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## Contention 1

#### Contention 1 is the International Tax Regime

#### An international tax regime is inevitable but initial choices are key – promoting multilateral Automatic Exchange of Information – AEI – is essential to solidifying this approach as the global standard

**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).

In just a few short years, the world has gone from assuming financial institutions

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in on the choices made by the major actors in this evolutionary moment.

#### **U.S.-Mexico agreement brings all NAFTA members on board with AEI and demonstrates commitment to systemic exchange with regional trading partners**

Lawton, 12 – Former Canadian policy analyst who worked on anti-money laundering initiatives (Christopher, “U.S. Should Expand Automatic Exchange Of Tax Information To Mexico”, January 31, 2012, Financial Transparency Coalition, http://www.financialtransparency.org/2012/01/31/u-s-should-expand-automatic-exchange-of-tax-information-to-mexico/)//AE

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

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

#### U.S.-Mexico agreement key to spillover - shows US commitment to information exchange and creates an avalanche of international requests for AEI

 McIntyre, 09 – 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)

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 Illicit Financial Flows – IFFs – structurally undermine government legitimacy and development while increasing dependence and the risk of economic crises

**Le Billon, 11 –** Associate Professor of Geography and Liu Institute for Global Issues, University of British Columbia (Philippe, CMI (Chr. Michelsin Institute, “Extractive Sectors and Illicit Financial Flows: What Role for Revenue Governance Issues?” U4 Issue, October 2011, No. 11,<http://www.cmi.no/publications/file/4248-extractive-sectors-and-illicit-financial-flows.pdf>)

The Norway-sponsored Task Force on the Development Impact of Illicit Financial Flows (

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turn, drastically reduce total earnings that a country derives from extractive assets.

#### We isolate 2 two impacts to global IFFs:

#### First is poverty – global poverty is the equivalent of a thermonuclear war every 15 years

**Gilligan, 00** – Department of Psychiatry Harvard Medical School (James, Violence:

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the weak and poor every year of every decade, throughout the world.

#### IFFs outstrip global efforts to reduce poverty – study shows they outpace foreign aid by a ratio of 10 to 1

**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 (

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flight is increasing at an average of 18.2% a year,

#### 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.

#### The second impact is growth – it solves war – numerous studies prove

Royal, 10 – Director of Cooperative Threat Reduction at the U.S. Department of Defense, (Jedediah, “Economic Integration, Economic Signaling and the Problem of Economic Crises,” in Economics of War and Peace: Economic, Legal and Political Perspectives,” ed. Goldsmith and Brauer, p. 213-14)

Less intuitive is how periods of economic decline may increase the likelihood of external conflict

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not featured prominently in the economic-security debate and deserves more attention.

#### **Economic decline triggers nuclear war**

Harris and Burrows 9 (Mathew, PhD European History at Cambridge, counselor in the National Intelligence Council (NIC) and Jennifer, member of the NIC’s Long Range Analysis Unit “Revisiting the Future: Geopolitical Effects of the Financial Crisis” <http://www.ciaonet.org/journals/twq/v32i2/f_0016178_13952.pdf>, AM)

Of course, the report encompasses more than economics and indeed believes the future is

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within and between states in a more dog-eat-dog world.

#### Growth is sustainable – tech solves and the alternative is bad – kills billions

**Mead 12** (Walter Russell, James Clarke Chace Professor of Foreign Affairs and Humanities at Bard College,7/28/12, “The Energy Revolution 4: Hot Planet?” The American Interest) http://blogs.the-american-interest.com/wrm/2012/07/28/the-energy-revolution-4-hot-planet/

Welcome to the New Green Doom: an overabundance of oil and gas is going

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is a heretical thought, but perhaps Gaia is smarter than the greens.

## Contention 2

#### Curbing IFFs is key to raising domestic climate change financing – multilateral AEI solves

**Tax Justice Network, ’09** (Stop Illicit Capital Flows to Tackle the Climate Crisis,” December 11, http://taxjustice.blogspot.com/2009/12/stop-illicit-capital-fligh-to-solve.html)//SEP

What about mitigation, i.e. reversing the trend of increasing CO2 and

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will be productive ways of tackling the financial costs of the climate crisis.

#### Warming is an existential risk – *quickening* reductions is key to avoiding extinction

Mazo, 10 – PhD in Paleoclimatology from UCLA

(Jeffrey Mazo, Managing Editor, Survival and Research Fellow for Environmental Security and Science Policy at the International Institute for Strategic Studies in London, 3-2010, “Climate Conflict: How global warming threatens security and what to do about it,” pg. 122)//BB

The best estimates for global warming to the end of the century range from 2

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adaptation to these extremes would mean profound social, cultural and political changes.

#### Global warming is real and human induced – top climate scientists agree

Anderegg et al, 10 – PhD Candidate @ Stanford in Biology

(William, “Expert credibility in climate change,” National Academy of Sciences, p. 12107-12109)//BB

Preliminary reviews of scientific literature and surveys of cli- mate scientists indicate striking agreement

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discussions in media, policy, and public forums regarding anthropogenic climate change.

#### Action now averts extinction

Morgan, 09– Professor at Hankuk University of Foreign Studies (Dennis Ray, “World on Fire: Two Scenarios of the Destruction of Human Civilization and the Possible Extinction of the Human Race”, 2009)//Beddow

As horrifying as the scenario of human extinction by sudden, fast-burning nuclear

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to a fundamentally different premise regarding the relationship between industrial civilization and nature.

#### CO2 emission cuts now solve warming – it’s not inevitable

Desjardins 13 (Clea, “Global Warming: irreversible but not inevitable”, Concordia University, <http://www.concordia.ca/now/what-we-do/research/20130402/global-warming-irreversible-but-not-inevitable.php>//SJ)

There is a persistent misconception among both scientists and the public that there is a

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mitigation challenge, clarifying these points of hope is critical to motivate change.”

## Thus the Plan

#### The United States federal government should substantially increase its Automatic Exchange of Information and Trade Transparency Units with Mexico.

## Contention 3

#### Contention 3 is Solvency

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

Economist, 2/16/13 (“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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The biggest benefit of automatic exchange is that it deters rather than detects.

#### Developing countries – including Mexico – are capable of implementing AEI –contrary arguments are specious and condescending

**Gurtner et. al, 09** – Chairman Tax Justice Center International Board, International, non-aligned group or researchers and activists concerned about tax evasion (Bruno, David Spencer, Senior Advisor Tax Justice Center, and Jon Christensen, Secretary for Tax Justice Center, “Automatic Exchange of Information and the United Nations Tax Committee,” December 19, <http://www.taxjustice.net/cms/upload/pdf/Info_Exchange_Letter_0912.pdf>)

(10) DEVELOPING COUNTRIES AND THE TECHNICAL CAPACITY ARGUMENT. It has been asserted

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vested interest in not having automatic exchange of information implemented with developing countries.

#### Trade Transparency Units – TTUs – solve trade mispricing – the largest source of IFFs between the U.S. and Mexico

**U.S. Senate Caucus on International Narcotics Control, 13** (“The Buck Stops Here: Improving U.S. Anti-Money Laundering Practices,”

(April, p. 20, http://www.feinstein.senate.gov/public/index.cfm/files/serve/?File\_id=311e974a-feb6-48e6-b302-0769f16185ee)

Experts at Global Financial Integrity have estimated that $642.9 billion in cumulative

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undervaluing of traded goods and provides actionable leads to investigate suspected money laundering.

#### Current U.S.-Mexico automatic exchange agreement is not reciprocal – U.S. reserves the right to withhold information if it might be misused

Sheppard, 1/31/13 – Lawyer and widely-read commentator on tax issues

(Lee, Tax Analysts, “Will U.S. Hypocrisy on Information Sharing Continue,” <http://www.taxanalysts.com/www/features.nsf/Articles/0C26B2CFD92F1FBE85257AFC004E8B38?OpenDocument>)

In Rev. Proc. 2012-24, IRB 2012-20, the

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. The Mexican IGA might effectively be a nonreciprocal agreement disguised as reciprocal.

#### Plan solves your alt causes - Curbing tax havens is the fastest route to better governance, democratic institutions and tax morale

**Tax Justice Network, 09** – International, non-aligned group or researchers and activists concerned about tax evasion (“The Non-Perils of Information Exchange,” <http://taxjustice.blogspot.com/2009/07/non-perils-of-information-exchange.html>)

Taxing élites properly could be the fastest route to better governance Were the élites to

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law, triggering a vicious circle of decline in the institutions of democracy.

#### AEI solves corruption – empowers legitimate tax officials to tackle elites

**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)

In some emerging countries, it may be that some finance ministry and tax administration

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that suggests such an audit should be conducted is provided spontaneously from abroad.