is still way down from pre-pandemic levels, suggesting an ample pool of workers from which to draw, and most jobs being created right now are in low-wage industries like restaurants and tourism. But last week’s jobs report showed a larger-than-forecast pickup in average hourly wages for a second straight month. It turns out that whatever the unemployment numbers say, there’s a shortage of people ready to work at the going rate of compensation -- prompting many employers to boost pay or offer bonuses in order to staff up. Dreaded Spiral That raises the prospect of what’s known and dreaded in economics as a wage-price spiral. The idea is that higher wages spur more spending growth that strains production capacity and drives up business costs. In turn, companies raise prices and workers demand even larger pay increases to stay ahead of a rising cost of living. Those dynamics contributed to persistently high U.S. inflation in the 1970s –- a period often invoked by those who fear a lasting wave of post-Covid inflation. Federal Reserve officials aren’t in that camp. They acknowledge that pandemic policies like stimulus checks and enhanced unemployment benefits could push wages up, and noted last week that firms are boosting starting pay. But they also say the increases are concentrated in lower-paid service industries –- where faster wage growth is exactly what the Fed and the Biden administration want to see -- and haven’t spread up through the pay scale. More broadly, Fed Chair Jerome Powell has repeatedly argued that the once-close link between wages and inflation has broken down in recent years. ‘Full Denial’ Some economists say the central bank is understating a significant risk. “Fed officials do not believe that wage pressures can exist in a world with 6% unemployment, so they are in full denial,” Stephen Stanley, chief economist at Amherst Pierpont Securities LLC, said in a note. “A substantial pickup in wage gains would be the quickest path to turning a ‘transitory’ inflation blip into a persistent upturn.” Across the U.S., job openings grew to a record-high 9.3 million in April, and some analysts say that’s increased workers’ bargaining power. Other economists cite entrenched trends like declining union membership, and argue that they leave workers lacking the clout to make the pay increases stick in the longer term.

#### Rapid inflation triggers an economic crisis.

**Cox 21** [Jeff Cox, 06-07-2021, “Deutsche Bank warns of global ‘time bomb’ coming due to rising inflation,” CNBC, <https://www.cnbc.com/2021/06/07/deutsche-bank-warns-of-global-time-bomb-coming-due-to-rising-inflation.html>] //DDPT

The Deutsche team said the coming inflation could resemble the 1970s experience, a decade during which inflation averaged nearly 7% and was well into double digits at various times. Soaring food and energy prices along with the end of price controls helped push that era’s soaring inflation. Then-Fed Chairman Paul Volcker led the effort to squash inflation then, but needed to use dramatic interest rate hikes that triggered a recession. The Deutsche team worries that such a scenario could play out again. “Already, many sources of rising prices are filtering through into the US economy. Even if they are transitory on paper, they may feed into expectations just as they did in the 1970s,” they said. “The risk then, is that even if they are only embedded for a few months they may be difficult to contain, especially with stimulus so high.” The firm said interest rate hikes could “cause havoc in a debt-heavy world,” with financial crises likely particularly in emerging economies where growth won’t be able to overcome higher financing costs.

Cross apply our econ war impact from above

## Case

### Against Unions

#### Unions strangle the economy with restrictions and losses

Epstein 20 (Richard A. Epstein, the Peter and Kirsten Bedford Senior Fellow at the Hoover Institution, is the Laurence A. Tisch Professor of Law, New York University Law School, and a senior lecturer at the University of Chicago, 1-27-2020, "The Decline Of Unions Is Good News," Hoover Institution, <https://www.hoover.org/research/decline-unions-good-news>) //EG

All of these pro-union critiques miss the basic point that the decline of union power is good news, not bad. That conclusion is driven not by some insidious effort to stifle the welfare of workers, but by the simple and profound point that the greatest protection for workers lies in a competitive economy that opens up more doors than it closes. The only way to achieve that result is by slashing the various restrictions that prevent job formation, as Justin Haskins of the Heartland Institute notes in a recent article at The Hill. The central economic insight is that jobs get created only when there is the prospect of gains from trade. Those gains in turn are maximized by cutting the multitude of regulations and taxes that do nothing more than shrink overall wealth by directing social resources to less productive ends.

President Trump is no master of transaction-cost economics, and he has erred in using tariffs as an impediment to foreign trade. But give the devil his due, for on the domestic front he has repealed more regulations than he has imposed and lowered overall tax rates, especially at the corporate level.

During the 2016 election, President Obama chided Trump by saying: “He just says, ‘Well, I’m going to negotiate a better deal.’ Well, what, how exactly are you going to negotiate that? What magic wand do you have? And usually the answer is, he doesn’t have an answer.” This snarky remark reveals Obama’s own economic blindness. The gains in question don’t come from any “negotiations.” And they don’t require any “magic wand.” They come from unilateral government decisions that allow for private parties on both sides of a transaction to negotiate better deals for themselves.

True to standard classical liberal principles, the market has responded to lower transaction costs with improvements that Obama, as President, could only have dreamed of creating. Overall job growth was 5.53 million jobs between 2007 and 2017. But new job creation has exceeded 7 million in the first three years of the Trump administration. In addition, the sharp decline in manufacturing jobs that started in the late Clinton years and which continued throughout the Obama years has also been reversed. Over 480,000 manufacturing jobs have been added to the economy since Trump took office, compared to the 300,000 manufacturing jobs lost in the eight years under Obama.

Happily, the distribution of these jobs has been widespread, causing drops in Hispanic and African unemployment levels to 3.9 percent and 5.5. percent respectively, both new lows. Basic neoclassical theory predicts that regulatory burdens hit lowest paid workers the hardest. Hence, the removal of those burdens gives added pop to their opportunities and to the economy at large.

Trump’s domestic labor performance is even better than these numbers suggest. Too many state-level initiatives hurt employment, like raising the minimum wage or imposing foolish legislation such as California’s Assembly Bill 5, which takes aim at the gig economy. The surest way to improve the situation is to repeal these regulations en masse. But progressive prescriptions to strengthen unions cut in exactly the wrong direction.

Unions are monopoly institutions that raise wages through collective bargaining, not productivity improvements. The ensuing higher labor costs, higher costs of negotiating collective bargaining agreements, and higher labor market uncertainty all undercut the gains to union workers just as they magnify losses to nonunion employers, as well as to the shareholders, suppliers, and customers of these unionized firms. They also increase the risk of market disruption from strikes, lockouts, or firm bankruptcies whenever unions or employers overplay their hands in negotiation. These net losses in capital values reduce the pension fund values of unionized and nonunionized workers alike.

Employers are right to oppose unionization by any means within the law, because any gains for union workers come at the expense of everyone else. Of course, the best way for employers to proceed would be to seek efficiency gains by encouraging employee input into workplace operations—firms are quite willing to pay for good suggestions that lower cost or raise output. But such direct communications between workers and management are blocked by Section 8(a)(2) the National Labor Relations Act (NLRA), which mandates strict separation between workers and firms. This lowers overall productivity and often prevents entry-level employees from rising through the ranks.

So what then could justify this inefficient provision? One common argument is that unions help reduce the level of income inequality by offering union members a high living wage, as seen in the golden age of the 1950s. But that argument misfires on several fronts. Those high union wages could not survive in the face of foreign competition or new nonunionized firms. The only way a union can provide gains for its members is to extract some fraction of the profits that firms enjoy when they hold monopoly positions.

When tariff barriers are lowered and domestic markets are deregulated, as with the airlines and telecommunications industries, the size of union gains go down. Thus the sharp decline in union membership from 35 percent in both 1945 and 1954 to about 15 percent in 1985 led to no substantial increase in the fraction of wealth earned by the top 10 percent of the economy during that period. However, the income share of the top ten percent rose to about 40 percent over the next 15 years as union membership fell to below 10 percent by 2000.

But don’t be fooled—that 5 percent change in union membership cannot drive widespread inequality for the entire population, which is also affected by a rise in the knowledge economy as well as a general aging of the population. The far more powerful distributive effects are likely to be those from nonunion workers whose job prospects within a given firm have been compromised by higher wages to union workers.

#### Unions kill patents and innovation

Bradley et al 13 [Daniel Bradley is part of the Department of Finance at the University of South Florida , Incheol Kim is part of the Department of Finance at Fordham University, and Xuan Tian is part of the Department of Finance at Indiana University.] “Do Unions Affect Innovation?” Management Science, 2013, shorturl.at/rwWX5, VM

“In this paper, we examine the effect of unionization on the innovation activities of firms. We find patent counts and citations decline significantly after firms elect to unionize. Economically, passing a union election leads to an 8.7% decline in patent counts and a 12.5% decline in the number of citations per patent three years after the election. We provide a battery of diagnostic and robustness tests and find our conclusions are unchanged. Next, we show that the results are statistically insignificant in states with right-to-work legislation where unions have less bargaining power to expropriate rents. A reduction in R&D expenditures, reduced productivity of existing and newly hired inventors, and the departure of innovative individuals appear plausible underlying mechanisms through which unionization impedes innovation. Finally, in response to unionization, we find that firms move their innovation activities away from states where union elections win.

#### On the racial tensions argument –

1. Read their evidnece card it literally doesn’t say how this happens it is highlighted one sentence that just says it reduces racial tensions
2. It doesn’t do that because unions are themselves insufficient to increase rights

#### The right to strike does nothing to companies who actually exploit workers—they just hire consultants and employ shady tactics

**Lafer and Loustaunau 20**-- Gordon Lafer [political economist and is a Professor at the University of Oregon] and Lola Loustaunau [assistant research fellow at the Labor Education and Research Center, University of Oregon]; Fear at work: An inside account of how employers threaten, intimidate, and harass workers to stop them from exercising their right to collective bargaining; July 23, 2020; Economic Policy Institute; <https://www.epi.org/publication/fear-at-work-how-employers-scare-workers-out-of-unionizing/>. (AG DebateDrills)

Even when employers obey the law, they rely on a set of tactics that are legal under the NLRA but illegal in elections for Congress, city council, or any other public office. **A $340 million industry of “union avoidance” consultants helps employers exploit the weaknesses of federal labor law to deny workers the right to collective bargaining.**17 Over the past five years, employers using union avoidance consultants have included FedEx, Bed Bath & Beyond, and LabCorp, among others. Table 1, reproduced from an EPI report published in late 2019, lists just a few of these employers, along with the reported financial investments they made to thwart union organizing during the specified years.18 **These firms’ tactics lie at the core of explaining why so few American workers who want a union actually get one, and their success in blocking unionization efforts represents a significant contribution to the country’s ongoing crisis of economic inequality.** The lack of a right of free speech enables coercion NLRB elections are fundamentally framed by one-sided control over communication, with no free-speech rights for workers. **Under current law, employers may require workers to attend mass anti-union meetings as often as once a day** (mandatory meetings at which the employer delivers anti-union messaging are dubbed “captive audience meetings” in labor law). Not only is the union not granted equal time, but pro-union employees may be required to attend on condition that they not ask questions; those who speak up despite this condition can be legally fired on the spot.19 **The most recent data show that nearly 90% of employers force employees to attend such anti-union campaign rallies, with the average employer holding 10 such mandatory meetings during the course of an election campaign.**20 In addition to group meetings, employers typically have supervisors talk one-on-one with each of their direct subordinates.21 In these conversations, the same person who controls one’s schedule, assigns job duties, approves vacation requests, grants raises, and has the power to terminate employees “at will” conveys how important it is that their underlings oppose unionization. As one longtime consultant explained, a supervisor’s message is especially powerful because “the warnings…come from…the people counted on for that good review and that weekly paycheck.”22 Within this lopsided campaign environment, the employer’s message typically focuses on a few key themes: unions will drive employers out of business, unions only care about extorting dues payments from workers, and unionization is futile because employees can’t make management do something it doesn’t want to do.23 Many of these arguments are highly deceptive or even mutually contradictory. For instance, the dues message stands in direct contradiction to management’s warnings that unions inevitably lead to strikes and unemployment. **If a union were primarily interested in extracting dues money from workers, it would never risk a strike or bankruptcy, because no one pays dues when they are on strike or out of work. But in an atmosphere in which pro-union employees have [with] little effective right of reply, these messages may prove extremely powerful.**

### Working Conditions

#### Turn: Today’s strikes rely on public support—legal strikes always incite social tensions among groups of different statuses—only illegal strikes have the potential to be successful and change minds

**Reddy 21**-- Diana S. Reddy [Diana Reddy is a Doctoral Fellow at the Law, Economics, and Politics Center at UC Berkeley Law]; “There Is No Such Thing as an Illegal Strike”: Reconceptualizing the Strike in Law and Political Economy; Jan 6 2021; Yale Law Journal; <https://www.yalelawjournal.org/forum/there-is-no-such-thing-as-an-illegal-strike-reconceptualizing-the-strike-in-law-and-political-economy>. (AG DebateDrills)

**In recent years, consistent with this vision, there has been a shift in the kinds of strikes [are] workers and their organizations engage in—increasingly public-facing, engaged with the community, and capacious in their concerns**.178 They have transcended the ostensible apoliticism of their forebearers in two ways, less voluntaristic and less economistic. They are less voluntaristic in that they seek to engage and mobilize the broader community in support of labor’s goals, and those goals often include community, if not state, action. They are less economistic in that they draw through lines between workplace-based economic issues and other forms of exploitation and subjugation that have been constructed as “political.” **These strikes do not necessarily look like what strikes looked like fifty years ago, and they often skirt—or at times, flatly defy—legal rules. Yet, they have often been successful**. Since 2012**, tens of thousands of workers in the Fight for $15 movement have engaged in discourse-changing, public law-building strikes.** They do not shut down production, and their primary targets are not direct employers. **For these reasons, they push the boundaries of exiting labor law.179 Still, the risks appear to have been worth it. A 2018 report by the National Employment Law Center found that these strikes had helped twenty-two million low-wage workers win $68 billion in raises, a redistribution of wealth fourteen times greater than the value of the last federal minimum wage increase in 2007**.180 They have demonstrated the power of strikes to do more than challenge employer behavior. As Kate Andrias has argued: [T]he Fight for $15 . . . reject[s] the notion that unions’ primary role is to negotiate traditional private collective bargaining agreements, with the state playing a neutral mediating and enforcing role. Instead, the movements are seeking to bargain in the public arena: they are engaging in social bargaining with the state on behalf of all workers.”181 **In the so-called “red state” teacher strikes of 2018, more than a hundred thousand educators in West Virginia, Oklahoma, Arizona, and other states struck to challenge post-Great Recession austerity measures, which they argued hurt teachers and students, alike.182 These strikes were illegal; yet**, no penalties were imposed.183 **Rather, the strikes grew workers’ unions, won meaningful concessions from state governments, and built public support.** As noted above, public-sector work stoppages are easier to conceive of as political, even under existing jurisprudential categories.184 But these strikes were political in the broader sense as well. Educators worked with parents and students to cultivate support, and they explained how their struggles were connected to the needs of those communities.185 Their power was not only in depriving schools of their labor power, but in making normative claims about the value of that labor to the community. Most recently, **2020 saw a flurry of work stoppages in support of the Black Lives Matter movement**.186 These ranged from Minneapolis bus drivers’ refusal to transport protesters to jail, to Service Employees International Union’s Strike for Black Lives, to the NBA players’ wildcat strike.187 **Some of these protests violated legal restrictions. The NBA players’ strike for instance, was inconsistent with a “no-strike” clause in their collective-bargaining agreement with the NBA.**188 And it remains an open question in each case whether workers sought goals that were sufficiently job-related as to constitute protected activity.189 **Whatever the conclusion under current law, however, striking workers demonstrated in fact the relationship between their workplaces and broader political concerns.** The NBA players’ strike was resolved in part through an agreement that NBA arenas would be used as polling places and sites of civic engagement.190 Workers withheld their labor in order to insist that private capital be used for public, democratic purposes. And in refusing to transport arrested protestors to jail, Minneapolis bus drivers made claims about their vision for public transport. **Collectively, all of these strikes have prompted debates within the labor movement about what a strike is, and what its role should be.** These strikes are so outside the bounds of institutionalized categories that public data sources do not always reflect them.191 And there is, reportedly, a concern by some union leaders that these strikes do not look like the strikes of the mid-twentieth century. There has been a tendency to dismiss them.192 In response, Bill Fletcher Jr., the AFL-CIO’s first Black Education Director, has argued, “People, who wouldn’t call them strikes, aren’t looking at history.”193 Fletcher, Jr. analogizes these strikes to the tactics of the civil-rights movement. As Catherine Fisk and I recently argued, **law has played an undertheorized role in constructing the labor movement and civil-rights movement as separate and apart from each other**, by affording First Amendment protections to civil rights groups, who engage in “political” activity, that are denied to labor unions, engaging in “economic” activity.194 Labor unions who have strayed from the lawful parameters of protest have paid for it dearly.195 As such, it is no surprise that some unions are reluctant to embrace a broader vision of what the strike can be. Under current law, worker protest that defies acceptable legal parameters can destroy a union. **Recasting the strike—and the work of unions more broadly—as political is risky**. Samuel Gompers defended the AFL’s voluntarism and economism not as a matter of ideology but of pragmatism; he insisted that American workers were too divided to unite around any vision other than “more.”196 He did not want labor’s fortunes tied to the vicissitudes of party politics or to a state that he had experienced as protective of existing power structures. Now, perhaps more than ever, it is easy to understand the dangers of the “political” in a divided United States. Through seeking to be apolitical, labor took its work out of the realm of the debatable for decades; for this time, the idea that (some) workers should have (some form of) collective representation in the workplace verged on hegemonic. **And yet, labor’s reluctance to engage in the “contest of ideas” has inhibited more than its cultivation of broader allies; it has inhibited its own organizing.** If working people have no exposure to alternative visions of political economy or what workplace democracy entails, it is that much harder to convince them to join unions. **Similarly, labor’s desire to organize around a decontextualized “economics” has always diminished its power (and moral authority), given that the economy is structured by race, gender, and other status inequalities—and always has been.** During the Steel Strike of 1919, the steel companies relied on more than state repression to break the strike. They also exploited unions’ refusal to organize across the color line. Steel companies replaced striking white workers with Black workers.197 Black workers also sought “more.” But given their violent exclusion from many labor unions at the time, many believed they would not achieve it through white-led unions.198

#### Blindly introducing the right to strike always entrenches neoliberalism, guaranteeing its own fruitlessness and undermining the power of the working class, turning case—South Africa proves

**Runciman 19**-- Runciman, Carin [Associate Professor of Sociology at University of Johannesburg]. "The" Double-edged Sword" of Institutional Power: COSATU, Neo-liberalisation and the Right to Strike." Global Labour Journal 10.2 (2019). (AG DebateDrills)

The analysis presented in this article offers a challenge for the use of the PRA and the analysis of institutional power. By situating institutional power within an analysis of corporatism, I argue that institutional power develops further analytical utility, which is attentive to class forces. In addition to this, in the specificities of the South African context, corporatism also provides an avenue for understanding how the specific forms of institutional power that have been forged by COSATU are related to their political relationship to the ANC, thus providing a more comprehensive account of how institutional power has been shaped. The article not only considers what gives rise to institutional power but also how it has been strategically used. Understanding this requires a wider consideration of COSATU’s associational and structural power as well as its waning political influence. **By analysing the 1995 LRA and the 2019 amendments this article is able to give some consideration as to [shows] how COSATU’s institutional power has unfolded through time. Rather than viewing the 1995 LRA as an unqualified victory, as is commonly the case within the literature (Adler and Webster, 1999), this article highlights how significant compromises within the 1995 LRA entrenched neo-liberalism in South Africa, the unintended consequences of which have served to undermine the power of trade unions and the working class overall.** The analysis presented within this article demonstrates how neo-liberal restructuring in South Africa emerged hand-in-hand with corporatism. **The 1995 LRA was the first and one of the most significant pieces of legislation to be enacted by the first democratic government. While it was undoubtedly a significant step forward for South African workers, particularly black South African workers, it also set out an explicitly neo-liberal path focused on “regulated flexibility” (Du Toit et al., 2003), an objective of both corporatism and neo-liberalism** (Humphrys, 2018). While it could be argued that the compromises of the 1995 LRA were necessary in order to formally end the apartheid labour regime, this does not mean we should negate an understanding of COSATU’s agency in resisting the forces of neo-liberalism. **As this article argues, COSATU made strategic choices about whom to organise, and in doing so chose to neglect some of the most vulnerable sections of the South African labour market. In the absence of organised labour, the number of precarious workers has grown considerably.** While COSATU did utilise its institutional power to initiate reforms to the LRA to enhance protections for vulnerable workers, this has translated into little concrete organising of these workers. **Indeed, if anything, the 2019 amendments illustrate that COSATU is willing to act against the interests of these workers in order to shore up its own structural, associational and institutional power.**