## 1

#### Interpretation: intellectual property protections is a generic bare plural. The aff may not defend that member nations of the World Trade Organization reduce a subset of intellectual property protections for medicines. (ie the one and done approach)

Nebel 19 Jake Nebel [Jake Nebel is an assistant professor of philosophy at the University of Southern California and executive director of Victory Briefs.] , 8-12-2019, "Genericity on the Standardized Tests Resolution," Briefly, https://www.vbriefly.com/2019/08/12/genericity-on-the-standardized-tests-resolution/ SM

Both distinctions are important. Generic resolutions can’t be affirmed by specifying particular instances. But, since generics tolerate exceptions, plan-inclusive counterplans (PICs) do not negate generic resolutions. Bare plurals are typically used to express generic generalizations. But there are two important things to keep in mind. First, generic generalizations are also often expressed via other means (e.g., definite singulars, indefinite singulars, and bare singulars). Second, and more importantly for present purposes, bare plurals can also be used to express existential generalizations. For example, “Birds are singing outside my window” is true just in case there are some birds singing outside my window; it doesn’t require birds in general to be singing outside my window. So, what about “colleges and universities,” “standardized tests,” and “undergraduate admissions decisions”? Are they generic or existential bare plurals? On other topics I have taken great pains to point out that their bare plurals are generic—because, well, they are. On this topic, though, I think the answer is a bit more nuanced. Let’s see why. 1.1 “Colleges and Universities” “Colleges and universities” is a generic bare plural. I don’t think this claim should require any argument, when you think about it, but here are a few reasons. First, ask yourself, honestly, whether the following speech sounds good to you: “Eight colleges and universities—namely, those in the Ivy League—ought not consider standardized tests in undergraduate admissions decisions. Maybe other colleges and universities ought to consider them, but not the Ivies. Therefore, in the United States, colleges and universities ought not consider standardized tests in undergraduate admissions decisions.” That is obviously not a valid argument: the conclusion does not follow. Anyone who sincerely believes that it is valid argument is, to be charitable, deeply confused. But the inference above would be good if “colleges and universities” in the resolution were existential. By way of contrast: “Eight birds are singing outside my window. Maybe lots of birds aren’t singing outside my window, but eight birds are. Therefore, birds are singing outside my window.” Since the bare plural “birds” in the conclusion gets an existential reading, the conclusion follows from the premise that eight birds are singing outside my window: “eight” entails “some.” If the resolution were existential with respect to “colleges and universities,” then the Ivy League argument above would be a valid inference. Since it’s not a valid inference, “colleges and universities” must be a generic bare plural. Second, “colleges and universities” fails the upward-entailment test for existential uses of bare plurals. Consider the sentence, “Lima beans are on my plate.” This sentence expresses an existential statement that is true just in case there are some lima beans on my plate. One test of this is that it entails the more general sentence, “Beans are on my plate.” Now consider the sentence, “Colleges and universities ought not consider the SAT.” (To isolate “colleges and universities,” I’ve eliminated the other bare plurals in the resolution; it cannot plausibly be generic in the isolated case but existential in the resolution.) This sentence does not entail the more general statement that educational institutions ought not consider the SAT. This shows that “colleges and universities” is generic, because it fails the upward-entailment test for existential bare plurals. Third, “colleges and universities” fails the adverb of quantification test for existential bare plurals. Consider the sentence, “Dogs are barking outside my window.” This sentence expresses an existential statement that is true just in case there are some dogs barking outside my window. One test of this appeals to the drastic change of meaning caused by inserting any adverb of quantification (e.g., always, sometimes, generally, often, seldom, never, ever). You cannot add any such adverb into the sentence without drastically changing its meaning. To apply this test to the resolution, let’s again isolate the bare plural subject: “Colleges and universities ought not consider the SAT.” Adding generally (“Colleges and universities generally ought not consider the SAT”) or ever (“Colleges and universities ought not ever consider the SAT”) result in comparatively minor changes of meaning. (Note that this test doesn’t require there to be no change of meaning and doesn’t have to work for every adverb of quantification.) This strongly suggests what we already know: that “colleges and universities” is generic rather than existential in the resolution. Fourth, it is extremely unlikely that the topic committee would have written the resolution with the existential interpretation of “colleges and universities” in mind. If they intended the existential interpretation, they would have added explicit existential quantifiers like “some.” No such addition would be necessary or expected for the generic interpretation since generics lack explicit quantifiers by default. The topic committee’s likely intentions are not decisive, but they strongly suggest that the generic interpretation is correct, since it’s prima facie unlikely that a committee charged with writing a sentence to be debated would be so badly mistaken about what their sentence means (which they would be if they intended the existential interpretation). The committee, moreover, does not write resolutions for the 0.1 percent of debaters who debate on the national circuit; they write resolutions, at least in large part, to be debated by the vast majority of students on the vast majority of circuits, who would take the resolution to be (pretty obviously, I’d imagine) generic with respect to “colleges and universities,” given its face-value meaning and standard expectations about what LD resolutions tend to mean.

#### It applies to IP protections:

#### Upward entailment test – spec fails the upward entailment test because saying that nations ought to reduce one type of IPP does not entail that those nations ought to reduce all kinds of IPP

#### Semantics outweigh:

#### T is a constitutive rule of the activity and a basic aff burden – they agreed to debate the topic when they came here

#### Jurisdiction – you can’t vote aff if they haven’t affirmed the resolution

#### It’s the only stasis point we know before the round so it controls the internal link to engagement – there’s no way to use ground if debaters aren’t prepared to defend it

#### Limits – there are countless affs accounting for every kind of intellectual property protections, like tertiary patents, provisional patents, and design patents – unlimited topics incentivize obscure affs that negs won’t have prep on – limits are key to reciprocal prep burden – potential abuse doesn’t justify foregoing the topic and 1AR theory checks PICs

#### Ground – spec guts core generics like innovation that rely on reducing all kinds of IP for all medicines because individual types of IP don’t substantially affect the pharmaceutical industry – also means there is no universal DA to spec affs

#### TVA solves – read as an advantage to whole rez aff

#### Drop the debater – their abusive advocacy skewed the debate from the start

#### Comes before 1AR theory – NC abuse is responsive to them not being topical

#### No RVIs – fairness and education are a priori burdens – and encourages baiting – outweighs because if T is frivolous, they can beat it quickly

## 2

**US dominance is secured in biotech now, but China’s closing the gap fast – that allows geopolitical and economic advantages**

Scott **Moore** **2020** [(Director of the Penn Global China Program at the University of Pennsylvania. Previously, Moore was a Young Professional and Water Resources Management Specialist at the World Bank Group, and Environment, Science, Technology, and Health Officer for China at the U.S.) “China’s Role In The Global Biotechnology Sector And Implications For U.S. Policy” https://www.brookings.edu/wp-content/uploads/2020/04/FP\_20200427\_china\_biotechnology\_moore.pdf]TDI

EXECUTIVE SUMMARY Even by the standards of emerging technologies, **biotechnology has the potential to utterly transform geopolitics, economics**, and society in the 21st century. Yet while the United States has long been the world leader in most segments of the global biotechnology sector, **China is fast becoming a significant player**. This brief assesses the implications of China’s changing role in biotechnology for the United States, which span national security, data security, and economic competitiveness. On current trends the United States is likely to remain the world leader in most biotechnology areas. **However, the gap between China and the U.S. is narrowing in the biotechnology sector,** and U.S. policymakers must boost public investment, liberalize immigration and foreign student visa policies, and enact regulatory reforms to ensure America remains competitive. At the same time, areas like vaccine development and regulation of emerging technologies like synthetic biology present rich opportunities for Sino-U.S. cooperation. INTRODUCTION Thanks to extensive government funding for biomedical research, an unparalleled ability to translate basic research into commercial products and applications, and strong intellectual property protections, the United States has been the dominant global player in developing and commercializing biotechnology for decades.1 This dominance is reflected in the fact that United States accounted for almost half of all biotechnology patents filed worldwide from 1999 to 2013.2 However, in the intervening years, and just as in the case of artificial intelligence and other emerging technologies, other nations, including South Korea and Singapore, have invested heavily in developing their biotechnology sectors and industries. These efforts pale, however, in comparison to those of China, and the sheer size and scale of the Chinese biotechnology industry pose a range of economic, security, and regulatory issues for American policymakers. The determination of China’s one-party state to become a leading player in biotechnology is reflected by the rapid growth in investment in the sector. Some estimates claim that collectively, **China’s** central, local, and provincial **governments have invested over $100 billion in life sciences** research and development. Regardless of the true figure, official encouragement has led to a torrid place of investment. In just the two-year period from 2015 to 2017, venture capital and private equity investment in the sector totaled some $45 billion.3 The value of commercial deals concluded in the fields of biology, medicine and medical machine technology, meanwhile increased from 25.8 billion renminbi (RMB), or $3.6 billion, in 2011 to over 75 billion RMB ($10.6 billion) in 2017.4 Annual research and development expenditures by Chinese pharmaceutical firms, the foundation of the biotechnology sector, rose from some 39 billion RMB in 2014 ($5.5 billion) to over 53 billion RMB (US$7.5 billion) by 2017. Expenditure on new product development among these firms, an important indicator of future growth potential, increased from just over 40 billion RMB ($5.6 billion) to almost 60 billion ($8.4 billion).5 By Western standards, some of these figures are still low. Swiss drugmaker Roche, the world leader in biotechnology research and development, spent some $11 billion in 2018 alone.6 As these figures suggest, the development of China’s biotechnology sector paints a nuanced picture for U.S. policymakers. On one hand, the sector’s rapid growth, and high-level commitment to continued investment, means that China will inevitably become an increasingly important player in the global biotechnology sector, **with implications for national security, economic competitiveness, and regulation**. An executive from In-Q-Tel, the U.S. government’s inhouse national security venture capital fund, warned Congress in a November 2019 hearing, for example, that China “intends to own the biorevolution… and they are building the infrastructure, the talent pipeline, the regulatory system, and the financial system they need to do that.”7 The CEO of European drugmaker AstraZeneca has similarly opined that “Much of [China’s] innovation in the last three to four years has been ‘me too,’ but now on the horizon we can see firstin-class innovation.”8 Yet on the other hand, while China’s biotechnology sector will almost certainly continue to grow in scale, sophistication, and competitiveness, there is little reason to believe on current trends that the United States will lose its edge in the sector. Indeed, the biggest risk to the global competitiveness of the U.S. biotechnology industry likely comes from the prospect of declining public investment and reduced mobility for world-class researchers and industry professionals. Moreover, the COVID-19 crisis underscores both the importance of continued investment in biotechnology and the many challenges to promoting effective international cooperation on global health security. This brief first examines the key policies and actors in China’s biotechnology sector, then offers an assessment of the sector’s current capabilities and future trends, and finally further explores the implications of developments in Chinese biotechnology for U.S. policy.

**The aff’s waiving of IP doesn’t solve but it does give away sensitive national security information that allows China to lead ahead in biotech**

Josh **Rogin 4-8**. [(Washington Post Columnist covering National Security Issues.) “Opinion: The wrong way to fight vaccine nationalism” https://www.washingtonpost.com/opinions/global-opinions/the-wrong-way-to-fight-vaccine-nationalism/2021/04/08/9a65e15e-98a8-11eb-962b-78c1d8228819\_story.html ] TDI

Americans will not be safe from covid-19 until the entire world is safe. That basic truth shows why vaccine nationalism is not only immoral but also counterproductive. But the simplest solutions are rarely the correct ones, **and some countries are using the issue to advance their own strategic interests**. The Biden administration must reject the effort by some nations to turn our shared crisis into their opportunity. As the inequities of vaccine distribution worldwide grow, a group of more than 50 developing countries led by India and South Africa is pushing the World Trade Organization to dissolve all international intellectual property protections for pandemic-related products, which would include vaccine research patents, manufacturing designs and technological know-how. The Trump administration rejected the proposal to waive the agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) for the pandemic when it was introduced in October. Now, hundreds of nongovernmental organizations and dozens of Democratic lawmakers are pushing the Biden administration to support the proposal. But many warn **the move would result in the United States handing over a generation of advanced research** — much of it funded by the U.S. taxpayer — **to** our country’s greatest competitors, above all **China**. In Congress, there’s justified frustration with the United States’ failure to respond to China’s robust vaccine diplomacy, in which Beijing has conditioned vaccine offers to pandemic-stricken countries on their ignoring security concerns over Chinese telecom companies or abandoning diplomatic recognition of Taiwan. There’s also a lot of anger at Big Pharma among progressives for profiting from the pandemic. “We are in a race against time, and unfortunately Big Pharma is standing in the way of speedily addressing this problem,” Rep. Jan Schakowsky (D-Ill.), who supports the effort to waive intellectual property protections, told me in an interview. “I think the real security issue is that while the United States balks in making sure that we help ourselves, that these adversaries will just jump right in.” Schakowsky argued that alternative measures for helping poor countries manufacture vaccines are simply not moving fast enough to save lives and that the United States has a duty to respond. House Speaker Nancy Pelosi (D-Calif.) personally conveyed her support for the waiver to President Biden, Schakowsky said. But Big Pharma is just one piece of the puzzle. Countries such as India and South Africa have been trying to weaken WTO intellectual property protections for decades. **The mRNA technology that underpins the Pfizer and Moderna vaccines was funded initially by the Defense Advanced Research Projects Agency and has national security implications.** Inside the Biden administration, the National Security Council has already convened several meetings on the issue. The waiver is supported by many global health officials in the White House and at the U.S. Agency for International Development, who believe the United States’ international reputation is suffering from its perceived “America First” vaccine strategy. On Wednesday, U.S. Trade Representative Katherine Tai spoke with WTO Director General Ngozi Okonjo-Iweala about the waiver issue. USTR is convening its own interagency meetings on the issue, which many see as a move to reassert its jurisdiction over WTO matters. If and when this does get to Biden’s desk, he will also hear from national security officials who believe that waiving TRIPS would result in the forced transfer of national security-sensitive technology to China, **a country that strives to dominate the biotechnology** ***field*** as part of its Made in China 2025 strategy. **Once countries such as China have this technology, they will apply their mercantilist industrial models to ensure their companies dominate these strategically important industries, potentially erasing thousands of U.S. jobs.** “We would be delivering a competitive advantage to countries that are increasingly viewed as our adversaries, at taxpayer expense, when there are other ways of doing this,” said Mark Cohen, senior fellow at the University of California at Berkeley Law School. **A preferable approach would be to build more vaccine-manufacturing capacity** in the United States and then give those vaccines to countries in need, said Cohen. The U.S. pharmaceutical industry would surely benefit, but **that’s preferable to being dependent on other countries when the next pandemic hits.** “If there’s anything that the pandemic has taught us, it’s that we need to have a robust supply chain, for ourselves and for the world generally,” Cohen said. What’s more, it’s not clear that waiving the TRIPS agreement for the pandemic would work in the first place. Bill Gates and others involved in the current vaccine distribution scheme have argued that it would not result in more vaccines, pointing out that licensing agreements are already successfully facilitating cooperation between patent-holding vaccine-makers and foreign manufacturers. Critics respond that such cooperation is still failing to meet the urgent needs in the developing world. Vaccine equity is a real problem, but waiving intellectual property rights is not the solution. If the current system is not getting shots into the arms of people in poor countries, we must fix that for their sake and ours. But the pandemic and our responses to it have geopolitical implications, whether we like it or not. **That means helping the world and thinking about our strategic interests at the same time.**

**China will convert biotechnology gains to military advantages, undermining US primacy – specifically true in the context of vaccines**

Mercy A. **Kuo 2017** [(Executive Vice President at Pamir Consulting.) “The Great US-China Biotechnology and Artificial Intelligence Race” <https://thediplomat.com/2017/08/the-great-us-china-biotechnology-and-artificial-intelligence-race/>] TDI

Trans-Pacific View author Mercy Kuo regularly engages subject-matter experts, policy practitioners, and strategic thinkers across the globe for their diverse insights into the U.S. Asia policy. This conversation with Eleonore Pauwels – Director of Biology Collectives and Senior Program Associate, Science and Technology Innovation Program at the Wilson Center in Washington D.C. – is the 104th in “The Trans-Pacific View Insight Series.” Explain the motivation behind Chinese investment in U.S. genomics and artificial intelligence (AI). With large public and private investments inland and in the U.S., China plans to become the next AI-Genomics powerhouse, which indicates that these technologies will soon converge in China. China’s ambition is to lead the global market for precision medicine, **which necessitates acquiring strategic tech**nological and human capital in both genomics and AI. And the country excels at this game. A sharp blow in this U.S.-China competition happened in 2013 when BGI purchased Complete Genomics, in California, with the intent to build its own advanced genomic sequencing machines, therefore securing a technological knowhow mainly mastered by U.S. producers. There are significant economic incentives behind China’s heavy investment in the increasing convergence of AI and genomics. This golden combination will drive precision medicine to new heights by developing a more sophisticated understanding of how our genomes function, leading to precise, even personalized, cancer therapeutics and preventive diagnostics, such as liquid biopsies. By one estimate, the liquid biopsy market is expected to be worth $40 billion in 2017. Assess the implications of iCarbonX of Shenzhen’s decision to invest US$100 million in U.S.-company PatientsLikeMe relative to AI and genomic data collection. iCarbonX is a pioneer in AI software that learns to recognize useful relationships between large amounts of individuals’ biological, medical, behavioral and psychological data. Such a data-ecosystem will deliver insights into how an individual’s genome is mutating over time, and therefore critical information about this individual’s susceptibilities to rare, chronic and mental illnesses. In 2017, iCarbonX invested $100 million in PatientsLikeMe, getting a hold over data from the biggest online network of patients with rare and chronic diseases. If successful, this effort could turn into genetic gold, making iCarbonX one of the wealthiest healthcare companies in China and beyond. The risk factor is that iCarbonX is handling more than personal data, but potentially vulnerable data as the company uses a smartphone application, Meum, for customers to consult for health advice. Remember that the Chinese nascent genomics and AI industry relies on cloud computing for genomics data-storage and exchange, creating, in its wake, new vulnerabilities associated with any internet-based technology. This phenomenon has severe implications. How much consideration has been given to privacy and the evolving notion of personal data in this AI-powered health economy? And is our cyberinfrastructure ready to protect such trove of personal health data from hackers and industrial espionage? In this new race, will China and the U.S. have to constantly accelerate their rate of cyber and bio-innovation to be more resilient? Refining our models of genomics data protection will become a critical biosecurity issue. Why is Chinese access to U.S. genomic data a national security concern? **Genomics** and computing research **is inherently dual-use, therefore a strategic advantage in a nation’s security arsenal.** Using AI systems to understand how the functioning of our genomes impacts our health **is of strategic importance for biodefense.** This knowledge will lead to increasing developments at the forefront of medical countermeasures, **including vaccines**, antibiotics, and targeted treatments relying on virus-engineering and microbiome research. Applying deep learning to genomics data-sets could help geneticists learn how to use genome-editing (CRISPR) to efficiently engineer living systems, but also to treat and, even “optimize,” human health, **with potential applications in military enhancements**. A $15 million partnership between a U.S. company, Gingko Bioworks, and DARPA aims to genetically design new probiotics as a protection for soldiers against a variety of stomach bugs and illnesses. China could be using the same deep learning techniques on U.S. genomics data to better comprehend how to develop, patent and manufacture tailored cancer immunotherapies in high demand in the United States. Yet, what if Chinese efforts venture into understanding how to impact key genomics health determinants relevant to the U.S. population? **Gaining access to increasingly large U.S. genomic data-sets gives China a knowledge advantage into leading the next steps in bio-military research.** Could biomedical data be used to develop bioweapons? Explain. Personalized medicine advances mean that personalized bio-attacks are increasingly possible. The combination of AI with biomedical data and genome-editing technologies will help us predict genes most important to particular functions. Such insights will contribute to knowing how a particular disease occurs, how a newly-discovered virus has high transmissibility, but also why certain populations and individuals are more susceptible to it. Combining host susceptibility information with pathogenic targeted design, **malicious actors could engineer pathogens that are tailored to overcome the immune system or the microbiome of specific populations.**

**Maintenance of the ILO is key to reduce a host of existential threats – establishes great-power peace.**

**Brands 18**. [(Hal Brands is a Henry Kissinger Distinguished Professor at Johns Hopkins University’s School of Advanced International Studies, Scholar at the American Enterprise Institute. “America’s Global Order Is Worth Fighting For, Bloomberg Opinion, Politics & Policy,” August 14, 2018, Bloomberg. <https://www.bloomberg.com/opinion/articles/2018-08-14/america-s-global-order-is-worth-fighting-for>] TDI

The first argument is **easily disposed** of. Yes, the postwar world has been **thoroughly imperfect**, featuring nuclear arms races, genocides, widespread poverty and other scourges. But the world has **always been** imperfect, and by **any** meaningful **comparison**, the last **seven decades** have been a **veritable golden age**. The **liberal international** economic order has led to an **explosion** of **domestic** and **global prosperity**: According to World Bank data, both U.S. and global **per capita** income have increased **roughly three-fold** (in inflation-adjusted terms) since 1960, with U.S. gross domestic product increasing nearly six-fold. The U.S. **system** of alliances and forward military deployments has **contributed critically** to the **longest period** of **great-power peace** in modern history, and **the incidence of war** and conquest **more broadly** have dropped **dramatically**. The number of **democracies** in the world has **increased** from perhaps a dozen during World War II to well over 100 today; **respect for basic** human rights has also reached **impressive levels**. As a **bevy of scholarship** has shown, the policies that the U.S. has **pursued** and the **international order** it has built have contributed **enormously** and **directly** to these **outcomes**. If the **liberal international order** can’t be considered a **smashing success**, no **international order** could be. The second critique is also overstated. It is true that Washington, like all great powers throughout history, has been willing to bend the rules to get its way. It is hard to reconcile Cold War-era interventions in Guatemala, Chile and other countries with a professed solicitude for human rights and democracy; the Iraq War of 2003 is only one instance in which the U.S. brushed aside the concerns of international organizations such as the U.N. Security Council. Likewise, when the U.S. government determined that the Bretton Woods system of monetary relations no longer suited its interests in the 1970s, it terminated that scheme and insisted on creating a more favorable one. But again, the proper standard here is not sainthood but reality. And the U.S. has **generally** enlisted its power in the **service** of **universal values** such as **democracy** and **human rights**; it has, more often than not, promoted **a positive-sum** international system in which **like-minded** nations can be **secure** and **wealthy**. This goes back to the very beginning of the liberal order: Washington did not seek to hold its defeated adversaries in subjugation after World War II; it rebuilt Japan and western Germany into thriving, democratic allies that became fierce economic competitors to the U.S. The U.S. has taken this approach not simply because it wanted to do good in the world — powerful as this motivation is — but because of a hard-headed desire to do good for itself. In an interdependent global environment, American officials have long calculated, the U.S. cannot divorce its own well-being from that of the wider world. And in contrast to how other great powers — Imperial Japan, for instance, or the Soviet Union — ruled their spheres of influence, American behavior has been positively enlightened. It is this relatively benign behavior that has convinced so many countries to tolerate American leadership — and it is the emergence of a darker form of U.S. hegemony under the Trump administration that so profoundly worries them today. As for the third critique, the premise is right, but the **conclusion** can easily **go too far**. It is always **dangerous** to become **so enraptured** by past **achievements** that one **loses sight** of the **need for adaptation** in **the future**. This is particularly true today, because the strength of the liberal order is being tested from within and without, by issues ranging from unequal burden-sharing among American allies to the ambivalence of the American people themselves. There is **little evidence** to suggest, however, that either American power or **the liberal order** it supports have **eroded** so **dramatically** that **Washington**’s postwar project cannot be **sustained**. Quite the contrary — the U.S. is likely to remain the **world’s strongest power** for **decades to come**.

## 3

#### Bipartisan antitrust bills passing now but continued PC needed to pacify republicans.

Perlman 9/3 [Matthew; 9/3/21; “*Interest Groups Back Big Tech Antitrust Bills In House,*” LAW360, <https://www.law360.com/competition/articles/1418789/interest-groups-back-big-tech-antitrust-bills-in-house>] Justin

Law360 (September 3, 2021, 7:25 PM EDT) -- A contingent of public interest groups are urging leaders of the U.S. House of Representatives to advance a package of legislation aimed at reining in Big Tech companies through updates and changes to antitrust law, though free market advocates have been jeering many of the bills. A total of 58 public interest and consumer advocacy groups signed on to a letter Thursday asking House leaders to swiftly pass the package of six antitrust bills that the Judiciary Committee approved in late June after a marathon markup session. The proposals include legislation prohibiting large platform companies from acquiring competitive threats, preferencing their own services and using their control of multiple business lines to disadvantage competitors in other ways. The proposals would also impose interoperability and data portability requirements on large tech platforms, increase merger filing fees and boost enforcement by state attorneys general. Charlotte Slaiman, competition policy director for Public Knowledge, which signed on to the letter, said in a statement Thursday that the package charts a path toward putting "people back in control of the digital economy." "The broad range of groups supporting this package shows just how widespread the problem of Big Tech dominance is, and that these bills deserve a full vote in the House imminently," Slaiman said. The letter contends that America has a monopoly problem that is resulting in lower wages, reduced innovation and increased inequality, while also undermining the free press and perpetuating "racial, gender and class dominance." "Big Tech monopolies are at the center of many of these problems," the letter said. "Reining in these companies is an essential first step to reverse the damage of concentrated corporate power throughout our economy." The proposals followed a 16-month investigation by the House antitrust subcommittee into Amazon, Apple, Facebook and Google that resulted in a sprawling report from Democratic members calling for a range of reform measures to rein in the dominance of the companies. While consumer advocacy groups have largely supported the measures, the tech companies themselves and other interest groups have been highly critical, including a coalition of more than 25 right-leaning groups that sent a letter to Congress ahead of the markup hearing. The letter called the bills a "Trojan horse package" aimed at cynically using conservative anger over Big Tech, particularly at perceived censorship by social media platforms, to seek bipartisan support for "European-style over-regulation." For its part, Facebook has called the proposals a "poison pill for America's tech industry at a time our economy can least afford it" and said the bills underestimate the fierce competition the U.S. companies face from abroad. Apple and Google also raised concerns about the impact the bills would have on innovation, as well as on privacy and security. And Amazon has warned about the potential consequences of the proposals for both small businesses that sell on its platform and the consumers who use it to shop. Ending Platform Monopolies Act Thursday's letter said that the Ending Platform Monopolies Act would address "the most problematic aspects of the Big Tech companies" by allowing enforcers to break-up or separate pieces of the businesses when they create conflicts of interest that give the platforms an advantage over potential competitors and business users. A fact sheet from Public Knowledge accompanying the letter said that the bill is an important tool to help the antitrust agencies "protect consumers from mammoth platforms and to ensure compliance with other parts of the package." But during the markup hearing, ranking Republican committee member Rep. Jim Jordan of Ohio blasted the bill as a regulatory overreach, calling it "quite literally central planning" and arguing that it has significant ambiguities, which is bad for business. The Competitive Enterprise Institute argued in a June statement that the bill "kills the goose that lays the golden egg," and would actually result in small businesses being unable to access the large platforms, which in turn would focus on their own offerings instead. The Chamber of Progress has warned that the proposal could bar Amazon from offering its Prime services and its Amazon Basics private label products, since they would compete against other sellers on the platform. Other groups have also warned it could also force tech companies to divest popular apps, including Google's Maps and YouTube, Facebook's WhatsApp and Instagram and Apple's iMessage and FaceTime. American Innovation and Choice Online Act The American Innovation and Choice Online Act is aimed at barring the platform companies from preferencing their own products and services over those of rival businesses and from excluding or discriminating against rivals. Thursday's letter said this proposal would "promote innovation and competition" by preventing the platforms from protecting their monopolies. The right-leaning think tank American Enterprise Institute and others have argued that the bill could prevent Apple from pre-installing certain apps on its mobile phones, since that would advantage it over competing app developers. It could also prevent Google from integrating maps or customer reviews into search results, among other things. "At a minimum, the act would significantly disrupt these platforms' business models in ways that undermine consumer value," Daniel Lyons, a senior fellow for the group wrote in a blog post in June. Platform Competition and Opportunity Act The Platform Competition and Opportunity Act is aimed at preventing platform companies from acquiring potential or nascent competitors and its supporters argued in Thursday's letter that it would prevent the tech giants from enhancing or maintaining their market power. The bill would presumably have blocked Facebook's purchases of WhatsApp, Instagram and other services it has acquired, as well as a slew of deals by Google over the past two decades. Detractors have contended that this bill would limit investments in startups because it restricts their ability to be acquired by the larger technology firms, which they say is a key way for founders to benefit from their success. An American Enterprise Institute blog post from June argues that "opportunities for acquisition have been important drivers of innovation in tech" and also said the bill would prevent the tech companies from entering new areas of business to compete with each other. ACCESS Act The Augmenting Compatibility and Competition by Enabling Service Switching, or ACCESS Act, imposes requirements for the tech companies to make user data portable and able to be used by competing services. The bill's supporters argued in Thursday's letter that this prevents the tech giants from locking users into their services, since users can take their data with them and use it on other networks. Privacy and security implications have been flagged as potential problems for the proposal, with the Competitive Enterprise Institute saying in a statement in June that it's an "anti-privacy bill" that forces companies to turn over private user information to others. The group also said the bill would try to micromanage "complex, dynamic, and highly competitive markets" that are beyond understanding for most politicians and regulators. The American Enterprise Institute has also contended that the requirements would actually make rivals even more dependent on the incumbent platforms. Filing fees and state enforcement Of the antitrust bills approved by the House Judiciary Committee, the ones with the most bipartisan support appear to be the Merger Filing Fee Modernization Act and the State Antitrust Enforcement Venue Act, though it took a day of debate before the committee passed them. A Senate version of the filing fee bill passed that chamber in June as part of the U.S. Innovation and Competition Act. It would raise the fees merging parties pay when reporting large transactions, while lowering fees for smaller deals, in order to raise more resources for the antitrust agencies. Information Technology & Innovation Foundation argued in an August blog post that the legislation does not give Congress enough oversight over how the agencies will use the funds that it raises and called for the bill to include provisions requiring the money be used to hire more staff dedicated to antitrust enforcement. The Competitive Enterprise Institute also raised concerns about congressional oversight and contended that the bill would increase the cost of doing business at a time when the economy is sputtering. "U.S. consumers need innovative services and affordable products, not higher prices passed onto them by businesses avoiding new, unnecessary regulatory compliance costs," the group said in a June blog post. The state enforcement bill would prevent antitrust cases brought by state attorneys general from being transferred to a different venue by the Judicial Panel on Multidistrict Litigation, similar to protections afforded to federal enforcers. The bill is intended to prevent companies targeted by state-led enforcement actions from trying to move the cases to more favorable venues, and it also has an analog in the Senate. Information Technology & Innovation Foundation acknowledged in their August post that having cases included in multidistrict litigation can handicap state enforcers, but contended the changes should only apply to criminal matters and that the current version is wrong to block transfers of civil cases too. Thursday's letter from supporters of the bills said the proposals were carefully crafted to address the abusive practices of Big Tech, informed by the House antitrust subcommitee's sprawling investigation and "historic" 450-page report. "We believe that these bills will bring urgently needed change and accountability to these companies and an industry that most Americans agree is already doing great harm to our democracy," the letter said.

#### Aff requires negotiations that saps PC.

Pooley 21 [James; Former deputy director general of the United Nations’ World Intellectual Property Organization and a member of the Center for Intellectual Property Understanding; “Drawn-Out Negotiations Over Covid IP Will Blow Back on Biden,” Barron’s; 5/26/21; <https://www.barrons.com/articles/drawn-out-negotiations-over-covid-ip-will-blow-back-on-biden-51621973675>] Justin

The Biden administration recently announced its support for a proposal before the World Trade Organization that would suspend the intellectual property protections on Covid-19 vaccines as guaranteed by the landmark TRIPS Agreement, a global trade pact that took effect in 1995.

The decision has sparked furious debate, with supporters arguing that the decision will speed the vaccine rollout in developing countries. The reality, however, is that even if enacted, the IP waiver will have zero short-term impact—but could inflict serious, long-term harm on global economic growth. The myopic nature of the Biden administration’s announcement cannot be overstated.

Even if WTO officials decide to waive IP protections at their June meeting, it’ll simply kickstart months of legal negotiations over precisely which drug formulas and technical know-how are undeserving of IP protections. And it’s unthinkable that the Biden administration, or Congress for that matter, would actually force American companies to hand over their most cutting-edge—and closely guarded—secrets.

As a result, the inevitable foot-dragging will cause enormous resentment in developing countries. And that’s the real threat of the waiver—precisely because it won’t accomplish either of its short-term goals of improving vaccine access and facilitating tech transfers from rich countries to developing ones. It’ll strengthen calls for more extreme, anti-IP measures down the road.

Experts overwhelmingly agree that waiving IP protections alone won’t increase vaccine production. That’s because making a shot is far more complicated than just following a recipe, and two of the most effective vaccines are based on cutting-edge discoveries using messenger RNA.

As Moderna Chief Executive Stephane Bancel said on a recent earnings call, “This is a new technology. You cannot go hire people who know how to make the mRNA. Those people don’t exist. And then even if all those things were available, whoever wants to do mRNA vaccines will have to, you know, buy the machine, invent the manufacturing process, invent creation processes and ethical processes, and then they will have to go run a clinical trial, get the data, get the product approved and scale manufacturing. This doesn’t happen in six or 12 or 18 months.”

Anthony Fauci, the president’s chief medical adviser, has echoed that sentiment and emphasized the need for immediate solutions. “Going back and forth, consuming time and lawyers in a legal argument about waivers—that is not the endgame,” he said. “People are dying around the world and we have to get vaccines into their arms in the fastest and most efficient way possible.”

Those claiming the waiver poses an immediate, rather than long-term, threat to IP rights also misunderstand what the waiver will—and won’t—do.

The waiver petition itself is more akin to a statement of principle than an actual legal document. In fact, it’s only a few pages long.

As the Office of the United States Trade Representative has said, “Text-based negotiations at the WTO will take time given the consensus-based nature of the institution and the complexity of the issues involved.” The WTO director-general predicts negotiations will last until early December.

That’s a lot of wasted time and effort. The U.S. Trade Representative would be far better off spending the next six months breaking down real trade barriers and helping export our surplus vaccine doses and vaccine ingredients to countries in need.

#### Antitrust is key to the DIB – brink is now.

Sitaraman 20 [Ganesh; Vanderbilt University Law School; “The National Security Case for Breaking Up Big Tech,” Knight First Amendment Institute at Columbia; 3/12/20; <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3537870>] brett // Re-Cut Justin

Concentration in the tech sector also threatens the defense industrial base due to higher costs, lower quality, less innovation, and even corruption and fraud.71 Each of these dynamics has already been a problem for America’s over-consolidated defense industrial base. As technology becomes more and more central to defense and national security, it is likely that these same dynamics will replicate themselves with big tech companies. This will become a national security threat, both directly, in terms of the quality and speed of procurement, and indirectly, by reducing innovation and functionally redirecting defense budgets from research spending to higher monopoly profits.72 Conventional economic theory suggests that monopolists have the ability to increase prices and reduce quality because consumers are captive.73 When it comes to defense spending, the Government Accountability Office commented in 2019 that “competition is the cornerstone of a sound acquisition process and a critical tool for achieving the best return on investment for taxpayers.”74 At the same time, the GAO observed that “portfolio-wide cost growth has occurred in an environment where awards are often made without full and open competition.”75 Indeed, it found that 67 percent of 183 major weapons systems contracts had no competition and almost half of contracts went to a handful of firms. Of course, consolidation also means that the Defense Department is in a symbiotic relationship with these big contractors. Some startup executives wanting to sell to the government thus see the Pentagon as “a bad customer, one that is heavily skewed in favor of larger, traditional players,” and they don’t feel like they can break into the sector.76 Standard stories about political economy and capture also suggest that these firms will have outsized power over government.77 As Frank Kendall, the former head of acquisitions at the Pentagon, has said, “With size comes power, and the department’s experience with large defense contractors is that they are not hesitant to use this power for corporate advantage.”78 In the defense context, that means monopolists retain power (and profits), even if they overcharge taxpayers and risk the safety of military personnel in the field. In an important article in The American Conservative on concentration in the defense sector, researchers Matt Stoller and Lucas Kunce argue that contractors with de facto monopoly at the heart of their business models threaten national security. They write that one such contractor, TransDigm, buys up companies that supply the government with rare but essential airline parts and then hike up the prices, effectively holding the government “hostage.”79 They also point to L3, a defense contractor that had ambitions to be a “Home Depot” for the Pentagon, as its former CEO put it. L3’s de facto monopoly over certain products, according to Stoller and Kunce, means that it continues to receive lucrative government contracts, even after admitting in 2015 that it knowingly supplied defective weapons sights to U.S. forces.80 Consolidation also threatens U.S. defense capacity. The decline of competition, according to a 2019 Pentagon report, leaves the military vulnerable to “sole source suppliers, capacity shortfalls, a lack of competition, a lack of workforce skills, and unstable demand.”81 With a limited number of producers, there is less talent and knowhow available in the country if there is a need to build capacity rapidly.82 In 2018, the Defense Department released a report on vulnerable items in the military supply chain, including numerous items in which only one or two domestic companies (and, in some cases, zero domestic companies) produced the essential goods.83 How did the United States lose so much of its industrial base? The combination of consolidation and global integration is part of the story. As Stoller and Kunce argue, companies consolidated in the 1980s and 1990s while shifting emphasis from production and R&D to Wall Street-demanded profits. Globalization then allowed them to shift production overseas at a lower cost. The result was to gut America’s domestic industrial base—and, in many cases, to shift it to China, which engaged in a decades-long strategic plan to develop its own industrial base. The result, in the words of the 2018 Defense Department report, is that “China is the single or sole supplier for a number of specialty chemicals used in munitions and missiles.” In other areas too, the risks of losing access to critical resources are real. Describing the problem of limited carbon fiber sources, the same Pentagon report notes, “[a] sudden and catastrophic loss of supply would disrupt DoD missile, satellite, space launch, and other defense manufacturing programs. In many cases, there are no substitutes readily available.”84 As technology becomes more integral to the future of national security, it is hard to see how big tech will not simply go the way of the big defense contractors. Corporate mottos not to “be evil” are long gone,85 and big tech companies spend millions on conventional Washington, D.C., lobbying efforts.86 Over time, as contracts move to tech behemoths, there will no longer be competitive alternatives, and the Pentagon will likely be locked into relationships with big tech companies—just as they currently are with big defense contractors.87 Some commentators suggest that robust antitrust policies are a problem because only a small number of tech companies can contract for defense projects.88 But there is another way to look at it: The goal should be to encourage competition in the tech sector so that there are multiple contractors available. As former secretary of homeland security Michael Chertoff has said, defending the antitrust case against Qualcomm, “a single-source national champion creates an unacceptable risk to American security—artificially concentrating vulnerability in a single point. ... We need competition and multiple providers, not a potentially vulnerable technological monoculture.”89 The consequence of consolidation in tech is that taxpayers will likely see higher bills even as innovation slows due to reduced competition. Worse still, every taxpayer dollar that goes to monopoly profits—whether in the form of higher prices or fraud and corruption—is a dollar that is not going toward innovation for the future. A concentrated defense sector means not only less innovation due to the lack of competition in the sector; it means that funding that could have been available for innovation instead gets redirected via monopoly profits to the pockets of big tech executives and shareholders.

#### That solves extinction through great power war.

Marks 19 [Michael; Former Senior Policy Advisor to the Under Secretary for Security Assistance, Science and Technology at the U.S. Department of State; "Strengthen US Industry To Counter National Security Challenges," American Military News; 10/10/19; <https://americanmilitarynews.com/2019/10/strengthen-us-industry-to-counter-national-security-challenges/>] Justin

While U.S. defense budgets have recently been on the rise, it is likely that we will see a spending decline in the coming years as competition for non-defense federal budget dollars increases and deficits grow. The United States, therefore, must take action to ensure that we maintain our technological edge against our adversaries by empowering the private sector to provide cost-effective innovation for America’s defense. Since the end of the Second World War the U.S. has relied on qualitative superiority over its potential adversaries, especially those like the Soviet Union/Russia and China, who enjoyed comparative quantitative advantages. These qualitative advantages were vital to maintaining global stability and helped enable our nation to become the preeminent global economy, but they have been eroded over the last few decades. In 1960, the U.S. share of global research and development (R&D) spending stood at 69%. U.S. defense-related R&D alone accounted for 36% of total global expenditures. Soon thereafter other nations recognized the need to increase their R&D expenditures and build their own defense industrial bases to compete with the United States. From 2000-2016, China’s share of global R&D rose from 4.9% to 25.1% while the U.S. share of global R&D dropped to 28%. U.S. defense-related R&D meanwhile now makes up a mere 4% of global R&D spending. There can be no doubt that Russia and China are determined to challenge America’s qualitative advantage. From the rebirth of Russian military power under Vladimir Putin to the ever-growing Chinese military prowess across the board, their efforts show no sign of slowing down. Russia has been and continues to undergo a major modernization of its armed forces. For example, they are in the midst of a ten-year program to build hundreds of new nuclear missiles and have set a goal of modernizing 70% of the Russian Ground Force’s equipment by 2020. One of the most frightening examples of Russia’s resurgence is its development of a hypersonic missile that could be ready for combat as early as 2020. Worryingly, the US is currently unable to defend against this type of missile. To accompany these developments came the emergence in 2017 of Russia as the world’s second-largest arms producer, ready and able to support nations hostile to US interests. China, on the other hand, used to be a country that only manufactured cheap products and knockoffs, but that is no longer true. Technology development and innovation figure prominently in all of China’s national planning goals, with plans to make the country the global leader in science and innovation and the preeminent technological and manufacturing power by 2049, the 100th anniversary of the Chinese communist revolution. This, of course, has huge implications for China’s military capability. The country now has the second-largest national defense budget behind the U.S. and wants to be Asia’s preeminent military power. Beijing is developing next-generation fighter jets, ICBMs and shorter-range ballistic missiles, as well as advanced naval vessels. The People’s Liberation Army has reached a critical point of confidence and now feel they can match competitors like the United States in combat. This has implications for the security of Taiwan, Japan, other US allies in the region as well as to America itself. To make matters worse, there are a growing number of experts that see China developing asymmetric technologies, combined with conventional and nuclear systems that could create an existential threat to the U.S. pacific based assets. It is in the wake of these growing threats to our national security American industry will likely be expected to shoulder an even larger responsibility concerning investment in defense-related R&D. One of the ways we can empower companies to make these additional investments and lead next-generation defense innovation is to allow commonsense mergers between important defense and aerospace companies. Horizontal consolidation eliminates the redundancy of enormous fixed costs, leading to savings passed down to customers. Mergers can also create economies of scale and existing synergies that help the combined company realize access to larger numbers of engineers and innovators, while keeping costs low and improving the timeline for taking a product from concept to development. FA recent example of how this can work is the proposed Raytheon and United Technologies merger. The two parties project that the new combined company will employ more than 60,000 engineers, hold over 38,000 patents and invest approximately $8 billion per year in research and development. This will allow the development of new, critical technologies more quickly and efficiently than either company could on its own. Such private sector investments in innovation will be critical in the face of the growing challenges to American military dominance. America’s R&D advantage, crucial to maintaining military superiority, is increasingly at risk. As China and Russia continue to challenge America’s military dominance and pressures on the defense budget continue to mount, the federal government will likely turn more and more to contractors and commercial companies to develop next-generation defense capabilities. Strengthening U.S. industry, therefore, will be critical to countering our national security challenges.

## Case

**Biotech industry strong now.**

**Cancherini et al. 4/30** [(Laura, Engagement Manager @ McKinsey & Company, Joseph Lydon, Associate Partner @ McKinsey & Company, Jorge Santos Da Silva, Senior Partner at McKinsey & Company, and Alexandra Zemp, Partner at McKinsey & Company), “What’s ahead for biotech: Another wave or low tide?“, McKinsey & Company, 4-30-2021, <https://www.mckinsey.com/industries/pharmaceuticals-and-medical-products/our-insights/whats-ahead-for-biotech-another-wave-or-low-tide>] TDI

As the pandemic spread across the globe in early 2020, biotech leaders were initially pessimistic, reassessing their cash position and financing constraints. When McKinsey and BioCentury interviewed representatives from 106 biotech companies in May 2020,4 half of those interviewed were expecting delays in financing, and about 80 percent were tight on cash for the next two years and considering trade-offs such as deferring IPOs and acquisitions. Executives feared that valuations would decline because of lower revenue projections and concerns about clinical-trial delays, salesforce-effectiveness gaps, and other operational issues.

Belying this downbeat mood, biotech has in fact had one of its best years so far. By January 2021, venture capitalists had invested some 60 percent more than they had in January 2020, with more than $3 billion invested worldwide in January 2021 alone.5 IPO activity grew strongly: there were 19 more closures than in the same period in 2020, with an average of $150 million per raise, 17 percent more than in 2020. Other deals have also had a bumper start to 2021, with the average deal size reaching more than $500 million, up by more than 66 percent on the 2020 average (Exhibit 3).6

What about SPACs?

The analysis above does not include special-purpose acquisition companies (SPACs), which have recently become significant in IPOs in several industries. Some biotech investors we interviewed believe that SPACs represent a route to an IPO. How SPACs will evolve remains to be seen, but biotechs may be part of their story.

Fundamentals continue strong

When we asked executives and investors why the biotech sector had stayed so resilient during the worst economic crisis in decades, they cited innovation as the main reason. The number of assets transitioning to clinical phases is still rising, and further waves of innovation are on the horizon, driven by the convergence of biological and technological advances.

In the present day, many biotechs, along with the wider pharmaceutical industry, are taking steps to address the COVID-19 pandemic. Together, biotechs and pharma companies have [more than 250 vaccine candidates in their pipelines](https://www.mckinsey.com/industries/pharmaceuticals-and-medical-products/our-insights/on-pins-and-needles-will-covid-19-vaccines-save-the-world), along with a similar number of therapeutics. What’s more, the crisis has shone a spotlight on pharma as the public seeks to understand the roadblocks involved in delivering a vaccine at speed and the measures needed to maintain safety and efficacy standards. To that extent, the world has been living through a time of mass education in science research and development.

Biotech has also benefited from its innate financial resilience. Healthcare as a whole is less dependent on economic cycles than most other industries. Biotech is an innovator, actively identifying and addressing patients’ unmet needs. In addition, biotechs’ top-line revenues have been less affected by lockdowns than is the case in most other industries.

Another factor acting in the sector’s favor is that larger pharmaceutical companies still rely on biotechs as a source of innovation. With the [top dozen pharma companies](https://www.mckinsey.com/business-functions/m-and-a/our-insights/a-new-prescription-for-m-and-a-in-pharma) having more than $170 billion in excess reserves that could be available for spending on M&A, the prospects for further financing and deal making look promising.

For these and other reasons, many investors regard biotech as a safe haven. One interviewee felt it had benefited from a halo effect during the pandemic.

More innovation on the horizon

The investors and executives we interviewed agreed that biotech innovation continues to increase in quality and quantity despite the macroeconomic environment. Evidence can be seen in the accelerating pace of assets transitioning across the development lifecycle. When we tracked the number of assets transitioning to Phase I, Phase II, and Phase III clinical trials, we found that Phase I and Phase II assets have transitioned 50 percent faster since 2018 than between 2013 and 2018, whereas Phase III assets have maintained much the same pace. There could be many reasons for this, but it is worth noting that biotechs with Phase I and Phase II assets as their lead assets have accounted for more than half of biotech IPOs. Having an early IPO gives a biotech earlier access to capital and leaves it with more scope to concentrate on science.

Looking forward, the combination of advances in biological science and accelerating developments in technology and artificial intelligence has the potential to take innovation to a new level. A [recent report](https://www.mckinsey.com/industries/pharmaceuticals-and-medical-products/our-insights/the-bio-revolution-innovations-transforming-economies-societies-and-our-lives) from the McKinsey Global Institute analyzed the profound economic and social impact of biological innovation and found that biomolecules, biosystems, biomachines, and biocomputing could collectively produce up to 60 percent of the physical inputs to the global economy. The applications of this “Bio Revolution” range from agriculture (such as the production of nonanimal meat) to energy and materials, and from consumer goods (such as multi-omics tailored diets) to a multitude of health applications.

**IP protections are key to pharmaceutical investment in developing countries.**

**Ezell and Cory 19** [(Stephen, vice president, global innovation policy, at the Information Technology and Innovation Foundation, B.S. from the School of Foreign Service at Georgetown University, and Nigel, associate director covering trade policy at the Information Technology and Innovation Foundation, former researcher in the Southeast Asia Program at the Center for Strategic and International Studies, MA in public policy from Georgetown University) “The Way Forward for Intellectual Property Internationally,” Information Technology and Innovation Foundation, 4/25/2019] TDI

Academic research also signals a strong correlation between IPR and technology transfer. Lippoldt showed that **IPR strengthening in countries—particularly with respect to patents—is associated with increased technology transfer via trade and investment**.34 Research has revealed that a country’s level of intellectual property protection considerably affects whether foreign firms will transfer technology into it.35 That matters because the welfare gains from the importation of technology via innovative products, while differing across countries, can be substantial.36 For instance, **foreign sources of technology account for over 90 percent of domestic productivity growth in all but a handful of countries**.37 The research on this matter is clear and consistent. For example, a 1986 United Nations Conference on Trade and Development (UNCTAD) study found that direct investment in new technology areas such as computer software, semiconductors, and biotechnology is supported by stronger intellectual property rights policy regimes.38 (However, as this report later clarifies, subsequent UNCTAD reports have lamentably taken a more skeptical view toward IP.) A 1989 study by the United Nations Commission on Transnational Corporations (UNCTC) found that weak IP rights reduce computer software direct investment; and a 1990 study by UNCTC found that **weak IP rights reduce pharmaceutical investment**.39 Mansfield conducted firm-level surveys and found that perceptions of strong IP rights abroad have a positive effect on incentives to transfer technologies abroad. Likewise, survey research by the World Bank’s International Finance Corporation found that, with variations by sector, country, and technology, **at least 25 percent of American and Japanese high-tech firms refuse to directly invest, or enter into a joint venture, in developing countries with weak intellectual property rights**; and a later study confirmed those survey findings with actual foreign direct investment data.40 And an Institute for International Economics study of World Bank data concluded that weak intellectual property rights reduce flows of all these commercial activities, regardless of nations’ levels of economic development.41

Studies have also shown how the benefits of intellectual property extend to developing countries. Diwan and Rodrik demonstrated that stronger patent rights in developing countries give enterprises from developed countries a greater incentive to research and introduce technologies appropriate to developing countries.42 Similarly, Taylor showed that **weak patent rights in developing countries lead enterprises from developed countries to introduce less-than-best-practice technologies to developing countries**.43 Interestingly, the relationship goes in both directions. Branstetter and Saggi showed that strengthened IPR protection not only improves the investment climate in the implementing countries, but also leads to increased FDI in the country producing the original innovation.44 They concluded that IPR reform in the “global South” (e.g., developing countries) may be associated with FDI increases in the “global North” (e.g., developed countries). As northern firms shift their production to southern affiliates, this FDI accelerates southern industrial development, creating a cyclical feedback mechanism that also benefits the North. Another study by Liao and Wong, which focused on firm-level analysis, highlights the inter-relationship of IPR reform in developed and developing countries. Their study concluded that **developing countries can entice technology transfer from the North by providing IPR protection for incoming products** (although they note there is a need for redoubled R&D efforts in developed countries to spur needed innovations).45