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#### Post-Covid economic recovery is fragile now- inflation is adding pressure.

Lynch 6-11 [David J. Lynch Washington, D.C. Financial writer covering trade and globalization Washington Post, 6-11-2021, "Rising prices in the U.S. could rattle other countries amid uneven global recovery," <https://www.washingtonpost.com/us-policy/2021/06/11/inflation-fed-biden-recovery/>] 6/13/2021

U.S. leaders stumbled in their initial pandemic response. But they did flood[ed] the economy with several trillion dollars, powering through the worst of the health scare and quickly resuming growth. Europe provided less direct relief to its citizens and has seen weaker results. By the end of June, U.S. output should be slightly above its pre-pandemic level while the European Union will still be about 4 percent below its starting point, said Sheets. Still, the U.S. rebound has been anything but smooth. Labor market progress has disappointed and an uneven reopening has led to widespread shortages, including of semiconductors, resin, ketchup and lumber. Those supply-chain headaches are going global. An increasing number of countries are suffering supply disruptions, shipping problems and delivery delays, forcing companies to raise prices to compensate, said Robin Brooks, chief economist for the Institute of International Finance, an industry group. “The world has never seen the kind of global supply disruptions we are seeing now,” Brooks wrote this week. The Federal Reserve insists that May’s 5 percent annual inflation reading — the highest since August 2008 — represents a temporary fever. The supply of goods will improve as more companies resume normal operations while consumer demand will ease as government stimulus payments taper off, it says. Fed officials insist they will stay the course even as rising prices draw attacks from Republican lawmakers and high-profile economists such as Lawrence Summers of Harvard University, a former Democratic treasury secretary. In Summers’s view, the Biden administration’s lavish multitrillion-dollar spending plan coupled with the Fed’s near-zero interest rates means “overheating is now the largest risk” to the U.S. economy. Summers took to Twitter this week to warn that if the Fed or financial markets ultimately push rates higher in response to galloping inflation, “there will be enormous risks to an already fragile and over leveraged global economy.” There is no doubt that pricing pressures are increasing.G-III Apparel Group, which distributes clothing under brands such as DKNY, Donna Karan, Tommy Hilfiger and Calvin Klein, told investors this week that it plans “to selectively raise prices to largely offset higher freight costs.” Rising raw material and shipping costs likewise prompted Donaldson Co., a maker of filtration systems, to raise prices this year and to draw up plans to do so again, the company said earlier this month. And home builder Hovnanian Enterprises said it will follow suit. “We plan to continue to raise prices to keep up with rising material and labor costs, align sales pace with our ability to start homes and improve our margins,” CEO Ara Hovnanian said this month. But amid Summers’s alarms, financial markets yawned. The S&P 500 index hit a record high on Thursday while the yield on 10-year Treasury bonds continued a month-long decline, reflecting investor comfort with the outlook. The Fed’s patience has been rewarded. Lumber, one of the suddenly scarce commodities that saw prices spike, has fallen by one-third over the past month with the return of more sawmills to normal operations. Despite talk of a labor shortage, the three-month moving average of median hourly wage growth is lower today than at the start of the year, according to a Federal Reserve Bank of Atlanta gauge. That means individuals’ expectations of future inflation are not yet driving demands for higher pay, a key component of an unbridled price rise. Central bankers elsewhere are mimicking the Fed. In Canada, where inflation jumped to 3.4 percent in April, the Bank of Canada on Wednesday opted to leave its benchmark lending rate unchanged. “We expect inflation to stay around 3 percent through the summer and then to ease later in the year as remaining slack in the economy pushes inflation down,” said Tim Lane, deputy governor of the Bank of Canada, in a speech to a group of financial advisers. In Europe, consumer prices in May breached the European Central Bank’s policy goal for the first time since 2018, rising at an annual rate of 2 percent. On Thursday, the ECB said it would continue its bond purchases to support the economy while raising its inflation forecasts for this year and next to 1.9 percent and 1.5 percent, up from 1.5 percent and 1.2 percent. Much of the rise in European inflation is due to developments that are unlikely to be repeated: a doubling in oil prices since October and the reinstatement of a German value-added tax that had been suspended during the pandemic, ECB President Christine Lagarde said. In China, producer prices in May rose 9 percent from one year earlier, the National Bureau of Statistics said on Wednesday. Surging global commodity costs — copper is up 80 percent over the past year — were largely to blame for the highest jump since September 2008. Chinese factories so far are largely absorbing the costs. People’s Bank of China Gov. Yi Gang said this week that consumer price growth this year will be below 2 percent, lower than the government’s 3 percent annual goal. Hiring troubles prompt some employers to eye automation and machines History offers support for the Fed’s sanguine stance. Following the 2008 financial crisis, the Bank of England held its fire while the inflation rate more than doubled to 4.5 percent in about a year and a half. Ultimately, the increase fizzled and the authorities were vindicated. Indications that there remains enormous slack in the labor market, even as the unemployment rate has dropped from 14.8 percent in April 2020 to 5.8 percent today, also explains the Fed’s patience. The share of the population age 16 and above that is working or looking for work remains near its lowest point since women entered the workforce in large numbers in the 1970s. Just 61.6 percent of the population is in the labor force today, down from more than 66 percent in 2007. Fed Chair Jerome H. Powell wants to run the economy hot enough, long enough, to lure many of them back to productive work. If that means enduring a year or more of fast-rising prices, it’s a bargain the Fed is willing to take. The Fed says it won’t raise rates for three years. But if it’s forced to act sooner, a sudden rate hike would slow the economy and lead to a stronger dollar. That could trigger destabilizing capital flows from developing nations and make repaying dollar loans more expensive for foreign businesses that earn local currency from their operations.

#### Unions’ demands for higher wages causes an inflationary spiral.

Guida 6-4 Victoria Guida [an economics reporter covering the Federal Reserve, the Treasury Department and the broader economy. She has spent her Washington career writing about bank regulations, monetary policy and trade negotiations.

A Dallas native, she graduated from the University of Missouri with a double major in journalism and political science.] , 6-4-2021, "Biden’s back door to wage hikes," POLITICO, https://www.politico.com/news/2021/06/04/bidens-back-door-to-wage-hikes-491911

“The ‘shortages’ we are seeing in lower-wage jobs and the accompanying wage pressures are an early sign of success” for the president's agenda, said Julia Coronado, founder of MacroPolicy Perspectives. That success may be short-lived. Higher wages could be among the biggest factors in pressuring the Federal Reserve to raise interest rates if clear signs of an inflation spike appear. They also risk slowing hiring for those who will increasingly seek to return to the workforce as the pandemic subsides, as companies try to keep costs down. That’s why workers’ pay was a major focus for Fed officials in Friday's U.S. employment report for May. They want to see wage gains for the workforce — but what’s behind those raises matters. Wage growth “is positive if it reduces hardship, reduces inequality and is not eaten away or reversed by higher inflation,” said Tim Duy, an economics professor at the University of Oregon and a former U.S. Treasury economist. “But we should be cognizant of the possibility that we’re inducing more inflation.” Income growth has been relatively strong, particularly in the last couple of months, despite disappointing overall job growth. Wages were up about 2 percent in May compared to the year before, and that number likely underestimates the real amount of income growth for technical reasons; lower-wage workers disproportionately lost jobs last year, making the overall average for those who kept their positions look higher then, and the opposite effect is now occurring as Americans return to the labor market. "Anyone looking at the 2.0% increase in yr/yr wages is missing the story," Jason Furman, a Harvard professor and former top economic adviser to President Barack Obama, said in a tweet. "Nominal wages up 1.2% in April/May. That is a 7.4% annual rate. That is huge." The pressure to do more to attract employees could continue to grow in certain public-facing industries. According to the Labor Department‘s jobs report, about 2.5 million people are still being held back from looking for work because of the pandemic. Wages for non-managerial leisure and hospitality workers grew 1.3 percent last month and are up 3.7 percent compared to May 2020. At the heart of the fight for higher pay is a desire for workers to share in a greater portion of the nation's economic rewards after decades of sluggish wage growth — the result of the weakening of labor unions, companies shifting production overseas and increased use of job-displacing automation. This would ideally show up as bigger raises as the economy expands faster. But if higher wages are instead passed along to customers at higher prices, that can create an inflationary cycle, as opposed to the one-time price increases that many experts believe the economy can absorb as people’s behavior, and global supply chains, return to normal. “In the near term, I wouldn’t say this is necessarily a dangerous situation if we’re just raising wages for a group of people who have been traditionally disadvantaged,” Duy said. But the longer there are shortages that make employers feel more comfortable raising prices as well as wages, “that’s where you get into this potential shift in the psychology where the wage gains and the price gains become linked.” Heidi Shierholz, director of policy at the left-leaning Economic Policy Institute and a former chief economist at the Labor Department, said Americans are not seeing the type of widespread shortage-induced wage increases that would be cause for concern. “Things are re-normalizing; it’s not like things are out of whack,” she said, adding that some of the wage increases for leisure and hospitality workers might have come from a return to normal tipping practices as restaurants reopened. “I have longer-run concerns,” she added. “The wages were too low in that sector before Covid hit, so re-normalizing is not exactly where we want to be.” For its part, the Fed is pursuing a state of “full employment,” where wages rise because most people have jobs, and the central bank has said it’s willing to tolerate inflation above its 2 percent target to get there. But the hesitance by some workers to return to the labor force is only creating the illusion of that dynamic, said Adam Ozimek, chief economist at Upwork. “If employers are raising wages right now due to temporary shortages, then that risks slowing job growth when those temporary shortages are gone,” with millions still out of work, Ozimek said. “If we were at full employment, and we were seeing inflationary pressures, that wouldn’t concern me at all,” he added. “You’re getting it because of good and sustainable reasons. That’s not the same thing as inflation due to temporary supply shortages.”

#### That collapses the economy.

Colombo 18 [Jesse Colombo is an economic analyst and Forbes contributor who warns about bubbles and future financial crises], “How Interest Rate Hikes Will Trigger The Next Financial Crisis”, Forbes, 9-27-18, https://www.forbes.com/sites/jessecolombo/2018/09/27/how-interest-rate-hikes-will-trigger-the-next-financial-crisis/?sh=5401bf966717

On Wednesday, the U.S. Federal Reserve hiked its benchmark interest rate by a quarter-percentage point to 2% - 2.25%, which is the highest level since April 2008. As rates continue to climb off their post-Great Recession record lows, market participants and commentators are showing almost no signs of fear as the stock market is hitting records again and complacency abounds. Unfortunately, "soft landings" after rate hike cycles are as rare as unicorns and virtually all modern rate hike cycles have resulted in a recession, financial, or banking crisis. There is no reason to believe that this time will be any different. As I've explained in the past, periods of low interest rates help to create credit and asset booms in the following ways: By encouraging more borrowing by consumers, businesses, and governments By discouraging the holding of cash versus spending and speculating in riskier assets & endeavors Investors can borrow cheaply to speculate in assets (ex: cheap mortgages for property speculation and low margin costs for trading stocks) By making it cheaper to borrow to conduct share buybacks, dividend increases, and mergers & acquisitions By encouraging higher rates of inflation, which helps to support assets like stocks and real estate When central banks set interest rates and hold them at low levels in order to create an economic boom after a recession (as our Federal Reserve does), they interfere with the organic functioning of the economy and financial markets, which has serious consequences including the creation of distortions and imbalances. By holding interest rates at artificially low levels, the Fed creates "false signals" that encourage the undertaking of businesses and other endeavors that would not be profitable or viable in a normal interest rate environment. The businesses or other investments that are made due to artificial credit conditions are known as "malinvestments" and typically fail once interest rates rise to normal levels again. Some examples of malinvestments are dot-com companies in the late-1990s tech bubble, failed housing developments during the mid-2000s U.S. housing bubble, and unfinished skyscrapers in Dubai and other emerging markets after the global financial crisis. Though it can be difficult to tell precisely which investments or businesses are malinvestments in a central bank-distorted economy, a quote by Warren Buffett is extremely applicable: "only when the tide goes out do you learn who's been swimming naked." For the purpose of this discussion, "the tide going out" refers to rising interest rates. The mass failure of malinvestments in an economy as interest rates rise typically results in recessions or banking/financial crises. The chart below shows how recessions or financial crises have occurred after historic interest rate hike cycles: Here is a list of historic recessions, banking, and financial crises that have occurred after interest rate hike cycles (this list corresponds with the chart above): Late-1970s/early-1980s rate hike cycle: 1980 recession: A 6-month recession that concentrated in housing, manufacturing, and the automotive industry. 1981 - 1982 recession: A 16-month recession in which 2.9 million jobs were lost. U.S. savings and loans crisis: 1,043 out of the 3,234 savings and loan associations failed as the interest rate at which they could borrow rose above the fixed interest rates on the loans that they had issued. In addition, savings and loan institutions were limited by interest rate ceilings, which caused them to lose deposits to higher-earning commercial bank accounts. U.S. housing market bust: Mortgage rates surged as high as 18%, which caused housing affordability to sink. As a result, existing-home sales fell by 50% from 1978 to 1981, affecting the whole industry - including mortgage lenders, real estate agents, construction workers, etc. Automotive industry crisis: Similar to the situation in housing, higher interest rates made automobile financing much more expensive. As a result, automobile sales plunged, causing 310,000 jobs (or one-third) in the industry to be cut. Latin American debt crisis: Rising interest rates made it harder for heavily-indebted Latin American countries to pay back their debts. Mid-1980s rate hike cycle: Continental Illinois bank failure: In 1984, Continental Illinois became the largest bank failure in U.S. history (until Washington Mutual's failure in 2008). Rising interest rates and bad loans to Texas and Oklahoma oil & gas producers strongly contributed to the bank's demise. Late-1980s rate hike cycle: Early-1990s recession: An 8-month recession in which 1.623 million jobs were lost. U.S. savings and loans crisis: Higher interest rates and the U.S. real estate downturn caused a continuation of the savings and loans crisis that began in the early-1980s. U.S. real estate downturn: Rising interest rates caused a downturn in both commercial and residential real estate. Mid-1990s rate hike cycle: Emerging markets crisis/Mexican peso crisis: Low U.S. interest rates in the early-1990s made higher-yielding emerging markets assets more attractive to investors. As U.S. interest rates rose, Mexico and other emerging economies experienced painful readjustments and currency devaluations. Orange County, California bankruptcy: Bad bets on highly leveraged interest rate derivatives bankrupted the county as interest rates rose. Early-2000s rate hike cycle: Early-2000s recession: An 8-month recession in which 1.59 million jobs were lost after the tech bubble burst. Tech bubble bust: Higher interest rates helped burst the late-1990s tech bubble that was centered around internet-related companies, dot-coms, the telecom industry, etc. Mid-2000s rate hike cycle: Great Recession: An 18-month recession in which 8.8 million jobs were lost after the U.S. housing and credit bubble burst. U.S. housing bubble bust/credit crunch: Low interest rates after the early-2000s tech bust led to the formation of a bubble in housing and credit. When interest rates rose again in the mid-2000s, housing prices and mortgage-backed securities plunged. The Current Rate Hike Cycle Won't End Any Differently All of the modern interest rate hike cycles we have examined resulted in recessions or financial crisis, and the current one will be no different. This time around, it will be the "Everything Bubble" that bursts. "Everything Bubble” is a term that I’ve coined to describe a dangerous bubble that has been inflating in a wide variety of countries, industries, and assets – please visit my website to learn more. After nearly a decade of ultra-low interest rates, the U.S. and global economy are saturated with bubbles and other distortions that will only be revealed by rising interest rates. Because of our record debt burden, interest rates do not have to rise nearly as high as in prior cycles to cause a recession or financial crisis this time around. Here are some examples of interest rate-sensitive sectors that I believe are experiencing bubbles that will burst as interest rates rise: Emerging markets: Ultra-low interest rates and quantitative easing in the U.S. and Europe after the Great Recession caused trillions of dollars worth of "hot money" to flow into emerging economies, which led to the development of credit and asset bubbles in those countries. Emerging market debt nearly tripled to $60 trillion in the past decade. Turkey, South Africa, and many other emerging markets are being roiled as U.S. interest rates and the dollar rise. U.S. corporate debt bubble: The low interest rate[s] environment after the Great Recession has encouraged public corporations to borrow heavily in the bond market. Total outstanding non-financial corporate debt has increased by over $2.5 trillion or 40% since its 2008 high. U.S. corporate debt is now at an all-time high of over 45% of GDP (see chart below), which is even worse than the levels reached during the dot-com bubble and U.S. housing and credit bubble. Read my corporate debt bubble warning on Forbes to learn more. U.S. shale energy boom/energy junk bonds: This boom/bubble is closely related to the corporate debt bubble discussed above. Extracting oil and gas from shale via fracking is extremely capital-intensive and would not be feasible in a normal interest rate environment. Thanks to the artificially low interest rate environment since the Great Recession, the shale energy industry’s net debt surged to $200 billion in 2015 - a 300% increase from 2005. Rising interest rates and the bursting of the corporate debt/junk bond bubble will cause a major bust in the shale energy industry. U.S. auto loans: Low interest rates after the Great Recession made financing and leasing automobiles much cheaper, which has resulted in an automobile sales boom. Total outstanding auto loans increased 36% to $1.118 trillion in the past decade. Rising interest rates will cause monthly auto loan payments to be more expensive, which will result in lower sales and a bust in the automotive industry. U.S. commercial real estate: Commercial real estate is a very interest rate-sensitive arena that has levitated due to low interest rates after the Great Recession. According to Green Street Advisors, U.S. commercial real estate prices have more than doubled since 2009. U.S. residential real estate: As I've recently explained in Forbes, U.S. housing prices now exceed their housing bubble peak and are up 50% from their low point in 2012 thanks to ultra-low mortgage rates. Mortgage rates did not reach such low levels on their own, but due to intervention by the Fed in the form of quantitative easing. The Fed is now reversing its quantitative easing program by $40 billion per month and, unsurprisingly, mortgage rates just hit a seven-year high and the housing market is decelerating. U.S. stock market investors are dangerously exposed to coming busts in interest rate-sensitive sectors, which will spill over into the highly-inflated stock market. Please read my U.S. stock market bubble report in Forbes for more information. The S&P 500 has risen over 300% since March 2009 due to the Federal Reserve's market manipulation: Many valuation measures show that the U.S. stock market is more overvalued than it was at major generational market peaks, which means that another sharp bear market is inevitable. According to the U.S. stock market capitalization-to-GDP ratio (also known as Warren Buffett’s "favorite indicator"), the market is more overvalued than it was during even the dot-com bubble: The current interest rate hike cycle won't end any differently than the others discussed in this piece - if anything, it will likely end in an even worse manner because interest rates were held at record low levels for a record period of time. The coming recession, crisis, and bear market will be proportionate to the unprecedented imbalances and distortions that have built up in our economy.

#### Causes global nuclear war

Tønnesson 15, Dr. Stein Tønnesson is a Norwegian peace researcher and historian. International Area Studies Review, 18(3), “Deterrence, interdependence and Sino–US peace.” <https://journals.sagepub.com/doi/abs/10.1177/2233865915596660> you know how to access it | ahsBC

Mutual economic dependence between China and the US within an integrated global economic system including Japan, South Korea and the ASEAN countries is probably the most cited reason for expecting East Asia to remain peaceful. The cost of conflict is assumed to be prohibitive. So although East Asia does not derive its peace from strategic trust, institutional integration or shared values, peace may still be preserved because national leaders give priority to their economic development, realize how costly a conflict would be, and expect to make further gains from open trade. Lampton (2014: 3, 7, 122, 136) holds that peace is enhanced by ‘the idea of global interdependence’, and puts forward an ‘interdependence theory’: institutional and economic interdependence dampens impulses toward conflict. While it does not make conflict impossible, and makes war even more destructive should it occur, it provides ‘incentives to keep conflict with major partners manageable’. There is now a ‘struggle for the soul of Chinese foreign policy between the realities of interdependence and the impulses of assertive nationalism’. Lampton does not go into detail about the question of when interdependence precludes war and when it does not. Christensen (2015: 41–46), however, is more specific as to why global interdependence today is of a different kind than in the past, and more likely to hinder war: trans-national production chains make it necessary for an aggressor state to ‘persuade a diverse set of foreign investors, suppliers of key components, and logistics companies to continue doing business’ after it has invaded a territory, and it is easy to see how difficult this may be.1 Thus it is less tempting than in the past to go to war: ‘While transnational production and interdependence is certainly no guarantee against war’, says Christensen, ‘it is still a major force for peace’ (Christenen, 2015: 46). The Russian invasions of Georgia and the Crimea, and the US invasions of Afghanistan and Iraq prove Christensen’s point about how difficult and costly it is to reconstitute a functioning economy after invading a territory, but show also that some governments disregard the costs when they see weighty geopolitical reasons for resorting to force against an inferior country with no nuclear arms. While conceding that interdependence restrains ambition and rivalry, White (2012: 50–52, 55, 116) doubts that restraints will prove stronger than pressures going the other way. He points at a psychological factor: ‘…most often people see it as shameful to put economic concerns first when issues of power and status are engaged’. When a choice has to be made in the glare of an international crisis, ‘it is very hard to put economics first’. And if both sides think the costs will be worse for their adversary than for themselves, they may wait for the other to blink. Since there is now just ‘one big global economy’ no major power can slam economic sanctions on another without hurting itself severely, but the momentum of rivalry could build up ‘before leaders or public wake up to the economic consequences’. Escalating rivalry could ‘begin to erode economic interdependence, rather than interdependence curbing escalation’, White adds. This must mean that interdependence actually does prevent or delay open conflict; only after governments have taken action to reduce their dependence are they willing to risk war. Steve Chan’s Enduring Rivalries in the Asia-Pacific (2013) is very optimistic: the general trend in East Asia, he says, is toward abatement rather than exacerbation of rivalries. Territorial disputes are less likely to escalate today than during the Cold War since East Asian states have shifted to policies emphasizing economic development. This has created a ‘synergistic effect that restrains interstate tension and rivalry’. Ties have been multilateralized, with many third parties gaining a vested stake in interstate stability. While China has increased its military capabilities it has also acquired an interest in preserving regional stability. On its side, the US faces resource constraints that make it wary of providing too strong support to its allies. This should work against bipolarization of regional relations. Chan’s optimism is not derived from recent events but from an assumption that underlying long-range forces create interests securing the peace: ‘Economic interdependence and political pluralism promote stakeholders that have a vested interest in stabilizing and expanding foreign ties, and these stakeholders are, in turn, self-motivated to lobby their government to undertake policies that abate rivalry’ (Chan, 2013: 20). Chan finds that the normal mechanism behind the outbreak and escalation of large wars is that a smaller state in an asymmetrical relationship chooses a confrontational behaviour in the hope of gaining support from a major patron; those with little or no hope of receiving foreign support and those with a great deal of confidence in their ally’s commitment ‘are less likely to initiate such confrontation than those that are in an intermediate position’ (Chan, 2013: 108, 114, 186). Given the nature of Sino–US relations, no provocation by a smaller state in East Asia is likely to escalate. North Korea cannot count on Chinese support against South Korea. South Korea, Japan, and the Philippines are subjected to US ‘escalation control’. From the perspective of power balance theory, says Chan, greater power parity between China and the US should have ‘a stabilizing rather than a destabilizing effect’. This defies Mearsheimer’s reasoning but conforms to Yan’s analysis. Chan thinks China’s rise should stabilize regional relations by ‘curtailing any US tendency toward assertive unilateralism … the last thing Beijing wants to do is to trigger a costly arms race or precipitate forces that will pressure its neighbors to choose between it and Washington’ (2013: 82, 102, 104). While this seems reasonable, China’s behaviour in the last few years does not quite confirm Chan’s argument. The ways and the conditions under which cost concerns enter into Beijing’s decision-making need to be gauged. Who calls for caution? At which stage in a crisis? According to Chan the people and governments of East Asia have turned away from being garrison states to a model of political economy emphasizing economic growth. This presents ‘the most powerful firebreak against conflict contagion’. The region-wide transition to ‘economy first’ policies has been successful, and ‘successful policies are likely to be continued … emulated and replicated’. But can they continue to be successful if Western markets are no longer able to absorb huge quantities of Asian goods? Chan qualifies his argument: ‘…when states expect future economic relations to be disrupted or curtailed, they are likely to stop cooperating and might even lash out in war’ (2013: 135, 140, 147, 149). This same argument forms the nucleus of Dale Copeland’s ‘trade expectation theory’ (Copeland, 2015), which builds on his ‘dynamic differentials theory’ (Copeland, 2000). Copeland does not include nuclear deterrence as a part of his theory (he treats nuclear as no different from conventional deterrence), and has not studied Sino–US relations in particular. What he has done is to develop a comprehensive theory of major war, based on defensive realism while including liberal elements, and paying particular emphasis to the security–economy nexus. His findings, which are based on a number of historical case studies, are of considerable interest in the context of this paper. Copeland includes three kinds of power in his theory: military; economic; and ‘potential’. The latter includes several elements, such as size, age and education of the population, access to natural resources, and economic growth prospects. In Copeland’s most recent books he focuses more narrowly on just the economic aspect of potential power, namely ‘trade expectations’. His The Origins of Major War (2000) and Economic Interdependence and War (2015) include a number of elements and findings from which interesting implications for Sino–US relations today may be seen. As in the Thucydides trap (see below), third parties can play a significant role in provoking wars between major powers (Copeland, 2015: 443–444). Hence the need to cautiously manage the disputes between the two Korean states, China and Taiwan, China and Japan, and China and the Philippines has lost none of its importance. National leaders act on the basis of their beliefs about phenomena not necessarily on accurate knowledge (Copeland, 2000: 31–32; Copeland, 2015: 17). Beliefs about likely future trends are particularly salient, and the future cannot of course be accurately known. In bipolar systems a state believing itself to be in decline is much more likely than a rising power to initiate conflict: ‘rising states should want to avoid war while they are still rising, since by waiting they can fight later with more power’ (Copeland, 2000: 2–3, 14, 20). Hence China and the US have a mutual interest in preventing each other from fearing decline. Strong military powers who believe themselves to be in decline (have negative trade expectations) are particularly dangerous (Copeland, 2000: 5, 13, 22, 237, 241, 244; Copeland, 2015: 429). Thus Beijing must be weary of tying itself up too closely with a declining Russia and even more weary of American fears of decline. Dynamic relational factors such as ‘potential power’ or ‘trade expectations’ are more important in determining choice between war and peace than static factors, such as the actual level of trade, or a state’s form of governance on the ‘unit level’ (Copeland, 2000: 235–236, 238, 245; Copeland, 2015: 12, 14, 27–50, 435–436). To the extent that unit level differences count, the character of the target state is more important than that of the aggressor; while the liberal assumption that some kinds of regimes are more likely to initiate war than others is wrong, it is true that some kinds of regimes are more likely to be targetted than others.2 To avoid becoming a target it may help to be seen as predictable, transparent, respectful of international law, and open to trade and investments. In the conclusion to his exhaustive examination of how trade expectations have influenced various decisions for war in the period 1790–1991, Copeland is optimistic about today’s prospects: ‘there are strong reasons to believe that China will stay peacefully engaged in the system over the long term, at least as long as the United States proves willing to maintain an open and free-flowing global economic system’; ‘the reasons for optimistic economic expectations in both China and the United States should outweigh the reasons for pessimism for at least a couple more decades’ (Copeland, 2015: 432, 444). Chan’s and Copeland’s optimism depends on the continued success of globalization. If trade expectations falter on any or both sides of the Pacific the unit-level economy-first policies may lose their pacifying effect. Chan confirms that the dampening effect of economic inter-dependence on conflict behaviour depends on policies of economic openness and integration. Hence there is need to understand global financial politics, global trends and economic expectations in Beijing, Washington, Tokyo and other East Asian capitals before assessing the likelihood that economic interdependence will continue to ensure peace among major nuclear powers.

## 2

#### CP Text: In a just government voting ought to be compulsory.

**Herrle and Dionne 7/24** Amber Herrle and E.J. Dionne, 7-24-2020, Why shouldn’t voting be mandatory?, <https://www.brookings.edu/blog/fixgov/2020/07/24/why-shouldnt-voting-be-mandatory/> Amber Herrle Research Analyst - Governance Studies E.J. Dionne, Jr. W. Averell Harriman Chair and Senior Fellow//sjvc

The United States should require all of its citizens to vote. Doing so will push back against voter suppression and tear down barriers to participation because the best way to protect the right to vote is to underscore that it is also a civic duty. This is the message of a report issued this week by the Universal Voting Working Group, a joint initiative by the Brookings Institution and the Ash Center for Democratic Governance and Innovation at Harvard’s Kennedy School. Its opening words: “Imagine an American democracy remade by its citizens in the very image of its promise, a society where the election system is designed to allow citizens to perform their most basic civic duty with ease. Imagine that all could vote without obstruction or suppression. Imagine Americans who now solemnly accept their responsibilities to sit on juries and to defend our country in a time of war taking their obligations to the work of self-government just as seriously.” We argue that the United States should require citizens to participate in elections as Australia and two dozen other nations do. As it is with jury service, so it is with voting: Asserting a civic duty is the best way to guarantee the right this duty entails. Our report, “Lift Every Voice: The Urgency of Universal Civic Duty Voting,” aims to build on the achievements of the civil rights, voting rights and democracy movements by continuing to push for a series of reforms to ease access to the ballot box and make voting simpler and easier. Our working group was under no illusions that mandatory participation in elections would be adopted quickly or easily in the United States. Between now and November 2020, there is much that needs to be done simply to ensure that voters will be able to cast ballots safely. For the medium term, we urge that the first steps toward universal civic duty voting might begin with local or state experiments of the sort that have, in our nation’s past, pushed good ideas to the national stage. But we also hope to shake up the nation’s voting debate to lay out an expansive vision of what our democracy could and should look like, and to show that this idea, which has only rarely entered the American debate, is exceedingly practical. Australia has had mandatory participation on the books for nearly a century, and it has worked. Over the course of 18 months, our working group studied systems of universal voting, met with civil rights, voting rights and democracy advocates, immigrant rights groups, state legislative organizations, election officials at all levels, and many others to refine  our ideas and create a detailed policy proposal. Our intervention reflects a sense of alarm and moral urgency, but also a spirit of hope and patriotism. That we consider 50% turnout in midterm elections a historical achievement (as was the case in 2018) should be a warning. The disparities in turnout between different groups, detailed in our report, are equally worrying. Boosting turnout, we insist, is a matter of justice and representation. This mandate also takes seriously the Declaration of Independence’s insistence that political legitimacy depends on the “consent of the governed.” Our turnout levels, at 60 percent on the high end in presidential elections and 40 percent in the typical case in midterm elections, means that elected leaders earn their legitimacy from a small group of individuals even in landslide elections. This suggests that many voters are withholding their consent from our government, passively in some cases and actively by the most alienated voters. Civic duty voting shifts elections from an “opt-in” to an “opt-out” system. It does not force voters to elect any one candidate and therefore, we believe, it survives constitutional muster. In addition to allowing for a wide variety of exceptions to the voting mandate, the policy laid out in the report also encourages None of the Above options to be added to the ballot. Any civic duty voting policy should allow for religious and conscientious objection to voting. Casting a ballot in countries with civic duty voting is often easier than it is in the United States. Registering to vote is a straightforward and accessible process, if not automatic; requesting a ballot or finding your polling place typically does not require calls to your local supervisor of elections or constantly checking online resources to ensure that your polling location has not changed; and voting in person does not mean standing in line for hours. Many opponents of compulsory participation worry about imposing penalties on non-voters. We are careful to insist that fines for non-voting not be more than $20, that neither civil nor criminal penalties would be imposed for not paying the fine, that the amount would not compound over time, and that it would be set aside for those willing to meet a modest community service requirement. Included in the proposal is a conscientious objector provision for those who have religious or moral qualms about voting, and provide a wide range of legitimate reasons voters could give to escape any penalties. In Australia, only 13 percent of non-voters ever have to pay the penalty. Our emphasis is not on imposing sanctions but on sending a strong message that voting is a legitimate expectation of citizenship in a nation dedicated to democratic self-rule. At a time when our nation is in the midst of a new struggle to end entrenched racial injustice, we see universal voting as a way to amplify long-suppressed voices. The John Lewis, whose loss we mourn and whose life we celebrate, risked his life again and again on behalf of voting rights and full participation. “Voting access is the key to equality in our democracy, Lewis declared. “The size of your wallet, the number on your Zip Code shouldn’t matter. The action of government affects every American so every citizen should have an equal voice.” Our proposal is rooted in the obligation of all citizens to our democracy and represents an effort to make our system more equal and more participatory. We hope it can serve as a spur for a new and more vibrant democracy.

#### Compulsory voting is key to bolster democratic elections

Herrle and Dionne 7/24 Amber Herrle (research analyst – governance studies) and E.J. Dionne, Jr. (W. Averell Harriman Chair and Senior Fellow), 7-24-2020, “Why shouldn’t voting be mandatory?” Brookings, <https://www.brookings.edu/blog/fixgov/2020/07/24/why-shouldnt-voting-be-mandatory/>, SJBE

But we also hope to shake up the nation’s voting debate to lay out an expansive vision of what our democracy could and should look like, and to show that this idea, which has only rarely entered the American debate, is exceedingly practical. Australia has had mandatory participation on the books for nearly a century, and it has worked. Over the course of 18 months, our working group studied systems of universal voting, met with civil rights, voting rights and democracy advocates, immigrant rights groups, state legislative organizations, election officials at all levels, and many others to refine our ideas and create a detailed policy proposal. Our intervention reflects a sense of alarm and moral urgency, but also a spirit of hope and patriotism. That we consider 50% turnout in midterm elections a historical achievement (as was the case in 2018) should be a warning. The disparities in turnout between different groups, detailed in our report, are equally worrying. Boosting turnout, we insist, is a matter of justice and representation. This mandate also takes seriously the Declaration of Independence’s insistence that political legitimacy depends on the “consent of the governed.” Our turnout levels, at 60 percent on the high end in presidential elections and 40 percent in the typical case in midterm elections, means that elected leaders earn their legitimacy from a small group of individuals even in landslide elections. This suggests that many voters are withholding their consent from our government, passively in some cases and actively by the most alienated voters. Civic duty voting shifts elections from an “opt-in” to an “opt-out” system. It does not force voters to elect any one candidate and therefore, we believe, it survives constitutional muster. In addition to allowing for a wide variety of exceptions to the voting mandate, the policy laid out in the report also encourages None of the Above options to be added to the ballot. Any civic duty voting policy should allow for religious and conscientious objection to voting. Casting a ballot in countries with civic duty voting is often easier than it is in the United States. Registering to vote is a straightforward and accessible process, if not automatic; requesting a ballot or finding your polling place typically does not require calls to your local supervisor of elections or constantly checking online resources to ensure that your polling location has not changed; and voting in person does not mean standing in line for hours. Many opponents of compulsory participation worry about imposing penalties on non-voters. We are careful to insist that fines for non-voting not be more than $20, that neither civil nor criminal penalties would be imposed for not paying the fine, that the amount would not compound over time, and that it would be set aside for those willing to meet a modest community service requirement. Included in the proposal is a conscientious objector provision for those who have religious or moral qualms about voting, and provide a wide range of legitimate reasons voters could give to escape any penalties. In Australia, only 13 percent of non-voters ever have to pay the penalty. Our emphasis is not on imposing sanctions but on sending a strong message that voting is a legitimate expectation of citizenship in a nation dedicated to democratic self-rule. At a time when our nation is in the midst of a new struggle to end entrenched racial injustice, we see universal voting as a way to amplify long-suppressed voices. The John Lewis, whose loss we mourn and whose life we celebrate, risked his life again and again on behalf of voting rights and full participation. “Voting access is the key to equality in our democracy, Lewis declared. “The size of your wallet, the number on your Zip Code shouldn’t matter. The action of government affects every American so every citizen should have an equal voice.” Our proposal is rooted in the obligation of all citizens to our democracy and represents an effort to make our system more equal and more participatory. We hope it can serve as a spur for a new and more vibrant democracy.

#### CP solves – leads to more youth registration which leads to immediate increase in turnout and democratic legitimacy – Australia proves

Smith 16 Jake Smith (postgraduate student at the School of Law and Politics, Cardiff University), 11-15-2016, “An analysis of the effect of compulsory voting on youth political apathy” Wales Institute of Social & Economic Research, Data & Methods, <https://wiserd.ac.uk/news/analysis-effect-compulsory-voting-youth-political-apathy>, SJBE

Intuitively, there are strong reasons to assume that compulsory voting would at least make many more young people interested in politics. While commonly referred to as compulsory voting in most cases it is better understood as compulsory attendance at a polling station on election day as electors not required to cast a valid vote once there. Attendance at a polling station provides an opportunity for participation that few could object to, normalises the act of voting for all young people and will cause many to take an interest in the political issues of that election. As Annabelle Lever argues, compulsory voting [challenges citizens to be politically informed](http://eprints.lse.ac.uk/23098/1/Compulsory_voting(LSERO).pdf). Those who remained stubbornly disinterested in politics would most likely choose not to cast a vote (disproving fears of uninterested young voters deciding elections) and those that wished to register a political protest could vote for the “none of the above” option that is common in compulsory voting systems. Encouragingly the example of Australia, which has had compulsory voting in federal elections since 1924, and for the sake of effective comparative analysis has a parliamentary system similar to our own, suggests compulsory voting has helped young people to take a greater interest in political issues. After comparing voters in the US (where voting is optional and turnout is often low) and Australia, Dr Peter Tucker finds [Australian voters are more interested in politics](http://www.onlineopinion.com.au/view.asp?article=3822&page=2) than American voters. His examination of the effects of compulsory voting found that Australian elections are characterised by higher levels of citizen engagement with politics and higher public awareness of policy options. Additionally, Professor Lisa Hill has explained that compulsory voting has led to young Australians growing up [appreciating voting as a social obligation](http://apo.org.au/files/Resource/orrdiscuss.pdf). Multi-country research provides further evidence that compulsory voting helps to boost interest in politics. The Electoral Commission has [concluded](http://www.electoralcommission.org.uk/__data/assets/electoral_commission_pdf_file/0020/16157/ECCompVotingfinal_22225-16484__E__N__S__W__.pdf) that while more effective means to increasing political knowledge exist (such as political education in schools), international evidence suggests compulsory voting has a small but positive affect on levels of political interest among voters. Interestingly an idea that has grown in prominence in Britain in recent years is that of requiring young people to attend a polling station during the first election they are eligible for. Mark Franklin’s 2004 [research found](http://assets.cambridge.org/97805215/41473/frontmatter/9780521541473_frontmatter.pdf) that if people vote in the first election for which they are eligible they are more likely to vote in subsequent elections, kick-starting a lifelong habit of voting. This research provides further support to the case of introducing a small element of compulsion into the electoral system, though I believe considerations of political equality across all societal groups should lead us to push for compulsory voting across the board. Unlike other suggested democratic reforms such as online voting, voting at weekends or votes at 16, compulsory voting results in an immediate and substantial increase in turnout, political equality, democratic legitimacy and will, the evidence suggests, increase the level of political interest among the public. After examining many of the problems facing modern democracies I believe that there is a compelling case for introducing compulsory voting. Considerations of political equality, legitimacy of decisions and political culture all point towards an element of compulsion in the electoral process being well worth the small obligation it places upon people. Addressing WISERD’s findings directly, it does appear that compulsory voting will help to address the problem of political apathy among young people. WISERD’s research found that young people in Wales were engaged to an unprecedented extent with the issues in the EU referendum. It is likely that an inevitably high-profile, nationwide discussion about compulsory voting and youth political apathy will in itself spur the interest of many young people in politics as they consider their role as democratic citizens. A serious, substantial debate in Britain about compulsory voting is long overdue.

## 3

#### Interpretation: The affirmative debater must specify the type of strike in a delineated text in the 1AC.

#### Violation:

#### Standards –

#### 1] Topic lit – strikes are the core question of the topic and there’s no consensus on normal means so you must spec.

Law Library

[“Strike”, N.D., <https://law.jrank.org/pages/10554/Strike-Status.html>, Law Library, This law and legal reference library provides free access to thousands of legal articles, covering important court cases, historical legal documents, state laws & statutes, and general legal information. Popular articles include Landlord and Tenant Relationship, Health Insurance Law and Employment Law. The legal reference database also covers historically important court cases such as the Ulysses obscenity trial, Plessy vs. Ferguson, Roe vs. Wade and many others. All of the legal information on this website was professionally written and researched, and each law article has been carefully selected -- all to create the most comprehensive legal information site on the web. Read more: Law Library - American Law and Legal Information - JRank Articles <https://law.jrank.org/#ixzz6yOIvCHj7>] [SS]

**Strikes can be divided into** two basic types: **economic and unfair labor practice**. An economic strike seeks to obtain some type of economic benefit for the workers, such as improved wages and hours, or to force recognition of their union. An unfair labor practice strike is called to protest some act of the employer that the employees regard as unfair. A Lexicon of Labor Strikes Over the years different types of labor strikes have acquired distinctive labels. **The following are the** most common **types of strikes, some of which are illegal**: **Wildcat strike** A strike that is not authorized by the union that represents the employees. Although not illegal under law, wildcat strikes ordinarily constitute a violation of an existing collective bargaining agreement. **Walkout** An unannounced refusal to perform work. A walkout may be spontaneous or planned in advance and kept secret. If the employees' conduct is an irresponsible or indefensible method of accomplishing their goals, a walkout is illegal. In other situations courts may rule that the employees have a good reason to strike. **Slowdown** An intermittent work stoppage by employees who remain on the job. Slowdowns are illegal because they give the employees an unfair bargaining advantage by making it impossible for the employer to plan for production by the workforce. An employer may discharge an employee for a work slowdown. **Sitdown strike** A strike in which employees stop working and refuse to leave the employer's premises. Sitdown strikes helped unions organize workers in the automobile industry in the 1930s but are now rare. They are illegal under most circumstances. **Whipsaw strike** A work stoppage against a single member of a bargaining unit composed of several employers. Whipsaw strikes are legal and are used by unions to bring added pressure against the employer who experiences not only the strike but also competition from the employers who have not been struck. Employers may respond by locking out employees of all facilities that belong to members of the bargaining unit. Whipsaw strikes have commonly been used in the automobile industry. **Sympathy strike** A work stoppage designed to provide AID AND COMFORT to a related union engaged in an employment dispute. Although sympathy strikes are not illegal, unions can relinquish the right to use this tactic in a COLLECTIVE BARGAINING agreement. **Jurisdictional strike** A strike that arises from a dispute over which LABOR UNION is entitled to represent the employees. Jurisdictional strikes are unlawful under federal LABOR LAWS because the argument is between unions and not between a union and the employer.

#### **This acts as a resolvability standard. Debate has to make sense and be comparable for the judge to make a decision which means it’s an independent voter and outweighs.**

#### Implications:

#### [1] Stable advocacy – 1AR clarification delinks neg positions that prove why enforcement in a certain instance is bad by saying it isn’t their method of enforcement – wrecks neg ballot access and kills in depth clash – CX doesn’t check since it kills 1NC construction pre-round

#### [2] Prep skew – I don’t know what they will be willing to clarify until CX which means I could go 6 minutes planning to read a disad and then get screwed over in CX when they spec a different funding. This means that CX can’t check because the time in between is when I should be formulating my strat and waiting until then is the abuse. Key fairness because I won’t be able to use the strat I formulated if you skewed my prep and will have a time disadvantage

#### D. Voter

**Fairness is a voter—debate is a competitive activity that requires objective evaluation. Education is a voter – it is the terminal impact of debate. Drop the debater—the abuse has already occurred and my time allocation has shifted—also the shell indicts your whole aff—justifies severance which skews my strat. Use competing interps—leads to a race to the top since we figure out the best possible norm and avoids judge intervention since there’s a clear briteline. No RVIs—**

**a. Baiting—they’ll just bait theory and prep it out—justifies infinite abuse and results in a chilling effect**

**b. its not logical—you don’t reward them for meeting the burden of being fair, especially on T debate where definitions are objective while your interp is subjective. Logic is a meta constraint on all args because it definitionally determines whether an argument is valid.**