Because a race should only be run when everyone is ready, Matthew and I negate; resolved: On balance, economic globalization benefits worldwide poverty reduction.

Contention One: Spreading the Addiction

Globalization increases the flow of narcotics for three reasons.

First, **Martha Olcott of the Carnegie Endowment for International Peace explicates** that the diffusion of communication and technology has spread the drug patterns to other regions while an integrated financial system permits greater money laundering. Essentially, it becomes easier to operate and spread influence.

Second, the **UN Office on Drugs and Crime explains** that even national efforts fail to stifle contraband flow because global demand has outpaced the ability to manage commercial flows. As **Olcott puts it**, when one route disappears, another quickly appears, as the market is driving the process.

Third, **Tom Feiling in his book *Cocaine Nation* notes** that the system of comparative advantage creates little desire for products from countries like Peru and Bolivia. Consequently, countries choose to tacitly support coca production, as it generates the best return in the global economy.

Drug trafficking has a two-fold implication for poverty.

First, **Merrill Singer in the International Journal of Drug Policy writes** that drug trafficking organizations create endemic corruption among government officials because of bribes and threats. Corruption exacerbates social poverty by creating a less responsive government. This also negatively affects economic poverty reduction because the government has no obligation to its people.

Second, **Robert Kaestner of the National Bureau of Economic Research finds** that drug use affects factors in poverty, including education and human capital, thereby concluding that poverty rates could increase by as much as <u>50%</u>.

Contention Two: Fuelling the Engine

Michael Klare in his book *Rising Powers, Shrinking Planet* outlines that oil consumption has been the backbone for globalization, as trade and transport depend directly on it.

However, our dependency on oil has a three-fold consequence.

First, **Jeff Rubin in his book *The Big Flatline* underlines** that rising consumer demand in India and China drives commodity prices up, adversely affecting those elsewhere in the world by limiting access.

Second, **Nafeez Ahmed from the Institute for Policy Research and Development details** that global market forces of demand can place high valuations on resources, spurring conflict when no party involved wants to cede control. As the **World Bank continues**, civil conflicts are costly, as they turn back the clock on <u>30</u> years' worth of GDP growth and putting a country <u>20</u> percentage points behind in overcoming poverty.

Third, **Michael Roll in the book *Fuelling the World – Failing the Region* highlights** that consumer countries and companies can insulate a leader from the demands of the people, providing the government a source of external revenue.

Contention Three: Betting the Farm

While development programs may benefit poverty reduction in the long-term, realistic discussions have to amply provide for short-term staples, otherwise the accomplishments of tomorrow have no meaning for the poor of today.

In this sense, globalization creates a fluctuating food market that comes at the expense of local consumers and producers.

On the consumption side, food being produced domestically doesn't even feed the population. **Al Gore in his book *The Future* writes** that countries and companies buy large tracts of land in Africa to either feed their own populations or sell on the global market.

Another concern is the globalized financial market, which paves the way for speculative investment. **Frederick Kaufman in his book *Bet the Farm* underscores** that the creation of commodity indexes allowed investors to pour hundreds of billions of dollars into food derivatives and futures contracts. As food became another mode of asset allocation when prices rose, more money poured into the system. Consequently, **Kaufman quantifies** that 250 million new people plunged into poverty while food prices rose 80% from 2005-2008. The problem, as he detailed, was that a billion of the poorest people on Earth were bidding against a billion of the richest people for the same food.

Regarding producers, **Joachim von Braun with the International Food Policy Research Institute explains** that developed countries practice protectionism in regard to food production, benefitting large-scale producers in effectively a monopoly while depressing world prices for food, thereby crowding out domestic producers in developing countries.

However, even when prices are high, **Kaufman again iterates** that it raises the cost of associated inputs, like fuel and fertilizer, so profits aren't higher.

Ultimately, volatility is the friend of no one. **The International Fund for Agricultural Development impacts** that upward pricing harms consumers, and uncertainty in the market prevents planning, discourages risky investment, and deters more production for the market by producers.