AW HL SZ KRs

FOR BRONX:

~~A2: retal tariffs~~

~~A2: leverage cards are there just more clean~~

~~A2: China Heg~~

~~A2: EU Reforms~~

A2: Invasive Species

Better nrg cards both ways

# -To do:

~~A2: uighers~~

A2:power grids

~~A2: retal tariffs~~

# ~~Aff: globalization already happened, just lowers cost of products/introduces products to new markets~~

# ~~Fix the neg tobacco thing with transnationals, joint ventures not M&A~~

# Neg: EU can't actually pressure china to reform

# ~~Aff: China has to reform now because of international pressure, will be different than before~~

# Make research arg about med tech/green tech, find specific cards

# Find ev saying corruption is the stopper for development

# Find ev saying corruption is bottom up and thats the reason no reforms ever work so no investment from EU companies

# Look for ev on EU regulations of foreign investment, also EU banks don't have willingness to go out and fund these long term projects, too risky

#

#

Things that need to be done/started:

~~Merge prepouts (a2 lw)~~

A2: aff

 A2 energy investment (not the giant power grid shit, just like straight energy infra)

 A2: infra needs to be rewritten (nihar)

 A2: trade (mostly done)

A2: neg

 **A2: infra bad**

A2: leverage

 **A2: Retaliatory tariffs**

 A2: crowding out (general)

 A2: Dumping (Coal and steel) (merge prepout

 **~~A2: Disease Spread~~**

 A2: random hr shit

##

# A2: AFF

# A2: General Investment/Infrastructure into EU

Infra fails for x reasons

1. [Tanner Greer, Foreign Policy, dec 18] The officials in charge of BRI have no incentive to develop successful projects since they’re usually transferred away before anything even gets built
2. [Jon Hillman, WashPo, May 19] The lack of transparency in deals and funding leads to mass embezzlements, with officials taking money and nothing being built
3. [Kari Lindberg, QZ, Dec 18] China uses infra projects to secure resources for China, not help local economies

This investment is bad for x reasons

1. [Chandran, CNBC, Sept 18] China excessively relies on chinese employees for projects rather than hiring local workers
	1. [Lawrence Gostin, Health Affairs, April 18] This means infra has no long term impact. Without a trained workforce, infra isn’t maintained or repaired and it becomes inaccessible.
2. [Weizhen Tan CNBC 19’] Huge Opaque debt buildup bc of Chinese investment can decrease economic growth - stops any solvency the aff might have
	1. Greer furthers- this causes shift to IMF, doesn’t forgive debt
3. [Gill, Brookings 19] Infra will be built in urban areas - rich get richer, poor/rural areas have a harder time trying to access market compared to urbanites. Prices also go up as urban areas become wealthier, making it harder for rural areas to afford things, creating spatial wage ineq.

Which is why

1. [Atif Ansar, The Center for Strategic and International Studies, 2016] China’s infrastructure investment programme is not a viable solution for developing countries and should be avoided and 55% projects aren’t profitable.

[Greer 18 of FP](https://outline.com/6xYh64)

If the party leadership was willing to pour extra resources into target countries each time power changed hands, they might be able to blunt this sort of opposition. Beijing has not proven willing to do this. The helter-skelter nature of BRI investment has caused other problems for party leadership:while local Chinese governments and state-owned enterprises are willing to lend [so much that **BRI investments threaten to drive some countries towards default**](https://www.cgdev.org/sites/default/files/examining-debt-implications-belt-and-road-initiative-policy-perspective.pdf)**,** the central government is not willing to be the lender of last resort for the countries thus driven. **Like Pakistan last month, most countries forced to this extremity will have only one option left: come crawling to the International Monetary Fund in hopes of a solution. For such countries, the end result of Chinese investment is an even stronger dependence on the Western-led financial system.**

<https://www.cnbc.com/2018/09/14/china-must-do-more-to-tap-locals-in-belt-and-road-initiative-panel.html>

Sept 14, 2018 Nyshka Chandran

**One of the biggest complaints around the initiative is an excessive reliance on Chinese employees for on-the-ground projects, which deprives participating countries of jobs.** That’s triggered anti-Beijing sentiments in places such as Laos and Turkmenistan. In instances where locals are employed, complaints about dire working conditions are rampant, with public demonstrations being held from Vietnam to Sri Lanka.

**Beijing** basically replicated its traditional state-owned enterprises (SOE) model in other developing nations, Hu said. These enterprises “**tend to air drop the entire ecosystem, from their engineers to the construction workers to the chefs, into the countries to do the project**,” he said.

Tanner Greer [of Foreign Policy](https://foreignpolicy.com/2018/12/06/bri-china-belt-road-initiative-blunder/) dec 18(AN)

This skew is an inevitable result of China’s internal political system. BRI projects are not centrally directed. Instead, **lower state bodies like provincial and regional governments have been tasked with developing their own BRI projects. The officials in charge of these projects have no incentive to approve financially sound investments: by the time any given project materializes, they will have been transferred elsewhere**. BRI projects are shaped first and foremost by the political incentives their planners face in China: There is no better way to signal one’s loyalty to Xi than by laboring for his favored foreign-policy initiative. From this perspective, the most important criteria for a project is how easily the BRI label can be slapped on to it.

This is why **many of the more promising BRI projects were already slated or under construction well before Xi announced his vision for the initiative. These projects have simply been rebranded with the BRI label to curry favor with the party leadership.** (Sometimes this rebranding reaches comical proportions: Turkey’s Marmaray rail tunnel, for example, [was recently lauded by the World Bank as an exemplary BRI investment](https://jamestown.org/program/world-bank-offers-timely-dubious-praise-for-belt-and-road/), even though it is funded by a Turkey-EU-Japan consortium and appears to have no Chinese involvement.) It is easier to rebrand a successful project as part of the Belt and

6. TURN: China is using infrastructure to trap developing countries in debt.

[Lindberg 2018](https://qz.com/1497584/how-chinas-debt-trap-diplomacy-came-under-siege-in-2018/) (SL)

The name surfaced in the title of [a 2017 analysis](https://www.project-syndicate.org/commentary/china-one-belt-one-road-loans-debt-by-brahma-chellaney-2017-01?barrier=accesspaylog) by an Indian strategic commentator that argued **China was offering funding for unsound projects to secure Chinese access to resources or local markets, rather than to help local economies, and as a result “countries are becoming ensnared in a debt trap that leaves them vulnerable to China’s influence.**” At the close of that year, when a cash-strapped Sri Lanka handed over its China-financed port to a Chinese state-run company on [a 99-year lease](https://www.nytimes.com/2018/06/25/world/asia/china-sri-lanka-port.html), the line of argument looked ominously prescient

[Jon Hillman WPo May 31](https://www.washingtonpost.com/outlook/five-myths/five-myths-about-chinas-belt-and-road-initiative/2019/05/30/d6870958-8223-11e9-bce7-40b4105f7ca0_story.html)

But**the BRI is a middleman’s dream, offering up big projects with little oversight, and China’s opaque lending practices increase the risk of cost inflation and corruption.** After reports of missing funds, including some related to Chinese projects, that same former Malaysian finance minister faces jail time, as does Malaysia’s former prime minister, Najib Razak. **I**n Myanmar, the cost of a port for which Beijing was originally planning to charge $7.3 billion was slashed to $1.3 billion after U.S. officials sent technical experts to help review the deal. **Without adequate oversight, officials fill their pockets, and citizens foot the bill.**

Lawrence [Gostin](https://www.healthaffairs.org/do/10.1377/hblog20180327.739726/full/) Health Affairs (EH) April 2018

**Investment should flow more to local laborers and industries, particularly in Africa and other low- and middle-income countries. But China is using its own human resources and businesses. Without a well-trained domestic workforce, infrastructure cannot be maintained, as future repairs and upgrades are required; ports and information technology also cannot be successfully operated.** Would local economies prosper if Chinese companies bring profits home instead of investing in host countries’ businesses and people? Will China allow or facilitate the transfer of technological knowledge to the host country? Who will control a nation’s rich natural resources? For example, Afghanistan, along the “belt,” possesses rare earth mineral deposits worth $1 trillion. African resources such as timber, diamonds, and ivory could be exploited. Modern infrastructure is vital for development, but loans could saddle lower-income countries with long-term debts, as interest payments displace domestic health spending.

Atif [Ansar](https://reconnectingasia.csis.org/analysis/entries/too-much-good-thing/) 16 the Center for Strategic and International Studies

The infrastructure policy implications of our research are three-fold.**First, China’s high-octane investment programme in infrastructure is not a viable strategy for other developing countries** such as Pakistan, Nigeria or Brazil. **Instead, China’s is a model to avoid.** It is a myth that China grew thanks largely to heavy infrastructure investment. It grew due to bold economic liberalisation and institutional reforms, and this growth is now threatened by over-investment in low-grade infrastructure. The lesson for other markets is that policy makers should place their attention on software and orgware issues (deep institutional reforms) and exercise far greater caution in diverting scarce resources to large-scale physical infrastructure projects.

Indermit **Gill,** Somik V. Lall, and Mathilde Lebrand **19** [Indermit Gill, Somik V. Lall, and Mathild<https://smallbusiness.chron.com/multinational-companies-affect-local-businesses-70396.html>e Lebrand, "Winners and losers along China’s Belt and Road," Brookings, <https://www.brookings.edu/blog/future-development/2019/06/21/winners-and-losers-along-chinas-belt-and-road/>] AL

**BRI transport investments favor development in larger cities near border crossings, while people in more distant regions tend to lose out**. Lower transport costs increase prices in the export sector and push wages and land rents up. In addition, because wages are equalized across sectors, prices in the non-tradable sectors also increase. While the amount of land is fixed in each district, workers are mobile across districts so internal migration equalizes wages across locations. **Complementary investments in trade facilitation accentuate the gains in and around urban hubs near border crossings, so they increase spatial gaps in wages and welfare.** Improved domestic transport networks help to spread the benefits, and offset the growing differentials. **Countries where people are not mobile will experience higher spatial wage inequality and, relatedly, lower welfare.** **In Kazakhstan, for example, real wages will grow five times more in and around Almaty than in northern parts close to the Russian border.**The development benefits that Kazakhstan will get from closer economic relations with China will depend on how willing Kazakhs are to move to places like Almaty. This is one aspect of a general principle: How much of the gains from economic integration a Central Asian country gets depends on complementary reforms such as the removal of Soviet-era obstacles to migration. Not making such reforms can convert gains into losses. The estimations indicate, for example, that spatial inequalities increase three-fold in Kazakhstan after the BRI if people face high mobility costs, compared to scenarios with lower costs of moving**. Growing inequalities can jeopardize both political stability and economic growth in middle-income countries, and turn winners into losers.** Domestic policies and investments that increase mobility of labor, goods, and services can mediate potential spatial efficiency-equity tradeoffs. Within countries, workers can have very different levels of market access depending on where they live. **The difference between the areas with highest and lowest accessibility to markets is 44 percent in Kyrgyzstan, 57 percent in Kazakhstan, 146 percent in China, and 200 percent in Uzbekistan.** These differentials fall as labor mobility increases. When they do, spatial differences in the welfare of workers and their families also fall.

The question is important for national and subnational governments. Spatial equity in development outcomes ranks high as a barometer of political success. We know from research on New Economic Geography that regions with better access to foreign markets, such as large cities and border or port regions, stand to get the biggest gains from improved trade linkages. In fact, connectivity improvements could bring more spatial concentration, not the dispersion of economic activity as firms tend to cluster together to reap agglomeration economies (the winners). **In the absence of mechanisms to compensate places that face “net economic losses” (the losers), such initiatives would exacerbate** spatial inequalities and pose **fiscal burdens for regions less and less able to bear them. Some parts of the country may only see trucks and rail wagons roll by whilst having to service the debt associated with infrastructure investments.**

Weizhen Tan [CNBC](https://www.cnbc.com/2019/06/12/chinas-loans-causing-hidden-debt-risk-to-economies.html) 19’ (AK)

That under-reported debt situation could be a problem, according to Kaho Yu, senior Asia analyst at Verisk Maplecroft. “**Although Beijing’s lending can help developing countries, an opaque build-up of debt****may eventually drag down economic growth**,” he told CNBC in an email. Yu added: “**China might have assured the developing countries that the cost of the loans would be covered by projects in the long run once they become operational, but no guarantee is given.”**

##

## A2: IoT

1. T/[Justin Qi Harvard 2018] Most of the world’s poor are subsistence farmers who can’t afford IoT and are hurt by corporate farms with this efficient tech, leaving them jobless. Iot makes the poor poorer and the rich richer

Justin [Qi Harvard 2018](https://harvardecon.org/?p=3782) (SK)

**Meanwhile, subsistence farmers, who comprise the majority of the world’s poor, are unable to afford and unlikely to gain from IoT agriculture sensors designed for larger farms. The IoT’s efficiency gains could give foreign-owned corporate farms an insurmountable advantage pushing out their local neighbors, leaving locals jobless and underfed by cash crops that supplant staple foods.**

## A2: 5G

<https://www.nytimes.com/2019/10/09/world/europe/eu-huawei-report.html>

BRUSSELS — **A 5G supplier from a “hostile” country could be forced by its home government to wreak havoc by causing cyberattacks, a European Union report warned on Wednesday**, but the bloc stopped short of naming the Chinese giant Huawei, which the United States blacklisted after the White House labeled it a tool for espionage by Beijing.

**The European Union report, intended to provide advice to member states, said a “strong link” between a 5G technology supplier and a government “where there are no legislative or democratic checks and balances in place” could prove a major source of vulnerability.**

The language appears to point to Huawei. The company has vehemently denied all allegations of being under the control of the Chinese government, stressing that it is owned by its employees and that only about 1 percent of the company is held by its founder.

<https://www.scmp.com/news/china/diplomacy/article/3032232/eu-cybersecurity-report-says-members-can-ban-firms-5g-networks>

The US has already blacklisted Huawei, while certain EU countries are said to be considering blocking the Chinese tech giant from “core” parts of the sensitive infrastructure.

The responses are all like china getting info sucks

#

# A2: Energy Shit

## A2: Green Tech

1. [Tiffany Teng Racontuer 18] China has said it won’t commit to green energy standards for foreign energy investment, meaning energy investment is likely to be coal/oil
	1. T/[Jane Nakano CSIS May 19] 90% of current energy investment is going towards fossil fuels
	2. T/[Saha, Natl Interest, Aug 19] China is the world’s largest exporter of coal power equipment, exporting twice as much as its nearest competitor.
	3. T/[Kelly Gallagher, Tufts, Aug 18] BRI locks developing countries in nonrenewable energy sources.
		1. [Simon Zadek, Brookings, Apr 19] Lock-in happens bc infrastructure is built for specific energy sources, making the cost to change huge
	4. Which is why [Saha, Natl Interest, Aug 19] concludes: At the current rate, Chinese coal plant developers will drive energy investments that make it impossible to limit global warming to safe levels, making global pollution worse
2. NU/[SCMP Aug 18] The EU ended anti-dumping restrictions on solar panels to increase GT use
	1. [NU/ Osmundsen, 3-21-2019] practically all of the EU’s solar cells and batteries are already bought from china
3. DL/[Saha, Natl Interest, Aug 19] Chinese renewable energy projects are 1-off,
	1. [analysis] meaning they aren’t being used a method to power nations, just small energy investments for posturing
	2. T:Saha continues majority of green projects are hydroelectric which ruins lives of millions of farmers/fishermen because they destroy environment

<https://nationalinterest.org/feature/chinas-belt-and-road-plan-destroying-world-74166>

Sagatom Saha, Aug 18, 2019

China has continually assured the world that its Belt and Road Initiative (BRI) is a green project. At the first BRI forum in May 2017, Chinese president Xi Jinping touted BRI as a “vision of green development and a way of life and work that is green, low-carbon, circular and sustainable.” Similar promises were made at this year’s forum in April. **However, China has long been the world’s largest exporter of coal power equipment, exporting twice as much as its nearest competitor.**At the same time as the first forum, Chinese companies were building an estimated 140 coal plants abroad, including in countries like Egypt and Pakistan that previously burned little to no coal. At the current rate, Chinese coal plant developers will drive energy investments that make it impossible to limit global warming to safe levels. If Chinese development banks continue their current practices, then pollution will inevitably worsen around the world.

Beijing did not finance fossil fuel projects in more than half of the thirty-eight countries, but**China’s non-fossil fuel projects constitute one-off investments over the six-year period.** Moreover, nearly all those non-fossil fuel projects are not wind and solar but hydroelectric dams, which carry their own environmental damage. China’s hydroelectric projects portend ruin for millions of farmers and fishermen.

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<https://www.scmp.com/news/china/article/2162599/eu-lifts-five-year-old-restrictions-solar-panels-china>

 **The European Union will end its five-year-old restrictions on solar panel imports from China,** officials said on Monday, as Brussels and Beijing increase their own trade cooperation in the face of protectionist steps from the United States.

The European Commission, the EU’s executive arm, suggested the decision would boost the bloc’s renewable energy goals as it rejected an appeal from the European solar industry to reconsider the move.

“The EU anti-dumping and anti-subsidy measures on solar panels from China will expire today at midnight (2200 GMT),” the commission said.

Terje Osmundsen, 3-21-2019, "Solar consumption and manufacturing: can Europe re-take the lead?," Energy Post, <https://energypost.eu/solar-consumption-and-manufacturing-can-europe-re-take-the-lead/>

As a solar consumer Europe already plans to re-establish itself as a leader. European solar’s share of total consumption, 5% in 2018, is set to be 36% by 2050. There are three main drivers for progress: increasingly ambitious national targets, the rise of low-cost solar helped by the increase in CO2 costs, and digitalisation. But what about manufacturing? **Practically all Europe’s solar cells are bought in cheaply from China and the Far East. Batteries and other components are following the same trend.** But those cheap manufacturing processes use energy from polluting coal power plants. Talk of imposing rules that add a product’s life-cycle carbon footprint to the equation may see manufacturing return to Europe. Terje Osmundsen scopes out Europe’s solar fortunes.

3. Chinese green standards don’t apply to all BRI countries

Tiffany [Teng, Racontuer18](https://www.raconteur.net/business-innovation/china-belt-road-eco-threat) (SS)

**Even though the Belt and Road Initiative stretches to** some **78 countries, China says it will only commit to green standards within its borders. This means China doesn’t hold itself responsible for the pollution caused by constructing** [**Belt and Road’s railways, ports, highways and power plants**](https://www.raconteur.net/business-innovation/china-kick-starts-biggest-project-on-planet-earth) **across Asia, Africa, Europe and South America.**

4. Turn: Energy investment is 44% of BRI construction and 90% of it is in fossil fuels.

Jane [Nakano CSIS May 19](https://www.csis.org/analysis/greening-or-greenwashing-belt-and-road-initiative) (NA)

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 BRI projects, made over 90 percent of its energy-sector investments in fossil fuel projects.** Moreover, between 2013 and 2016, Chinese financial institutions invested $15 billion in coal projects abroad.

**BRI causes lock in effect**

(Kelly Sims **Gallagher**, Tufts University, August 9, **2018**, “China’s Belt and Road is conduit for polluting investments”) BH

<https://www.ft.com/content/f965fa22-9be4-11e8-9702-5946bae86e6d>)

**China’s Belt and Road Initiative (BRI)** is the biggest vehicle for foreign direct investment in the world, but it **is presently locking in outdated, dirty, and inefficient technologies in recipient countries rather than preparing them for sustainable prosperity in a carbon-constrained wor**ld. China must overhaul its social and environmental policies governing overseas investments to make them consistent with its domestic policies. As China seeks to reduce its overseas investment risks, it should be conscious that social instability caused by air pollution and climate damage rank among the biggest risks of all. For energy-specific projects, Chinese-led policy banks lent $160bn in overseas finance for the energy sector since 2000, nearly equalling total energy finance from the World Bank and regional development banks during the same period. Some 80 per cent of China’s overseas energy investments are in fossil fuels compared with only 3 per cent in solar and wind and 17 per cent in hydro. Although there are undoubtedly economic and development benefits created for Chinese investors and host countries deriving from China’s substantial FDI, there is growing controversy over the significant social and environmental impacts of China’s overseas investments.

**Lock in happens bc infra is built around energy source**

(Simon **Zadek**, April 25, **2019**, “Critical Frontier: Reducing emissions form China’s Belt and Road

<https://www.brookings.edu/blog/future-development/2019/04/25/the-critical-frontier-reducing-emissions-from-chinas-belt-and-road/>) BH

Making things harder, c**arbon emissions are usually locked in at the contractual stage of an investment**. Indeed, **[as] infrastructure development planning involves long lead times that predetermine technology choices, which in turn shape** institutions, behavioral norms, and outcomes, including**carbon emissions for decades to come.**This means that carbon emissions in BRI-involved countries could become largely locked in over the coming one or two decades.

## A2: Power Grid thingy

1. Wont be built [James Temple, MIT tech review, 18]
	1. Costs 50 trillion
	2. Requires unrealistic amounts of international cooperation
	3. Most countries aren’t willing to share resources
2. T/[Edmund Downie 18] Importing power is comparatively worse than just building local power plants - local plants have higher GDP boosts and employment
3. T/[Frank Umbach RSIS 19] China’s coal power sources are so inefficient that there would be less emissions if countries just produced electricity themselves (45-50 percent of energy from coal-fired electricity production)
4. Hogarth ODI 15- even after people are hooked up they can’t afford to buy the energy

Also look at a2 green tech

[Hogarth 15](https://www.odi.org/blogs/9577-power-generation-alone-won-t-deliver-energy-africa-s-poor) (RK)

It is true that Africa has far less power generation than any other continent. **However, even ambitious scenarios for expanding Africa’s power supply leave 530 million people without electricity in 2040, and 653 million without modern cooking services**. This is because Africa’s current power system does not deliver energy to poor people. About half of current electricity consumption in Africa is used for industrial activities – mostly mining and refining. While industrial growth can and must reduce poverty, in sub-Saharan Africa extractives-led industrial growth has a poor track record of doing so. **Even in parts of Africa ‘electrified’ by the grid, poor households can’t afford connection charges and remain without electricity for years, even decades**

James [Temple of MIT Technology Review in 2018](https://www.technologyreview.com/s/612390/chinas-giant-transmission-grid-could-be-the-key-to-cutting-climate-emissions/) (AY)

Of course, such **a global grid won’t happen. It would cost more than $50 trillion and require unprecedented—and unrealistic—levels of international trust and cooperation**. Moreover, **few nations are clamoring for** these kinds of **high-voltage lines even within their boundaries**. A handful of countries already exchange electricity through standard transmission lines, but **[and] efforts to share renewable resources across wide regions have largely** [**gone nowhere**](https://www.wsj.com/articles/SB10001424127887323478304578330221459821536). Among the notable failures is the Desertec Industrial Initiative, an effort backed by Siemens and Deutsche Bank a decade ago to power North African, Middle Eastern, and European electricity grids with solar power from the Sahara.

[Downie](https://www.chinadialogue.net/article/show/single/en/10376-Sparks-fly-over-ultra-high-voltage-power-lines) 18 (AK)

Certain regional governments targeted for UHV projects have also been sceptical. **Provinces get larger boosts to gross domestic product (GDP), employment, and revenue from building their own power plants rather than importing power from other provinces.** Even new lines with central government backing have sometimes failed to get provincial acceptance. For example, the UHVDC Sichuan Number Four line would take Sichuan hydropower to Jiangxi province, and was singled out for construction in the 13th Five-Year Plan (2016-2020). But as NEA officials noted last autumn, Jiangxi does not want this power. The province is bringing more coal-fired power plants online in 2018 so wants to delay the new line until after 2025. Hubei province is also reluctant to accept long-debated new lines from north-west China.

1. Power grid electricity would be coal-powered, worse than decentralized (environment impact not energy poverty)

Frank [Umbach](https://www.rsis.edu.sg/wp-content/uploads/2019/01/WP320.pdf) RSIS 19 (AY)

Another example of its ambitious energy projects overseas as part of the **BRI[‘s]** is its **plan to develop an export supergrid** for supplying electric power generated in China to neighbouring countries and across Asia extending to Europe.86 It would allow using its electricity over-capacities to export them to neighbouring countries. In effect, it **would reduce their energy self-sufficiency and make these countries dependent on China for electricity supply**. As these **exported Chinese electricity supplies** **might**, **even in the longer-term**, **still be based around 45-50 per cent on coal-fired electricity production, the resulting global emissions might also be higher than those countries would opt for in their own decentralised electricity production** based on RES.

[Ng 16](https://www.scmp.com/business/article/1912878/chinas-under-utilised-ultra-high-voltage-power-lines-no-silver-bullet-rid) (MM)

Ip said **on average only 10 per cent to 20 per cent of the transmission capacity of UHV lines could be used to send wind and solar power, since it was intermittent in nature and required the mixing of conventional electricity, like coal-fired power, whose output was more stable throughout the day.**

## A2: General Energy Investment

1. [rathbone 1/18] ENergy investment relies on infra suces in order to actually gain any benefit

<https://www.strategy-business.com/feature/A-Strategists-Guide-to-Chinas-Belt-and-Road-Initiative?gko=8e9c5>

Rathbone 1/22/18

Evaluate not only the specific BRI project but also the maturity of the economic corridor. The BRI is a network of regional infrastructure projects, each of which is an ecosystem of development. However, the pace of development for each part will differ. For example, **energy plants must be linked to pipelines, and ports to roads, for benefits to any part to be fully realized. The political and commercial benefits from infrastructure development can be fully attained only if the transport corridor develops into a true economic corridor, involving, for example, the building of “multimodal linkages” that help increase trade.**

## A2: EU Reforms the BRI

1. EU would only have jurisdiction over investment in their own country
2. China would never take on the EU only to hurt their own foreign policy
3. China always just pretends to do reforms, they don’t need the EU, no checkback.
4. **Cameron 19 of Carnegie-** can’t be hard on China because
	1. Hungary vetoes
	2. Beijing promises investments so it has leverage
5. **Kundnani GMF 19**- EU States will become more economically intertwined with China over time and have lots to gain economically, no reason they would enact change
	1. GMF concludes this has already limited their ability to reform China
6. **Wong of OWP 19-** EU is politically fragmented so they can’t take a unified position on the BRI, thus no leverage.

[Cameron of Carnegie Europe 19](https://carnegieeurope.eu/strategiceurope/78148)

In principle the EU is not tough enough on China, but this reflects the nature of the EU as well as the formidable leverage China uses to divide the member states. The fact is that **It is now impossible to pass a critical resolution on almost any aspect of China’s policies because Hungary will exercise a veto.** So we come back to the organization of EU foreign policy that requires unanimity. It is difficult for the EU to play the values card when we have Hungary and Poland trampling over media freedoms and the rule of law. **It is** also very **difficult to be tough** on the second-largest economy in the world **[on China] when the economies of many [EU] member states have been stuttering in the past decade and Beijing has been promising massive investments**.

[Wong of the Organization of World Peace](http://theowp.org/reports/a-disunited-europe-the-eus-response-to-chinas-one-belt-one-road-initiative/)

**Because the EU’s opinion has been so divided, organizing a unified voice on the BRI** and other Chinese economic activities in the Continent **has remained a Herculean task.**Like in other matters, the foreign policy of the European Union and its member states depends on the foreign policy of each individual member state. While the European Union does have a Common Foreign and Security Policy, it depends on unanimity among the member states in the Council of the European Union (representing the member states’ governments). Therefore maintaining any sort of consensus on such major foreign policy issues as trade with the world’s major economies remains difficult.ore,  **Much of these divisions have stemmed from internal, domestic situations in EU member states and the power hierarchy that exists between** the **member states.**

<http://www.gmfus.org/publications/how-economic-dependence-could-undermine-europes-foreign-policy-coherence>

January 21, 2016

Hans Kundnani

In the medium term, China could be an even bigger challenge for Europe than Russia. **Precisely because EU member states have so much to gain from trade with, and investment from, China, it is likely to have increasing leverage over them. The sheer size of the Chinese economy means that trade with China is in the future likely to make up a much greater proportion of each EU member state’s total trade than vice versa — even if the Chinese economy slows.** In addition, whereas Russia is a declining power with decreasing resources, China is a rising power with increasing resources. Russia was limited in what it could offer Tspiras in order to tempt it to undermine EU sanctions. But in the future, China could offer EU member states much more — and could also punish them more severely. In short, China’s potential to divide Europeans is much greater than that of Russia.

**The increasing economic dependence of EU member states has already constrained the ability of Europeans to take tough common positions toward China.** E**uropean officials say it has become almost impossible to agree upon positions in the European Council that are critical of Chinese human rights abuses.** Member states such as Cyprus and Greece — or whichever country is about to host the next “16+1” summit between the Central and Eastern European countries and China — invariably prevent such issues from being discussed in meetings of the European Council. As one official puts it, China has “bought a blocking minority” in the European Council.[13] In future, such a blocking minority could prevent the European Council taking a stand on other issues such as Asian security. Thus Europe’s economic dependence could not just divide it internally but also cause tensions with the United States.

## A2: BRI stops biomass

1. **Conca of Forbes 17**’ finds that, Coal kills 10 times more people than any other source of energy PER UNIT because of fine toxic particles
2. **Roberts of Vox 17-** companies don’t supply energy to many places because it would cause them to lose money. Roberts concludes coal plants would sit idle.

[Conca of Forbes in 2017](https://www.forbes.com/sites/jamesconca/2017/11/07/pollution-kills-more-people-than-anything-else/#27b03dfb1a35)

“**According to all studies on the subject, coal kills over ten times more people than any other energy source per kWh produced, mainly from fine toxic particulates emitted from coal plants. And coal kills ten times more people in the developing world than in America, simply because they lack regulations** like our Clean Air Act. In fact, our Clean Air Act is the single piece of legislation that has saved the most American lives in history. It is why coal kills over 300,000 people in China each year, but only about 15,000 Americans per year. The two other significant life-saving pieces of legislation include Medicare in 1965 and the Fair Labor Standards Act of 1938, which established the 40 hour work week and reigned in child labor.”

[Roberts 17 of Vox](https://www.vox.com/2016/10/25/13309076/energy-poverty-coal)  (AN)

"No other poverty alleviation strategy in modern history has been more effective than the one implemented by China and driven by an economy fuelled at over 70% by coal," Milton Catelin, chief executive of the WCA, has said. The point about China is misleading (more on that in a second), but more importantly, it fundamentally misdiagnoses the problem with the world’s remaining "energy poor." energy poverty Energy poverty around the world. (Ramez Naam) **The energy poor fall in two basic categories. Around 15 percent of them live in urban areas, in close physical proximity to power grids, but they aren’t reliably hooked up to those grids. Both technical and political barriers prevent connection. Those households tend to be dispersed and consume very little energy, which means connecting them is a money loser for utilities. And in many poor countries, utilities are not under social pressure to provide universal access; indeed, they are often centers of patronage and corruption. Building more coal plants and hooking them to those grids won’t help these households at all.** Indeed, i**n countries like India where this is a serious problem, there is already excess coal capacity on the grid, so new plants are likely to sit idle.** Hooking these households to the grid requires better governance, better financing for the upfront costs of connection, and reform of electricity subsidies and tariffs**.**

## A2: China is reforming

1. CGDEV 19- corruption is bottom up, not top down. BRI is decentralized, meaning China’s current approach will fail.
2. China just pretends to reform, this is why after the April summit there’s still rampant corruption

[**CGDEV 2019**](https://www.cgdev.org/publication/chinese-leadership-and-future-bri-what-key-decisions-lie-ahead)

**However, it remains to be seen if the Chinese government will address the root causes of the problem. The authorities are currently trying to get rid of the rot in the system via top-down audits**,[[13]](https://www.cgdev.org/publication/chinese-leadership-and-future-bri-what-key-decisions-lie-ahead#ftn13) but they should also learn from the experiences of their peers in the development finance market. Analysis of 23,000 development projects financed by 12 bilateral and multilateral institutions in 148 countries between 1980 and 2016 demonstrates that strong “access to information” (ATI) policies and institutions within aid agencies and development banks have resulted in substantially better-performing projects.[[14]](https://www.cgdev.org/publication/chinese-leadership-and-future-bri-what-key-decisions-lie-ahead#ftn14) More easily monitorable development projects are also less vulnerable to capture and corruption.[[15]](https://www.cgdev.org/publication/chinese-leadership-and-future-bri-what-key-decisions-lie-ahead#ftn15) The reason why transparency leads to better outcomes is simple: staff within development finance institutions and their local counterparts in developing countries more carefully design and supervise projects when they know that there is a significant probability that their decisions and actions will be subjected to public scrutiny.

Given that **China subjects its overseas development projects to exceptionally weak public disclosure requirements, it will not reap these benefits unless major changes in policy and practice are introduced**.[[16]](https://www.cgdev.org/publication/chinese-leadership-and-future-bri-what-key-decisions-lie-ahead#ftn16)The authorities in Beijing also need to come to grips with the fact that secrecy and opacity place China at a major reputational disadvantage vis-à-vis its peers. The general public trusts and favors donors and lenders who make it easy to monitor their projects, but the opposite is true of **non-transparent suppliers of development finance:** they **are distrusted and held in low esteem**.[[17]](https://www.cgdev.org/publication/chinese-leadership-and-future-bri-what-key-decisions-lie-ahead#ftn17) Beijing therefore faces a strategic choice: embrace transparency and safeguard BRI from a wide array performance and reputational problems, or play defense and see if it’s possible to regain the trust of disillusioned populations after the damage is done.

##

# A2: Trade

1. [Brinza Jun 17, FoPo] Vast majority of routes are economically pointless and don’t operate at a profit
	1. Routes are built to promote China’s political image rather than meet commercial demand
	2. Europe has little that China wants, so goods are only sent 1 way (China->EU) and the whole trip results in a net loss
		1. (V recent ev) [Leng Aug 19, SCMP] Significant amount of cargo containers between EU/CN were empty
2. **Economist 18-** China already invests in the EU

[**Economist 18**](https://outline.com/nABNpV)

**And also in the rest of Europe. In 2016 Chinese investment in the European Union jumped to nearly €36bn ($40bn)**, up from €20bn the previous year, according to Rhodium Group, an American research firm (see chart). Much of this is state-backed and speaks of the Communist Party’s ambitions to keep Europe from helping America to contain China’s rise. Until that boom year, Europe’s leaders—most notably in Germany—had largely welcomed Chinese investment without thinking too hard about it.

<https://www.scmp.com/economy/china-economy/article/3023574/chinas-belt-and-road-cargo-europe-under-scrutiny-operator>

Sidney Leng, Aug 20th, 2019

Widespread waste and fraud associated with China’s Belt and Road Initiative has been unearthed after**the country’s state railway group was forced to admit this month that a significant amount of cargo containers shuttling between Chinese factories and European** cities **were empty**. The admission by the state-run China Railway – the sole operator of the lines – followed an investigation by the Chinese Business Journal, a newspaper supervised by the Chinese Academy of Social Sciences, which found that in one extreme case only one of 41 containers on a particular train actually carried goods.

<https://foreignpolicy.com/2017/06/05/chinas-continent-spanning-trains-are-running-half-empty-one-belt-one-road-bri/>

<https://outline.com/UkBege>

Andreea Brinza | June 5, 2017, 9:30 am

If one image has come to define the Belt and Road Initiative (BRI), China’s ambitious, amorphous project of overseas investment, it’s the railway. Every few months or so, the media praises a new line that will supposedly connect a Chinese city with a European capital. Today it’s [Budapest](http://news.xinhuanet.com/english/2017-04/21/c_136226904.htm). Yesterday it was [London](http://news.xinhuanet.com/english/2017-04/10/c_136197557.htm). They are the newest additions to **China’s** iron network of **transcontinental railway routes spanning Eurasia**. But **the vast majority of these routes are economically pointless, unlikely to operate at a profit, and driven far more by political need than market demand**. In that, they’re representative of the BRI as a whole — far more **driven by China’s need to promote its image, and to pander to domestic political interests, than to meet commercial demands**

Unlike the HP route, in which trains arrived in Europe full of laptops and other gadgets, **the containers on the new routes come to Europe full of low-tech Chinese products—but they leave empty, as there’s little worth transporting by rail that Chinese consumer s want. With only half the route effectively being used, the whole trip often loses money.** For Chinese companies that export toys, home products, or decorations, the maritime route is far more profitable, because it comes at half the price tag even though it’s slower.

##

## A2: Removing Trade Barriers

1. [Xinquan, Korean Economic Institute, 2018] BRI focuses on physical connectivity rather than reducing institutional barriers

<http://www.keia.org/sites/default/files/publications/jukas_3.1_is_the_belt_and_road_initiative_a_chinese_style_regionalism.pdf>

Tu Xinquan, Korean Economic Institute, 2018

President Xi Jinping proposed the Belt and Road Initiative (BRI) during his state visits to Kazakhstan and Indonesia in September and October 2013, which soon was made a top national priority and even included in the Constitution of the Communist Party of China at the 19th Party Congress in 2017. Nadege Rolland labels this China’s Grand Strategy1and the organizing foreign policy concept in the Xi Jinping era.2 **One key feature of BRI in comparison with RTAs is that BRI focuses more on improving physical connectivity rather than reducing institutional barriers.** The logic of physical connectivity is undoubtedly powerful, especially for developing countries with poor infrastructure. The impact of more and better international links on the regional landscape could be huge, not only by boosting trade and commerce but also by easing flows of energy and other resources, stimulating technological innovation, influencing culture and politics, and shaping strategic choices. Given the fact that RTAs are facing serious difficulties, the BRI looks like an attractive and feasible alternative to promote regional economic integration and globalization. However, there are also plenty of uncertainties and ambiguities surrounding the BRI, particularly due to China’s centrality as well as its direction of economic and strategic development. Hence, this chapter explores BRI characteristics in promoting regional economic integration and whether it could become an alternative approach to regionalism and globalization for China as well as the world.

## A2: FTA

1. T/[Robert Scott, EPI 15] Removing tariffs on China would result in an overflow of cheaper chinese goods in Europe, since China is able to produce goods at a lower rate due to cheap labor and govt subsidies. This would undercut EU companies, resulting in 1.7 to 3.5 million jobs lost.
2. T/[Jayne Thompson 19] Local EU companies can’t compete with large chinese multinational firms, causing local businesses to go out of business
	1. Luck 18 says SMBs account for most job creation
3. NU/[Europa] EU and China have an investment agreement to stop non-discriminatory practices that improve investor confidence. Make them prove FTA is the brightline
4. DL Mozambique and Thailand don’t have an FTA bc China can’t force countries to do sign an agreement.

Turn: Free trade enables Chinese dumping

[Greenwood 17](https://theconversation.com/fact-check-is-china-dumping-steel-76916) (MC)

China’s hold over the international steel market is pretty clear. It produces half the world’s steel and in 2015, finished imports from China to the EU were up 140% on 2013. Imports now account for a quarter of the EU market, and at the same time, prices for a range of major EU product classes have collapsed. This trend, replicated to differing degrees worldwide, has led to accusations in the US and elsewhere that **China is selling its steel at a loss**, or more accurately in this case, keeping costs artificially low **so that other producers cannot compete**, in a practice widely **known as “dumping”. In the EU, tariffs have dented Chinese imports** but it’s a bit like plugging one leak only to find another. Chinese imports are replaced by products from places like Iran, Russia and Ukraine. Imports from Iran have increased almost tenfold since 2012. The EU has numerous trade defence measures on other nations, and not just on a range of Chinese steel products.

Increased imports in general from an FTA would lead to job loss

Robert [Scott Economic Policy Insititute 15](https://www.epi.org/publication/eu-jobs-at-risk/) (MC)

**the increased imports arising from granting MES [Market Economic Status] to China would reduce EU output by** between €114.1 billion and **€228 billion per year, a 1 percent to 2 percent reduction in EU GDP** (relative to base year output in 2011) **that translates into 1.7 to 3.5 million potential jobs lost** among import-competing industries, their suppliers, and the companies that depend on the wages of displaced workers. In addition to these direct and indirect jobs at risk, granting MES to China would put up to 2.7 million direct jobs at risk in a group of highly import-sensitive industries. The job losses estimated in this report are above and beyond jobs already lost due to rising EU trade deficits with China, and additional job displacement that will result from trend growth in bilateral trade deficits in the future. Already over the last decade and a half, EU imports from China increased nearly fivefold between 2000 and 2015, rising from €74.6 billion in 2000 to an estimated €359.6 billion in 2015, an increase of 11.1 percent per year. `

1. Turn: Chinese MNC’s displace local businesses - implicate out

Jayne [Thompson 19](https://smallbusiness.chron.com/multinational-companies-affect-local-businesses-70396.html) (MC)

Despite the many positives, for some **local firms**, the arrival of an MNC can be a death sentence. Where once they might have enjoyed a dominant position in the local market, suddenly they **have to compete with a huge multinational** and all that comes with it — huge cash reserves, advanced technology, economies of scale in production, desirable products, gold-standard marketing strategies and a powerful brand name. How can local firms compete? Sadly, **many cannot complete and quickly will go out of business**. Those that survive often do so by playing the home field advantage, rejecting the standardized products that MNCs offer and selling personalized products in their local markets. It's not a strategy that every local firm can follow, however, and many will be forced to reevaluate and change direction.as the MNC pushes them hard on cost. Losing the War on Talent By definition, MNCs are global businesses that produce goods at the lowest possible pric\_e and then sell them at the highest possible price in foreign markets. The profits they make can be substantial, and they can afford to pay better wages and invest in a highly skilled\_ workforce. For **local businesses**, this can be disastrous. Either they **must match the higher wage scale to retain staff in their own operations or they must watch their best and most talented people jump ship to go to the MNC**. Disproportionate Political Influence Multinational dollars can be highly beneficial to a host country, and the promise of deep investment pockets can give the MNC disproportionate power over the host government. Local firms may benefit from relaxed trading regulations, as has been observed. At the same time, **governments may be pressured into agreeing with policies that are suitable for the MNC but which may do very little to support the long-term welfare of the local business community.** For example, imagine the situation in which a national government gives subsidies only to those agricultural companies that can produce a large volume of crops. Small- and medium-sized local farms may not benefit from these subsidies, because of their smaller scale. This could push local farmers out of business because they cannot compete with large agribusiness MNCs.

[**Luck 18**](https://www.entrepreneur.com/article/322163)

**With** [**99 percent of businesses in the EU**](http://www.europarl.europa.eu/factsheets/en/sheet/63/small-and-medium-sized-enterprises) **falling under the "small business" umbrella, it is often considered that small businesses are the backbone of the economy**. As such businesses provide [two-thirds of private sector jobs](http://www.europarl.europa.eu/factsheets/en/sheet/63/small-and-medium-sized-enterprises) across the continent and [contribute more than half of the total value](http://www.europarl.europa.eu/factsheets/en/sheet/63/small-and-medium-sized-enterprises) created by businesses across the European Union, more needs to be done to overcome market deficiencies. More than just powering the economy, these businesses make important contributions to innovation, employment and accelerating economic growth.

[Europa](https://ec.europa.eu/trade/policy/countries-and-regions/countries/china/)

The EU-China 2020 Strategic Agenda for Cooperation puts an **EU-China Investment Agreement as central to the EU’s long-term bilateral relations with China.** Negotiations for the Investment Agreement began in 2013 The negotiations aim to: improve investment for European and Chinese investors by **creating investment rights and guaranteeing non-discrimination improving transparency,**licensing and authorisation procedures providing a **high and balanced level of protection for investors** and investments rules on environmental and labour-related aspects of foreign investment

## A2: FDI

 7. T: Increase resource dependency

[Caycedo 2018 of Yale](https://environment-review.yale.edu/foreign-direct-investment-developing-countries-blessing-or-curse) (NM)

## **Foreign direct investment** **was** also **found to enhance the dependency on income generated from the forest and mineral sector. In other words, increases in FDI make developing countries more dependent on the depletion of natural resources to keep their economy running**. The authors describe a positive feedback loop: **FDI increases, leading to financial dependence and resource depletion, which in return enhances FDI as the natural resource sectors grow**.

## A2 Middle Income Trap

1. **Mendez-Parra ODI 2016-** 5 reasons why countries get stuck in MIC, BRI never solves
	1. Manufacturing expanding = subsidies never removed
	2. Costly to sustain development
	3. Policies don’t promote innovation, just subsidies
	4. Intense corruption
	5. Reforms never taken seriously by country
		1. All these apply to China
2. **Eurostat-** ⅓ of EU’s high tech products already come from CH

## [ODI 16](https://www.odi.org/blogs/10472-how-avoid-middle-income-trap)

## Five reasons why countries become stuck

One reason lies in the development of sectors like manufacturing. This creates powerful interest groups that may attempt to block policy reforms designed to continue the transformation process, perhaps by resisting the elimination of subsidies and protection. Resistance may also come from workers and unions, leading countries to try and sustain labour-intensive sectors with high wage costs.

Second, economic transformation is also costly to sustain. Emerging manufacturing sectors in LICs tend to start off as net demanders of imported intermediate goods. If these sectors do not quickly become internationally competitive to export, or the country doesn’t develop domestic sources of intermediate goods, then economic transformation becomes very costly overall.

Third, many countries successfully achieve middle-income status using more typical industrial policy tools like subsidies; they don’t make enough effort to create policies promoting knowledge and innovation.

Fourth, institutions don’t always develop at the same pace as increasingly complex economies. Many middle-income countries face the corruption challenges and poor accountability associated with bureaucratic inefficiencies.

Finally, many MICs fail to ‘lock in’ some reforms in the form of international agreements. Although many of them participate in trade agreements, they fail to create institutional and policy commitments that provide a signal of long-term commitment to the transformation strategy.

**E**[**urostat 18 -**](https://ec.europa.eu/eurostat/web/products-eurostat-news/-/DDN-20180430-1)A third of EU’s high-tech product imports come from China

## A2: Overproduction (steel)

1. [Forbes Jan 17] China steel overproduction is bc of govt policies - those need to change in order for the aff to solve overcapacity
	1. [Brun 16] In order to solve you need:
		1. Remove incentives (subsidies and tax breaks) for production
		2. Remove exit barriers to allow unprofitable (anti-closing laws, state-maintained employment levels, pension/labor costs, demolition costs)
2. T/[Levitsky , Latvijas Ārpolitikas Institūts 18 ] Turn - BRI increases the incentive to produce since it opens new markets to steel production - worsening the overproduction problem
3. **Smith Bloomberg 19-** China has unique control over their econ that allows them to stop recessions by controlling capital flow, it’s stopped recession for the last 3 decades.
4. **Zhou 15-** CH subsidized SOEs because of BRI which would’ve otherwise gone under
	1. **SCMP 19-** SOEs are bad, cause loss of money and growth
5. **Reuters 18-** China cut production 30 million tons already

[Zhou 15-](https://thediplomat.com/2015/06/the-trouble-with-the-chinese-marshall-plan-strategy/)

Given the vast amount of people employed in export-related industries, as well as in hard industrial and infrastructural production (the construction sector alone accounts for over 30 million jobs), boosting export figures and/or buying crucial time for these jobs and livelihoods to be transferred is still of paramount concern to Chinese leaders. In detailing the OBOR, China has in fact clearly stated that it is buying time for domestic consumption to increase at a natural pace. Consumer-led growth will be a long time coming; progress on that front remains “too little and too slow” for China’s economy to depend on it anytime soon. **More than kicking the can down the road, though, the OBOR could make problems worse. That is, while it may buy time, this would be at the cost of further subsidizing inefficient (and energy-intensive, high-polluting) SOEs and companies that should have either shrunk or gone under long ago under normal market conditions.**

[SCMP 19-](https://www.scmp.com/news/china/diplomacy/article/2185905/china-puts-its-economy-risk-spurning-market-oriented-reforms-it%29%20PSR%207-17-2019)

“The fundamental obstacles to implementing far-reaching economic reforms in China is the top leadership’s view that, while state-owned firms may be a drag on China’s economic growth, they are essential to maintaining the position and control of the Cohttps://thediplomat.com/2015/06/the-trouble-with-the-chinese-marshall-plan-strategy/

mmunity Party and achieving the party’s strategic objects,” Lardy said. L**ardy estimated that the deteriorating productivity of state-owned enterprises and the decrease in private investment reduced China’s growth by an estimated 1.6 to 2.0 percentage points annually. “More than two-fifths of state firms persistently lose money,”** he noted in the book, adding that China’s official data understates the losses of poorly performing state firms and non-performing loans, while overstating the profits of the successful state firms.

[Reuters 2018](https://af.reuters.com/article/metalsNews/idAFB9N1NJ05D) (LY)

**China will cut steel capacity by 30 million tonnes** and coal output by 150 million tonnes **this year**, its top economic planner said on Monday, putting the world’s top metal and energy market on track to beat long-term targets. In a work report at the opening of the annual meeting of parliament, **the National Development and Reform Commission (NDRC)** said it will shut coal-fired power plants with capacity of less than 300,000 kilowatts that fail to meet standards in 2018. Beijing said last month it aims to meet its target for reducing steel production capacity two years earlier than planned, as the world’s top steel producer ramps up its years-long push to reduce excess output. The original plan **called for reducing 150 million tonnes of steel production capacity by 2020. The world’s top coal consumer cut 250 million tonnes of capacity last year,** taking the total since 2016 to 460 million, **almost hitting its 2020 target** of 500 million tonnes.

[Smith of Bloomberg in 2019](https://outline.com/eMTnrA) (AY)

Some China bulls attribute this impressive stability to the fact that the country’s economy is much more government-controlled than that of the U.S. or of most developed countries. As long as the ruling Chinese Communist Party carries out wise, level-headed policies, and as long as the country’s business leaders and investors continue to believe that policy will support the economy, the argument goes, a crisis of the type that afflicted the U.S. in 2008 or Japan in the early 1990s is unlikely. For example, many cite China’s ability and willingness to bail out its banks, as it did [in the 1990s](https://www.bis.org/repofficepubl/arpresearch_fs_200606.01.pdf). **As long as private-sector actors are certain** that such **a bailout would be forthcoming, it will be hard for a panic to begin.** **China’s** government seems to have developed a highly effective [new form](https://www.bloomberg.com/opinion/articles/2018-07-19/china-s-economy-is-different-no-recessions-in-a-quarter-century) of economic stabilization. Its **extensive control of the financial system allows it to turn on a flood of bank loans when the economy looks weak, and restrain credit when the danger has passed. China’s avoidance of recession in at least the past three decades suggests that this form of credit-based stabilization is more effective than traditional, more indirect stimulation of the economy through government deficits and central bank monetary easing.**

Combine these two policies, and you get a picture of how the Chinese government works its magic. When a recession threatens, the government tells banks to lend --— to local governments, construction companies and real estate developers. Then, if the credits go bad, the government swoops in and takes the nonperforming loans off of financial companies’ books. Uninterrupted rapid growth then shrinks the government debt as a percentage of gross domestic product, and the system sails blithely forward into a future of certainty and [optimism](https://danwang.co/definite-optimism-as-human-capital/).

 [Brun ‘16](https://www.researchgate.net/publication/307559458_Overcapacity_in_Steel_China%27s_Role_in_a_Global_Problem)

**Structural overcapacity is a** more **intractable problem. At the heart of the solution is reducing incentives for growing the industrial stock in steelmaking facilities, and removing exit barriers to allow unprotable capacity to permanently close.** To achieve these goals, China should implement announced reforms regarding its tax structure, the career-advancement criteria of local and provincial ofcials, and the role of subsidies and cheap nance in the economy to make the steel industry more subject to market signals.”

Exit barriers contribute to overcapacity because more sellers remain in the market than an efficient market would allow. Examples of **exit barriers include economic barriers, such as demolition, environmental, pension and labor costs associated with plant closures; and noneconomic barriers, such as governmental policies (anti-closing laws) or state ownership intended to maintain employment levels.** Firms also face exit barriers when their liabilities, such as the burden of servicing debt, exceed assets, and markets for selling assets are weak due to unfavorable industry-wide price-to-book ratios.52 **Exit barriers keep companies in an industry despite low or even negative returns on investment, hindering consolidations necessary for economically-sized assets, adopting new technologies, and/or shifting a rm’s strategic position to more protable areas.**

[Levitsky ‘18](http://www.lai.lv/viedokli/greening-the-bri-china-facing-new-challenges-731?fbclid=IwAR0AV5PrS4sH8ocO-YoMSwzj--1WU0gJCzMCoTOQyQo0rRe_kVmrZnA5hAY) Latvijas Ārpolitikas Institūts -

As a 2014 article has already suggested, **Chinese raw materials overproduction can conduct it to engage in constructions overseas.[18]Along these lines, considering that one of the aims of the BRI is to deal with this overcapacity, this solution encourages overproduction, instead of finding active solutions to solve it,** or using this asset to promote renewable energy, especially when wind and solar energy are falling in price.[19]

[Forbes 2017](https://www.forbes.com/sites/greatspeculations/2017/01/09/the-extent-of-overproduction-in-the-chinese-steel-industry/#2123095f446e) (SK)

**State support in forms such as subsidies and tax breaks has allowed Chinese steel producers to continue producing at elevated levels despite an unfavorable business environment. Excess steel production has driven up Chinese steel exports,** which have adversely impacted steel industries worldwide. Chinese steel exports have been characterized by unfair trade practices and regulatory authorities in the U.S. and Europe have imposed anti dumping duties on steel imports from China. An increasingly hostile international trade environment could force China to lower its steel production going forward.

##

## A2 US Invests more in response

1. **Heritage 18-** money must go through OPIC fund, vast majority goes to rich countries
	1. No increase in economic freedom in African countries where money historically went
	2. No new oversight on BUILD act that forces money to go to poorer areas
2. **Caycedo 18 Yale-** FDI bad
	1. OPIC, which the build act goes through, prioritizes US foreign policy and businesses, that has 2 implications.
	2. Causes bad long term policy
	3. Causes unsustainable resource use
3. T: **Swanson 15 WEF**- more aid= corruption/authoritarian because governments don’t need support of the people to stay in power anymore, they don’t give any services to help.
	1. **Williamson 16 The Hill-** 80% to countries that are corrupt/no political freedom
	2. **World Bank 18**-Corruption has a disproportionate impact on the poor and most vulnerable, increasing costs and reducing access to services, including health, education and justice.

[**Heritage 18**](https://www.heritage.org/international-economies/commentary/governments-track-record-suggests-build-act-wouldnt-pour-money)

**This concentration of OPIC activity in relatively wealthy African countries is unsurprising. According to a Heritage Foundation** [**analysis**](https://www.heritage.org/international-economies/report/the-build-acts-proposed-us-development-finance-corporation-would) **of that agency’s portfolio, as of March 2018: only 16 percent of active projects (comprising about 7 percent of the dollar value) were directly located (not inclusive of regional projects) in low-income countries as defined by the World Bank. In fact, as of March 2018, OPIC has more active projects in upper-middle-income countries (175) than in low-income countries (94).**

[**Foreman 15**](https://www.washingtonexaminer.com/does-foreign-aid-really-do-good)

**Large inflows of development aid also seem to encourage political instability. This makes sense to the extent that once the state becomes the sole source of wealth and leverage, getting control of it for one's own party or tribe becomes all the more important, certainly worth cheating, fighting and killing to secure.** Aid can also encourage a dependency that is not just morally problematic, but also dangerous. Food aid is particularly destructive. When foreign aid agencies hand out grain, it bankrupts local farmers or at least discourages them from sowing next year's crops, all but guaranteeing future shortages.

**Turn: Foreign aid increases corruption, weakens the economy, and leaves the government less accountable.**

[Swanson 2015 World Economic Forum](https://www.weforum.org/agenda/2015/10/does-foreign-aid-always-help-the-poor/)(YZ)**The countries that** receive less aid, those on the left-hand side of the chart, tend to have higher growth — while those that **receive more aid**, on the right-hand side, **have lower growth.** Why was this happening? The answer wasn’t immediately clear, but Deaton and other economists argued that it had to do with how foreign money changed the relationship between a government and its people. Think of it this way: **In order to have the funding to run a country, a government needs to collect taxes from its people.** Since the people ultimately hold the purse strings, **[thus,] they have a certain amount of control over their government. If leaders don’t deliver the basic services** they promise, **the people have the power to cut them off.** Deaton argued that **foreign aid** can **weaken[s] this relationship, leaving a government less accountable to its people**, the congress or parliament, and the courts.

[Williamson 2016 The Hill](http://thehill.com/blogs/congress-blog/foreign-policy/269134-where-does-us-foreign-aid-money-go)(YZ)

The revelations about Syrian aid are an example of failure in the selectivity category, which describes how donation recipients are selected. The standards aim to ensure that aid is specifically allocated to the poorest countries, to more democratic countries, and to less corrupt governments. Clearly there is a breakdown in the process. and yet, the monetary commitments by politicians continue.**Almost 80 percent of U.S. aid is given to corrupt governments and over 75 percent of aid goes to countries that lack political freedom.**Furthermore, only 34 percent of aid was given to low-income countries.**It appears that the U.S. does not use poverty or good governance as a selectivity benchmark to receive aid.**

# A2: NEG

## A2: CPEC

1. T/[Huseynov of the Diplomat 19] China has a vested interest in maintaining political stability in BRI countries
	1. [^] the reason is they want to protect chinese workers internationally
	2. [uncarded] investment typically fails during wars
	3. [^] China mediated 7 conflicts in 2017 vs 3 in 2012, increased diplomats to prevent/manage/resolve conflict in tension areas
2. [Chellaney, Nikkei Asian Review 19]China-Pakistan relations will always exist
	1. [^] purpose of the relationship is to contain India - that incentive never goes away
	2. [^] Paki has allowed China to station thousands of troops in disputed regions (kashmir)
	3. [^] China supplies missile, nuclear, warships, submarines, etc for paki

[Huseynov of the Diplomat](https://thediplomat.com/2019/06/can-china-broker-the-resolution-of-the-armenia-azerbaijan-conflict/) 19 (AY)

**Beijing’s aspiration to expand its global economic ties had the knock-on effect of forcing the Chinese leadership provide fundamental security conditions for Chinese citizens and companies internationally.** This **generated a clear-cut shift in China’s foreign policy principles, which** had **traditionally insisted on disengagement from conflict resolution abroad.**

**The launch of the BRI was a powerful push for this transformation. The project might encounter a drastic failure if the necessary political stability in the target countries cannot be maintained**. A 2018 [study](https://www.merics.org/en/china-mapping/china-conflict-mediator) by the Mercator Institute for China Studies (MERICS) concluded that **since 2013, when the initiative was announced, China has demonstrated a much more active role in the resolution of numerous conflicts along the route that the BRI traverses:**

**Recent years have seen significant changes in China’s international mediation activities. In countries like Afghanistan, Bangladesh, Syria, and Israel, among others, diplomats from China increasingly engage in preventing, managing, or resolving conflict.** I**n 2017 Beijing was mediating in nine conflicts, a visible increase compared to only three in 2012,** the year when Xi Jinping took power as General Secretary of the Chinese Communist Party (CCP).

Nikkei Asian Review, 3-18-2019, "Pakistan, China and terrorism," <https://asia.nikkei.com/Opinion/Pakistan-China-and-terrorism>

Brahma Chellaney MARCH 18, 2019 14:03 JST

**The China-Pakistan axis has been cemented by "iron brotherhood," with the two "as close as lips and teeth," according to Beijing. I**t calls Pakistan its "all-weather friend." China, however, has little in common with Pakistan, beyond the fact that both are dissatisfied with their existing frontiers and claim territory held by neighbors. **Their "iron brotherhood" is actually about a shared interest in containing India. That interest has raised the specter for New Delhi of a two-front war in the event military conflict breaks out with either Pakistan or China.** Rising financial costs, however, are triggering a pushback against Chinese projects even in friendly Pakistan. The new military-backed Pakistani government that took office last summer under Imran Khan has sought to scrap, scale back or renegotiate some Chinese projects. It downsized the main Chinese railway project by $2 billion, removed a $14 billion dam from Chinese financing, and canceled a 1,320-megawatt coal-based power plant. **For years, China has been attracted by Pakistan's willingness to serve as its economic and military client. China has sold Pakistan weapons its own military has not inducted, as well as prototype nuclear power reactors. Since at least 2005, Pakistan has allowed Beijing to station thousands of Chinese troops in the Pakistani part of the disputed region of Jammu and Kashmir,** where control is divided between India (45%), Pakistan (35%) and China (20%). More recently, China has sought to turn Pakistan into its land corridor to the Arabian Sea and the Indian Ocean. **With Chinese involvement, the northern Arabian Sea is becoming militarized: China has supplied warships to the Pakistani navy, it controls Pakistan's Gwadar port, and its submarines are on patrol.** Yet Pakistan is unlikely to stop being China's loyal client. Despite Western concern that the tide of Chinese strategic projects is making the country dangerously dependent on China, **the relationship brings major benefits for Pakistan, including internationally well-documented covert nuclear and missile assistance from Beijing. China also provides security assurances and political protection, especially diplomatic cover at the U.N., as has been illustrated by its torpedoing of the U.S.- French-British move to designate the Jaish-e-Mohammed chief as a global terrorist**. Western powers failed to persuade China that the threat it cites from Islamist terrorism in its own western region demands that it join hands with them.

## A2: Uighers

From Frayer 4-19:

1. So many other alternate causes to the crackdown - China sees them as terrorists, blames their religion for the Urumqi riots and terrorists attacks on chinese citizens in the past, and knows many of them fought for groups like ISIS. “In the eyes of Beijing, all Uighurs could potentially be terrorists or terrorist sympathizers.”
	1. China’s been doing this since 2009 - takes out most of their links since it predates
2. Xi wants to Sinicize and wipe out their religion - they fear that allowing other religions could lead to separatism/independence movements.
3. The US, EU, and the UN have all called on China to stop but they don’t care clearly.
	1. Double Bind:
		1. If intl criticism is effective, the US/UN will always be doing it
		2. If intl criticism isn’t effective, they can’t solve

 From Buckley 5-19:

1. China’s surveillance state is run and sold by state-owned companies
	1. [not part of the card] China has a vested economic interest in surveillance

Kevin Frayer, 4-11-2019, "China’s Crackdown on Uighurs in Xinjiang," Council on Foreign Relations, https://www.cfr.org/backgrounder/chinas-crackdown-uighurs-xinjiang

**Chinese officials are concerned that Uighurs hold extremist and separatist ideas, and they view the camps as a way of eliminating threats to China’s territorial integrity, government, and population.**

**Arbitrary detention became widely used by regional officials** under Chen Quanguo, Xinjiang’s Communist Party secretary, who moved to the province in 2016 after holding a top leadership position in Tibet. Known for increasing the number of police and security checkpoints, as well as state control over Buddhist monasteries in Tibet, Chen has since dramatically intensified security in Xinjiang.

**Under President Xi Jinping, the CCP has pushed to Sinicize religion, or shape all religions to conform to the officially atheist party’s doctrines and the majority Han-Chinese society’s customs. Though the government recognizes five religions—Buddhism, Catholicism, Daoism, Islam, and Protestantism—it has long feared that foreigners could use religious practice to spur separatism.**

**The Chinese government has come to characterize any expression of Islam in Xinjiang as extremist**, a reaction to past independence movements and occasional outbursts of violence. The government has blamed terrorist attacks on the East Turkestan Islamic Movement, a separatist group founded by militant Uighurs, in recent decades. Following the 9/11 attacks, the Chinese government started justifying its actions toward Uighurs as part of the Global War on Terrorism. It said it would combat what it calls “the three evils”—separatism, religious extremism, and international terrorism—at all costs.

In 2009, rioting in Xinjiang’s capital, Urumqi, broke out as mostly Uighur demonstrators protested against state-incentivized Han Chinese migration in the region and widespread economic and cultural discrimination. Nearly two hundred people were killed, and experts say it marked a turning point in Beijing’s attitude toward Uighurs. In the eyes of Beijing, all Uighurs could potentially be terrorists or terrorist sympathizers.

During the next few years, authorities blamed Uighurs for attacks at a local government office, train station, and open-air market, as well as Tiananmen Square in Beijing. The government also feared that thousands of Uighurs who moved to Syria to fight for various militant groups, including the self-proclaimed Islamic State, after the outbreak of civil war in 2011 would return to China and spark violence.

**Much of the world has condemned China’s detention of Uighurs in Xinjiang**. The UN human rights chief and other UN officials have demanded access to the camps. **The European Union has called on China to respect religious freedom and change its policies in Xinjiang.** And human rights organizations have urged China to immediately shut down the camps and answer questions about disappeared Uighurs.

**Top officials in the Donald J. Trump administration, including Vice President Mike Pence and Secretary of State Mike Pompeo, have spoken out against China’s actions**. U.S. diplomats hosted a meeting alongside **the UN Human Rights Council in March 2019, urging China to stop detaining Muslims**. A 2019 State Department report detailed China’s human rights abuses in Xinjiang and throughout the country.

Chris Buckley and Paul Mozur, 5-22-2019, "How China Uses High-Tech Surveillance to Subdue Minorities," NYT, https://www.nytimes.com/2019/05/22/world/asia/china-surveillance-xinjiang.html

KASHGAR, China — A God’s-eye view of Kashgar, an ancient city in western China, flashed onto a wall-size screen, with colorful icons marking police stations, checkpoints and the locations of recent security incidents. At the click of a mouse, a technician explained, the police can pull up live video from any surveillance camera or take a closer look at anyone passing through one of the thousands of checkpoints in the city.

**This is the vision of high-tech surveillance — precise, all-seeing, infallible — that China’s leaders are investing billions of dollars in every year**, making Xinjiang an incubator for increasingly intrusive policing systems that could spread across the country and beyond.

**Developed and sold by the China Electronics Technology Corporation, a state-run defense manufacturer,** the system in Kashgar is on the cutting edge of what has become a flourishing new market for technology **that the government can use to monitor and subdue millions of Uighurs and members of other Muslim ethnic groups in Xinjiang.**

It is a virtual cage that complements the indoctrination camps in Xinjiang where the authorities have detained a million or more Uighurs and other Muslims in a push to transform them into secular citizens who will never challenge the ruling Communist Party. The program helps identify people to be sent to the camps or investigated, and keeps tabs on them when they are released.

The real bonanza of security contracts came after Xi Jinping took the helm of the party in late 2012. Spending on internal security in Xinjiang totaled nearly $8.4 billion in 2017, six times as much as in 2012, including funds for surveillance, personnel and the indoctrination camps.

# A2: General Investment Bad

1. [RWR Advisory Group July 18] 86% of chinese infra projects are successful and face no pushback
2. [Dandan Li Apr 19] International pressure has forced China to reform in the squo
	1. [^] New auditing and anti-corruption mechanisms = no longer sketchily run
	2. [^] Greater oversight = less setbacks
3. T/[Bond Mar 19]EU is ensuring that China deals have EU level of transparency and good governance
	1. [Parks, Center for Global Dev, Jul 19] Analysis of 23,000 dev projects finds that increased transparency and access to information results in substantially better projects: projects are more carefully designed and supervised when they know they will be faced with public scrutiny

https://cer.eu/sites/default/files/pb\_eurasian\_IB\_16.3.17\_0.pdf

Overall, there is potential for the EU and China to work together on OBOR, but as yet there are no concrete projects. **The EU is keen to ensure that anything it does with China needs to meet European standards of transparency and good governance, and that infrastructure is not built just so the Chinese can export over-production (as one EU official said privately).** The European Commission is cautiously testing China’s willingness to adapt to the EU’s way of doing business, including rules on government procurement. The EU’s 2016 strategy for China balances the areas where it sees China as needing to improve (a more level playing field for European businesses; less state subsidy for Chinese companies competing for business with European firms) and areas where it sees a common interest (peace and security in Africa, including anti-piracy operations off Somalia, in which the EU and China have both taken part).

<https://www.cgdev.org/publication/chinese-leadership-and-future-bri-what-key-decisions-lie-ahead>

Brad Parks July 24, 2019

However, it remains to be seen if the Chinese government will address the root causes of the problem. The authorities are currently trying to get rid of the rot in the system via top-down audits,[13] but they should also learn from the experiences of their peers in the development finance market. **Analysis of 23,000 development projects financed by 12 bilateral and multilateral institutions in 148 countries between 1980 and 2016 demonstrates that strong “access to information” (ATI) policies** and institutions within aid agencies and development banks **have resulted in substantially better-performing projects.[14] More easily monitorable development projects are also less vulnerable to capture and corruption.[15] The reason why transparency leads to better outcomes is simple: staff within development finance institutions and their local counterparts in developing countries more carefully design and supervise projects when they know that there is a significant probability that their decisions and actions will be subjected to public scrutiny.**

<https://www.rwradvisory.com/rwrs-problem-transactions-data-featured-financial-times/>

July 9 2018

On July 9, an article by Financial Times Emerging Markets Editor James Kynge featured RWR’s “problem transactions” data as part of a look at the performance of BRI-related projects since 2013.  O**ur data showed that 14 percent – or 234/ 1,674 – of Chinese infrastructure projects across 66 BRI countries have encountered some kind of problem or local push-back.** These issues raised include public opposition, labor disputes, performance delays, and national security-related concerns.

China is giving concessions + making reforms in the squo (JK probably don’t read this if you’re reading bri bad LOL)

 Dandan Li, [Business of Fashion Apr 22 19 (?)](https://outline.com/MEYuV4) (AN)

**Chinese President Xi Jinping’s grand Belt and Road Initiative (BRI) is getting a makeover to** tone down government rhetoric and **tighten oversight**, after allegations of corruption and a lack of sustainability dogged some of its highest-profile projects. **Beijing is taking a range of steps to exert more control over the programme**, officials and participants said, **including** a more muted publicity drive, **clearer rules for state-owned-enterprises, restricting use of the BRI brand, and building overseas auditing and anti-corruption mechanisms. It’s also stepping up efforts to get developed nations to join in to spread the risk of building projects in poorer nations** and to counter allegations that BRI is just an attempt to build China’s political influence.China’s Foreign Ministry referred questions for comment to the National Development and Reform Commission. The State Council Information Office and NDRC didn’t reply to faxes seeking for comment about the Belt and Road Initiative.

"The Chinese government had a great sense of frustration as the latest criticisms not only come from developed but also developing countries," said Zhu Feng, dean of the Institute of International Relations at Nanjing University, "**The international pressure is working to compel China to move forward."**Toned-Down RhetoricAs global leaders gather in Beijing this week for Xi’s second Belt and Road Forum for International Cooperation, China is having to defend its image in the light of the trade war with the US and growing concern about Beijing’s political and economic influence in Asia and Europe. Authorities have purged terms in state media and official statements that have driven anxiety of China as a menacing power, from its "Made in China 2025" campaign to the decade-old "Thousand Talents" program to encourage talented Chinese workers living overseas to come back home.

## A2: Displacement?

##  A2: Debt Diplo

Debt not threat

1. [Salem Solomon VOA 18] Only 2% of Africa’s debt is bc of China
	1. [Janey Eom, John Hopkins, 18] Chinese loans are not a major contributor to debt distress in Africa
	2. [Dandan Li, Bloomberg 19] China is backing out of deals with countries in debt distress - not worsening the problem. That’s because defaults cripple China’s finances.
2. [Laura Zhao SCMP 19] China renigionates deals when countries can’t pay. They’ve done it 40 times in 50B worth of deals - asset seizure rarely ever happens (has only ever happened 2 times)
	1. [Hurley CGDev 18] China has lent money to 31 Heavily Indebted Poor Countries and offered forgiveness in 28 of them.

Not a threat in Europe either

1. [Marshall Meyer, Wharton, Apr 30 2019] Europe is unlikely to agree to Chinese terms, will negiogate as a group (EU) meaning that unfair loans and practices are unlikely to succeed.

<https://www.theguardian.com/environment/2011/mar/04/china-dams-emissions-carbon-hydropower>

Schaart 2019

**The Belt and Road Initiative** has already begun having effects across the region, and not always the ones China intended. It has catalyzed modernization drives from Pakistan to Myanmar, **investments** that **can actually help countries diversify their economies and achieve investment grade status.** At the same time, it has awakened countries to the dangers of taking on too much debt without delivering growth, and thus becoming ensnared in China’s political orbit. Importantly, this has given rise to a welcome “infrastructure arms race” in which Japan, India, Europe and even, belatedly, the U.S. are starting to actively compete with China to finance productive infrastructure and help BRI members to eventually resist Chinese dominance.

Marshall Meyer Apr 30 2019

Daniels reform card

<https://knowledge.wharton.upenn.edu/article/chinas-belt-and-road-initiative-why-the-price-is-too-high/>

But **China could face tough negotiations** elsewhere **in Europe**, Meyer predicted. “**European countries, unlike Italy, are not going to go singly to China**,” he said. “**They will go as a group, probably led by Germany, and** again try to negotiate volume discounts**. At the end of the day there’s the possibility that the winners of this will be the host countries and not China.** Let’s see the terms of trade, then we’ll know.” Australia, Japan, and the U.S. have already formed their own trilateral investment initiative to help meet infrastructure needs in the Indo-Pacific.

1. Only 2% of African debt is from China - the rest is from Western institutions. Chinese loans are not a major contributor to the debt distress and new loans will likely take this debt into account, creating better deals.

VOA News [Solomon Sept 18](https://www.voanews.com/africa/china-offers-debt-relief-most-african-countries-borrow-elsewhere) (NA)

Yet **Chinese loans make up just a small portion of Africa’s debt**, W. Gyude Moore, a visiting fellow at the Center for Global Development, told VOA. Moore is Liberia’s former minister of public works and focuses on infrastructure financing in Africa. He put the **continent’s total debt burden** at about $6 trillion, most of which **is owed to organizations such as the World Bank, the International Monetary Fund and the Paris Club of mostly Western creditor countries. He said Chinese loans make up just two percent of all Africa debt.**

Janet [Eom, John Hopkins School of Adv Intl Studies18](https://static1.squarespace.com/static/5652847de4b033f56d2bdc29/t/5c467754898583fc9a99131f/1548121941093/Briefing%2BPaper%2B1%2B-%2BAugust%2B2018%2B-%2BFinal.pdf) (NA)

We find that **Chinese loans are not currently a major contributor to debt distress in Africa.** Yet many countries have borrowed heavily from China and others.**Any new FOCAC loan pledges will likely take Africa’s growing debt burden into account`**

1. Furthermore, China isn’t wanting to give money to countries that can’t pay back because it would cripple their finances.

Dandan [Li Bloomberg 2019](https://www.bloomberg.com/news/articles/2019-08-14/china-s-belt-and-road-is-getting-a-reboot-here-s-why-quicktake)

**Signs of a more cautious approach have emerged** -- at least **around** its **debt exposure. China has withheld some $4.9 billion in new loans** **for** a major rail project it had been building in **eastern Africa**. The line was supposed to run from the Kenyan port city of Mombasa to Uganda and beyond, but only the stretch from the coast to Nairobi is done. China balked at funding the extension **amid concerns that Kenya was at risk of debt distress.** Revenue from the railway is supposed to repay the initial $3.6 billion loan, but critics say it won’t turn a profit for a long time. RWR Advisory Group, a Washington-based consulting firm, reported that **the Export Import Bank of China backed out of providing financing for a** giant solar **project due to the Zimbabwean government’s legacy debts.**

[Thomas Cavanna Jul 2019 TNSR](https://tnsr.org/2019/07/unlocking-the-gates-of-eurasia-chinas-belt-and-road-initiative-and-its-implications-for-u-s-grand-strategy/) **(EH)**

**As for the “debt trap” accusations, they have their limits. Seeking too many bankruptcies would not make sense for China as it would cripple its finances. Authoritative institutions such as the Center for Global Development concluded that Belt and Road “is unlikely to cause a systemic debt problem.”70**

DL: China is really lenient on debt negotiations

Laura [**Zhou SCMP 19**](https://www.scmp.com/news/china/diplomacy/article/3008326/why-chinas-belt-and-road-loans-may-not-be-debt-trap-other) **(ck)**

**China is inclined to renegotiate or write off debts incurred by other countries for its belt and road infrastructure projects and only rarely seizes assets**, a study by a New York consultancy has found. The Rhodium Group’s research looked at **40 cases of external debt renegotiation between 2007 and this year and** found there was **only one confirmed case of asset seizure** – in Sri Lanka. The conclusions, based on the studies of Chinese debt renegotiations with 24 countries in Asia, Africa and Latin America, challenge claims that the Belt and Road Initiative will leave countries with debts they cannot repay and force them to hand over assets or natural resources to Beijing. **The report concluded that Beijing had renegotiated about US$50 billion of loans and in most cases, debts had either been written off or payment was deferred**. Chinese-funded infrastructure projects hardly ever end with assets being seized. Photo: Xinhua Chinese-funded infrastructure projects hardly ever end with assets being seized. Photo: Xinhua Share: One example it gave was Cuba, which had US$2.8 billion in debts written off in 2010, while last week Ethiopia announced that Beijing had forgiven interest owed on belt and road loans. The publication of the research on Monday followed the end of the second Belt and Road Forum in Beijing on Saturday, where Chinese President Xi Jinping attempted to allay growing international complaints that the plan was a “predatory debt trap” and promised to promote high financial and environmental standards under the initiative.

CGDev [**Hurley 1**](https://www.cgdev.org/sites/default/files/examining-debt-implications-belt-and-road-initiative-policy-perspective.pdf)**8 (ck)**

**The IMF estimates that China** has delivered over 80 percent of what it is expected to provide under HIPC. It **was a creditor to 31 of the 36 HIPC countries**, and the most recent publicly available information indicates that **it provided relief in at least 28 of them, including 100 percent forgiveness for several (e.g., Burundi, Afghanistan, and Guinea).**

# A2: Environment

OVERVIEW: The alt the neg advocates is a world where the developing world never develops any energy. This is a morally reprehensible view since developed nations don’t even follow standards for green energy.

1. **Largo 09 WHO**- Access to energy in general is good: improves healthcare, edu, job creation, lack of energy entrenches poverty since they can’t ever develop
	1. Coal is still on net cleaner: Biomass is worse.
	2. **Meyer 18-** 3.8 mill die/yr, warrant is that it biomass releases way more CO, black carbon, than the entire power sector.
2. Globe trade = diversification of industry = less reliance on agri = less impact of cc

Aff helps enviro

1. [Zhou Inkstone 2018] China has a huge incentive to help stop CC because it loses its coastal cities like Shanghai to rising sea levels
2. T/[Hart 19 CAP] EU is seeking to pressure China on environmental issues but pressure isn’t working now. It will when they join due to
	1. Change from inside
	2. More pressure as large bloc
3. T/[Ma Jun, WEForum, Jul 19] Every major Chinese Bank in the BRI committed to an agreement in late June to enviro sustainability and to ensure that BRI projects align with Paris Agreement
	1. It’s a recent agreement (end of June 2019) meaning that all future investments will be green even if they show carbon ex. in the back
4. See A2 Polar for a broken card
5. [Dudley Forbes 19]- green tech cheaper than coal by 2020

[**Hart 19**](https://www.americanprogress.org/issues/security/reports/2019/02/28/466768/mapping-chinas-global-governance-ambitions/)

**However, whereas the United States is currently seeking to counter the Belt and Road Initiative and other Chinese initiatives in a zero-sum fashion, European nations see an opportunity to shape these initiatives. In particular, they are pushing Beijing to make the Belt and Road Initiative more rules-based, more transparent, and more in line with high environmental, financial, and social governance standards, which currently is not happening. Individual nations are pushing China to improve its approach in different ways. For example, President Emmanuel Macron**

[Legro of the World Health Organization 09’](https://www.undp.org/content/dam/undp/library/Environment%20and%20Energy/Sustainable%20Energy/energy-access-situation-in-developing-countries.pdf) explains that,

“**Energy** deeply influences people’s lives. It **is central to** practically **all aspects of human welfare, including** access to water, agricultural productivity, **health care, education, job creation, *climate change,* and environmental sustainability. Yet, millions of households in developing countries** still **lack access[.]** to modern energy services that are affordable, clean, reliable, and safe, and pay high prices for poor-quality substitutes. **This** situation **entrenches poverty, damages health, constrains delivery of local services, *increases vulnerability to climate change,* limits expansion of opportunities, erodes environmental sustainability at the local, national, and global levels, and creates negative impacts on education and health.**”

[Zhou of Inkstone 18](https://www.inkstonenews.com/china-translated/china-translated-where-does-china-stand-climate-change/article/2162728)

**As for China – no, the Chinese government is not selfless. China actually has a lot to benefit from in the fight against climate change.**

**In the long term, rising temperatures could be disastrous by causing glaciers to melt, sea levels to rise and other severe weather events.** Inkstone will explore some of these scenarios over the next two weeks.

For example, **coastal regions in eastern China are the country’s growth engines. Some of its most developed cities, including Shanghai, are located in low-lying areas that could disappear due to sea levels rising.**

[Middleton in 2018](https://wattsupwiththat.com/2018/11/27/energy-poverty-kills-more-people-than-coal-and-cecil-b-demille-combined/) statistically blows this out of the water

**“The W**orld **H**ealth **O**rganization **estimates that** ambient (**outdoor) air pollution kills** (premature deaths) a**bout 4.2 million people per year.** At least **some of these** nameless deaths **could possibly be** chalked up to **coal.** **Although the power sector only accounts for a fraction of the anthropogenic sources of ambient air pollution and coal is just the largest fraction of that fraction.“**

Even then Middleton continues…

**“Biomass burning** and/or household biofuel **yield more nitrogen oxides, carbon monoxide, black carbon,** organic carbon, ammonia **and nitrous oxide than the entire power sector.** In the area of fine particulate matter, we can also see that the energy sector, of which coal is a subset, is only responsible for a fraction of dreaded PM2.5 pollution: **WHO also estimates that indoor air pollution kills** (premature deaths) **about 3.8 million people per year. Pretty well all of [it is]** the indoor air pollution deaths are **due to energy poverty.”**

Ma Jun, World Economic Forum, July 2nd 2019

<https://www.weforum.org/agenda/2019/07/belt-and-road-climate-future-change-green/>

It is against this backdrop that the [Green Finance Committee](http://www.greenfinance.org.cn/), of China Society for Finance and Banking, and the City of London’s [Green Finance Initiative](http://greenfinanceinitiative.org/) jointly launched a set of voluntary principles, **the** [**Green Investment Principles for the Belt and Road (GIP)**](http://www.gflp.org.cn/public/ueditor/php/upload/file/20181201/1543598660333978.pdf), in November 2018. The World Economic Forum, UN-supported Principles for Responsible Investment network, the Belt and Road Bankers Roundtable, the Green Belt and Road Investor Alliance and the Paulson Institute were also major contributors to the drafting of these principles. The document **calls for lenders, investors and corporates that invest** and operate **in the Belt and Road region to ensure their projects are aligned with the requirements of environmental sustainability and the Paris Agreement.**

A signing ceremony of the GIP, attended by more than 20 large global lenders and investors, was held during the second Belt and Road Forum in Beijing two months ago. **As of** the end of **June [2019]**, 29 global institutions have signed up to the GIP. They include **all major Chinese banks engaged in the BRI region [have signed on to this agreement]** and some of the largest financial institutions from the UK, France, Germany, Switzerland, Belgium, Japan, Singapore, Hong Kong, Pakistan, Kazakhstan, the Emirates and Mongolia. These signatories are (in alphabetical order):

**By signing up to the [agreement]** GIP, **the signatories are making a strong commit**ment**[ing] to [environmental] sustainability** and demonstrating their social responsibility for the developing world**.** The GIP will also bring benefits to its signatories and supporters, by giving them better access to good practices in environmental/climate risk management, innovative green finance products and opportunities for co-financing green projects in the rapidly growing Belt and Road region. We urge more lenders, investors and corporates to join and support the GIP, a platform that will make a meaningful contribution to greening the Belt and Road and to the global climate agenda.

2. EU is heavily dependant on fossil fuels (make into a turn with any risk of gt invesment?)

Florinda Martins [MDPI Journal Mar 13 2019](https://www.mdpi.com/1996-1073/12/6/964/pdf) (SI)

One of the conclusions of this work is that many **European countries are still heavily dependent on fossil fuels. The values for the fossil fuel energy consumption indicator is higher than 60% for most countries,** which corresponds to 24 countries out of the 29 European countries analyzed in this study. **Additionally, 10 countries present values higher than 80%,** which includes countries, such as Germany and the United Kingdom, that are considered leaders in the shift to renewable energy. **This means that, in spite of the efforts and changes in energy policies made by European countries, there is still a long way ahead to achieve low carbon energy systems**

## A2: REM’s Bad

#### **3. (t) Most REM’s used for petroleum mining, the 2nd highest cost, meaning decreased cost of Greentech is offset**

[**Guelly and Kleit 13**](https://www.sciencedirect.com/science/article/pii/S0301420713000676) **(NA)**

**The use of REEs in fluid catalytic cracking (FCC) units for petroleum refining is the largest domestic use of REEs (**[**U.S. Department of Energy [DOE], 2011**](https://www.sciencedirect.com/science/article/pii/S0301420713000676#bib21)**), and FCC catalysts are a refinery′s second highest raw material cost behind crude oil** ([Baillie and Schiller, 2011](https://www.sciencedirect.com/science/article/pii/S0301420713000676#bib1)). During the FCC process, heavy oils generated from distillation enter the FCC unit and are heated to approximately 1000 °F, at which point the oil begins to vaporize. In the presence of zeolite catalysts, the oil is cracked into smaller, more valuable hydrocarbons ([Sadeghbeigi, 2012](https://www.sciencedirect.com/science/article/pii/S0301420713000676#bib19)). Zeolites are solid acids and are the key ingredients in FCC catalysts. The negative charge of the zeolites′ porous framework is balanced by the positive charge of the water molecules and sodium in the pores ([Weitkamp, 1999](https://www.sciencedirect.com/science/article/pii/S0301420713000676#bib22)).

In order to enhance activity and thermal stability of zeolites, the sodium content must be reduced. Lanthanum and cerium were discovered to be useful cations for replacing the positively charged sodium in the zeolite structure through ion exchange. The REEs stabilize the aluminum atoms in the zeolite structure, preven

ting them from separating from the lattice when the catalyst is exposed to the high temperatures of the FCC unit. As a result, REEs increase FCC catalyst activity, as well as the thermal and hydrothermal stability of the zeolites in the FCC process, which ultimately increases the gasoline yield per unit of catalyst and allows the catalysts to remain effective longer ([Sadeghbeigi, 2012](https://www.sciencedirect.com/science/article/pii/S0301420713000676#bib19)).

#### **2. Even with aggressive green tech growth rates, the current supply is enough**

[**Teske 2016**](http://dscc.hifrontier.com/wp-content/uploads/2017/03/Teske_Sven_ISF-Kingston-11-July-2016.pdf%2C7-16-18/ALP) **(NA)**

**Metal demand associated with the dominant renewable technologies evaluated in this report, even assuming very aggressive growth rates under the most ambitious future energy scenarios, do not require deep-sea mining activity.**

## A2: Coal Dumping

1. [Martins, MPDI Mar 19] EU dependent of fossil fuels right now
	1. There’s no reason why they accept more fossil fuels - if anything the demand is for green tech
	2. Wharton/eu bloc reform?
2. [Ren, Vox Mar 19] China has recognized overcapacity problem and taken steps to suspend ongoing projects and prevent further investment
	1. [Hellenic Aug 19] 88.41 million tonnes of overcapacity cut from 2016 to 2018
3. T/[Ma Jun, WEForum, Jul 19] Every major Chinese Bank in the BRI committed to an agreement in late June to enviro sustainability and to ensure that BRI projects align with Paris Agreement
	1. It’s a recent agreement (end of June 2019) meaning that all future investments will be green even if they show carbon ex. in the back
4. IF THEY READ REFORM: [Reuters April 2019] A report from China’s own Iron and Steel Association said that they are “far from achieving it tasks” on supply-side reforms,

Florinda Martins [MDPI Journal Mar 13 2019](https://www.mdpi.com/1996-1073/12/6/964/pdf) (SI)

One of the conclusions of this work is that many **European countries are still heavily dependent on fossil fuels. The values for the fossil fuel energy consumption indicator is higher than 60% for most countries,** which corresponds to 24 countries out of the 29 European countries analyzed in this study. **Additionally, 10 countries present values higher than 80%,** which includes countries, such as Germany and the United Kingdom, that are considered leaders in the shift to renewable energy. **This means that, in spite of the efforts and changes in energy policies made by European countries, there is still a long way ahead to achieve low carbon energy systems**

<https://voxeu.org/article/china-overinvested-coal-power-here-s-why>

**Ren March 19**

In the past five years, utilisation levels of all energy types fell sharply as growth in energy supply shot past energy demand (Figure 1 and Table 1). Nearly 50% of China’s coal power plants faced net financial loss in 2018 (Ji 2018). While **policy efforts have been made to contain the coal overcapacity crisis**, under the existing governance structure and market rules, **coal power investment in China is unlikely to return in the near future to an equilibrium where plants can still profit under a competitive market price of electricity**. It also seems likely that coal power will continue to crowd out solar and wind power for the foreseeable future, raising concerns that China’s vaunted transition to a less carbon-intensive economy will not be managed efficiently

**As the government became aware of the overcapacity emerging in coal power generation, it took actions to suspend ongoing projects and prevent further investment, and initiated a new round of reforms** to experiment with liberalizationisationof the wholesale electricity market. More policy details can be found in Carbon Tracker Initiative (2016)and Ren et al. (2019).

China has chosen to shift to green tech and to stop overcapacity

[Hellenic from](https://www.hellenicshippingnews.com/chinas-coal-rich-province-to-cut-18-95-mln-tonnes-of-coal-overcapacity/) 8/28/19 writes that

**As the coal-rich province seeks greener growth**, **Shanxi [a province of China] has closed 88 coal mines and cut 88.41 million tonnes of overcapacity from 2016 to 2018, leading the country in cutting coal overcapacity.** The advanced coal production capacity in Shanxi has increased to 68 percent of its total coal capacity.

Fortunately, Chinese financiers under the BRI are determined to stop this, Jun continues that

It is against this backdrop that the [Green Finance Committee](http://www.greenfinance.org.cn/), of China Society for Finance and Banking, and the City of London’s [Green Finance Initiative](http://greenfinanceinitiative.org/) jointly launched a set of voluntary principles, **the** [**Green Investment Principles for the Belt and Road (GIP)**](http://www.gflp.org.cn/public/ueditor/php/upload/file/20181201/1543598660333978.pdf), in November 2018. The World Economic Forum, UN-supported Principles for Responsible Investment network, the Belt and Road Bankers Roundtable, the Green Belt and Road Investor Alliance and the Paulson Institute were also major contributors to the drafting of these principles. The document **calls for lenders, investors and corporates that invest** and operate **in the Belt and Road region to ensure their projects are aligned with the requirements of environmental sustainability and the Paris Agreement.**

A signing ceremony of the GIP, attended by more than 20 large global lenders and investors, was held during the second Belt and Road Forum in Beijing two months ago. **As of** the end of **June [2019]**, 29 global institutions have signed up to the GIP. They include **all major Chinese banks engaged in the BRI region [have signed on to this agreement]** and some of the largest financial institutions from the UK, France, Germany, Switzerland, Belgium, Japan, Singapore, Hong Kong, Pakistan, Kazakhstan, the Emirates and Mongolia. These signatories are (in alphabetical order):

**By signing up to the [agreement]** GIP, **the signatories are making a strong commit**ment**[ing] to [environmental] sustainability** and demonstrating their social responsibility for the developing world**.** The GIP will also bring benefits to its signatories and supporters, by giving them better access to good practices in environmental/climate risk management, innovative green finance products and opportunities for co-financing green projects in the rapidly growing Belt and Road region. We urge more lenders, investors and corporates to join and support the GIP, a platform that will make a meaningful contribution to greening the Belt and Road and to the global climate agenda.

[Reuters April 2019](https://www.reuters.com/article/us-china-steel/chinas-iron-and-steel-association-warns-on-over-capacity-shrinking-profits-idUSKCN1S404D)

China’s Iron and Steel Association said on Sunday the industry faces ongoing risks from excess capacity, as well as sluggish demand and increased raw material costs that could squeeze profits. The country’s sprawling steel sector, which has cut 150 million tonnes of steel production over the past three years, wa**s “far from achieving it tasks” amid Beijing’s supply-side reforms,** the association said in an online statement.

## A2: Polar Silk Road

1. **Yoder of Wired 19**: Even if emissions hit 0 overnight, all arctic ice melts by 2030 because heating is even more intense there which causes microbes to release 1.5 trillion tons of CO2, triggering the 2 degree brightline.
2. **Critchlow Telegraph 14**- Russia is already looking to the arctic because they’re running out of onshore oil.
	1. **Jaffe CFR 17**- Russia depends on oil as a diplomatic lever through exports, meaning that the amount of oil they have literally determines their geopolitical influence.

[**Yoder of Wired 19**](https://www.wired.com/story/the-arctic-carbon-bomb-could-screw-the-climate-even-more/)

**Even in a dream-come-true scenario where we manage to stop all the world’s carbon emissions overnight, the Arctic would inevitably get hotter and hotter.** That’s according to a new report by UN Environment, which says **the region is already “locked in” to wintertime warming of 4 to 5 degrees C.** (7.2 to 9 degrees F) over temperatures of the late 1900s. The report, released at the UN Environment conference in Kenya on Wednesday, says that**the Arctic is** warming twice as fast as the planetary average, and models show that it’s **on track to become ice-free during the summer as soon as 2030.** That’s the bad news. So here’s even worse news: **The Arctic contains much of the world’s permafrost, which holds** what the report calls a “sleeping giant” made of **greenhouse gases.** **As the ground warms, the microbes in the soil wake up and start belching greenhouse gases. Estimates vary, but the report says 1.5 trillion tons of carbon dioxide lurk beneath the Earth’s permafrost.****That’s more than 40 times as much CO2 as humans released into the atmosphere last year**, and **double the amount of the gas in the atmosphere today .** If that permafrost stayed permanently frozen, as the word itself suggests it should, we could continue worrying about other stuff. But **researchers expect Arctic permafrost to shrink 45 percent compared to today.** Unleashing that stored-up carbon dioxide and methane would obviously “derail efforts” to limit warming to 2 degrees C (3.6 degrees F) as outlined in the Paris Agreement, the report says. But then again, it would derail pretty much everything

##

1. Russia is expanding to the Arctic anyways

[**Critchlow Telegraph 14**](https://www.telegraph.co.uk/finance/newsbysector/energy/11080635/Arctic-drilling-is-inevitable-if-we-dont-find-oil-in-the-ice-then-Russia-will.html)

**Arctic drilling is inevitable**: if we don’t find oil in the ice, then Russia will. The Arctic region, which crosses several national boundaries including Russia, Alaska, Norway and Greenland, is thought by energy consultants Wood Mackenzie to hold an estimated 166bn barrels of oil equivalent in terms of reserves. That’s more petroleum and gas than Iran holds and enough to meet the world’s entire annual consumption of crude oil for five years at current rates. “There aren’t that many places left on the planet that are on the kind of scale as the Arctic in terms of possible resources for the oil companies to go at,” Andrew Latham, vice-president of exploration services at Wood Mackenzie told The Daily Telegraph. “The reason they are interested is that it has the potential to work on a very large scale.” **Despite the significant environmental concerns surrounding oil companies drilling offshore in the Arctic, demand for energy and the scarcity of similar opportunities elsewhere oil companies are increasingly prepared to take the risk accessing the region.** One of the world’s last remaining great frontiers, the Arctic is expected to play a major role in supplying the world’s future energy needs by 2030 and if the West fails to tap these riches quickly, then Russia will have no such reservations. As the race for Arctic oil heats up, President Vladimir Putin dispatched warships last week to reopen frozen bases that could be used as a springboard for Russian drillers, while also allowing the Kremlin to control the new Northern Sea Route that has opened up because of the melting ice. The state-owned Russian energy giant, Rosneft, is already working in the Barents Sea. “There is a lot of speculation already about the size of the prize offshore in the Arctic. However, there are huge challenges to exploit these resources such as the ice, which is obvious, and the remoteness,” said Latham. “What is new is that there is material potential offshore in the Arctic,” he added. The technical challenges of operating in such a harsh and remote environment were highlighted last year when Royal Dutch Shell had to suspend operations off the coast of Alaska after the Kulluk drilling rig ran aground in stormy weather. Faced with legal challenges to its licences in the Chukchi Sea and the need to make multi-billion-dollar savings on capital expenditure in January, Shell’s new chief executive, Ben van Beurden, appeared to signal that the company would possibly walk away from the area. However, late last month the Anglo-Dutch company surprised the market and the wider industry when it submitted a new proposal to the Federal government to restart exploration activities offshore in the Alaskan Arctic. The Shell plan reportedly involves using two rigs in the Chukchi to reach production eventually of around 400,000 barrels per day (bpd) of crude. Shell has already spent around $5bn (£3bn) attempting to extract oil from the Alaskan Arctic and its desire to return to the Chukchi is indicative of the importance oil majors now place on the region, which could ultimately deliver 1m bpd if put into full production, according to some estimates. However, Arctic exploration is nothing new for drillers. **Onshore, millions of barrels of oil and vast quantities of natural gas are already being produced in regions that are defined as being part of the Arctic.** The biggest oil field in the US was discovered in 1968 in Prudhoe Bay on the northern coast of Alaska. However, the big challenge in the next phase of developing the Arctic continental shelf will be how to cope with the flows of ice which effectively lock down the region in winter. “There are learnings from similar regions affected by ice,” said Latham. Of course, following the 2010 Deepwater Horizon oil-spill disaster involving BP in the Gulf of Mexico, there is also significant concern among environmental campaigners that tapping into resources in the Arctic’s oceans will pose a global risk. The potential scale of these risks was brought into focus last week when BP was found to have been negligent in the Deepwater blowout. The company now could face an $18bn fine. According to Sara Ayech from Greenpeace, a similar blowout in the Arctic would result in an even bigger environmental catastrophe that could run out of control. “The potential environmental risks are terrible. A similar spill to the Gulf of Mexico in the Arctic wouldn’t be brought under control,” she claimed, adding that “it’s far from proven that offshore Arctic drilling is even commercially viable. Investors are beginning to ask whether this is a sane thing to do.” However, according to Latham these considerations **[companies] are unlikely to halt the progress of the petroleum industry, which is already in a race to tap what could be the world’s last great oil frontier.** “If the oil is there, it will be exploited,” he said.

**Klare from the Nation in 2013 writes**

**investment in unconventional fossil-fuel extraction and distribution is now expected to outpace spending on renewables by a ratio of at least three-to-one in the decades ahead.**

The same is true for natural gas, the second most important source of world energy. **The global supply of conventional gas, like conventional oil, is shrinking, and we are becoming increasingly dependent on unconventional sources of supply—especially from the Arctic**, the deep oceans, and shale rock via hydraulic fracturing.

This causes russia to go on the offensive to preserve their regime.

**Jaffe from the Council on Foreign Relations warrants in 2017**

**The possible conflict over market share [of oil and gas] is existential to Russian power.** Washington’s energy dominance tack, which recently included an announced gas export deal for Alaska during the Trump visit to Beijing, sounds as threatening to Russian ears as NATO expansion did a decade or more ago. Not only does **Russia rel[ies] heavily on its energy exports** for its statist budget and **as a diplomatic lever,** but the commanding heights of Putin’s inner circle and his grip on power is intimately inter-linked with Russia’s oil and gas elite. Russian influence and economic health has suffered in the past from orchestrated alliances between the United States, Saudi Arabia, and Qatar that targeted Russia’s energy earnings. **The threat of rising U.S. oil and gas exports could be one factor encouraging increasingly risky Russian adventurism since doing nothing about it could neutralize a major tool of Russian foreign policy.**

## A2: Epidemics

1. **Chen CNBI 2019**- General globalization bad, but BRI solves because of a specific focus on reducing disease spread
	1. Builds medical infrastructure
	2. Has uniquely high funding for health
	3. Trains medical staff
	4. Gives emergency healthcare
		1. **Chen** concludes BRI will help eliminate the spread of AIDS, TB, 17 tropical diseases which disproportionately impact developing nations
2. **Chen** continues the host countries have a vested interest in stopping disease spread. This coupled with China’s support provide a lasting framework for solvency.
	1. Empirically proven since china gave 120 mill to combat Ebola and used their own companies to deliver/develop a vaccine

[**Chen of NCBI 2019**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/)

**The implementation of the BRI is expected to facilitate progress in eliminating infectious diseases such as the acquired immunodeficiency syndrome (AIDS) caused by the human immunodeficiency virus (HIV), tuberculosis (TB), malaria, and 17 neglected tropical diseases (NTDs), which make up SDG 3.3. It has also gained the support of WHO, which has proposed a strategic cooperation with the BRI [**[**5**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref005)**,** [**6**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref006)**,** [**11**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref011)**]. Taking the opportunities provided by this initiative, action for combating the diseases will be conducted through the sharing of information and experience and cooperative disease control programmes, including interventions and research innovation [**[**5**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref005)**]. It will also mediate resources including the building of medical infrastructures, funding support, training of staff, and delivery of emergency healthcare [**[**1**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref001)**,** [**10**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref010)**,** [**12**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref012)**]. The initiative provides guidance for stronger health collaboration, which should hopefully break the vicious cycle of poverty and infectious disease**

[**Chen of NCBI 2019**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/)

**Despite the serious threats of the infectious disease epidemics, the emphasis on health through the BRI puts us in an excellent position to achieve the health-related aspects of the SDGs by implementing the Health Silk Road concept of improved life through health-related communication. Based on technical experience in this field, mature collaborating mechanisms, and the provision of financial support, the strategies in the context of the BRI reinforce the various countries’ extensive engagement in combating infectious disease epidemics.**

[**Chen of NCBI 2019**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/)

**For instance, during the Ebola pandemic, China sent 1,200 medical experts and committed an additional USD 120 million for training more than 13,000 local medical workers in response to Ebola infections in West Africa [**[**11**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref011)**]. China will assist in training more medical personnel for Africa and continue to send medical teams to meet Africa's requirements [**[**45**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref045)**]. More global health human resources and specific medical workers will be brought in, together with global health departments being established in universities and institutions [**[**47**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref047)**].**

## A2: Dollar Collapse

1. DL/[Amadeo 19] China’s plan to make Yuan a world currency would be a long, slow process resulting in dollar decline and not a collapse/recession
	1. There is literally no reason why china would want a global recession caused by dollar collapse
2. DL/[Smith 18, FT] The % of active currency that is the Yuan has dropped from 2014 to 2016 - clearly not working
3. T/[Endres 09] The primary currency is decided through monetary policies and responsible practices - competition encourages better monetary practices
	1. [Sims 13 Fed Reserve] 1981 recession caused by ruthless monetary policies (cutoff lending/financing, collect debt]
	2. [O’Campo 13] 1981 recession increased pov rate by 8% and took 24 years to recover
4. The replacement process would be gradual, stopping a recession

[Amadeo](https://www.thebalance.com/yuan-reserve-currency-to-global-currency-3970465) 19 (AK)

The level of trade is not the only reason the U.S. dollar is the world's reserve currency. The strength of the U.S. economy instills trust. Most important are the transparency of U.S. financial markets and the stability of its monetary policy. On the other hand, Stuart Oakley, managing director of Nomura, pointed out in a 2013 article that **China owns $5 trillion of unallocated central bank reserves** and these could be in yuan. **As more bilateral swap lines are set up and China moves further down its path of capital market liberalization, central banks' appetite to own this currency will grow.** Could **China's ambition to make the yuan the world's currency** lead to a dollar collapse? Probably not. Instead, it **will be a long, slow process that results in a dollar decline, not a collapse.**

It would literally take decades

[Smith 18 of FT](https://ftalphaville.ft.com/2018/09/19/1537329600000/China-s-currency-will-not-replace-the-US-dollar/) (YZ)

 In addition, **the extensive proportion of US dollars in foreign reserves means that although shifts in reserve holdings do occur, it could take decades** for them **to accumulate into a notable shift in the US dollar's position as the key global reserve currency.**

1. DL: BRI has statistically not made the Yuan better offer in the recent years

[Smith 18 of FT](https://ftalphaville.ft.com/2018/09/19/1537329600000/China-s-currency-will-not-replace-the-US-dollar/) (YZ)

**Despite these inroads, the internationalisation of China's currency has stalled,** and by some measures even reversed. **As in 2016, the renminbi is the fifth most actively used currency** for domestic and international payments, **with a roughly 2 percent share,** according to SWIFT. That's **a drop from 2014** and 2015 when the use of China's currency doubled — in a year — to 2.8 per cent, as this chart from Benn Steil and Emma Smith of the Council on Foreign Relations shows:

[Endres 09](https://www.jstor.org/stable/pdf/40271630.pdf?refreqid=excelsior%3A43df67f1106765efc47418d79b3ad7c6) (YZ - PDF is in my folder)

 International financial liberalization of the kind currently being experienced im- plies that currencies issued by governments pursuing "**responsible monetary policy would tend to displace gradually those of a less reliable character**" (Hayek 1978a, p. 123). Hayek (1978b, pp. 208-09) mentions monetary policy credibility though he was skeptical of the possibility that even "**very wise politically independent" central bankers would retain a responsible reputation for any prolonged period.** Hayekian **competition fosters "reputation"; in the realm of currency production, competition would "impose the most effective discipline** .

For example, in 1982, The Fed quickly raised the US interest rate without regard for other countries, this led to the Latin American Debt Crisis. Currency competition would solve against things like this.

[Sims 13 of The Federal Reserve](https://www.federalreservehistory.org/essays/latin_american_debt_crisis) (YZ)

By late in the decade, however, the priority of the industrialized world was lowering inflation, which led [to **a tightening of monetary policy in the United States**](https://www.federalreservehistory.org/essays/anti_inflation_measures) **and Europe**. **[led] Nominal interest rates rose globally, and in 1981 the world economy entered a recession.** At the same time, commercial banks began to shorten re-payment periods and charge higher interest rates for loans. **The Latin American countries soon found their debt burdens unsustainable** (Devlin and Ffrench-Davis 1995).

The spark for the crisis occurred in August 1982, when Mexican Finance Minister Jesús Silva Herzog informed the Federal Reserve chairman, the US Treasury secretary, and the International Monetary Fund (IMF) managing director that Mexico would no longer be able to service its debt, which at that point totaled $80 billion. Other countries quickly followed suit. Ultimately, **sixteen Latin American countries rescheduled their debts, as well as eleven LDCs in other parts of the world** (FDIC 1997).

**In response, many banks stopped new overseas lending and tried to collect on and restructure existing loan portfolios. The abrupt cut-off in bank financing plunged many Latin American countries into deep recession** and laid bare the shortcomings of previous economic policies, described by former Federal Reserve Governor [Roger W. Ferguson, Jr.](https://www.federalreservehistory.org/people/roger_w_ferguson_jr) as based on “high domestic consumption, heavy borrowing from abroad, unsustainable currency levels, and excessive intervention by government into the economy”

The impact of ruthless monetary policies send tens of millions into poverty and destroyed 2 decades of economic growth

[O’Campo 13](http://policydialogue.org/files/publications/papers/The_Latin_American_Debt_Crisis_in_Historical_Perspective_Jos_Antonio_Ocampo.pdf) (YZ)

**The social costs of the 1980s debt crisis were huge**. **The poverty rate climbed sharply [by 8%]** between 1980 and 1990 (from 40.5% to 48.3% of the population). **It would only return to 1980 levels in 2004, thus indicating that in relation to poverty there was not a lost decade but a lost quarter century.**

# A2: China Leverage

1. [Hart Feb 19] EU nations take a nuanced approach with China - partnered on transnational issues but opposed/adversary on HR issues (Propping up authoritarians, internet freedom)
2. US debt to China is crazy fucking high - its 27%

<https://www.thebalance.com/u-s-debt-to-china-how-much-does-it-own-3306355>

**The U.S. debt to China is $1.11 trillion as of May 2019**. That's 27% of the $4.1 trillion in Treasury bills, notes, and bonds held by foreign countries. The rest of the $22 trillion national debt is owned by either the American people or by the U.S. government itself.

<https://www.americanprogress.org/issues/security/reports/2019/02/28/466768/mapping-chinas-global-governance-ambitions/>

Melanie Hart Feb 28, 2019

Center for American Progress

To better understand how that messaging is landing with some of America’s closest allies, the authors of this report traveled to Western Europe in April 2018 and February 2019. While there, they interviewed 30 European experts on China—working in national governments, European Commission agencies, and leading foreign policy think tanks—to gather their perspectives on current U.S. and Chinese approaches to the global governance system. Across the board, these observers are acutely aware of and focused on China’s global actions. However, unlike the United States, they report that **European nations take a more nuanced approach, working with China as a “strategic partner” on transnational issues but viewing it as an “adversary” on others, particularly values issues relating to human rights, global internet freedom, and attempts to prop up Syria and other authoritarian regimes.**

## A2: Emboldening dictatorships/authoritarian govt

1. The link is increased investment through EU, read the framing ovw
2. China always has a vested interest in keeping dictators in power regardless of the BRI
3. Turn/increased trade = increased access to global markets and growth = modernization, which encourages political reform
4. Turn/There's no reason why without the BRI dictators would go away. W/out investment dictators would exist and the citizens would be left in comparetly worse situation

## A2: South China Sea

1. [Ali, Reuters aug 18]Squo is not solving
	1. [^]China defense spending increased 7.5% 2018
	2. [^]China became more assertive in territorial dispute - squo is not solving
2. [Zhen, SCMP Aug 19] US/CN regularly have military confrontations in SCS and the U.S. isn’t planning on stopping - tensions and backlash will always exist

<https://www.reuters.com/article/us-usa-china-navy/us-warship-sails-in-disputed-south-china-sea-amid-trade-tensions-idUSKCN1VI1G4>

Aug 28, 2018 Idrees Ali

**China’s 2019 defense spending will rise 7.5 percent from 2018,** according to a budget report. Its military build-up has raised concerns among neighbors and Western allies, particularly with **China becoming more assertive in territorial disputes in the East and South China Seas and over Taiwan**, a self-ruled territory Beijing claims as its own.

<https://www.scmp.com/news/china/diplomacy/article/2170781/us-promises-continue-south-china-sea-patrols-show-opposition>

Oct 20, 2018, from AP

**The US Navy will continue patrolling the disputed South China Sea, a top American commander has said after a Chinese destroyer came dangerously close to an American Navy ship during a “freedom of navigation” sail-by near a Chinese-occupied reef last month.**

[**https://www.scmp.com/news/china/diplomacy/article/3024849/beijing-hits-out-us-sends-warship-past-two-disputed-reefs**](https://www.scmp.com/news/china/diplomacy/article/3024849/beijing-hits-out-us-sends-warship-past-two-disputed-reefs)

**Liu Zhen Aug 29, 2019**

**Chinese and US warships regularly have encounters in the South China Sea, where Beijing also has territorial disputes with its neighbours.**

The latest patrol comes amid rising trade and geopolitical tensions between Beijing and Washington.

Admiral John Richardson, who heads US naval operations, said in a news conference with Philippine military officials in Manila on Monday that such patrols highlight the US opposition to “illegitimate maritime claims”.

**“We will continue to progress this programme of freedom of navigation operations,” Richardson said. “We do dozens of these operations around the world to indicate our position for … illegitimate claims, maritime claims.”**

##

# Other Neg Args

## A2: Epidemics

1. **Chen CNBI 2019**- General globalization bad, but BRI solves because of a specific focus on reducing disease spread
	1. Builds medical infrastructure
	2. Has uniquely high funding for health
	3. Trains medical staff
	4. Gives emergency healthcare
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2. **Chen** continues the host countries have a vested interest in stopping disease spread. This coupled with China’s support provide a lasting framework for solvency.
	1. Empirically proven since china gave 120 mill to combat Ebola and used their own companies to deliver/develop a vaccine

[**Chen of NCBI 2019**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/)

**The implementation of the BRI is expected to facilitate progress in eliminating infectious diseases such as the acquired immunodeficiency syndrome (AIDS) caused by the human immunodeficiency virus (HIV), tuberculosis (TB), malaria, and 17 neglected tropical diseases (NTDs), which make up SDG 3.3. It has also gained the support of WHO, which has proposed a strategic cooperation with the BRI [**[**5**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref005)**,** [**6**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref006)**,** [**11**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref011)**]. Taking the opportunities provided by this initiative, action for combating the diseases will be conducted through the sharing of information and experience and cooperative disease control programmes, including interventions and research innovation [**[**5**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref005)**]. It will also mediate resources including the building of medical infrastructures, funding support, training of staff, and delivery of emergency healthcare [**[**1**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref001)**,** [**10**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref010)**,** [**12**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref012)**]. The initiative provides guidance for stronger health collaboration, which should hopefully break the vicious cycle of poverty and infectious disease**

[**Chen of NCBI 2019**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/)

**Despite the serious threats of the infectious disease epidemics, the emphasis on health through the BRI puts us in an excellent position to achieve the health-related aspects of the SDGs by implementing the Health Silk Road concept of improved life through health-related communication. Based on technical experience in this field, mature collaborating mechanisms, and the provision of financial support, the strategies in the context of the BRI reinforce the various countries’ extensive engagement in combating infectious disease epidemics.**

[**Chen of NCBI 2019**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/)

**For instance, during the Ebola pandemic, China sent 1,200 medical experts and committed an additional USD 120 million for training more than 13,000 local medical workers in response to Ebola infections in West Africa [**[**11**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref011)**]. China will assist in training more medical personnel for Africa and continue to send medical teams to meet Africa's requirements [**[**45**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref045)**]. More global health human resources and specific medical workers will be brought in, together with global health departments being established in universities and institutions [**[**47**](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6472722/#pntd.0007107.ref047)**].**

## A2: Dollar Collapse

1. DL/[Amadeo 19] China’s plan to make Yuan a world currency would be a long, slow process resulting in dollar decline and not a collapse/recession
	1. There is literally no reason why china would want a global recession caused by dollar collapse
2. DL/[Smith 18, FT] The % of active currency that is the Yuan has dropped from 2014 to 2016 - clearly not working
3. T/[Endres 09] The primary currency is decided through monetary policies and responsible practices - competition encourages better monetary practices
	1. [Sims 13 Fed Reserve] 1981 recession caused by ruthless monetary policies (cutoff lending/financing, collect debt]
	2. [O’Campo 13] 1981 recession increased pov rate by 8% and took 24 years to recover
4. The replacement process would be gradual, stopping a recession

[Amadeo](https://www.thebalance.com/yuan-reserve-currency-to-global-currency-3970465) 19 (AK)

The level of trade is not the only reason the U.S. dollar is the world's reserve currency. The strength of the U.S. economy instills trust. Most important are the transparency of U.S. financial markets and the stability of its monetary policy. On the other hand, Stuart Oakley, managing director of Nomura, pointed out in a 2013 article that **China owns $5 trillion of unallocated central bank reserves** and these could be in yuan. **As more bilateral swap lines are set up and China moves further down its path of capital market liberalization, central banks' appetite to own this currency will grow.** Could **China's ambition to make the yuan the world's currency** lead to a dollar collapse? Probably not. Instead, it **will be a long, slow process that results in a dollar decline, not a collapse.**

It would literally take decades

[Smith 18 of FT](https://ftalphaville.ft.com/2018/09/19/1537329600000/China-s-currency-will-not-replace-the-US-dollar/) (YZ)

 In addition, **the extensive proportion of US dollars in foreign reserves means that although shifts in reserve holdings do occur, it could take decades** for them **to accumulate into a notable shift in the US dollar's position as the key global reserve currency.**

1. DL: BRI has statistically not made the Yuan better offer in the recent years

[Smith 18 of FT](https://ftalphaville.ft.com/2018/09/19/1537329600000/China-s-currency-will-not-replace-the-US-dollar/) (YZ)

**Despite these inroads, the internationalisation of China's currency has stalled,** and by some measures even reversed. **As in 2016, the renminbi is the fifth most actively used currency** for domestic and international payments, **with a roughly 2 percent share,** according to SWIFT. That's **a drop from 2014** and 2015 when the use of China's currency doubled — in a year — to 2.8 per cent, as this chart from Benn Steil and Emma Smith of the Council on Foreign Relations shows:

[Endres 09](https://www.jstor.org/stable/pdf/40271630.pdf?refreqid=excelsior%3A43df67f1106765efc47418d79b3ad7c6) (YZ - PDF is in my folder)

 International financial liberalization of the kind currently being experienced im- plies that currencies issued by governments pursuing "**responsible monetary policy would tend to displace gradually those of a less reliable character**" (Hayek 1978a, p. 123). Hayek (1978b, pp. 208-09) mentions monetary policy credibility though he was skeptical of the possibility that even "**very wise politically independent" central bankers would retain a responsible reputation for any prolonged period.** Hayekian **competition fosters "reputation"; in the realm of currency production, competition would "impose the most effective discipline** .

For example, in 1982, The Fed quickly raised the US interest rate without regard for other countries, this led to the Latin American Debt Crisis. Currency competition would solve against things like this.

[Sims 13 of The Federal Reserve](https://www.federalreservehistory.org/essays/latin_american_debt_crisis) (YZ)

By late in the decade, however, the priority of the industrialized world was lowering inflation, which led [to **a tightening of monetary policy in the United States**](https://www.federalreservehistory.org/essays/anti_inflation_measures) **and Europe**. **[led] Nominal interest rates rose globally, and in 1981 the world economy entered a recession.** At the same time, commercial banks began to shorten re-payment periods and charge higher interest rates for loans. **The Latin American countries soon found their debt burdens unsustainable** (Devlin and Ffrench-Davis 1995).

The spark for the crisis occurred in August 1982, when Mexican Finance Minister Jesús Silva Herzog informed the Federal Reserve chairman, the US Treasury secretary, and the International Monetary Fund (IMF) managing director that Mexico would no longer be able to service its debt, which at that point totaled $80 billion. Other countries quickly followed suit. Ultimately, **sixteen Latin American countries rescheduled their debts, as well as eleven LDCs in other parts of the world** (FDIC 1997).

**In response, many banks stopped new overseas lending and tried to collect on and restructure existing loan portfolios. The abrupt cut-off in bank financing plunged many Latin American countries into deep recession** and laid bare the shortcomings of previous economic policies, described by former Federal Reserve Governor [Roger W. Ferguson, Jr.](https://www.federalreservehistory.org/people/roger_w_ferguson_jr) as based on “high domestic consumption, heavy borrowing from abroad, unsustainable currency levels, and excessive intervention by government into the economy”

The impact of ruthless monetary policies send tens of millions into poverty and destroyed 2 decades of economic growth

[O’Campo 13](http://policydialogue.org/files/publications/papers/The_Latin_American_Debt_Crisis_in_Historical_Perspective_Jos_Antonio_Ocampo.pdf) (YZ)

**The social costs of the 1980s debt crisis were huge**. **The poverty rate climbed sharply [by 8%]** between 1980 and 1990 (from 40.5% to 48.3% of the population). **It would only return to 1980 levels in 2004, thus indicating that in relation to poverty there was not a lost decade but a lost quarter century.**

##

## A2: Dumping

1. [Bond Mar 19] EU is still committed to leveling the playing field for EU firms against state-subsidized Chinese ones
2. [European Commission] EU anti-dumping investigations take 15 months max before reaching decision - their impact is resolved in 15 months or less
3. [T: Seits 16] dumping good, increases access to goods for consumers. This increases long term growth.
4. EU has greater negotiating power as a bloc than individual countries, no reason they would accept a bad deal. They’re the ones with something China wants, not the other way around.
	1. [Hart 19 continues of the CAP] that they’re committed to transparency and won’t join until their conditions are met
	2. They reform from within OR the aff means reform is the way China gets the EU to join
5. DL/[Trenin 4/19] Eastern EU BRI members are stopping FTA’s from happening bc of threat of dumping. China is listening/understanding and not forcing broad trade overhauls or bilat agreements.

<https://carnegietsinghua.org/2019/04/08/belt-and-road-initiative-views-from-washington-moscow-and-beijing-pub-78774>

Trenin 4/8/19 Carnegie Center for GLobal Policy

**One part of the BRI agenda that Russia and its partners in the EEU countries are putting on hold is a free trade area with China. Protectionist sentiments in the EEU are strong**, and Moscow is joined by other EEU capitals in its concerns that a deep and comprehensive trade deal with China could pose a threat to local manufacturing. **Beijing is ambivalent about these concerns and is neither pushing for a broad deal with the EEU nor seeking bilateral deals with EEU member states that would jeopardize the union from within** and undermine the broader Sino-Russian understanding in Central Asia. In May 2018, the Chinese government and the EEC signed a cooperation agreement that serves as a road map for future talks on trade facilitation and liberalization.39

Ian Bond Mar 19

https://cer.eu/sites/default/files/pb\_eurasian\_IB\_16.3.17\_0.pdf

Overall, there is potential for the EU and China to work together on OBOR, but as yet there are no concrete projects. **The EU is keen to ensure that anything it does with China needs to meet European standards of** transparency and **good governance, and that infrastructure is not built just so the Chinese can export over-production** (as one EU official said privately).The European Commission is cautiously testing China’s willingness to adapt to the EU’s way of doing business, including rules on government procurement. **The EU’s 2016 strategy for China balances the areas where it sees China as needing to improve (a more level playing field for European businesses; less state subsidy for Chinese companies competing for business with European firms)** and areas where it sees a common interest (peace and security in Africa, including anti-piracy operations off Somalia, in which the EU and China have both taken part).

**European Commission**

<https://ec.europa.eu/trade/policy/accessing-markets/trade-defence/actions-against-imports-into-the-eu/anti-dumping/>

If the Commission is satisfied that the complaint contains enough evidence, it opens an anti-dumping proceeding (investigation) by publishing a notice in the [EU's Official Journal](http://eur-lex.europa.eu/homepage.html)

The investigation checks if:

* there is dumping by the producers in the country/countries concerned
* the European industry concerned suffers 'material injury'
* there is a causal link between dumping and injury
* putting measures in place is not against the European interest

**It is only when all four conditions are met that the Commission may put anti-dumping measures in place.**

**The time limit for the Commission's investigation is 15 months.** The results are then published in the Official Journal.

[Seitz 16](https://politicstheorypractice.com/2016/12/20/is-dumping-really-all-that-bad/)

(edited to remove ableist language)

One of the primary arguments for protectionist measures is the need to prevent foreign firms from “dumping” goods into the domestic market. In this context, dumping is the selling of goods at prices below market value. Domestic producers dislike dumping because it makes it exceedingly difficult for them to compete with foreign producers whose low prices could potentially price them out of the market. However, **in reality dumping is hardly a problem at all.** The incidences of dumping are overstated, and even when dumping does occur, it is largely benign. Like most scaremongering over trade, **dumping is simply a way for domestic producers to frighten people into voting for counterproductive and inefficient protectionist measures that decrease societal welfare and [reduce] economic growth**. Before explaining why dumping is a relatively harmless practice, it is first important to understand the many ways in which the Department of Commerce biases economic analysis to exaggerate the cases of dumping. But to understand this, one must first understand exactly what dumping is. Price-based dumping is defined as the selling of foreign goods in the domestic market at a price lower than that found in the country in which the goods were produced. For example, if Chinese-made T-shirts cost $15 in the U.S. market but $18 in the Chinese market, that would be price-based dumping. The other kind of dumping, cost-based dumping, is defined as the selling of products in a foreign market for a price lower than that of the cost of production. So if the average cost of production for a Chinese T-shirt is $2 dollars but it’s sold for $1.50 in the U.S., this would be considered cost-based dumping. As I’ve hopefully demonstrated, dumping evaluations are one of the most rigged systems in the government. If people like Trump and Sanders really want to decry the corrupt “system,” they have a perfect candidate in dumping evaluations. Of course, both of these guys actually like protectionism, so in this case they support the rigged system (oh well). Ironically, though, despite all the craziness used to determine if dumping occurs, **it isn’t even clear that dumping is a bad thing. For one, it lowers prices for domestic consumers, which means that everyday Americans pay less for the same products.** Furthermore, it is far from obvious that most dumping is deliberately aimed at hurting domestic firms. In the case of cost-based dumping, foreign firms might have simply underestimated marginal costs. But, since fixed costs have already been sunk, these firms nevertheless choose to produce at below market costs to minimize losses. So yes, in this case firms will have negative operating profits, but this is purely by accident and thus does not represent any malevolent intent. In the case of price-based dumping, it is possible that the domestic market is simply more elastic than that of the foreign market producing the good. In this case, prices will always be lower in the domestic market simply due to relatively higher consumer price sensitivity. That is just basic economics, not evil price manipulation by foreign firms.

**Hart 19**

However, whereas the United States is currently seeking to counter the Belt and Road Initiative and other Chinese initiatives in a zero-sum fashion, **European nations see an opportunity to shape these initiatives. In particular, they are pushing Beijing to make the Belt and Road Initiative more rules-based, more transparent, and more in line with high environmental, financial, and social governance standards, which currently is not happening.** Individual nations are pushing China to improve its approach in different ways. For example, President Emmanuel Macron describes the current framework as an unacceptable “new hegemony” and states that France welcomes the Belt and Road Initiative if it is reciprocal, providing market access in China for French companies that is on par with the access China seeks in France.[124](https://www.americanprogress.org/issues/security/reports/2019/02/28/466768/mapping-chinas-global-governance-ambitions/#fn-466768-124)**European nations are taking lessons from the AIIB: Instead of vetoing the program, they are joining it but imposing conditions and seeking to shape its direction.**

## A2: Paki War

1. [Aamir SCMP 19] Pakistan isn’t financially sound enough to start a war
	1. [Gokhale, Rediff News, 19] Pakistan can literally only sustain 3-4 days of war
2. [White 16] Conventional and Nuclear deterrent stop any border clash from escalating (would be suicidal) - border clashes will always remain low-intensity
3. [Jacob 2-19] Even if war starts and both sides are unable to de-escalate, international pressure from the US, Russia, China, EU would pressure the 2 sides to de-escalate

<https://www.commondreams.org/views/2019/02/27/war-coming-south-asia>

Happymon Jacob, 2/27/19

**If the two sides fail to de-escalate on their own, the international community, especially the** [**United States**](https://www.aljazeera.com/topics/country/united-states.html)**, the** [**European Union**](https://www.aljazeera.com/topics/organisations/european-union.html)**,** [**China**](https://www.aljazeera.com/topics/country/china.html) **and** [**Russia**](https://www.aljazeera.com/topics/country/russia.html)**, will step in decisively and pressure the two sides to disengage,** given that they are both armed with nuclear weapons and the danger of a nuclear war is real.

[**Aamir SCMP 2019**](https://www.scmp.com/comment/insight-opinion/united-states/article/2188233/india-and-pakistan-are-not-going-war-any-time)

Moreover**, Pakistan cannot afford to be adventurous on its eastern border given its own state of crisis. Pakistan is in the midst of a** [**severe economic crisis**](https://www.scmp.com/week-asia/geopolitics/article/2180498/pakistan-secures-further-us2b-funding-china-avoid-economic) **–** the country is facing a severe devaluation of its currency and running out of foreign exchange reserves to pay for imports.

After assistance [from China](https://www.scmp.com/week-asia/geopolitics/article/2180498/pakistan-secures-further-us2b-funding-china-avoid-economic), Pakistan has now turned to [Saudi Arabia](https://www.scmp.com/news/asia/south-asia/article/2169911/desperate-pakistan-welcomes-saudi-arabias-us6-billion-bailout) to keep its economy functioning. Therefore, on the eve of Saudi Crown Prince Mohammed bin Salman’s [visit to India](https://www.scmp.com/news/asia/south-asia/article/2186992/saudi-crown-prince-mohammed-bin-salman-agrees-work-india), **Pakistan has no incentive to sanction an attack against Indian paramilitary forces. Pakistan cannot afford an intense confrontation with India due to its economic woes.**

**Pakistan won’t fight - no money or intl support**

[Gokhale, Rediff News2019](https://www.rediff.com/news/interview/pakistan-cant-sustain-even-3-4-days-of-war/20190227.htm) He has authored four books on military, conflicts and wars. He also makes documentaries and is a regular visiting faculty at top defence institutions in the country.

**Pakistan faces a very dire financial situation. They cannot sustain even three-four days of conventional war, as war is a costly business. More than that, Pakistan has read straws in the winds. Almost no one (country) has condemned the Indian action. In fact, Pakistan will be disappointed certainly which it will not show that China, instead of condemning the Indian action, has urged restraint. China has told India and Pakistan, but Pakistan mainly, to initiate a dialogue and start the reconciliation process.** Today, the Russia, China and India trilateral statement also spoke about ending terrorism by all countries. United States Secretary of State Mike Pompeo also said very clearly that Pakistan must end terrorism emanating from its soil. **So, nobody is with Pakistan now. The international pressure on Pakistan is tremendous.**

[Jaspal 2014](http://www.issi.org.pk/wp-content/uploads/2014/06/1299649036_25635225.pdf)

Rasul Bakhsh Rais argues: “**No country can make an abrupt transition from border clashes to nuclear strikes**, particularly when the adversary is also armed with nuclear weapons. What we expect from a nuclear deterrent is the prevention of the outbreak of a total war because of **the inherent risks of escalation to nuclear exchanges**, which in the case of India and Pakistan, **would be suicidal**.” Secondly, the dependence on the external deterrence stabilizer(s) not only gives an initiative to the outsider in the crisis management, but also limits the choices of deterring power.

**White 16**

(David White is a writer for Inter Press Service, citing Pakistan’s former president and army chief Pervez Musharraf, “Pakistan and India Unlikely to Move to All-out War: Musharraf,” December 3, 2016,<http://www.ipsnews.net/2016/12/pakistan-and-india-unlikely-to-move-to-all-out-war-musharraf/>)

**High levels of both conventional and *nuclear deterrence* are likely to *prevent* the recent surge in *clashes between India and Pakistan from escalating* into all-out war,**according to Pakistan’s former president and army chief Pervez Musharraf.

In an exclusive interview with IPS in London, Musharraf predicted that *low-intensity conflict would continue* in disputed border areas. But he *did not share the belief* of many Pakistanis that hostilities could *slide into full-scale war* between the two nuclear-armed countries.

“Any military commander knows the force levels being maintained by either side,” he said. “***I don’t think war is a possibility* because the lethality and accuracy of weapons has increased so much.”**

Although Pakistan has reserved the right to make a nuclear first strike, he said it had sufficient controls to ensure that its nuclear weapons, including new short-range tactical missiles, *were not used accidentally or stolen* by terrorist groups. “They are in good hands, in secure hands.” he said.

## A2: Retaliatory Tariffs

1. EU Tariffs happen regardless - multiple alt causes
	1. [Marx 10/10 cnbc] On 10/18 7.5B EU tariffs will happen on all kinds of sectors
	2. [scmp 10/19] Trump wants a distraction from impeachment crisis - tariffs do exactly this
	3. [Washington Post 5/19] - Trump has an incentive to escalate trade tensions b/c he thinks it’ll help him get reelected
	4. [Washington Post 5/19] - Trump thinks tariffs are good economy policy and improves trade - incentive always exists
2. Joining the BRI isn’t the trigger anyways - Italy, Russia, Asean proves
3. Delink: [Bond 3/19 Center for EU Reform] EU is ensuring that China deals have EU level of transparency and good governance
	1. [7/18 Trigkas] Transparent/Balanced deals wouldn’t alienate Trump, since [own analysis] Trump wouldn’t have to fear excessive Chinese expansion since its checked back by EU.
4. Trade war with China should have triggered this supposed recession anyways, no BL,

### A2: Conditionals FL FL Tariffs

1. If they say: Current EU tariffs are too low (only 7.5B)
	1. [Hank 10/10 politico] EU setting up equal retaliation to Trump tariffs - trade war escalate in squo
		1. Upcoming EU laws circumvent WTO to retal - large scale trade war is NU
	2. [Marx two days ago CNBC] Trump is blocking judge appointments to the WTO main court - at the current rate there won’t be enough judges to make decisions (only 1 left by Dec) - meaning by December of this year, Trump can launch unlimited tariffs with no checkbacks. Appealing rulings functionally vetoes them.

Tariffs will happen this week regardless

Willem Marx 10/10

<https://www.cnbc.com/2019/10/10/eu-lawmakers-warn-us-that-trade-disputes-threaten-growth-and-relations.html>

The latest plea comes a little more than a week before American tariffs of between 10 and 25% are scheduled to take effect on billions of dollars worth of European exports, ranging from civilian aircraft to agricultural products like cheese and wine.

**The Trump administration’s impending tariffs on $7.5bn worth of European goods are scheduled to kick in on October 18th**, in retaliation for decades of European nations’ subsidies to aircraft manufacturer Airbus, and subsequent non-compliance with previous World Trade Organisation rulings.

An array of finance ministers gathered in Luxembourg for monthly meetings told CNBC that the escalating global trade disputes represented a significant threat to European economies, but that the imposition of tariffs by Washington would nevertheless force Europe to respond in kind.

**That triggers EU retaliation and tit-for-tat escalation**

<https://www.politico.eu/article/eu-builds-anti-trump-trade-bazooka/>

Hank 10/10

**Europe is devising a new trade weapon to shoot back at U.S. President Donald Trump in a deepening transatlantic trade war.**

But the development of **this revolutionary howitzer,** which **will allow the EU to impose higher tariffs on Washington,** is causing palpable unease in Brussels among those officials who fear that the EU should not be stooping to Trump's dog-eat-dog level.

Under **European Commission President** Jean-Claude Juncker, the EU repeatedly encouraged Trump to engage with global trade rules at the World Trade Organization, but his **successor Ursula von der Leyen is indicating that the world's biggest trade bloc may well have to play the U.S. president at his own game.**

Preparing to begin her mandate next month, von der Leyen wrote to her trade commissioner, Phil Hogan, instructing him to upgrade the EU's "enforcement regulation" to improve Europe's trade defense arsenal.

Part of the attraction of the enforcement regulation to Brussels is that the EU would be able to retaliate with tariffs similar to those imposed by the U.S. Current WTO rules mean the EU has limited retaliation power. When Trump imposed tariffs on more than €6.4 billion of EU steel and aluminum in 2018, the EU was only able to retaliate on €2.8 billion of U.S. products.

Some EU countries are also worried that the new approach could dangerously inflame tensions with Washington, because it was clear that the regulation was being specifically tailored toward Trump.

**The problem with the new law, critics say, is that it allows the EU to impose tariffs without the WTO's blessing — something that is not foreseen under WTO rules.**

<https://www.politico.eu/article/wto-gatt-trade-tariffs-dispute-back-to-gatt-law-of-the-jungle-returns-to-tradeland/>

Hanke 12/19/18

**America's tactic** to return to GATT **is to block the appointment of judges at the Appellate Body, the WTO's top court**, **that works on everything**ranging from the dumping of ultra-cheap Chinese steel, to the eternal subsidy battle between Boeing and Airbus. **By December 2019, or earlier, the court will not be able to function because there simply won't be enough judges.**

**Only last week, the United States rejected a proposal by a broad coalition of countries to save the Appellate Body.** U.S. ambassador to the WTO Dennis Shea said the "proposals do not effectively address the concerns that WTO members have raised” and complained that the court does not "follow the rules we agreed in 1995."

Wolff said**going back to a GATT system was unworkable, because big powers like the U.S. had become too aggressive to comply with non-binding rulings from panels. "Would the U.S. comply with the negative decision of a panel that was non-binding? ... I don't think so."**

**That would lead to further escalation of the spiraling global trade war, he said.**

<https://www.cnbc.com/2019/10/14/wto-formally-backs-us-tariffs-on-eu-goods.html>

Willem Marx 10/14/19

Separately, **the main dispute enforcement mechanism at the WTO is also likely to fall apart in December, when term limits will mean the membership of the organization’s court of last resort, the Appellate Body, shrinks from three to one. It is designed to have seven members, but the U.S. has in recent years vetoed all potential nominations and term extensions**. That could also prove problematic for the European Union as it seeks to strengthen its position in future discussions with the U.S. Public hearings scheduled at the WTO in early November will focus on yet another strand of the transatlantic trade dispute, the existing tariffs on steel and aluminum that were similarly enacted under national security criteria, and which the Europeans have also argued are not appropriate. **The U.S. could** theoretically **appeal any ruling against it that relates to** those metal **sanctions and, without an operational Appellate Body, that appeal would act as a de facto veto.** This would mean the Europeans cannot legally retaliate within the WTO framework unless an alternative dispute mechanism can be formulated in the next few months.

**EU transparency reforms for the BRI solve - it’s their own fucking Trigkas ev.**

<https://www.scmp.com/comment/insight-opinion/united-states/article/2153948/nato-and-china-summits-give-europe-chance>

**The EU should thus only accept a transparent deal with China, making investment relations reciprocal and balanced without alienating Washington.** Chinese companies enjoy easy access to funding by state-owned banks and are able to increase financial leverage and competitively bid for the EU’s crown jewels.

Bond Mar 19

https://cer.eu/sites/default/files/pb\_eurasian\_IB\_16.3.17\_0.pdf

Overall, there is potential for the EU and China to work together on OBOR, but as yet there are no concrete projects. **The EU is keen to ensure that anything it does with China needs to meet European standards of transparency and good governance, and that infrastructure is not built just so the Chinese can export over-production (as one EU official said privately).** The European Commission is cautiously testing China’s willingness to adapt to the EU’s way of doing business, including rules on government procurement. The EU’s 2016 strategy for China balances the areas where it sees China as needing to improve (a more level playing field for European businesses; less state subsidy for Chinese companies competing for business with European firms) and areas where it sees a common interest (peace and security in Africa, including anti-piracy operations off Somalia, in which the EU and China have both taken part).

<https://www.scmp.com/comment/opinion/article/3031778/trump-puts-politics-common-sense-eu-trade-war>

SCMP 10/6/19

Trump is consumed with winning a second presidential term in elections next year. **He is looking for distractions from efforts by opposition Democrats to impeach him and trade disputes conveniently serve both purposes; they deflect attention while trying to make economic gains for supporters.**

[**Brinkley 19**](https://www.forbes.com/sites/johnbrinkley/2019/07/24/trump-is-poised-to-bombard-the-e-u-with-more-tariffs/#34667745b939)

**President Trump is on the verge of punishing importers of these and myriad other European imports, and by extension American consumers of them, with tariffs of 100%. This is predicated on an expected decision by a World Trade Organization arbitration panel that the United States is entitled to hit the European Union with punitive tariffs, because the E.U. has for years illegally subsidized Airbus, the European commercial aircraft manufacturer. The U.S. argues that the subsidies have given Airbus an unfair advantage over the Boeing Co. (NYSE:BA).**

[**WP 19**](https://outline.com/T27qX7)

**President Trump is telling advisers and close allies that he has no intention of pulling back on his escalating trade war with China, arguing that clashing with Beijing is highly popular with his political base and will help him win reelection in 2020 regardless of any immediate economic pain.“**

Furthering

**The president believes tariffs are good economic policy. They are a tool to bring about trade,” said Sen. Lindsey O. Graham (R-S.C.), a Trump confidant. “Trump has been consistent on trade for 30 years.”**

Resource Curse

Not beholden to tax base - get money from other sources (oil) and no pressure to reform

Corrupt leaders use

Incentive to keep dictator in power

Read as turn in rebuttal

Trade gains in dictatorships concentrate wealth

Joining eu good

China money makes eu way less attractive to join

Emobldened by chinese money

Shift to china pole

If china still buys us debt

WEF 19 - multiple ways SOEs are being reformed in the squo

This happens independently of the BRI - don’t let them say the BRI reverses progress on SOE reforms since china has other external reasons for reform (corruption, earning more money, etc.)

<https://www.weforum.org/agenda/2019/05/why-chinas-state-owned-companies-still-have-a-key-role-to-play/>

**The State-owned Asset Supervision and Administration Commission (SASAC) is making great strides in implementing the government’s ‘zhuada fangxiao’ (grasp the big, release the small) policy, which has greatly reduced the number of SOEs through privatisation, asset sales, and mergers and acquisitions.** The Commission, which was established in 2003, **is currently concentrating on restructuring the remaining SOEs into modern profit-oriented corporations**. Practically all of the entities overseen by SASAC are structured as corporations and are legally separate from the government with their own boards of directors, effectively delegating more authority to the executives.

**There is also substantial work being done to improve SOEs through reorganisation, restructuring and enhancing their internal governance standards. T**he government went as far as introducing **mixed ownership** in telecoms company China Unicom, by selling shares worth around $11 billion to 14 private investors. This was done as a step towards **making China Unicom more accountable and more focused on generating returns on equity, while retaining state control.**

These efforts to make SOEs competitive while holding absolute control over their final decision-making reasserts the Chinese government’s commitment to consolidating state control while simultaneously allowing the market to be the ultimate resource allocator. In other words, the government wants to keep a close eye on market forces while reserving the ‘intervention option’ in critical situations.

<https://www.worldfinance.com/markets/chinas-transitioning-economy>

As hazardous as they can be to sustainable growth**, SOEs do have a positive role to play in China’s transition, in that they enable the state to maintain a level of control.** Indeed, the process of manoeuvring such a vast shift would be more difficult in a solely private-sector-driven environment. “SOEs are the most effective vehicle the Chinese Government has to impact on the economy,” van Ark noted. “There is a lot of awareness that SOEs are molochs [giants] that tend to be relatively inefficient. **The government is trying to take significant measures in order to force mergers to make them more efficient going forward** – so that is all really good stuff that is happening there.”

## A2: China Heg Bad

1. China interest on enviro commitments/sustainability
	1. Inkstone/Shanghai rising sea levels
	2. MPDI/Enviromental consequences (water shortage, unseasonal monsoons, floods) neccistate global commitment to sustainable enviro
	3. Pierson 15/ Domestic backlash agianst polluters
2. Success so far
	1. Ballard 19/ 2016->2019, top 20 cities for emissions went 16->4 chinese cities
		1. Also per capita emissions less than U.S
			1. FL: Rising emissions just bc huge population increase
		2. Investment in green tech way higher
		3. Successful implementation of carbon cap policies that encourage companies to go green financially
	2. WEF/ Banks agreed
3. Heg Good:
	1. Ballard 19/ 5 degrees is the brightline - still have room, but 5 degrees = human extinction
	2. Pierson 15/ CN econ leadership = global leader in enviro sustainability
		1. And pressure U.S. to reform

<https://www.mdpi.com/2071-1050/10/11/4234/htm>

The West, which, for decades, remained a proponent and a champion of free trade and globalization, has shown skepticism toward major cross-border military, political, and economic alliances [26]. It has always maintained a one-way road for exploitation and monopolization of the Third World, its cheap labor, and its financial markets. Thus, it is easy for the developed West to engage in a campaign against immigrants, blaming them for upstaging indigenous labor, and contributing to crime and terrorism. The U.S.’s recent unilateral withdrawal from UNESCO and President Trump’s decision to withdraw the U.S. from the Paris Climate Agreement left the world in a precarious position. The U.S. is steadily moving away from globalizing practices toward a more nationalist, protectionist approach**. On the other hand, China stood firm on its international commitments such as the Paris Climate Agreement, insisting on the need for a sustainable environment for future generations. There are severe environmental consequences of climate change, water shortage, unseasonal torrential rainfall patterns, and floods, necessitating national and global commitments to the future of a sustainable environment.**

#### **Chinese hegemony is key to avert extinction due to climate change – Chinese climate leadership is significantly better than Trump’s**

**Ballard 19** [Eden Ballard, staff writer @ the UCLA International Institute, “Climate Change and Economic Hegemony,” 4/29/19, <http://the-generation.net/climate-change-and-economic-hegemony/>] sg

Since the Industrial Revolution in the late 1800s, the world has already warmed by one degree Celsius and human activity continues to raise average global temperatures. Every degree above pre-anthropocene levels has dire consequences that are felt around the world. A report by the United Nations Intergovernmental Panel on Climate Change (IPCC)1 released in October of 2018, which corroborated 6,000 independent studies on the issue, confirmed that climate change demands immediate global attention. The scientific community agrees that **left unchecked, the temperature will continue to rise and lead to increasingly frequent climate-related catastrophes.** A special coverage article by The New York Times, “Losing Earth: The Decade We Almost Stopped Climate Change”2, outlines the increasing levels of irreparable destruction prescribed with each degree the climate warms. An increase as small as two degrees means **the extinction of the world’s tropical reefs, sea-level rise of several meters and the forced abandonment of the Persian Gulf** due to uninhabitable temperatures. The consequences of each degree are increasingly severe until ultimately, **at five degrees, scientists warn about the end of human civilization.** With so much at stake, it is vital that the international community take action. The Paris Agreement3, a multilateral agreement facilitated by the United Nations that focuses on actions that can be taken to mitigate the effects of climate change, was signed by 175 nations4 on Earth day in 2016. Although it is one of the most comprehensive attempts at combating climate change to date, the Paris Agreement was designed to function primarily through the promotion of voluntary action by individual nations. It is not difficult to imagine then, that some countries have chosen not to take action as their economies are closely tied with some of the practices that are most responsible for pollution. Among them is the United States. President Donald Trump justified abandoning the agreement5 because of the “draconian financial and economic burdens the agreement imposes on our country.” Part of Trump’s campaign platform was rooted in protecting the jobs in the coal industry and a buzzword for him became “clean coal”6 meaning an effort to reduce pollution as a result of coal production. This short-sighted vision overlooks the fact that attempting to limit the environmental effects of coal is largely ineffective and equally as expensive as investing in alternative energy sources which would help the US be a leader in climate activism. The World Bank emphasizes that when it comes to climate change, “the costs of inaction are far higher”7 than those associated with investing in positive change. **Where the US is stepping down, China is stepping up.** One reason **China is motivated to take action** when the US is not lies in the fact that China, infamous for its unbreathable air, has already paid dearly for its dependency on coal. The International Energy Agency in Paris reports that fossil fuel emissions in China have close to tripled since 2000. This is mainly a reflection of China’s large population as per person emissions are lower than those in the US. In 2009, 16 of the world’s 20 most polluted cities8 were in China. **Today only the bottom four cities on the top 20 list are in China because the government has been investing in sustainable technology such as electric cars, wind and solar energy, as well as implementing emission reducing legislation.** In 2013 and 2014, **the Chinese government encouraged several pilot cap and trade programs** that generated close to $680 million in the 2017 fiscal year. In December of 2017 China announced a new plan9 for an even more comprehensive nationwide market focusing on their power generation sector to trade emissions credits that allow businesses to buy and sell the credits that allow them to emit planet-warming greenhouse gases. **Cap and trade programs10 are one of the most talked about ways to combat climate change using the free market.** They incentivize business that use clean energy by limiting the total amount of emissions allowed to all companies and then allowing those that have not used all of the emissions they are allotted to sell them to companies that continue to pollute. Hypothetically, **this incentivizes companies to go green by ensuring that eco-friendly policies save them money**. The challenge with a cap and trade program is closing the loopholes so that heavy polluters cannot skirt around the issue and do, in fact, take initiative to limit emissions. Though there is room for some refinement, **the existing measures are indicative of China’s awareness and sense of urgency around the issue of climate change.** China’s shift away from coal is not only environmentally responsible, it is also economically shrewd as **they are** setting themselves up for financial success for decades to come and **effectively leaving the United States to wallow in what remains of their 20th century glory**. **The W**orld **H**ealth **O**rganization **has acknowledged China’s efforts in curbing pollution and hopes that other nations will take a cue from their actions**. In order to stay economically relevant, nations need to invest in sustainable energy sources. The Visual Capitalist cites the “the Green Revolution” as on

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Holding, CSRHub Climate Writer, 15

[Carol Pierson, 1-7-15, CSRHub, “China’s New Economic Dominance May Offer Silver Lining to Environmentalists”, <https://blog.csrhub.com/2015/01/chinas-new-economic-dominance-may-offer-silver-lining-to-environmentalists.html>, accessed 7-8-18, DMH]

As Kirby told Camerota, “Pollution is tolerable when it's accompanied by economic growth, and that's why the (Chinese) government has been so successful at doing much of what it wants with the landscape of China to date. But I think between man-made pollution and the degradation of the natural environment, we've reached a tipping point, where the government has an obligation to reverse course."

**All indications are that Chinese society will not only support the leadership’s environmental efforts but push them to go farther. Across China, in** [**hundreds of protests**](http://www.economist.com/blogs/analects/2014/04/environmental-protest-chinaEnvironmental%20protest%20in%20China) **just in 2014, local residents, including peasants, academics and middle class families have marched against existing polluters and companies that proposed to put human health at risk.**

Kirby goes on to explain another reason why Chinese society supports environmental remediation: “Nowhere in the world is the concept of family stronger than in China, and I think they will take that heavy responsibility very seriously. … **A bettered natural environment would ensure healthier citizens and longer-term prosperity."**

**China’s new economic leadership may usher in a new era of climate and environmental effort. In fact, China might end up becoming the global leader we’ve been hoping for. China might even use its economic power to force the US to match its environmental progress. And wouldn’t that be ironic**

#### **China won’t risk war with the US**

**Yan 2018** - Distinguished Professor and Dean of the Institute of International Relations at Tsinghua University
Xuetong, "The Age of Uneasy Peace," https://www.foreignaffairs.com/articles/china/2018-12-11/age-uneasy-peace

Given this enthusiasm for the global economy, the image of a revisionist China that has gained traction in many Western capitals is misleading**. Beijing relies on a global network of trade ties, so it is loath to court direct confrontation with the United States. Chinese leaders fear—not without reason—that such a confrontation might cut off its access to U.S. markets and lead U.S. allies to band together against China rather than stay neutral, stripping it of important economic partnerships and valuable diplomatic connections.** As a result, caution, not assertiveness or aggressiveness, will be the order of the day in Beijing’s foreign policy in the coming years. Even as it continues to modernize and expand its military, China will carefully avoid pressing issues that might lead to war with the United States, such as those related to the South China Sea, **cybersecurity**, and the weaponization of space.

**Oğuzlu, 2019** (Tarik Oğuzlu, Professor at the Department of Political Science and International Relations at Antalya Bilim University, 7/23/2019, <https://www.dailysabah.com/op-ed/2019/07/23/understanding-chinas-challenge-to-the-international-order>, SHD)

The liberal world order, which came into being at the end of World War II under American leadership, has been going through a radical transformation in recent years mostly owing to China's spectacular rise. In parallel to its increasing material power capability, China is also posing fundamental challenges to the normative fabric of the liberal world order.∂ What are the key characteristics of China's challenge to the liberal world order and whether the growing confrontation between the established hegemon, the United States, and the aspiring hegemon, China, will result in the global Armageddon requires serious attention.∂ For long, U.S.-led international organizations have not only enabled Western actors to materialize their interests across the globe but also perpetuate the core liberal assumption that there is only one route to modernity and development, i.e., the Western way.∂ Acting as the gatekeepers to the Western international community, such international organizations have long played key roles in the socialization of erstwhile non-Western states into constitutive norms, rules and values of the Western world.∂ The hope for transformation∂ Since its opening up to the world economy in the late 1970s, Western powers hoped that China would gradually transform into a responsible stakeholder of the liberal international order and adopt its core values, such as consolidation and promotion of the principles of individual entrepreneurship, democratic way of government, minimum state involvement in the economy, rule of law, free trade, the secularization of societal relations and respect for multiculturalism. The main reason of such optimism was that China benefited from becoming a part of the capitalist world economy and its double-digit economic development was long made possible by its economic interaction with the U.S.∂ However, it is now the case that China's adoption of capitalist practices has not paved the way for its liberal democratic transformation and the U.S., under the Obama and Trump administrations, have begun defining China as a strategic rival that needs to be contained. Looking from the American perspective, the "strategy of engagement" has now given way to a "strategy of containment."∂ At stake now is whether China's evolving approach to liberal international order justifies a radical change in the American approach toward China, away from engagement to containment. At closer inspection, it seems that **the maintenance of regional and global stability is still in China's national interests**. As of today, particularly given the protectionist trade war that President Trump has waged on China and China's galloping internal challenges, Beijing is not in a position to risk the gains of its ongoing development process by adopting a hardline approach toward the United States and its neighbors.∂ China has the largest reserves in U.S. dollars and its access to the American market, technology and foreign direct investment is still important for its economic modernization. China does not have the luxury of postponing its transformation into an economy in which Chinese companies produce mainly technology-intensive high value-added goods and domestic consumption increases to such an extent that China's economic development is not negatively affected by recessions and contractions in developed Western economies.∂ The Chinese economy cannot survive long on the principles of export-led growth and high domestic savings. Besides, **an aggressive stance against its neighbors will likely push them further closer to the arms of the United States, thereby tarnishing Chinese attempts at manufacturing soft power**.∂ How to gain a role∂ China owes its meteoric rise in global politics to its efforts to become a part of the capitalist world economy. Its influence in global politics arises from the intense economic relationships it has developed with many other countries.∂ China has now become the number one trading-partner of not only its neighbors to the south and east but also many developed countries in the West. China is still the global factory of merchandise goods and it needs to import many raw materials from abroad because it is a resource-poor country.∂ If **China wants to benefit from its growing economic relations with other countries, such as through the Belt and Road Imitative (BRI), the message that Chinese leaders have long been giving should continue to resonate: China's rise also means the rise of others**. For China's "no-strings-attached" development aid policy not to be seen imperial, China's economic rise should continue benefiting others as well. The improvement of infrastructural capacities of the countries on which China is dependent on for raw materials and to which China exports goods are in the final analysis in China's national economic interests.∂ An important characteristic of China's rise also relates to its continental size and huge population. Because size matters in international politics, every small increase in Chinese per capita income will lift many Chinese people out of poverty and increase China's share in the global economy.∂ Despite the fact the per capita income in China is still less than $10,000, China will likely overtake the United States as the largest economy by no later than the mid-century.

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