# AFF

A&M Consolidated *affirms*. Resolved: The European Union should Join the Belt and Road Initiative .

The thesis of our case is that the BRI will lead to massive green economic growth.

## **Contention 1 is an economic Crisis**

**Ninabear ‘19** explains the three economic powerhouses of Europe: Britain, Germany, and France are going to face negative growth.

[**Ewing‘19**](https://www.nytimes.com/2019/08/16/business/eu-economy-germany-recession.html) explains that the last time there was an economic debt crisis, the economic strength of these export countries were key to pull the EU out of the crisis.

Thus, this is why [**Luft’17**](https://www.atlanticcouncil.org/images/AC_StrategyPapers_No11_FINAL_web3.pdf) concludes these unique set of circumstances puts Europe in a tight spot - where China’s BRI seems to be the only option to avoid a massive long term recession.

This is because of a massive increase in Foreign Direct Investment, or FDI

Right now, **The europe (investment) attractiveness survey in 2019** finds that FDI into Europe has fallen to a 6 year low, and progressively decreased due to a lack of investor confidence.

**Dr. Zhang in 2017 reports that**

Affirming solves as BRI infrastructure substantially increases global investor confidence for investing in local economies because it makes investment seem safer thus increasing global FDI.

Thats why they note that FDI from all sectors increases by 19% upon joining the BRI.

**Dr. Ishmael Hlovor from the Wisconsin International University in 2019 quantifies**

*Independent Researcher. [“(PDF) Elections, Foreign Direct Investment, and Economic Growth in Ghana’s Fourth Republic: 1993 to 2016.” ResearchGate, ResearchGate, 10 Jan. 2019, www.researchgate.net/publication/330524785\_Elections\_Foreign\_Direct\_Investment\_and\_Economic\_Growth\_in\_Ghana’s\_Fourth\_Republic\_1993\_to\_2016.]/ A&M SS*

The results of the short run estimates are displayed in table 4 below. The second lag of FDI has a positive. impact on growth and is statistically significant at 1%. **A percentage increase in FDI** at the second lag **leads to** a corresponding **[a] 0.55 percent increase in [economic] growth.**

**The impact is preventing a Recession.**

**Sheets notes that** when the EU fell into the global recession back in 08, only Poland was able to have GDP growth because of external infrastructure investments, which would happen through increased FDI in the BRI.

*Connor Adams Sheets, 9-29-2012, "The East European Miracle: How Did Poland Avoid The Global Recession?," International Business Times,* [*https://www.ibtimes.com/east-european-miracle-how-did-poland-avoid-global-recession-795799*](https://www.ibtimes.com/east-european-miracle-how-did-poland-avoid-global-recession-795799)*, accessed 9-9-2019// A&M SS*

As the **[when the] E**uropean **U**nion **fell into the global recession that began in 2008, only one** nation in the region kept growing while its neighbors saw their economies fall. That title belongs to **Poland [was able to have positive GDP growth because of]**, which made it through the period without experiencing a single year of falling gross domestic product.[ This is because they got major funding for infrastructure, and was able to develop it] Growth slowed down, but even at the lowest point, Poland’s economy continued to expand slightly, and Polish officials remain bearish. The first is the huge amount of European Union funds that have been spent on improving infrastructure and completing other projects in Poland since the nation joined the EU in May 2004. “All the benefits and funds we got when we joined the EU have helped a lot to improve the business environment and drive change,” Szajewski said at an outsourcing discussion held last week in Warsaw. Stelmach also cited the infusion of E.U. funds as one of the big drivers of Poland’s recent prosperity and economic flowering. “Look at other countries, some of them don’t have ideas about what to do with the money," she said. "So **infrastructure [spending]** is another sector that has boosted our economic growth.” In 2010, for instance, Poland received more than 1.39 trillion Euros in such funding, according to the European Commission. Those benefits -- which Szajewski estimates were responsible for 0.5 to 1 percent of the nation’s GDP growth per year during the recession -- include billions of dollars of infrastructure investments, including major overhauls of the nation’s highway system and of the Warsaw subway system.

Preventing the recession is key.

And Because of how interconnected the EU is, The **IMF** quantifies that the next recession could push up to 900 million people into poverty.

Thus, we need investment into Europe to prevent the next Recession.

**Our second contention is the Green New Deal**

**The University of Leeds finds**

*staff, Science X. “Avoiding Fossil Fuel ‘lock-in’ Could Limit Global Temperature Rise.” Phys.Org, Phys.org, 16 Jan. 2019, phys.org/news/2019-01-fossil-fuel-lock-in-limit-global.html. Accessed 12 Sept. 2019. // A&M SS*

Our research found that the current amount of fossil fuel infrastructure in the global economy does not yet commit us to exceeding the 1.5°C temperature rise limit put forward by the Paris Agreement. We may have missed starting the phase out by the end of 2018, but we are still within the margin of achieving the scenario the model put forward. "**Every year we delay in phasing out [dirty energy]** this infrastructure makes the **[it makes the] fossil fuel 'lock-in harder to get out of** and the possibilit y of keeping global temperature rise below 1.5°C less likely." In an article written for The Conversation, Dr Smith explains the details of the research findings and the necessity of phasing out fossil fuel infrastructure immediately. The study, published today in *Nature Communications*, focused on [energy generation](https://phys.org/tags/energy+generation/), transport and industrial sectors, which have the best data available for the CO2 emissions for their historical lifetimes and produce 85 percent of global emissions. The study produced a scenario that reduces CO2 emissions to net zero over 40 years. By contrast, the recent special report by the Intergovernmental Panel on Climate Change (IPCC) highlighted a requirement for CO2 emissions to be reduced to net zero over the next 35 years. The authors explained that window of five years to get to net zero can be attributed to different modelling approaches with some of the difference is accounted for by the timing of emissions phase out.

Thankfully, China has a vested interest in reversing this trend as

**Alice Klein notes in 2017** that China

*[“Can China save the world?” 235(3143), 20- 21* [*https://www.sciencedirect.com/science/article/pii/S0262407917318171*](https://www.sciencedirect.com/science/article/pii/S0262407917318171)*, accessed 7-8-2019] // A&M* SS

Over the last decade or so, the Chinese government has put a strategic emphasis on investing in renewable energy because  **sees** it **[Greentech] as the next industrial revolution** – one which itwants to lead [GT, or what they view as the next industrial revolution],” he says. Tim Buckley at the Institute for Energy Economics and Financial Analysis in Sydney, Australia, agrees. “China wants to dominate industries of the future while the governments of the US and Australia want to dominate industries of the past.”

**Attias furthers in 2018** that the EU and China both recognize that they are able to build green reputations and economies at the same time.

*Richard Attias, TheHill, 5-16-2018 ["The EU and China will leverage renewable energy to create a new global order "*[*https://thehill.com/opinion/energy-environment/388030-the-eu-and-china-will-leverage-renewable-energy-to-create-a-new*](https://thehill.com/opinion/energy-environment/388030-the-eu-and-china-will-leverage-renewable-energy-to-create-a-new)*, accessed 7-15-2019] //A&M SS*

If history is a guide, 21st-century power will be based on which regions and countries control the largest amount of energy. Coal is what powered the British Empire. Oil was the bedrock of the American Century. Renewable energy will decide who leads and shapes this century. The race to lead on renewable energy presents a win-win-win strategy for the[m] EU and China: **They are able to build reputations as** good global citizens and **protectors of the planet, while developing** strong, sustainable **economies based on selling renewable[s]** goods and clean technologies **to** rest of **the world.** They are also able to expand their global influence by deepening relations with developing countries through the sharing of green technology and know-how.

Affirming unites the two under one umbrella which can be seen in 2 areas.

### **First is Green Chinese Investment**

**The European Environment Agency** writes in 2018 that

*“Rising Energy Consumption Slows EU Progress on Renewables and Energy Efficiency Targets.” European Environment Agency, 2018, www.eea.europa.eu/highlights/rising-energy-consumption-slows-eu. //A&M SS*

Progress on increasing the use of **renewable energies** and improving energy efficiency is **[are] slowing across the E**uropean **U**nion, putting at **risk[ing] the EU’s ability to achieve its** energy **and emissions reduction targets. Rising** energy **consumption [which can be easily fixed by Chinese Investment in the BRI],** particularly in the transport sector, **is to blame for the slowdown**, according to preliminary data released today in the European Environment Agency’s (EEA) annual analysis on the EU’s progress towards its targets on renewables and energy efficiency.

Thankfully China invests in Greentech.

**Mathews from the Macquarie University in 2018** notes that

*John Mathews, China’s Belt and Road as a conduit for clean power projects, Energy Post, 10-3-2018, https://energypost.eu/china-belt-and-road-renewable-energy-investments/, 7-19-2019 // A&M SS \*NOTE\* SAYS SAME THING AS HUANG BUT BETTER AND A LOT MORE TO BE CUT FROM THIS ARTICLE*

China’s Belt and Road is a conduit for polluting investments by Chinese policy banks around the world, argues Kelly Sims Gallagher (The Fletcher School, Tufts University) in a Beyondbrics comment in the Financial Times on 10 August 2018. But when examined, this argument is not persuasive. If we use the same China Global Energy Finance (CGEF) database that Gallagher uses, it is easy to demonstrate the opposite finding, namely that China’s investments globally in power generation over the past five years have been more green than black[as]. In this commentary we use the CGEF data (housed at Boston University, or BU) to demonstrate that over the past five years, **more than 50% of China’s investments** in power generation projects **around the world have been directed towards [renewables.]** those sourced from water, wind and sun. Moreover, we demonstrate that China’s investments in clean and green energy projects around the world [These green investments] have increased as a proportion of total power generation investments from 20% to 55% – or a [by] 35% increase in [the last] decade, with the most recent results indicating that green investments globally outrank investments in black thermal power projects.

Indeed, **Nakano in 2019** notes that

*Jane Nakano, Senior Fellow,, 5-1-2019,[ "Greening or Greenwashing the Belt and Road Initiative?," No Publication,* [*https://www.csis.org/analysis/greening-or-greenwashing-belt-and-road-initiative*](https://www.csis.org/analysis/greening-or-greenwashing-belt-and-road-initiative)*] // A&M* SS

Energy projects have been central to the Belt and Road Initiative (BRI) since its inception in 2013. For example, energy, accounts for roughly 44 percent of BRI construction, followed by transport at 30 percent. Chinese financing and exports have targeted the unmet energy generation and transportation infrastructure needs in countries around the world. While Chinese financing and exports are not limited to fossil energy projects, China’s energy outreach under the BRI has been carbon-intensive. For example, the Silk Road Fund, which was set up to finance[s] BRI projects, made over 90 percent of its energy-sector investments in fossil fuel projects[ in 2013]Moreover, between 2013 and 2016, Chinese financial institutions invested $15 billion in coal projects abroad. Especially since the first forum **two years ago, “greening” has become a sub-theme of the BRI** that seeks to propel China to become a global leader in environmentally sustainable development. For example, the government guidance on how to execute the BRI visions, which was released shortly before the first forum in May 2017, suggests that China sees it its moral obligation to share its “experience and practice in ecological civilization and green development” with other growing economies, as well as to promote global trade, investment and financial systems that are environmentally sustainable. In its seventh year, however, the BRI finds itself under a heightened pressure to address the emissions implications of its energy projects. [Indeed, within] In 2018, over [only] 40 percent of the BRI lending for the power sector was still in coal projects.[, a reduction of nearly 50% in 10 years]  Also, some BRI recipient countries are beginning to voice concern over C

And that’s why they saw a 50% reduction in coal lending in the past decade, as Chinese Banks signed a commitment to environmental sustainability.

Clearly, China is going to invest green tech in Europe and allow the green tech transition to occur.

### **The second way joining the BRI increases green tech is by unlocking European REMs**

Rare earth metals, also known as REM’s, are very uncommon elements found in the soil or the seabed that are incredibly difficult to mine, and are essential to a variety of necessary products.

**Joe Turner in 2015** explainsthat

*Joe Turner, Horizon: the EU Research & Innovation magazine, 3-9-2015 ["Europe’s rare earth deposits could shore up tech industry",* [*https://horizon-magazine.eu/article/europe-s-rare-earth-deposits-could-shore-tech-industry.html*](https://horizon-magazine.eu/article/europe-s-rare-earth-deposits-could-shore-tech-industry.html)*, accessed 7-18-2019] A&M* SS

Rare earth elements are an essential ingredient of many of today’s technologies, from hybrid cars to wind turbines and laptop computers. Currently, all of Europe’s demand is met by imports from elsewhere in the world, and more than 90 % of global rare earth supplies come from China. However, according to scientists working in the field, **Europe has** enough **R[EM]**are earth **deposits** to become self-sufficient, **if only [they]** we **had the capability to** mine and **extract them**. That is why researchers across Europe and neighbouring countries are working together to identify deposits and improve extraction techniques. The EU-funded EURARE project aims to set up the basis for a European rare earth industry by finding ways to supply both raw materials and rare earth products for use in industries such as automotive, electronics, machinery and chemical. The project began in January 2013 and more than 30 tonnes of European rare earth ore samples have already been taken for analysis and processing. One of their main priorities is to identify sites suitable for mining. Dr Kathryn Goodenough from the British Geological Survey, which is a partner on the project, said that in theory there are enough suitable sites to supply all the rare earth elements that Europe needs for the foreseeable future, but the important thing is that the elements can be mined economically and with little environmental impact.

Thankfully, **Dr. Barakos** Explains in 2018

*George Barakos (Institute of Mining and Special Civil Engineering, TU Bergakademie Freiberg), & Helmut Mischo, International Journal of Georesources and Environment, 2018 [“The Potentials of Scientific and Industrial Collaborations in the Field of REE through China’s Belt and Road Initiative” 4(3),* [*https://ojs.library.dal.ca/IJGE/article/view/8566*](https://ojs.library.dal.ca/IJGE/article/view/8566)*, accessed 7-7-2019] // A&M SS*

As already mentioned, China plays host to a considerable amount of the world’s proven rare earth reserves; nearly one third of them. **Due to their [domestic] depletion,** however, **China is constantly seeking to invest in foreign** exploration **RE[M]E projects**. The most

**This will be seen through accessing experienced workers, refining infrastructure, and scientific cooperation, which will go to the EU**

**Mischo from TU Bergakademie** in 2018 notes that

Industrial collaboration opportunities Aside from policies and strategies, there can be cooperation also at the industrial level. The source of most problems, especially for The digitalisation of the REE industry in China could be well combined with the development of a vertically integrated REE supply chain in Europe. The evident lack of intellectual capital outside of China reinforces concerns and arguments regarding the potential of the European REE industry to compete with China and the capability to avoid environmental pollution with detrimental effects on local societies. **There is limited availability of experienced staff to work in REE mines or processing plants. [but china solves this with skilled workers]** Hence, the EU relies upon China to transfer its REE processing, refining and fabricating know-how to Europe in the collaborative context of the Belt and Road Initiative.

This is important as the EU has immense REM deposits as **Chris Rhodes** finds in 2011 that they have

*Chris Rhodes, OilPrice, 09-08-2011 ["European Union to Stockpile Rare Earth Elements",* [*https://oilprice.com/Metals/Commodities/European-Union-To-Stockpile-Rare-Earth-Elements.html*](https://oilprice.com/Metals/Commodities/European-Union-To-Stockpile-Rare-Earth-Elements.html)*, accessed 7-23-2019] A&M* SS

In response to this threat, the European Union (EU) is looking into building a stockpile of REEs, in the form of a mixed carbonate of these metals. This follows-on from the British government's recent "strategic metals plan", in which securing supplies of key metals including REEs is perceived as critical to the future economy and in meeting carbon-emissions targets. It is proposed that an annual 3,000 tonnes of REE mixed carbonate be garnered. This amount is the stable output of the European Molycorp Silmet production of the material and is matched by that from the company's U.S.-based REE production, amounting to **10% of the world market** following the imposition of quotas by China.

**And Laura Mast in 2018** finds

*Laura Mast 18, 10-5-2018, "Shortages of rare earth elements could limit clean energy development," Massive Science, https://massivesci.com/articles/rare-earth-elements-metals-not-really-that-rare/ \\ OPF*

**Without finding new sources of rare earth elements**, it’s not just technologies that make our lives easier — like smartphones and fancy screens — that are at risk, but **our transition to green energy technologies [is at risk].** Rare earth elements are critical for better batteries and permanent magnets, both important components for innovations like electric cars, (each Prius contains two pounds of neodymium and around 25 pounds of lanthanum) and wind turbines [and other renewables] (over 450 pounds of neodymium are needed per megawatt of capacity). If we’re serious about climate change and clean energy, we can’t ignore the scarcity issue of rare earth elements. Hopefully we’ll dig up the answer somewhere, whether it’s buried in mud or ash

Holistically, **Smith** 18 of the Resources Policy Journal writes the transition to green tech will increase metal demand by 1000 percent by 2050. Thus, by increasing supply, we decrease the prices, incentivize the transition to green tech.

### **The impact is reducing emissions**

Greentech is key to reduce carbon emissions. **Pacific Standard** **in 2017** notes that

[*https://psmag.com/social-justice/new-research-says-tech-transfer-cut-emissions-25-percent*](https://psmag.com/social-justice/new-research-says-tech-transfer-cut-emissions-25-percent) *// A&M* LD

But there's new evidence that at least one of Pruitt's comments is true—namely, that **exporting [green]** American **technology around the world could help drive a 25 percent decline in global greenhouse gas emissions within a few years**. "Exiting Paris does not mean disengagement," Pruitt said last week. "To export our innovation, to export our technology to the rest of the world, to demonstrate how we do it better here is, I think, a very important message to send." New research led by scientists with the Berlin-based Mercator Research on Global Commons and Climate Change (MCC) shows just how important exporting that technology could be—if Pruitt is serious. **The study found that standard pollution-cutting equipment could lower CO2 emissions by eight gigatons per year** if it were widely applied in developing countriesto the most carbon-intensive industries, like refineries and chemical, steel, and cement production. EMISSIONS SAVED THROUGH TECHNOLOGY TRANSFER COULD BE ENOUGH TO MAKE UP FOR TRUMP'S RENEGING ON U.S. CLIMATE TARGETS. That's more than twice as much as estimated by previous studies used by the Intergovernmental Panel on Climate Change and could even be enough to make up for Trump's reneging on United States climate targets under the Paris Agreement. **[to put in context] the U.S. emits about 6.8 gigatons of greenhouse gases annually**, according to the EPA. "It's not even about cutting-edge technology," says MCC scientist Hauke Ward.

**Vaughan from the Guardian** furthers that

*Vaughan of the Guardian, Adam Vaughan, 5-12-2009, "Cleaner air from reduced emissions could save millions of lives, says report," Guardian,* [*https://www.theguardian.com/environment/2009/may/12/emissions-pollution-premature-deaths*](https://www.theguardian.com/environment/2009/may/12/emissions-pollution-premature-deaths) // A&M SS

\*Formula, divide both sides by 50 100/50 = 2 million, 50/50 = 1\*

Johannes Bollen, one of the authors of the report for the Netherlands Environment Agency, said the **100 million** early **deaths could be prevented by cutting** global **emissions by 50%** by 2050, a target consistent with those being considered internationally.

A 1% reduction in emissions leads to saving 2 million lives.

And because global green economic growth is imperative to saving millions, we affirm.

# **CX Questions**

1. **Roasts them**

Is BRI Hard or Soft?

* They gonna say soft

You would agree with me to say the International community looks down on coal?

* If they say no u can ez roast em

Does China want other countries joining BRI?

* Duh

How do they do that with coal plants that no one wants?

* They fucked

1. **Sets me up for some weighing**

Are dev world gonna industrialize eventually?

* Yes.

MOVE ON I’ll ROAST THIS IN REBUTTAL

* The roast is that if they are gonna industrialize eventually, I would rather them go towards gt and have some know how of it than just coal.

1. **Anything else**

You Say your impact is \_\_\_\_\_

* Ya dumb dumb

How long will that take to materialize

1. **Coal stuff**

The BRI was created in 2013, how many new coal plants have they built since then?

# **Extensions**

## **C1: Econ Crisis**

Top EU economies are heading into economic decline, and they will take the EU along with them. Affirming is the only chance to solves this crisis through a massive increase in Chinese infrastructure investment. **Zhang** notes a 17% inc in global FDI once joining, and **Dr. Ishamel** finds a direct relationship between FDI and economic growth. **Sheets** proves this empirically because during the 08 recession only poland succeeded because of infrastructure investment. Stopping a recession is key -- the **IMF** concludes that the next recession will lead to putting 900 million into poverty.

They Say \*Insert Frontlines\*

## **C2: Greentech Link Investment**

Green tech is imperative to a safer, sustainable future. China has a vested interest as **Klein** finds that it views it central to its political interests. Thats incredibly important as **European Environment Agency** finds Green Tech is slowing across the EU due to decreasing demand. Thus, China will invest in as the global leader as **Matthews** notes that 50% of their investment is into green energies. Overall, this will lead to a massive decrease in emissions as **Pacific Standard** finds exporting green tech dc global emissions by 25% and Vaugh finds a 1% dc in emissions, saves 2 million.

## **C2: Greentech Link REMS**

Green tech is imperative to a safer, sustainable future. China has a vested interest as **Klein** finds that it views it central to its political interests. Thats incredibly important because this will lead to key REM mining, which is a prerequisite to green tech development. **Professor Barakos** explains that by joining the belt and road, Europe will have the ability to mine through know-how. This unlocks a lot of green metals as **Rhodes** finds that EU has 10% of the world supply. Ultimately, this mining is important because **Mast** elaborates that without new sources, transition to green tech in at risk. **Pacific Standard** elaborates it drives down global emissions 25%, and **Vaugn** termanlizes that a 1% dc in emissions, saves 2 million people.

# **Short Bits**

C1:

Infrastructure like roads paves the path to investment, thus out of the recession

C2 L1:

Let the Green Dragon Roar

C2 L2:

Let’s start digging to our future and affirm

Reform OV:

Let’s start changing the world for the better.

Hence, **the EU relies upon China to transfer its RE[M]**E processing, **refining** and fabricatingknow-how**[tech and infrastructure] to Europe in the collaborative context of the Belt** and **R**oad **I**nitiative. Another perspective would be the scientific cooperation through the BRI.

Not only does the weakness of these countries make it hard to get out of recession, but loans in the EU have low interest rates right now so they can not lower it anymore. This means that even the smallest probability of recession is really risky - as we have no way to deal with it.

**Chen from the Natural Resources Defense Council writes that**

*Chen, Han. “Greener Power Projects for the Belt &amp; Road Initiative (BRI).” NRDC, 22 Apr. 2019,* [*www.nrdc.org/experts/han-chen/greener-power-projects-belt-road-initiative-bri*](http://www.nrdc.org/experts/han-chen/greener-power-projects-belt-road-initiative-bri)*. // A&M SS*

A "Green" Belt and Road Initiative In the lead-up to the first Belt and Road forum in May 2017, China published its “Guidance on Promoting Green Belt and Road,” “Belt and Road Ecological and Environmental Cooperation Plan,” and “Vision and Actions on Energy Cooperation in Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road,” emphasizing that its investment projects will be used to promote the Paris Agreement and 2030 Sustainable Development Goals and are motivated by the need to “share the ecological civilization philosophy and achieve sustainable development.” Meanwhile, energy demand in Belt and Road countries is expected to grow. As pointed out in a recent NRDC report, based on BRI countries’ targets for renewable energy, the projected **installed capacity of renewable energy for 38 countries in BRI could reach 644 GW** from 2020-2030, and total investment in wind and solar power could reach $644 billion. However, currently renewable energy cooperation in BRI countries faces myriad challenges, including financing difficulties, low electricity pricing, and inadequate policy support, all of which have become major obstacles for BRI renewable energy development. One measure of success for promoting a Green Belt and Road should be the extent to which BRI helps countries increase access to low-carbon energy sources (as opposed to high-carbon energy sources).

For context, this is 3 times the entire domestic energy capacity of the United States

China is the existence and constant growth of illegal REE mining. China failed to curb illegal REE producers even after the restructuring of its regulations and the consolidation of the domestic REE industry. This issue gives room to the EU to intervene and transfer its respective know-how to China. The mining and processing of REE in Europe falls into the scope of a wide variety of EU directives that cover every aspect of potential risks in the REE industry sector (Barakos et al 2016c). The Mining Waste Directive (Directive, 2006/21/EC), is a significant legislation instrument for REE mining and for the management of groundwater. The Waste Framework Directive (Directive, 2008/98/EC) deals with solid wastes, while the Environmental Impact Assessment (Directive, 2011/92/EU) is the regulation where pit mines and quarries fall into. **China’s alignment with a regulation framework that is based on the European standards will contribute towards restricting unregulated REE mining and tackling the environmental disaster in the affected areas.** Another step towards this direction is the optimisation of the overall process through the automation of operations and digitalisation of all mining and processing activities. With the extended use of computer-integrated mining, the Chinese REE industry can be further consolidated, the uncontrolled depletion of REE reserves can be monitored efficiently, and the current erroneous practices that threaten the environment as well as the health and safety of staff and inhabitants can be reduced significantly. It could be well said that the respective cost is high compared to the cheap Chinese labour cost. Yet, the true cost that was mentioned previously and that includes **the environmental cost of REE production will eventually be lower.** Digital effectiveness has become a top priority for mining companies and environmental agencies in Europe and the acquisition of know-how is now a valuable asset that the European Union could share with China.

But the end isn’t the EU as **Barakos furthers**

**Collaboration with the EU in the context of the B**elt and **R**oad **I**nitiative could **ease[s] the access to [other]**these **countries’** potentially valuable **resources*.***

Thats important because

**the REE resources found in BRI countries exceed 50% of the world’s total.**

Which is why the **IEA** notes

*Myra P. Saefong, MarketWatch, 10-25-2016, China’s growth in renewable energy raises ‘overcapacity’ concerns: IEA,* [*https://www.marketwatch.com/story/chinas-gterowth-in-renewable-energy-raises-overcapacity-concerns-iea-2016-10-25*](https://www.marketwatch.com/story/chinas-growth-in-renewable-energy-raises-overcapacity-concerns-iea-2016-10-25) *// A&M* Ss

**China[‘s]** led the world in expanding **renewable energy capacity** in the last year, and it’s **[is] set to grow by** another **60% over the next half decade**, according to a report released Tuesday by the International Energy Agency. But the IEA also warned that “a new challenge of electricity overcapacity may emerge over the medium term given that China still has a substantial number of coal, nuclear and renewable plants under development.” Over the medium term, this “overcapacity situation” is expected to have an impact on the integration of renewables into an already congested power grid system, said the IEA.

F2: NU China-EU cooperation

Sadly, right now all the Green SEZ’s, or areas that new cables are routed to thus achieve new grid systems, are happening only in China, affirming would allow this to spread to the EU **Cheng in 2019 notes**

*Cheng, Teresa. Special Economic Zones: A Catalyst for International Trade and Investment in Unsettling Times?: Special Economic Zone -Legal Infrastructure -Catalyst for International Trade and Investment https://www.doj.gov.hk/eng/public/pdf/2019/sj20190211e1.pdf\*.// A&M SS*

Sustainability is critical to the survival and success of SEZ programmes. 196 A number of countries are experimenting ways to implement ‘green’ SEZs and such measures include green-house gas mitigation and environmental and carbon footprint management. 197 For example, **China has entered into a partnership with the European Union to transform Jilin City into a low carbon SEZ**.198 India has also issued in 2010 the Guidelines for Energy Conservations in SEZs, which covers a wide range of measures to promote energy efficiency, renewable energy usage and environmental management. 199

Thus, **Van Der Putten notes that** China wants to work with the EU on the BRI

*Van der Putten, Frans-Paul. “Europe and China’s New Silk Roads.” Real Instituto Elcano. Dec. 2016.*[*https://www.clingendael.org/sites/default/files/pdfs/Europe\_and\_Chinas\_New\_Silk\_Roads\_0.pdf*](https://www.clingendael.org/sites/default/files/pdfs/Europe_and_Chinas_New_Silk_Roads_0.pdf) //A&M LD

While China’s OBOR approach has been mainly targeting the CEE and Mediterranean countries, other parts of Europe have not been entirely neglected and the list of countries forming part of OBOR is evolving. Beyond regional clusters that play an important role for China’s practical outreach, countries can be categorized very roughly by distinguishing three factors (see Figure 1 below): (1) whether a country hosts major concrete ‘OBOR projects’; (2) whether China attaches great importance and attention to a country in terms of its OBOR outreach; and (3) whether a country is strongly receptive to China’s OBOR initiative. Apart from the railway projects in Western European countries and China’s interest in the United Kingdom’s role in the internationalization of the RMB, the **[China]**inese government **has shown an interest in cooperating with [the]** mainly Western **EU**ropean countries – such as the United Kingdom, France, Portugal and Spain – **on [the BRI]** OBOR projects in ‘third [world] countries’ [because Europe has unique cultural ties in the developing world] – that is, countries in Asia, Africa and even Latin America. China shows active willingness to cooperate with [For example,] France in francophone Africa, with Spain in Spanish-speaking countries in Latin America, and with Portugal in Portuguese-speaking countries in Africa [etc] and Brazil

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The plans are already in place as **VE notes**

*Vocal Europe. “China and Juncker’s Investment Plan.” Vocal Europe, 29 Jan. 2016, www.vocaleurope.eu/china-and-junckers-investment-plan/. Accessed 12 Sept. 2019.*

In theory, **[The EU’s]** Juncker’s **Investment Plan and the [BRI]** ‘One Belt-One Road’ project **will [combine]** work together in a harmonious way. There are several examples outlining the logic of win-win cooperation for the EU and China. A recent one is the launch of new cargo train line services which have opened trade routes between Hamburg on the one hand and Harbin and Shandong Province on the other. Russia, South Korea, Japan and European countries such as Germany, Poland, France and Spain will benefit from the new projects. Previous cooperation schemes are equally encouraging. The operation of China Ocean Shipping Company (COSCO) in the port of Piraeus since 2009 benefits economically not only Greece and China but also other countries including the US.

European investments into green energy have fallen by over 50% and the EU is not set to reach its climate goals. The EU lacks spending money, and without help, it has no way to invest the huge amounts of capital it takes to tear down existing coal plants and pivot to sustainable green technology.

**2. TURN: 97% of Chinese FDI is M&A**

Sophie **Meunier.** “BEWARE OF CHINESE BEARING GIFTS: Why China’s Direct Investment Poses Political Challenges in Europe and the United States” **Oxford** University Press. **2018.** Accessed: 7/8/19.<https://scholar.princeton.edu/sites/default/files/smeunier/files/meunier_beware_of_chinese_bearing_gifts_100517.pdf>

Finally, the nature of the investment deals initially made by Chinese companies increased the public spotlight. In general, greenfield investment is seen as more innocuous and less politically problematic than mergers and acquisitions. **Yet the vast majority of Chinese investment in Europe and the U.S. , at least in the early years, were takeovers. In 2016, acquisitions drove 97% of the value of FDI activity in Europe** and the U.S.10 These are more likely to touch off opposition, no matter what the origin of the investment is.

**THIS HAS TWO IMPLICATIONS**

1. M&A’s increase prices 15-50% because monopolization

Bruce A. Blonigenjustin R. **Pierce Harvard** Business Review "Mergers May Be Profitable, but Are They Good for the Economy?" 11-15-**2016** 7-8-2019<https://hbr.org/2016/11/mergers-may-be-profitable-but-are-they-good-for-the-economy>?

On average, we find that mergers do not have a discernible effect on productivity and efficiency. Specifically, we do not find evidence for plant-level productivity changes, nor do we find evidence for the consolidation of administrative activities that is often cited as a way in which mergers yield lower costs through economies of scale. We also don’t find evidence that merged firms are more likely to close down less-efficient plants. **By contrast, we find substantial average increases in the amount that firms mark up prices over cost following a merger, ranging from 15% to over 50%, depending on the control group we use.**

2. **M&A’s reduce labor demand 7.9% in Europe because less competition**

**Oxford Analytica** Forbes "Mergers And Unemployment" 02-08-**2010** 7-8-2019<https://www.forbes.com/2010/02/07/mergers-acquisitions-layoffs-jobs-business-oxford.html>

Numbers reveal different effects of M&A on employment in different countries. According to a study economists Klaus Guglerand and Burcin Yurtoglu published in 2004 in the International Journal of Industrial Organization: --in the United States there was no systematic evidence of employment losses in M&A; **--in continental Europe, M&A diminished labor demand by 7.9%; and** --in the United Kingdom, M&A have an even more serious effect, provoking a 12.4% reduction in labor demand. Europe's large employment losses vis-a-vis the United States can be explained in terms of more rigid employment protection laws. However, the fact that employees in the United Kingdom run a higher risk of being dismissed after a merger than their continental European counterparts is, in part, explainable in terms of its less rigid labor market. These studies typically concentrate on short-term losses. They cannot fully account for longer-term impacts, and it is impossible to know what would have happened to employment in firms taken over had they not been bought.

### **3. China will build Grids**

**Cornell 19 of the Atlantic Council** reports China will invest $7 trillion into power grid construction through the BRI in order to open new markets to export renewables. **Hornby 18 of the Financial Times** explains China has already undertaken limited projects in regions from Southeast Asia to Latin America to Africa.

[**Dorcas of Keele University**](https://www.energytoday.net/economics-policy/barriers-renewable-energy-technologies-development/) writes that a significant barrier to renewable energy technologies is inadequate connectivity to the grid, Dorcas concludes that investors lose their confidence in renewables and are not willing to invest in them for this reason.

Thus, **Hornby** quantifies that with Chinese grids, energy transport costs could be slashed by two-thirds incentivizing the transition to greentech

Ultimately, the EU joining the BRI would increase Greentech in multiple avenues which has two implications.

By building grids and providing green energy, the BRI attacks the issue of energy Poverty Fortunately, **Bailey ‘16** writes that raising countries out of energy poverty allows them to advance their economies and pull millions out of poverty. Thankfully, **OLZ** in 2007 notes that Greentech is more stable, and the variability of fossil fuels hurts the poor the most.