# IFF Aff

# Contention 1: Inherency

#### Mexico wants Automatic Information Exchange agreement now, but we’ve yet to say yes

Lawton 12

Christopher Lawton, Financial Transparency Coalition: U.S. Should Expand Automatic Exchange Of Tax Information To Mexico <http://www.financialtransparency.org/2012/01/31/u-s-should-expand-automatic-exchange-of-tax-information-to-mexico/> 01/31/12 DA- 01/14/14

There is one most obvious way that the U.S. could make its

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, dynamic exchange of deposit account information with its major regional trading partners.

# Plan

#### Plan: The United States federal government will create an Automatic Exchange of Information and Trade Transparency Units with Mexico.

# Contention 2: Solvency

#### Plan solves IFFs

Lawton 12

Christopher Lawton, Financial Transparency Coalition: U.S. Should Expand Automatic Exchange Of Tax Information To Mexico <http://www.financialtransparency.org/2012/01/31/u-s-should-expand-automatic-exchange-of-tax-information-to-mexico/> 01/31/12 DA- 01/14/14

An agreement on [AEI] automatic exchange of tax information on accounts could be

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to combating illicit financial activity on the Southern border in all its forms.

#### AEI pressure empirically ensures international compliance – worked for upon request exchanging

Grinberg 13

Associate Professor at Georgetown University Law Center, former attorney at the Office of International Tax Counsel at the U.S. Dept. of Treasury, where he worked on FATCA from its inception (Itai, Georgetown Public Law and Legal Theory Research Paper No. 13-031, “Will FATCA Open the Door to Taxing Capital Income in Emerging Countries,” June 20, 2013, http://papers.ssrn.com/sol3/papers.cfm?abstract\_id=2256587)

For information exchange upon request, achieving universal compliance with international standards required global leaders

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that are not prepared to participate in [AIE] automatic information exchange.

#### Exchange must be automatic – on request method empirically fails to deter

Economist 13

(“Tax transparency: Automatic response,” The Economist, 2/16/2013, <http://www.economist.com/news/special-report/21571561-way-make-exchange-tax-information-work-automatic-response>)//YS

NOT ONE TO mince words, Daniel Mitchell of the right-wing Cato Institute

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of [AE] automatic exchange is that it deters rather than detects.

# Adv 1: International Tax Regime

#### US tax transparency sets precedent and spills over

McIntyre 9

Professor of Law, Wayne State University, Former member and interim chair of the U.N. Subcommitte on Information Exchange (Michael, Tax Notes International, "How to End the Charade of Information Exchange," Volume 56, Number 4, <http://faculty.law.wayne.edu/mcintyre/text/mcintyre_articles/Treaties/charade_56TNI.pdf>) 10/26/2009 DA- 01/15/14

Mexico surely understands that an agreement for automatic exchange with the United States will induce

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their residents, the Mexican rock down the hill may trigger an avalanche.

#### Ensuring uniform, multilateral AEI is key – benefits both emerging nations and multinational corporations alike

Grinberg 13

Associate Professor at Georgetown University Law Center, former attorney at the Office of International Tax Counsel at the U.S. Dept. of Treasury, where he worked on FATCA from its inception (Itai, Georgetown Public Law and Legal Theory Research Paper No. 13-031, “Will FATCA Open the Door to Taxing Capital Income in Emerging Countries,” June 20, 2013, http://papers.ssrn.com/sol3/papers.cfm?abstract\_id=2256587)

Internationally, automatic information reporting now has the upper hand over anonymous withholding, largely

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automatic information exchange regime may be improved if they cooperate with one another.

#### Global IFFs outstrip global efforts to reduce poverty – money lost from IFF growing each year

PR Newswire 13

(January 7, “Financial Flows Out of Developing World Overwhelm Foreign aid,” http://www.prnewswire.com/news-releases/illicit-financial-flows-out-of-the-developing-world-overwhelm-foreign-aid-60786287.html)//SEP

WASHINGTON, Jan. 7 /PRNewswire-USNewswire/ -- Global Financial Integrity (GFI) released today a study estimating the annual value of [IFFs] illicit financial flows from all poor nations at approximately $900 million. Titled "Illicit Financial Flows From Developing Countries: 2002 - 2006," (<http://www.gfip.org/>) the ground-breaking report shows that the developing world is losing an increasing amount of money through [ICF] illicit capital flight each year. Moreover, the value of the illicit flows surpasses the amount of Official Development Assistance (ODA) entering those countries by an order of magnitude. "[IFFs] Illicit financial flows siphon revenue out of poor countries, robbing them of much-needed assets and forestalling economic development," said GFI director Raymond Baker. "These new figures reveal that illicit financial flows outpace ODA by a ratio of nearly 10 to 1. This is critical to understanding global poverty and developing effective poverty alleviation and economic development strategies," Baker said. Primary findings of the report include: Total capital flight exiting the developing world may be as much as $1 trillion per year, The volume of capital flight is increasing at an average of 18.2% a year. Over the five-year period of this study, illicit financial flows grew at the fastest pace in the Middle East and North Africa region (49.4 percent) followed by Europe (25.4 percent), Asia (15.7 percent), and the Western Hemisphere (2.8 percent). Flows from Africa declined (-2.9 percent) but this is more the result of incomplete data than supportive economic or political factors.

#### IFFs uniquely exacerbate the root causes of poverty and dependency – just keeping funds within home countries solves

Reuter 12

Professor in the School of Public Policy and the Department of Criminology, University of Maryland, Senior Researcher at RAND, PhD in Economics from Yale University

(Peter, Draining Development: Controlling Flows of Illicit Funds From Developing Countries, World Bank, https://openknowledge.worldbank.org/handle/10986/2242)

There is no doubt that illicit ﬁnancial ﬂows (IFFs) from developing coun-

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, despite the availability of billions of dol- lars in overseas accounts.

# Adv 2: Democracy

#### AEI is key to building democracies in developing countries – like Mexico – and spills over to others

Grinberg 12

Associate Professor at Georgetown University Law Center, former attorney at the Office of International Tax Counsel at the U.S. Dept. of Treasury, where he worked on FATCA from its inception (Itai, Georgetown Law: The Scholarly Commons, “Beyond FATCA: An Evolutionary Moment for the International Tax System,” January 27, 2012, http://scholarship.law.georgetown.edu/cgi/viewcontent.cgi?article=1162&context=fwps\_papers&seiredir=1&referer=http%3A%2F%2Fwww.google.com%2Furl%3Fsa%3Dt%26rct%3Dj%26q%3Deconomist%2520automatic%2520exchange%2520tax%26source%3Dweb%26cd%3D40%26ved%3D0CGsQFjAJOB4%26url%3Dhttp%253A%252F%252Fscholarship.law.georgetown.edu%252Fcgi%252Fviewcontent.cgi%253Farticle%253D1162%2526context%253Dfwps\_papers%26ei%3DoR7xUcbIIYXVqAHo3YCQCw%26usg%3DAFQjCNFxQNj6scIncBgqKuT1xDxPA7bOrQ%26sig2%3D1NeWwQFotuiB8rpri\_Wtnw%26bvm%3Dbv.49784469%2Cd.eWU#search=%22economist%20automatic%20exchange%20tax%22).

At the same time, information reporting provides some assurance to the entire society that

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achieve robust democratic governance, these same pressures should not be underestimated.171

## We isolate 2 impact scenarios

### The first is Econ

#### Open democracies are key to the global economy

Halperin 5

Morton Halperin et al, Senior Vice President of the Center for American Progress and Director of the Open Society Policy Center, 2005, The Democracy Advantage, p. 12

What explains the consistently superior development outcomes of democ­racies? We outline the conceptual underpinnings

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going wrong, leaders hear about it and are forced to take action.

#### Growth key to solve a laundry list of problems – war, warming, disease and drug trafficking

Silk 93

Leonard. “Dangers of Slow Growth.” Foreign Affairs. Vol 72 Issue 1. 1993/1994.

The last such asset deflation, credit crunch and wave of bankruptcies followed the Great

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, a healthier environment, and more liberal and open economies and societies.

#### Warming causes extinction

Henderson, 06

Bill Henderson, Environmental Scientist. 8-16-2006. Counter Currents, “Runaway Global Warming Denial.” http://www.countercurrents.org/cc-henderson190806.htm

The scientific debate about human induced global warming is over but policy makers - let

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of most flora and fauna beloved to man in the world we share.

### The second is Terror

#### Democracy eliminates the need for terrorism

Li 5

Quan, “Does Democracy Promote or Reduce Transnational Terrorist Incidents?”, Department of Political Science, The Pennsylvania State University, http://www.psci.unt.edu/jbooks/TerrorBib\_files/Statistical%20Studies%20of%20Terrorism/Li-Does%20Democracy%20Promote.pdf

One argument in the democracy-terrorism literature posits that aspects of democracy reduce terrorism

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foreign targets as well as those committed by foreign terrorists in the country.

#### Terrorist groups like Hezbollah have roots in Mexico

Boyle 12

Investigative reporter @ Daily Caller (Matthew Boyle, 16 November 2012, “Congressional report ties Middle East terrorists to Mexican drug cartels”, http://dailycaller.com/2012/11/16/congressional-report-ties-middle-east-terrorists-to-mexican-drug-cartels/)//Holmes

A new congressional report from the House Homeland Security Committee Subcommittee on Oversight, Investigations

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The subcommittee is planning a Friday hearing to further discuss the report’s findings.

#### Hezbollah bioterror attack is a real threat- former CIA director testifies

Woosley 98

R. James Woolsey (former Director of Central Intelligence and former head of CIA). Testimony- U.S. House of Representatives: Committee on National Security. February 12, 1998 DA- 05/08/14

But the most troubling threat, in my judgment, is biological weapons. They

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launching land-attack cruise missiles, or a freighter launching a SCUD.

#### Extinction

Steinbruner 97 – Brookings senior fellow and chair in international security

(John D. Steinbruner, Brookings senior fellow and chair in international security,

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for a global contagion of this sort but not necessarily its outer limit.

# Adv 3: Cyberattacks

#### IFFs facilitate and preserve organized cyberterrorist networks – disaster coming soon in Squo

Caryl, 7/24

Senior fellow at the Legatum Institute in London and a Contributing Editor at Foreign Policy Magazine (Christian, “What a tangled web global criminality weaves,” Australian Financial Review, LexisNexis)//YS 7/24/13

Mexicans are celebrating a victory over the drug mafia this week. The arrest of

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and the lack of transparency that allows it. They're right to worry.

#### Hackers pose imminent threat to US cybersecurity

Clayton April 28

Mark Clayton. CSMonitor: Iran improves ability to pull off cyber-attacks on US, report finds. [http://www.csmonitor.com/World/Security-Watch/Cyber-Conflict-Monitor/2014/0428/Iran-improves-ability-to-pull-off-cyber-attacks-on-US-report-finds April 28](http://www.csmonitor.com/World/Security-Watch/Cyber-Conflict-Monitor/2014/0428/Iran-improves-ability-to-pull-off-cyber-attacks-on-US-report-finds%20April%2028), 2014

Hackers in Iran are a rising cyber-threat to the United States, as

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threat intelligence division at Mandiant, told the Monitor in a March interview.

## We isolate 2 impact scenarios

### First is Econ

#### Cyberattacks threaten to cripple US economy - causes economic collapse

Gable 10

Adjunct Professor of Public International Law, Drexel University Earl Mack School of Law (Kelly, Vanderbilt Journal of Transnational Law, “Cyber-Apocalypse Now: Securing the Internet Against Terrorism and Using Universal Jurisdiction As a Deterrent,” Vol. 43/57, http://www.vanderbilt.edu/jotl/manage/wp-content/uploads/Gable\_camera\_ready\_final.pdf)

It is a cold December day, already dark, when Aidan Smith leaves his

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security of the modern state, and cyberattacks are occurring with increased frequency.

#### Economically interdependent countries will not go to war unless one country’s economy collapses – it is the **only scenario** for intentional global nuclear war

Copeland 96

*Dale C. Copeland [Professor @ University of Virginia Department of Government and Foreign Affairs, author of many IR works], "Economic Interdependence and War: A Theory of Trade Expectations," International Security, Vol. 20, no.4 (Spring 1996)*

Liberals argue that economic interdependence lowers the likelihood of war by increasing the value of

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conflict. This was the German and Japanese dilemma before World War II.

#### Globalization ensures that interdependent countries will not declare war on each other

Ikenberry, Professor of Politics and International Affairs at Princeton University, and Deudney, professor of political science at Johns Hopkins University, 2009

(Daniel and G. John, Jan/Feb, “The Myth of the Autocratic Revival,” Foreign Affairs, Vol. 88, Issue 1, p. 8, EB)

It is in combination with these factors that the regime divergence between autocracies and democracies

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-first century point to the renewed value of international integration and cooperation.

### Second is Accidental War

#### Cyberterrorists will fake or actually cause a nuclear state to attack another, circumventing economic interdependence to trigger retaliation and escalation

Koeppen 9

(Brynn, Executive Biz, “Nation Nuclear Control Centers Vulnerable to Cyberterrorism Report,” July 29,

http://blog.executivebiz.com/2009/07/nation-nuclear-control-centers-vulnerable-to-cyber-terrorism-report/)

A recent report by the International Commission on Nuclear Non-proliferation and Disarmament (

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false information through media networks, emails, and even government private networks.