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#### International Trade is recovering from the Covid Pandemic, but some key sectors still lag behind

UN 5-19 Sea. ©, 5-19-2021, "Global trade’s recovery from COVID-19 crisis hits record high," No Publication, https://unctad.org/news/global-trades-recovery-covid-19-crisis-hits-record-high//SJJK

World trade’s recovery from the COVID-19 crisis hit a record high in the first quarter of 2021, increasing by 10% year-over-year and 4% quarter-over-quarter, according to [UNCTAD’s Global Trade Update](https://unctad.org/system/files/official-document/ditcinf2021d2_en.pdf) released on 19 May. According to the report, the impressive rebound in Q1 2021 continued to be driven by the strong export performance of East Asian economies, whose early success in pandemic mitigation allowed them to rebound faster and to capitalize on booming global demand for COVID-19 related products. “Global trade has recorded a faster recovery from the recession caused by the pandemic than in the last two trade recessions,” said UNCTAD economist Alessandro Nicita, who worked on the report. He said it took four quarters after the start of the pandemic-induced recession for world trade to return to pre-recession levels. By the fifth quarter – Q1 2021 – global trade was higher than pre-crisis levels, with an increase of about 3% relative to Q4 2019. By contrast, it took 13 quarters for global trade to recover from the 2015 recession, which resulted from structural changes in East Asian economies and declines in commodity prices, and nine quarters to bounce back from the 2009 recession caused by the global financial crisis. The report says in Q1 2021 the value of trade in goods was higher than pre-pandemic level, but trade in services remains substantially below averages. “Global trade in COVID-19-related products remained strong during the quarter,” it says. Major economies recover from 2020 fall According to the report, import and export trends for some of the world’s major trading economies show that with a few exceptions, trade in major economies recovered from the fall of 2020. However, the large increases are due to the low base for 2020, and trade in many of the major economies was still below 2019 averages. The trend of a stronger recovery for goods relative to services is common to all major economies, the report finds. It shows that China, India and South Africa fared relatively better than other major economies during Q1 2021. China’s exports, in particular, registered a strong increase not only from 2020 averages but also in relation to pre-pandemic levels. In contrast, exports from Russia remained well below 2019 averages. Trade recovery remains uneven Trade recovery remains uneven, the report notes, especially among developing countries, with exports from East Asia rebounding substantially faster. East Asian economies are also behind the recovery of trade among developing countries (South-South trade). When trade figures from East Asian developing economies are excluded, South-South trade remains below averages. The report shows that in Q1 2021 the value of exports remained below averages for countries with economies in transition, the Middle East, South Asia and Africa. Although South America’s exports increased relative to Q1 2020, they remained below 2019 averages. It finds that in Q1 2021 the value of merchandise imports and exports of developing countries was substantially higher compared with Q1 2020 and Q1 2019 (by about 16%). Also, in Q1 2021 trade continued to rebound not only in sectors related to COVID-19, such as pharmaceuticals, communication and office equipment, but also others like minerals and agrifood. In contrast, the energy sector continued to lag behind and international trade in transport equipment remained well below averages, the report shows.

#### And strikes stun international trade

Creamer 18 Creamer Media Reporter, 10-18, "Strikes And Their Economic Consequences," Engineering News, https://www.engineeringnews.co.za/article/strikes-and-their-economic-consequences-2018-10-01//sjjk

“Whilst there are potential benefits from strikes (e.g. better work morale, lower absenteeism, or improved labour productivity), strike action also brings about numerous direct and indirect economic costs that can be high, depending on duration, number of workers involved and divisions affected,” the Initiative confirmed. According to labour expert Suleyman Alley, there are seven key causes of labour unrest: [health](https://www.engineeringnews.co.za/topic/health) hazards in the workplace; excessive working hours; low wages; demand for leave with pay; discrimination; inadequate working tools; and aggressive behaviour of managers towards employees. While several activities can be taken in an effort to prevent strikes from occurring or escalating, in the South African context, the tendency towards violent outbursts seems to outweigh reasonable action. “Strikes and labour unrest have marked negative impacts on the employees themselves, the employers and their stakeholders, the government, consumers, and the economy,” advises Jacki Condon, Managing Director of Apache [Security](https://www.engineeringnews.co.za/topic/security) [Services](https://www.engineeringnews.co.za/topic/services). “The negative effects on international trade include the hinderance of economic development, creating great economic uncertainty – especially as the global media continues to share details, images and videos of violence, damage to property and ferocious clashes between strikers and [security](https://www.engineeringnews.co.za/topic/security).” Strike action results in less productivity, which in turn means less profits. Labour Law expert, Ivan Israelstam confirms that; “The employer is likely to lose money due to delayed [service](https://www.engineeringnews.co.za/topic/service) to clients or to lost production time. The employees will lose their pay due to the no work, no pay principle. If the strikers are dismissed they will lose their livelihoods altogether.” This year alone, Eskom, Prasa, various [manufacturing](https://www.engineeringnews.co.za/topic/manufacturing) plants, Sasol and the Post Office have faced crippling strikes – to name but a few. Condon argues that there are more immediate consequences to consider than loss of income.

#### **Trade has a massive pacifying effect. Disruptions in trade create war and negative feedback loops-case studies and rigorous empirical analysis prove**

World Bank 19 World Bank, 3-19, "Trading Away from Conflict: Using Trade to Increase Resilience in Fragile States," https://www.worldbank.org/en/topic/trade/publication/trading-away-from-conflict//SJJK

In the past 30 years the world has become much less poor everywhere except in fragile countries. By 2015 most of the world’s poor are expected to live in fragile countries, and most of these countries are affected by civil conflicts. In addition to exacting a huge toll on human life, civil conflicts cause protracted, severe disruption of economic activities and infrastructure, and are key constraints to development in many countries. Trade and trade policy can greatly affect the risk of conflict. Trade encourages the reallocation of resources to more efficient activities, and thus opens up opportunities and creates jobs. However, changes in relative prices as a result of trade can also destroy opportunities and jobs in declining sectors, and the people affected by these losses may, under certain conditions, turn to violence as a source of income. Changes in real incomes generated by trade are particularly important in fragile states, where trade flows tend to be larger and more volatile than other external flows, such as aid, remittances and foreign investment. In addition, the majority of fragile countries are net food importers, so they are particularly exposed to the recent swings in international food prices. This report examines how changes in imports and exports affect the risk and intensity of conflict and suggests ways in which policy makers might use trade to reduce this risk. The report also makes a number of contributions to the nascent but growing empirical literature on the relationship between changes in trade and conflict. It uses three different sets of data to do so: the experience of conflict across countries from 1960 to 2010, conflict across states in Nigeria from 2004 to 2013, and conflict during the Second Intifada in the West Bank and Gaza from September 2000 to December 2004. Main Results The analysis considers three main mechanisms for how trade-related changes can affect conflict. The opportunity cost effect holds that changes in real incomes, for example driven by changes in trade prices, change incentives for participating in conflict by changing the return on participation in violence compared with more productive activities. The rapacity (sometimes called “state prize”) effect refers to the idea that valuable economic resources can provide an incentive to fight over their control. And the resource effect recognizes that both government and rebels may fund their activities by taxing the production of commodities, so that changes in their value affect the ability to sustain conflict. The empirical results provide strong support for the rapacity effect. Increases in the prices of exported oil and mineral commodities substantially raise the risk conflict. An increase in the value of these exports of 10 percent raises the risk of conflict by 2.2 percent on average across countries. The higher the value of resources that can be easily appropriated through fighting, such as minerals and oil, the greater is the incentive to fight over them. The finding from Nigerian states is similar: a 10 percent increase in the price of oil raises the number of conflict events by 2 percent. These results are also consistent with other intra-country evidence from Colombia, the Democratic Republic of Congo, and from Sub-Saharan Africa. When the Nigerian government started using some of the oil revenues to demobilize and reintegrate the militants in the oil-producing regions, the positive relation between oil price and conflict intensity disappeared. This finding supports the “resource effect,” which recognizes that the government (and sometimes also the rebels) may fund their activities by taxing the production of commodities, so that changes in their value affect the ability to repress or buy off the rebels, at least in the short term. While the cross-country evidence provides little support for the opportunity cost hypothesis, the country case studies provide strong support for the opportunity cost effect. This difference is likely due to two reasons. First, the availability of data within countries allows one to isolate the impact of commodity price changes on real incomes. Second, the large heterogeneity across countries can mask effects that may be important within individual countries. In Nigeria, conflict is significantly related to changes in real incomes driven by commodity indexes that reflect both production (higher prices, less conflict) and consumption (higher prices, more conflict) by the households. The importance of changes in real incomes in affecting conflict also applies to the Boko Haram attacks since 2010. The opportunity cost hypothesis holds in the West Bank and Gaza, where exogenous sectoral increases in export revenues were associated with subsequent lower levels of conflict during the Second Intifada in localities where private sector employment in that sector was significant. These findings confirm the evidence emerging from other within-country studies. Intense trading with neighbors reduces the duration as well as the intensity of conflict. This trade reduces the incentives of contiguous countries to fuel civil conflict in their neighbors similarly to the case of inter-state wars. These incentives may be particularly strong in areas, such as much of sub-Saharan Africa, where there are strong ethnic ties across borders. Trading with neighbors is also associated with a lower risk of conflict when such trade occurs under regional trade agreements. The strength of the effect of commodity exports on conflict varies across and within countries and depends on a number of local conditions. Changes in economic conditions have a much greater potential for generating conflict where there are deep-seated, historical grievances among groups, where economic inequality is high, and where government institutions are weak or corrupt.

#### Domestic conflicts escalate-major powers intervene and create extreme diplomatic tension that leads to war

Gowan 18 Richard Gowan, 2018-08-02, "Fragile Contexts are Increasingly Battlegrounds in Geopolitical Contests," No Publication, https://cpr.unu.edu/research/projects/fragile-contexts-are-increasingly-battlegrounds-in-geopolitical-contests.html//SJJK

Fragile contexts are increasingly becoming battlegrounds in regional and international geopolitical contests. Full-fledged wars between states remain rare, but the distinction between intrastate and inter-state conflicts is now often badly blurred. Of the 47 intrastate [wars recorded by the Uppsala Conflict Data Program in 2016, 18 (38%) were internationalized “in the sense that external states](http://journals.sagepub.com/doi/abs/10.1177/0022343317718773) contributed troops to one or more sides of the conflict”. This figure is exceptionally high by post-Cold War standards. It may also underrepresent the number of internationalized civil wars as it does not include cases in which outside actors support combatants with arms, money or proxy forces rather than only troops. While many studies of conflict-affected states now emphasize their local dimensions and small-scale conflict dynamics, the trend towards the internationalization of civil wars presents new worrisome challenges. As [Erin K. Jenne and Milos Popovic have noted](http://politics.oxfordre.com/view/10.1093/acrefore/9780190228637.001.0001/acrefore-9780190228637-e-573), studies show that external interventions make conflicts “far bloodier and more protracted than non-internationalized civil wars.” External actors offer combatants additional resources to sustain conflicts that would otherwise lose steam. They also complicate peacemaking by expanding the universe of interests and “veto players” involved in diplomacy and can get in the way of neutral mediation efforts. Where global and regional powers support opposing sides in a civil war, a conflict can also poison broader international relations and undercut international institutions. The case of Syria has painfully illustrated all these trends since 2011. As more and more powers have become directly and indirectly involved in the multi-front conflict, the United Nations Security Council has been repeatedly deadlocked over how to deal with the crisis. Not all external interventions in civil wars are bad. The rapid French and African intervention to stop jihadist and rebel forces from overwhelming Mali in 2013 stopped the crisis from spiralling out of control. Nonetheless, protracted international civil wars are liable to create vicious cycles of international competition, serious violence and failed diplomacy. Historical cases such as the U.S. intervention in Vietnam and the Soviet misadventure in Afghanistan show that such cycles can be major drains on an intervener’s resources and political capital. International decision-makers need to ask why internationalized civil wars are on the rise and take steps to defuse and prevent such notably ugly conflicts. These steps are not incompatible with policies to address the local origins of conflict. The best way to stop a civil war becoming internationalized is to remove potential domestic sources of violence. Had the Syrian government and opposition reached a settlement in 2011, when violence and outside interference remained relatively limited, the country’s descent into chaos and its pernicious international consequences could have been avoided. Stopping violence once it starts is never simple or straightforward, and a number of factors mean that more rather than fewer civil conflicts will become internationalized, but averting or containing this trend must be a priority.

#### Great Power war causes extinction-tons of scenarios

Tse 18 Brian Tse Effective Altruism, 2018, "Risks from Great Power Conflicts," https://www.effectivealtruism.org/articles/ea-global-2018-risks-from-great-power-conflicts//SJJK

We should expect conflict between great powers to be quite tragic. During the Second World War, 50 to 80 million people died. By some models, these wars cost on the order of national GDPs, and are likely to be several times more expensive. They also presents a direct extinction risk. at a Global Catastrophic Risk Conference hosted by the University of Oxford, academics predicted that there is 1% chance of nuclear extinction risk in the 21st century. The climatic effects of nuclear wars are not very well understood, so nuclear winter presents a plausible scenario of extinction risk. Although, it's also important to take model uncertainty into account in any risk analysis. One way to think about great power conflict is as a risk factor, in the same way that tobacco use is a risk factor for the global burden of diseases. Tobacco use can lead to a wide range of scenarios of death, including lung cancer. Similarly, great power conflicts can lead to a wide range of different extinction scenarios. One example is nuclear winter, followed by mass starvation. Others are less obvious, which could arise due to failures of global coordination. Let's consider the development of advanced AI as an example. Wars typically cause faster technological development, often enhanced by public investment. Countries become more willing to take risks in order to develop technology first. One example was the development of a nuclear weapons program by India after going to war with China in 1962. Repeating the same competitive dynamic in the area of advanced AI is likely to be catastrophic. Actors may trade-off safety research and implementation in the process, and that might present a extinction risk, as discussed in the book Superintelligence.

## 2

#### Biden’s policies are continuing the US-Chinese trade war; however, agreements and deals are being made to end it.

Bradsher 21 Bradsher, Keith. “A Temporary U.S.-China Trade Truce Starts to Look Durable.” *The New York Times*, The New York Times, 27 May 2021, www.nytimes.com/2021/05/27/business/us-china-trade-deal.html. SJEP

SHANGHAI — Just days before the coronavirus shut down the [Chinese](https://www.nytimes.com/2021/05/29/health/us-china-mask-production.html) city of Wuhan and changed the world, the Trump administration and China [signed](https://www.nytimes.com/2020/01/15/business/economy/china-trade-deal.html) what both sides said would be only a temporary truce in their 18-month trade war. Since then, the pandemic has scrambled global priorities, international commerce has stalled and surged again and President Biden has taken office. But the truce endures — and now appears to be setting new, lasting ground rules for global trade. The agreement didn’t stop many of the same practices that sparked the trade war, the biggest in history. It does nothing to prevent China from throwing huge subsidies at a range of industries — from electric cars to jetliners to computer chips — that could shape the future, but for which the country often relies heavily on American technology. In return, the truce left in place most of the tariffs that the Trump administration imposed on $360 billion a year in Chinese-made goods, many of them subsidized. Such unilateral moves run counter to the spirit of the rules of global trade, which were set up to stop nations from starting economic conflicts on their own and to keep them from spiraling out of control. But the new model seems to be catching on. The European Union announced on May 5 that it was drafting legislation that would allow it to [broadly penalize imports and investments](https://ec.europa.eu/commission/presscorner/detail/en/QANDA_21_1984) from subsidized industries overseas. E.U. officials, who had initially [looked askance at the U.S.-China truce](https://www.nytimes.com/2020/01/23/business/economy/china-us-trade-deal-allies.html), said their policy was not aimed specifically at China. But trade experts were quick to note that no other exporter has the scale of manufacturing and breadth of subsidies that China has. “You see a real appetite in the U.S. but also in the E.U. for unilateral measures,” said Timothy Meyer, a former State Department lawyer who is now a professor at Vanderbilt Law School. The truce, known as the Phase 1 agreement, could still be supplanted by a new deal. The agreement requires that the two sides conduct a high-level review of it this summer. On Wednesday in Washington, Katherine Tai, the United States trade representative, held an introductory call with a senior Chinese official, Vice Premier Liu He — a signal that Mr. Liu, the same top negotiator who squared off against the Trump administration, will be kept in place by China. But prospects for a far-reaching new deal this year are slim. The Biden administration is drafting a comprehensive strategy toward China, a complex interagency procedure that could last into early next year. It has also shown little appetite for easing up on China’s trade practices, and it has publicly discussed smoothing ties with European and other allies that were ruffled by other disputes during the Trump administration. “We welcome the competition,” Ms. Tai [told lawmakers](https://www.finance.senate.gov/hearings/the-presidents-2021-trade-policy-agenda) earlier this month. “But the competition must be fair, and if China cannot or will not adapt to international rules and norms, we must be bold and creative in taking steps to level the playing field and enhance our own capabilities and partnerships.”

#### The plan will cause an increase in jobs outsourced to China. South Africa proves.

Maré 17 Maré, Arnoux. “How Staff Outsourcing Can Help Avoid Wage Strikes.” *Innovative Staffing Solutions*, 12 Sept. 2017, innovativestaff.net/staff-outsourcing-can-help-avoid-wage-strikes/. SJEP

Strike action is so destructive to a business’ operations, it comes as no surprise that organisations are willing to go to extremes to avoid such devastation. It was recently announced that government and labour and business agreed to a package of labour market reform which will see R20/hour as the minimum wage. This arguably provides more benefits to the labour movement than it does to business. However, this is the price business is willing to pay to reduce labour market tension. The South African government, business, community sector and the labour federations represented at Nedlac signed the agreement earlier this year in Cape Town. The agreement came in the wake of years of destructive labour unrest, particularly in the mining industry, which wreaked untold damage on the economy and on job creation. Faced with the option of paying a wage that many businesses really cannot afford, or alternatively risking their entire business destroyed by prolonged strike activity, Nedlac opted for the former. Nonetheless, individual companies may feel they cannot afford that leap in their wage bill. However, strikes at a local level could be avoided in other ways. Strike action typically doesn’t happen from any principled stance by either labour or business, but because the situation is not anticipated or managed and simply drifts out of control. A viable solution to eliminating the strike factor is by outsourcing your staff. We employ more than 6,000 staff whom we contract out to various clients, and in our experience, if you take care of your staff they will take care of you. It also makes the commitment that should there ever be a strike, alternative staff are put on site at the client to ensure its operations are not affected. South Africa’s economy has become an extremely competitive one, and losing business through a strike is a serious blow. While some companies are strong enough to survive the damage, they may still lose market share. Weaker businesses could go under as a result of industrial action. It is not just its client companies that benefit, but also the workers who often in the past found themselves embroiled in strike action against their will due to union pressure. This takes as great a financial toll on the lives of staff as it does on the company, as employees are not paid for the days they are on strike. In fact, a prolonged strike may also mean striking workers never truly recover financially. The labour agreement also introduces secret strike balloting, advisory arbitration and agreed standards of conduct during industrial action (including by the police and private security companies) and this is a step in the right direction which should reduce the propensity for violence and the length of strikes. This is going to become the higher priority, if the Nedlac deal achieves its aim of reducing strike activity. The price tag for securing labour’s co-operation was steep: it is estimated that R20/hour (R3,500/month for a 40-hour week) national minimum wage will raise wages across nearly half of South Africa’s businesses. Many small businesses are panicking that it will put them out of business. Staff outsourcing is an option they should consider as it can save a business up to 60% in operational costs instead of letting things drift until they inevitably are forced to close their doors.

#### The trade war has already weakened China’s economy.

Wallace 19 Wallace, Charles. “Trade War Hurting China's Economy.” *Forbes*, Forbes Magazine, 9 Aug. 2019, www.forbes.com/sites/charleswallace1/2019/08/09/trade-war-hurting-chinas-economy/?sh=1528d6694035. SJEP

New signs emerged Friday that President Trump’s tariffs on Chinese exports are beginning to seriously impact the overall Chinese economy. [The Chinese government reported that exports to the U.S. in July fell by 6.5%.](https://www.scmp.com/economy/china-economy/article/3022013/chinas-us-trade-slumps-again-exports-rise-due-higher-demand)It was the second month after Trump increased tariffs on $250 billion worth of Chinese goods to 25%. Imports from the U.S.. Also fell by 19.1%. Perhaps more alarming, the[country’s producer price index turned negative, falling 0.3% from flat levels in the previous month. It was the first time the PPI has been negative in three years.](https://www.scmp.com/economy/china-economy/article/3022075/us-trade-war-drives-chinas-producer-prices-deflation-pork) Analysts say that the trade war with the U.S. Is forcing Chinese factories to sell their wares to wholesalers at a discount. Another key indicator, the manufacturing purchasing managers’ index (PMI) – which measures factory owner sentiment, registered 49.7 in July. Although this was slightly above June’s levels, a reading below 50 is a sign that the industrial sector is still contracting. The country’s National Bureau of Statistics reported Friday that the means of production – capital goods like machinery – fell by 0.7 % in the month. Trump has expressed hope that the declines in the Chinese economy will force the Beijing government to agree to terms of a new trade agreement when the two sides next meet in September. But the Chinese have accused the U.S. of instigating unrest in Hong Kong and allowed their currency, the renminbi, to fall in value against the U.S. dollar, signs that relations are worsening rather than improving.

#### A greater outsourcing of jobs to China will levy additional tariffs crippling China’s economy.

Gereffi 21 Gereffi, Gary, and Joonkoo Lee and [Hyun-Chin Lim](https://link.springer.com/article/10.1057/s42214-021-00102-z#auth-Hyun_Chin-Lim) . “Trade Policies, Firm Strategies, and Adaptive Reconfigurations of Global Value Chains.” Journal of International Business Policy, Palgrave Macmillan UK, 16 Mar. 2021, link.springer.com/article/10.1057/s42214-021-00102-z. SJEP

Since his inauguration in January 2017, U.S. President Donald Trump and his administration have imposed various trade restrictions against a host of countries, including its allies.1 The protectionist moves culminated in a U.S. trade conflict with China, which started in early 2018 and featured U.S. tariff hikes on imports from China and an American trade ban against Huawei, the Chinese electronics and telecom giant, over national security concerns and China’s retaliatory counter-tariffs. Despite a first-phase deal in January 2020, many contentious issues are largely unresolved (Swanson & Rapperport, [2020](https://link.springer.com/article/10.1057/s42214-021-00102-z#ref-CR83)), and the stand-off between the two countries has intensified amid the COVID-19 pandemic (Rudd, [2020](https://link.springer.com/article/10.1057/s42214-021-00102-z#ref-CR74)). The trade war is notable not only because it involves the world’s two largest economies tightly connected through GVCs, but also because GVCs continued to expand in recent decades amidst lowered trade barriers and a rules-based regime under the World Trade Organization (WTO), which provided predictability in trade and investment (Azmeh, [2019](https://link.springer.com/article/10.1057/s42214-021-00102-z#ref-CR2); Fajgelbaum, Goldberg, Kennedy & Khandelwal, [2020](https://link.springer.com/article/10.1057/s42214-021-00102-z#ref-CR26)). Now, the tide is apparently turning in the opposite direction, raising the specter of the shrinkage, if not demise, of GVCs (Chor, [2019](https://link.springer.com/article/10.1057/s42214-021-00102-z#ref-CR17)). However, given the prevalence of GVCs nowadays, the impacts of trade restrictions can be different from those in the pre-GVC world, and some measures can have unintended consequences (Bellora & Fontagné, [2019](https://link.springer.com/article/10.1057/s42214-021-00102-z#ref-CR7); Blanchard, [2019](https://link.springer.com/article/10.1057/s42214-021-00102-z#ref-CR9)). In the GVC world, diverse trade patterns other than a simple bilateral exchange of final goods exist, and trade is intertwined with foreign direct investment (FDI) and outsourcing (UNCTAD, [2013](https://link.springer.com/article/10.1057/s42214-021-00102-z#ref-CR86); Head & Mayer, [2019](https://link.springer.com/article/10.1057/s42214-021-00102-z#ref-CR50)). As a result, the effect of trade restrictions can be amplified beyond the two disputing partners or the targeted final products. For instance, when U.S. or third-country firms outsource to or invest in China in order to export to the U.S., they are immediately exposed to the U.S. restrictions against China. Thus, higher U.S. import tariffs penalize many non-Chinese firms (including American ones) that use China as a sourcing location where imported inputs are assembled for export to the U.S, as in the case of Apple’s iPhone.2 At the same time, higher tariffs on imported intermediate goods from China can hurt U.S. domestic firms using these inputs. Tesla, an American electric vehicle company, uses imported parts from China, and higher U.S. tariffs will drive up its U.S. production costs (Matousek, [2018](https://link.springer.com/article/10.1057/s42214-021-00102-z#ref-CR63)). Furthermore, because “not all imports are equal” (Gereffi, [2018b](https://link.springer.com/article/10.1057/s42214-021-00102-z#ref-CR39): 436), the impact and magnitude of trade restrictions are highly specific and vary not only by sector (Erken, Giesbergen & Nauta, [2019](https://link.springer.com/article/10.1057/s42214-021-00102-z#ref-CR25)) as well as over time, but also by the type of GVC linkages a country or firm is involved in (Gereffi, Humphrey & Sturgeon, [2005](https://link.springer.com/article/10.1057/s42214-021-00102-z#ref-CR43); Van Assche & Gangnes, [2019](https://link.springer.com/article/10.1057/s42214-021-00102-z#ref-CR89)). Thus, it is increasingly difficult to pinpoint the winners and losers of trade policies because they are not always straightforward in a GVC world. The gains and losses depend not only on a country’s or firm’s engagement with its target market, but also the way it is involved in GVCs through third countries and the time period involved.

#### An economically weak China leads to diversionary war– it escalates.

Hassid, PhD, 19

(Jonathan, PoliSci@Berkeley, AssistProfPoliSci@IowaState, A Poor China Might Be More Dangerous Than a Rich China, in Foreign Policy Issues for America, ed. Richard Mansbach DPhil and James McCormick PhD, Routledge)

China has a number of political differences and potential conflicts with the United States, some of which are summarized in Chapter 4. From China’s vast maritime territorial claims, the anomalous status of Taiwan to America’s alliances with Japan and South Korea, its treatment of Tibetans and Islamic minorities like the Uighurs, and its reluctance to implement UN-sponsored sanctions to force North Korea to abandon nuclear weapons, there are many potential flash points in the Sino-U.S. relationship. Many analysts noted that at the 19th Party Congress Xi Jinping promoted a more aggressive and muscular foreign policy, promising that China would become a world superpower by 2050. This fact alone could presage eventual conflict with the current reigning superpower, the United States. Indeed, many in China and across Asia feel that President Trump’s pullout from the U.S.-led Trans-Pacific Partnership (TPP) have already signaled US retreat from the region, opening the way for a more assertive Chinese foreign policy. Some analysts go further, arguing that China is even now trying to build its own world order and muscle out U.S. trade influence by signing new bilateral trade agreements with historical U.S. allies like Canada. These signs may point to potential conflict in the future. However there is also reason to be hopeful; relations between the two giants were normalized in the 1970s, and thus far China and the United States have avoided serious conflict. In part this has been a result of U.S. policies in the region and because China has been able to increase its global status peacefully. But perhaps the most important reason conflict has been avoided is because Beijing has looked inwardly, concentrating on generating economic growth within its borders rather than making trouble beyond them. President Donald Trump has repeatedly argued that the United States must be more assertive in foreign affairs and in realizing its national interest regardless of the impact on others. His rhetoric has been highly combative. From vowing to declare China a “currency manipulator” on his first day in office – a claim he has since abandoned – to arguing that China has been cheating America in trade deals and denouncing the U.S. trade deficit with China, Trump has appeared to prefer confronting Beijing rather in engaging and cooperating with China. But this appearance of confrontation may belie a different reality. Many have noted that Trump and his family have personal business ties with China, including large investments and numerous pending trademark applications. Actions like Trump’s 2018 public support for state-owned Chinese tech company ZTE – coming just two days after the Chinese government announced a US $500m investment in a Trump-branded property in Indonesiaiii – further suggest to some that Beijing might be directly manipulating the US president to benefit Chinese foreign policy. Combined with the perception, common in Chinese official circles, that the United States under Trump is actually retreating from its commitments in Asia, the result might be additional areas of potential conflict with China and misperception and misunderstanding between the two. What might happen if there were an unintended Sino-American military confrontation in the South China Sea or the Sea of Japan, just as the Chinese economy slumps and triggers spreading labor unrest and disturbances at home? What might happen if Xi Jinping’s goal of having “no poverty in China by 2020” proves impossible, and China’s middle class becomes alienated from the regime and political dissent spreads owing to acute economic and/or environmental distress? Under such circumstances, China’s history suggests that Xi and other leaders might decide a “minor” foreign conflict would be a way to divert the attention of Chinese citizens from their domestic concerns. In China’s past, as we have seen, such “domestically-influenced” conflicts have been contained, but the very success of these previously limited conflicts might make Chinese leaders overconfident about their ability to avoid military escalation. Mistakes are easy to make, especially if the potential foe has a leader who tweets militant threats. If Beijing sought to distract an unhappy population by stirring up Chinese nationalism toward the United States, Taiwan, or Japan regarding maritime territorial claims, for example, and believes the Trump administration will not intervene, the two might careen toward a war that neither wants. An incident caused by a trigger-happy U.S. pilot or Chinese naval officer might escalate into a war that neither Washington nor Beijing sought. In the end, then, it may arguably better for the Trump administration that China continues to flourish economically. A prosperous China means that the United States has a valuable trading partner and – in certain issues – even a strategic partner. An impoverished China, however, might be bad news for everyone.

## 3

#### Biden has PC for infrastructure but it needs to maintained in the face of impatient democrats.

**Sullivan and Kane 6/11** [Sean and Paul. Sean Sullivan covers national politics, with a focus on the 2020 presidential campaign. Paul Kane. Washington, D.C.Senior congressional correspondent and columnist. Education: University of Delaware, BA. “‘Time is running out’: Democrats split over Biden’s relentless focus on infrastructure”. 6-9-2021. . https://www.washingtonpost.com/politics/democrats-split-biden-infrastructure/2021/06/10/f1f95a8e-c91f-11eb-afd0-9726f7ec0ba6\_story.html.] SJ//VM

“The infrastructure bill — its status is up in the air, but its long-term prognosis is okay,” said Brian Fallon, a former Senate Democratic aide who heads the liberal group Demand Justice. “You have another patient that’s dying on the table, and that’s the one you need to triage.” As pressure built in the party, Attorney General Merrick Garland signaled Friday that the Justice Department not only would scrutinize voting laws for signs of discrimination, but also would apply oversight to post-election audits. Supporters of former president Donald Trump have spearheaded audits in various states despite no evidence of fraud. “Where we see violations, we will not hesitate to act,” Garland said. Story continues below advertisement NAACP President Derrick Johnson said his group was “encouraged by the new tone on voting rights set by the Biden-Harris administration” but warned that the battle “is far from over.” As Garland spoke, the infrastructure talks remained fluid. Many Senate Democrats think that a bipartisan deal will never be reached, and that the prolonged bipartisan talks are only delaying the inevitable fallback to party-line legislation. White House press secretary Jen Psaki said Biden remains committed to pushing a bill through Congress this summer. Other Democrats strongly doubt that timetable can be achieved, however, and they worry that it will be even harder to pass anything next year, with congressional elections looming in November. Story continues below advertisement Many liberals initially accepted Biden’s push for a big infrastructure package as a follow-up to his covid-19 relief bill. But now they are alarmed at the plan’s slow progress, combined with aggressive moves by Republicans in Florida, Georgia, Arizona and Texas to pass restrictive voting laws, and they want the White House to redirect the power of the presidency to combat those efforts. [*After blocking voting bill, Texas Democrats call on Congress to do more*](https://www.washingtonpost.com/politics/texas-voting-rights-congress/2021/05/31/a3ff5f6a-c229-11eb-93f5-ee9558eecf4b_story.html?itid=lk_interstitial_manual_32) Fallon said Biden’s priorities are evident in his trips around the country to tout his infrastructure plan, punctuated by colorful activities such as [driving an electric vehicle in Michigan](https://www.washingtonpost.com/politics/biden-electric-truck/2021/05/18/168abee0-b815-11eb-a6b1-81296da0339b_story.html?itid=lk_inline_manual_33). “He’s test-driving Ford F-150s. He’s not going to Selma to talk about voting rights,” Fallon said. “That needs to happen.” Republicans see it differently, contending that Biden is trying to have it both ways by cramming his infrastructure bill with unrelated Democratic priorities. Story continues below advertisement “From the day the White House rolled out its first infrastructure plan in March, it’s been clear that the left’s definition of the word is evolving faster than even some Democrats can keep track,” Senate Minority Leader Mitch McConnell (R-Ky.) said on the Senate floor this week. “Medicaid expansion as infrastructure. Paid leave as infrastructure. And job-killing tax increases to hold the assortment together.” On the other hand, some liberal Democrats say they will oppose a deal with Republicans if it fails to address issues such as climate change, illustrating how hard a bipartisan deal will be in the evenly divided Senate. “From my perspective — no climate, no deal,” said Sen. Edward J. Markey (D-Mass.). “I’m not voting for an infrastructure bill that does not have climate.” He also rejected the idea of passing a more traditional bill that focuses on roads and bridges with the promise that a climate-centered bill would come later. Story continues below advertisement Markey recalled a climate bill passed by the House in 2009 that died in the Senate due to Republican opposition. “We now have a second chance at passing a piece of climate legislation that matches the scope and the scale of the problem,” Markey said. “We can’t allow Republican dilatory tactics to block consideration of a climate bill.” The prospects for a voting rights bill are if anything even more dire. All but one Democratic senator has signed on to the For the People Act, which has passed the House. The legislation, which Biden supports, would [set standards](https://www.washingtonpost.com/politics/manchin-voting-rights/2021/06/02/103db892-c320-11eb-93f5-ee9558eecf4b_story.html?itid=lk_inline_manual_43) for early voting and vote-by-mail that could override some state Republican voting laws. But Sen. Joe Manchin III (D-W.Va.), the lone holdout, said definitively this week that he would not vote for the plan, nor would he support changing the Senate filibuster rules to enable Democrats to pass it with a simple majority rather than 60 votes. White House officials have refrained from public criticism of Manchin, a reflection of his pivotal role in the Washington landscape. In a Senate that is divided 50-50, Manchin could single-handedly torpedo the infrastructure bill, prompting many in the White House to carefully mind what they say about him. White House officials said they are not taking voting rights any less seriously than infrastructure, pointing to recent remarks Biden made on the matter in Tulsa, his decision to [tap Vice President Harris to work on the issue](https://www.washingtonpost.com/politics/ahead-of-tulsa-trip-biden-to-unveil-new-plans-to-reduce-black-white-wealth-gap/2021/05/31/b80c9c4e-c269-11eb-8c18-fd53a628b992_story.html?itid=lk_inline_manual_47) and his executive order expanding ballot access. But voting rights activists note that those moves haven’t prevented the GOP voting laws from taking effect. The White House official working on voting rights expressed strong support for the For the People Act, even though the official thought it was not a panacea. The official said there are other means of fighting the Republican voting laws, through the courts or the executive branch. But the official said such efforts would be cumbersome and acknowledged that none would be as effective as the legislation. When it comes to infrastructure, in contrast, the president’s urgency has been in plain sight. Biden has traveled the country to promote his proposal. He’s enlisted Cabinet secretaries to help sell it. He’s holding Oval Office meetings where he negotiates directly on it. And he is expending significant political capital to get it across the finish line. In the eyes of Biden’s allies, this is a good recipe for success in the midterms and beyond. “The White House is right to make infrastructure a priority,” said Sen. Richard Blumenthal (D-Conn.), who is up for reelection. “It’s urgently time-sensitive because it’s so key to jobs and economic recovery, not to mention faith in the basic capacity of government to build bridges and roads.” Infrastructure is also an appealing goal for the White House because its passage may not require a long-shot effort to end the filibuster. If all 50 Democratic senators stick together, they could pass it with no Republican support using a special budgetary maneuver. That is not true for measures such as the voting rights bill, which has no connection to the budget, making it much more difficult to shepherd into law. Even if the bipartisan talks do not result in a deal, they are important to Manchin, who might not join a Democratic-only bill unless he thinks a real effort has been made to court Republicans, Democrats close to the process said. Underlying Democrats’ anxieties are painful memories of the early months of the Obama administration, when they passed a stimulus bill that many now think was too small, and talks on the Affordable Care Act dragged on without resulting in any GOP support. Now, some fear that if the party doesn’t move more swiftly, it could miss its chance to get an infrastructure bill passed. With no margin for error in the Senate, circumstances could shift at any moment, they say, noting that in 2010, Democrats unexpectedly lost a special Senate election, costing them a filibuster-proof majority and nearly dooming the ACA. “During the Obama admin, folks thought we’d have a 60 Dem majority for a while. It lasted 4 months. Dems are burning precious time & impact,” Rep. Alexandria Ocasio-Cortez (D-N.Y.) tweeted. “It’s a hustle. We need to move now.” Others warn that even if Biden is ultimately successful on infrastructure, his victory could be short-lived without action on voting rights, given next year’s midterm elections. “You can win a round, but it doesn’t mean you win the fight,” said the Rev. Al Sharpton.

#### Preserving comfortable union relations maintains PC.

**Kerrissey and Schofer 13** [Kerrissey, Jasmine, and Evan Schofer. Jasmine Kerrissey Department of Sociology University of California, Irvine Evan Schofer Department of Sociology University of California, Irvine. “Union Membership and Political Participation in the United States.” *Social Forces*, vol. 91, no. 3, 2013, pp. 895–928. *JSTOR*, www.jstor.org/stable/23361125] SJ//VM

Discussion and Conclusion We observe consistent evidence that union members are more politically engaged than non-members. The effect of union membership is broad, spanning most types of political and civic involvement, including voting, protesting, signing petitions, association membership, and so on, and holds up with a large range of control variables. 36 The prior literature looks mainly at voting outcomes – and often finds weak results when many variables are controlled – so even these basic findings represent a step forward. The magnitude of the union membership effect varies across outcomes, but is generally substantial. For instance, union members have 20% greater odds of voting than comparable non-members. The odds of participating in a protest were 73% to 100% higher among union members, according to the Roper and Verba datasets, respectively. Many of the large and highly significant effects are in areas of social protest and electoral participation. In the case of volunteering and charitable donations, for instance, we see substantially larger effects in political forms of those activities – whereas general measures of volunteering and donations show smaller effects. We observe weaker or non-significant effects of union membership on activities that are far removed from union agendas, such as general civic membership, volunteering, or blood donation. It appears that unions build ‘political capital’ more than generalized ‘social capital’.8 These patterns are broadly consistent with our structural arguments, discussed above, that contemporary American labor unions face strong pressures to mobilize members to prepare for collective action with employers and to maintain political capital with the Democratic party.

#### Strike would divide the Union

Israelstam 17 [Ivan. Ivan Israelstam is the Chief Executive of Labour Law Management Consulting. “What is the impact of strikes for employers and employees?”. 11-22-2017. Skills Portal. https://www.skillsportal.co.za/content/what-impact-strikes-employers-and-employees.] SJ//VM

The loss of production and of customers is usually the first consequence of a strike. However, indirect strike costs incurred later can be just as serious. In the case of *NUM and others vs Chrober Slate (Pty) Ltd* (2008, 3 BLLR 287) the mine dismissed its quarry workers and factory staff due to an unprocedural strike by the quarry workers. The employer admitted that the factory staff were not to blame for the work stoppage as it had been the quarry workers who had refused to work. The dismissals of the factory staff were found to be unfair and the Labour Court ordered the mine to reinstate the 42 dismissed employees with back pay. In order to avoid the snowballing costs and loss of business that strikes can cause the employer needs to understand: What constitutes a strike in legal terms, The economic effects of a strike for both parties, The effects of a strike on the employment relationship, How to resolve constructively the conflict that causes industrial action, How to minimise the damage caused by a strike, and How to bring a strike to a speedy end. WHAT CONSTITUTES A STRIKE? A strike is any concerted withholding of labour by a group of employees in support of a demand made by them to the employer. Examples of this are work stoppages, go-slows, overtime bans and work-to-rule. THE ECONOMIC EFFECTS OF A STRIKE FOR BOTH PARTIES. The employer is likely to lose money due to delayed service to clients or to lost production time. The employees will lose their pay due to the no work, no pay principle. If the strikers are dismissed they will lose their livelihoods altogether. THE EFFECTS OF A STRIKE ON THE EMPLOYMENT RELATIONSHIP. Once the strike is over, even if the business has not been closed down by it, the feelings of hostility resulting from the strike can severely damage teamwork, productivity and profitability. HOW TO RESOLVE CONSTRUCTIVELY THE CONFLICT THAT CAUSES INDUSTRIAL ACTION. Before the conflict gets to the stage of impasse that results in a strike the parties need to utilise the services of an expert in conflict resolution. The CCMA was set up with the purpose of helping the parties to resolve conflict peacefully. However, in practice, the warring parties too often go to the CCMA because the law says they must rather than in a sincere attempt to sort out their differences. In other words, by the time the parties end up at the CCMA the conflict is often beyond the point of no return. For this reason, during times of industrial peace, employers and employees should identify and agree upon the use of a trained and reputable conflict resolution expert to be called in when the parties are unable to solve the problem themselves. HOW TO MINIMISE THE DAMAGE CAUSED BY A STRIKE. Employees should allow the business to continue to run in order to avert the likelihood of a closure that could result in job losses. Employers should use the services of a reputable labour broker who can provide alternative labour during the strike. Both parties should behave in a civil and professional manner towards each other. HOW TO BRING A STRIKE TO A SPEEDY END. Where the parties are unable to find common ground they should not delay in bringing in the services of their mutually agreed strike resolution expert. An expert in this field will not only have techniques of bringing the parties together but will also be able to see solutions that the emotions of the parties have prevented them from seeing. The expert should also be able to help the parties rebuild their relationship once the strike is over.

#### Infrastructure bill is necessary to tackle emission reduction goals.

**Newburger 3/29** [Emma. Emma Newburger is a Climate policy reporter at [@CNBC](https://twitter.com/CNBC). [@Cornell](https://twitter.com/Cornell) grad. “Here’s how Biden’s infrastructure package will likely tackle climate change”. 1-27-2021. CNBC. https://www.cnbc.com/2021/03/29/biden-infrastructure-bill-what-to-expect-on-climate-change.html.] SJ//VM

President Joe Biden delivers remarks on tackling climate change prior to signing executive actions as White House climate envoy John Kerry and Vice President Kamala Harris listen in the State Dining Room at the White House in Washington, U.S., January 27, 2021. President [Joe Biden](https://www.cnbc.com/joe-biden/) this week is set to unveil details of a major infrastructure package that’s expected to include record spending on mitigating [climate change](https://www.cnbc.com/environment/) and accelerating a nationwide transition to clean energy. The president is expected to introduce up to $3 trillion in spending on efforts to boost the economy, including rebuilding aging infrastructure like highways, bridges and rail lines, and investing in technologies to reduce planet-warming greenhouse gas emissions. Some of the policies on the table include:

Installing thousands of new electric vehicle charging stations

Funds to build energy-efficient homes

Constructing new electric power lines

The package may be split between two bills, starting with legislation that incorporates Biden’s [Build Back Better agenda](https://joebiden.com/build-back-better/) and supports his goal to achieve carbon-free power generation by 2035 and net-zero emissions by 2050. The recovery plan will potentially involve installing thousands of electric vehicle charging stations and providing incentives to encourage Americans to purchase electric vehicles. As a candidate, Biden vowed to establish ambitious fuel economy standards for gasoline cars to encourage a shift to electric vehicles. The transportation sector accounts for the [largest share of U.S. emissions](https://www.epa.gov/ghgemissions/sources-greenhouse-gas-emissions#:~:text=Transportation%20(28.2%20percent%20of%202018,ships%2C%20trains%2C%20and%20planes.), according to the Environmental Protection Agency, and could be the most difficult to decarbonize. The package also is primed to include funding to build millions of new energy-efficient homes and retrofit existing buildings to increase efficiency. There’s money to construct electric power lines that provide renewable energy and expand electricity storage. Paul Bledsoe, a former Clinton White House climate advisor now with the Progressive Policy Institute, said Biden’s goal is to jumpstart the economy and create new jobs during the transition away from fossil fuels. “Electrifying America’s cars and trucks, creating a nationwide smart grid, expanding electricity storage to allow more renewable energy, establishing universal high speed internet — all of these are intended to boost the productivity and competitiveness of the economy, while also cutting emissions,” Bledsoe said. Loading low-carbon energy initiatives into an infrastructure bill will likely be more divisive in Congress than previous Covid stimulus legislation. The last major push to pass climate legislation through the Senate was in 2009, when congressional Democrats failed to pass a carbon-pricing system. Some Democrats and climate activists fear that another failure to pass meaningful climate legislation amid concerns that a clean energy transition will cost jobs. Some Republicans who opposed Biden’s pandemic relief package have also condemned the president’s goal to incorporate climate policy into infrastructure legislation. Rep. Sam Graves, R-Mo., the top Republican on the House Committee on Transportation and Infrastructure, said he’ll work with Democrats on infrastructure but that prioritizing climate issues would not receive GOP support. “A transportation bill needs to be a transportation bill, not a Green New Deal,” Graves said during a hearing Thursday. “It needs to be about roads and bridges.” House Speaker [Nancy Pelosi](https://www.cnbc.com/nancy-pelosi/) said Thursday she’ll support a bipartisan bill but will not eliminate components addressing climate change due to Republican objections. “We cannot just settle for what we can agree on without recognizing that this has to be a bill for the future, that we have to recognize the climate crisis,” Pelosi [told reporters.](https://www.speaker.gov/newsroom/32521-0) Biden has argued that his actions on climate will create millions of jobs. The president has already issued a series of climate executive orders, including suspending new oil and gas leasing on federal lands and [rejoining the U.S. into the Paris climate accord](https://www.cnbc.com/2021/01/20/biden-inauguration-us-rejoins-paris-climate-accord.html). The administration is leaning toward pursuing the bipartisan infrastructure legislation and passing other components through budget reconciliation, which would require only Senate Democrats to vote. “To gain the broadest support in Congress, Biden must emphasize the economic and jobs benefits of these investments first and foremost, not simply the climate benefits,” Bledsoe said. Stephanie Gidigbi Jenkins, director for policy and partnerships at the Natural Resources Defense Council, said the administration’s infrastructure proposal so far is “clearly focused on the right problems.” “Making these investments will create millions of good, American jobs and help us address the legacy of racial injustice,” Jenkins said. “Given the ambitions from the Biden administration and the commitment from key congressional leaders, we now have a historic opportunity to rebuild our economy for a cleaner, brighter future,” Jenkins added. “We are confident that Congress can achieve these goals.”

#### Extinction

Specktor 19 [Brandon writes about the science of everyday life for Live Science, and previously for Reader's Digest magazine, where he served as an editor for five years] 6-4-2019, "Human Civilization Will Crumble by 2050 If We Don't Stop Climate Change Now, New Paper Claims," livescience, <https://www.livescience.com/65633-climate-change-dooms-humans-by-2050.html> Justin

The current climate crisis, they say, is larger and more complex than any humans have ever dealt with before. General climate models — like the one that the [United Nations' Panel on Climate Change](https://www.ipcc.ch/sr15/) (IPCC) used in 2018 to predict that a global temperature increase of 3.6 degrees Fahrenheit (2 degrees Celsius) could put hundreds of millions of people at risk — fail to account for the **sheer complexity of Earth's many interlinked geological processes**; as such, they fail to adequately predict the scale of the potential consequences. The truth, the authors wrote, is probably far worse than any models can fathom. How the world ends What might an accurate worst-case picture of the planet's climate-addled future actually look like, then? The authors provide one particularly grim scenario that begins with world governments "politely ignoring" the advice of scientists and the will of the public to decarbonize the economy (finding alternative energy sources), resulting in a global temperature increase 5.4 F (3 C) by the year 2050. At this point, the world's ice sheets vanish; brutal droughts kill many of the trees in the [Amazon rainforest](https://www.livescience.com/57266-amazon-river.html) (removing one of the world's largest carbon offsets); and the planet plunges into a feedback loop of ever-hotter, ever-deadlier conditions. "Thirty-five percent of the global land area, and **55 percent of the global population, are subject to more than 20 days a year of** [**lethal heat conditions**](https://www.livescience.com/55129-how-heat-waves-kill-so-quickly.html), beyond the threshold of human survivability," the authors hypothesized. Meanwhile, droughts, floods and wildfires regularly ravage the land. Nearly **one-third of the world's land surface turns to desert**. Entire **ecosystems collapse**, beginning with the **planet's coral reefs**, the **rainforest and the Arctic ice sheets.** The world's tropics are hit hardest by these new climate extremes, destroying the region's agriculture and turning more than 1 billion people into refugees. This mass movement of refugees — coupled with [shrinking coastlines](https://www.livescience.com/51990-sea-level-rise-unknowns.html) and severe drops in food and water availability — begin to **stress the fabric of the world's largest nations**, including the United States. Armed conflicts over resources, perhaps culminating in **nuclear war, are likely**. The result, according to the new paper, is "outright chaos" and perhaps "the end of human global civilization as we know it."