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#### Oil prices will remain high – assumes their warrants

Holland, 10/14

Tim Holland, the writer of the South China Morning Post’s Monitor column, citing World Bank consultant Mamdouh Salameh, “Oil price heading for US$200 as China's imports set to surge,” 10/14/13 http://www.scmp.com/business/commodities/article/1331068/oil-price-heading-us200-chinas-imports-set-surge

In the past, the Organisation of the Petroleum Exporting Countries maintained a comfortable cushion of spare capacity, but that has now fallen to just one million barrels a day. Worse, Opec's biggest producer, Saudi Arabia, has no plans to raise its production capacity over the next few years, implying an increasing upward pressure on prices. "In the future, China will have to outbid the rest of the world for oil supplies, forcing up oil prices," warns Salameh. Under an optimistic scenario, in which no political upheavals affect markets and new supplies continue to come on stream from Brazilian and Angolan offshore deposits, Canadian tar sands and American oil shales, Salameh reckons the price of oil would continue to hover between US$100 and US$130 a barrel for the remainder of this decade.

The plan causes a flood – that tanks prices

Schelmetic 11 (Tracey E., Contributor – TMC, “Saudi Prince Frets that High Oil Prices will Spur Drive to Alternative Energy”, TMC, 6-1, http://green.tmcnet.com/channels/renewable-energy/articles/181084-saudi-prince-frets-that-high-oil-prices-will.htm, Deech)

What do you do when you're a theocratic ruler of an oil-rich nation and you see the insidious creep of **alternative energy** technologies coming to end your party? You worry, apparently. Saudi Arabian prince Alwaleed bin Talal recently told CNN that his country wants to see oil prices **come down** to between **$70** and $80 a barrel. The reason? The Saudi rulers are **apprehensive** that high oil prices are spurring Western countries to seek replacement energy sources. The prince is concerned that if oil prices remain at high current levels, countries that use a lot of petroleum products – like the U.S. and Western European nations – will be encouraged to invest in alternative energy sources such as **solar**, **wind power**, **geothermal heat**, **hydropower** and **other technologies** – all of which would be **detrimental** to the oil-rich nation.

That tanks prices

Al-Saleh, 8 (Yasser Al-Saleh, Paul Upham and Khaleel Malik, Manchester Institute for Innovation Research, “Renewable Energy Scenarios for the Kingdom of Saudi Arabia”, 10, 2008, http://www.tyndall.ac.uk/sites/default/files/wp125.pdf)

These scenarios represent what might be thought of as a continuation of current trends in terms of the abundant availability of fossil fuels and limited strategic actions on environmental protection. Nonetheless, owing to other factors, such as increasing domestic demand for energy as well as a desire to free hydrocarbon resources for export and - perhaps more importantly petrochemical production, Saudi Arabia is considering the renewable energy option with which it is most familiar (i.e. Solar Photovoltaics). As previously mentioned, in the scenario with a positive perception of renewables, solar PV enjoys a relatively high penetration in on-grid applications as well (i.e. decentralised production of electricity). In a world of abundant oil reserves, Saudi Arabia - as a major oil-producer with the greatest spare production capacity - could choose to maximise its oil production and perhaps further expand its operations in the Far East in order to achieve a maximum market share and ultimately become the world’s unsurpassed supplier. As a result of the adoption of a sustained ‘market flooding’ strategy, oil prices could gradually drop down to as low as $10 per barrel. This low price may, however, guarantee the maintenance of reasonable revenue to Saudi Arabia, whose production costs are very low (according to some unofficial estimates perhaps as low as $1.5 per barrel at present). Such an aggressive approach - although regarded by a few panellists as being somewhat technically difficult - would result in driving other ‘high-cost’ oil-producers (including many OPEC members) from the market, as well as demolishing much of the global interest and research into alternative energy means (including renewables). 7.2 YELLOW SCENARIOS These scenarios envision a future in which global environmental concerns become significantly stronger and environmental actions become more coordinated. Greenhouse gas emissions are vigorously scrutinised with performance targets being completely agreed on and respected around the world. Carbon Capture and Storage (CCS) has become a widely-adopted technology, and technological advancements in fuel cells and hydrogen storage are attributed to a strong market growth for hydrogen fuels in transport applications. As a result of environmental movements towards carbon-neutral and carbon-free technologies, the rate of climate change is slowed (yet not reversed). Given the availability of oil resources in Saudi Arabia, a ‘market flooding’ strategy that might drive oil prices down makes a lot of sense in a world where environmentally-friendly options are strongly favoured. Nevertheless, adopting such a hostile strategy, which Saudi Arabia has constantly avoided, would mean that maintaining good relations with other oil-producers could become an increasingly difficult challenge. For a country like Saudi Arabia that is blessed with very high levels of direct solar radiation, but is increasingly faced with an increased demand for electricity and water as well as a low revenue stream (owing to low oil prices), solar thermal seems to be an attractive choice worth considering.

#### High oil prices key to Central Asian stability

Sieff, 10

Martin Sieff is Chief Global Analyst at The Globalist Research Center and Editor-at-Large at The Globalist. For the past decade, he has been chief news analyst for United Press International and is its former Managing Editor for International Affairs. He has received three Pulitzer Prize nominations for international reporting. Mr. Sieff has covered conflicts in his native Northern Ireland, Israel and the West Bank, Indonesia, Bosnia, Azerbaijan, Georgia and the Baltic states. He has also reported from China, India, Pakistan, Bangladesh, Kazakhstan, Japan, Malaysia, Singapore, Syria, Egypt, Jordan, Kuwait, Turkey and more than 40 other nations. From 1994 to 1999, Mr. Sieff was Chief Foreign Correspondent for The Washington Times. He was the paper's Soviet and East European correspondent covering the collapse of communism for six years from 1986 to 1992 and from 1992 to 1994 its State Department correspondent. He has appeared as an expert on Asian security affairs and the Middle East on National Public Radio, the Fox News Channel and C-SPAN. Mr. Sieff received his B.A. and M.A in modern history from Oxford University in 1972 and 1976. He did graduate work in Middle East studies at the London School of Economics from 1973 to 1976. “High oil prices to fund expansion, buy stability,” 11/11/10, http://www.universalnewswires.com/centralasia/viewstory.aspx?id=2309

It's official: Oil prices will hit a plateau of more than $100 per barrel by 2015 and base prices will double to between $160-$180 per barrel by 2035. That was the forecast published Wednesday by the Paris-based International Energy Agency (IEA). And as a British Broadcasting Corporation (BBC) commentator quickly pointed out, what the IEA was really doing was saying as clearly as possible that the days of cheap energy are over. The implications of this assessment are enormous, and are particularly momentous for Kazakhstan, Turkmenistan and Uzbekistan -- the three major energy-exporting powers of Central Asia. This” IEA policy assessment effectively confirms the wisdom, and predicts the success, of Kazakhstan's most important national economic policies: -- Kazakhstan’s gamble to rapidly expand its oil production capabilities. -- Its decision to join Russia in a new customs union that was widely criticized in the West. -- Its huge investment in high-tech, industrial and agricultural development and expansion over the next 20 years in its 2030 plan. All of these programs risk floundering spectacularly if some major global economic recession or other dislocation causes the price of oil to come plunging down rapidly for long periods of time. That would even be even more the case if future U.S. administrations could actually translate the repeated rhetoric of American energy independence into reality. But the IEA clearly came to the conclusion that this isn't going to happen. A guaranteed high platform for global oil prices is also more than good news for neighboring Uzbekistan and Turkmenistan: It is virtually a guarantee of social and political survival to them. Both nations have populations with much lower standards of living than Kazakhstan's. And it is a particular challenge to raise the standard of living in Uzbekistan, which President Islam Karimov this year affirmed as a major national priority. That is because Uzbekistan has the largest population in Central Asia -- almost double that of Kazakhstan's -- crowded into a far smaller area. Also, the continued strong state regulations and control of major economic institutions remains a major barrier to the kind of rapid economic expansion Kazakhstan has enjoyed next door. Uzbekistan and Turkmenistan also have good reason to feel threatened by the growing instability and threats of civil war -- and even worse, chaotic anarchy -- threatening to develop in neighboring Kyrgyzstan and Tajikistan. However, continued high and rising global oil and energy prices will give the governments in Ashgabat and Tashkent the crucial checkbook power they need to buy and distribute enough food to their people, keep wages stable and subsidies high. Modern history throughout the Middle East, southern and Southeast Asia and other parts of the world repeatedly documents that as long as governments can retain that financial power, with enough confidence and competence to use it, they can keep their populations happy, or at least relatively content.

**Central Asian instability leads to nuclear war**

**McDermott 11** - specializes in Russian and Central Asian defense and security issues and is a Senior Fellow in Eurasian Military Studies, The Jamestown Foundation, Washington DC, Senior International Research Fellow for the Foreign Military Studies Office (FMSO), Fort Leavenworth, Kansas, and Affiliated Senior Analyst, Danish Institute for International Studies, Copenhagen. McDermott is on the editorial board of Central Asia and the Caucasus and the scientific board of the Journal of Power Institutions in Post-Soviet Societies. He recently wrote The Reform of Russia’s Conventional Armed Forces: Problems, Challenges and Policy Implications (Roger, “General Makarov Highlights the “Risk” of Nuclear Conflict”, 12/6/11, The Jamestown Foundation, <http://www.jamestown.org/details/?tx_bzdstaffdirectory_pi1%5BshowUid%5D=140&tx_bzdstaffdirectory_pi1%5BbackPid%5D=60&no_cache=1>)//GP

In the current election season the Russian media has speculated that the Defense Minister Anatoliy Serdyukov may be replaced, possibly by Dmitry Rogozin, Russia’s Ambassador to NATO, which masks deeper anxiety about the future direction of the Armed Forces. The latest rumors also partly reflect uncertainty surrounding how the switch in the ruling tandem may reshuffle the pack in the various ministries, as well as concern about managing complex processes in Russian defense planning. On November 17, Russia’s Chief of the General Staff, Army-General Nikolai Makarov, offered widely reported comments on the potential for nuclear conflict erupting close to the country’s borders. His key observation was controversial, based on estimating that the potential for armed conflict along the entire Russian periphery had grown dramatically over the past twenty years (Profil, December 1; Moskovskiy Komsomolets, November 28; Interfax, November 17). During his speech to the Defense Ministry’s Public Council on the progress and challenges facing the effort to reform and modernize Russia’s conventional Armed Forces, Makarov linked the potential for local or regional conflict to escalate into large-scale warfare “possibly even with nuclear weapons.” Many Russian commentators were bewildered by this seemingly “alarmist” perspective. However, they appear to have misconstrued the general’s intention, since he was actually discussing conflict escalation (Interfax, ITAR-TASS, November 17; Moskovskiy Komsomolets, Krasnaya Zvezda, November 18). Makarov’s remarks, particularly in relation to the possible use of nuclear weapons in war, were quickly misinterpreted. Three specific aspects of the context in which Russia’s most senior military officer addressed the issue of a potential risk of nuclear conflict may serve to necessitate wider dialogue about the dangers of escalation. There is little in his actual assertion about the role of nuclear weapons in Russian security policy that would suggest Moscow has revised this; in fact, Makarov stated that this policy is outlined in the 2010 Military Doctrine, though he understandably made no mention of its classified addendum on nuclear issues (Kommersant, November 18). Russian media coverage was largely dismissive of Makarov’s observations, focusing on the idea that he may have represented the country as being surrounded by enemies. According to Kommersant, claiming to have seen the materials used during his presentation, armed confrontation with the West could occur partly based on the “anti-Russian policy” pursued by the Baltic States and Georgia, which may equally undermine Moscow’s future relations with NATO. Military conflict may erupt in Central Asia, caused by instability in Afghanistan or Pakistan; or western intervention against a nuclear Iran or North Korea; energy competition in the Arctic or foreign inspired “color revolutions” similar to the Arab Spring and the creation of a European Ballistic Missile Defense (BMD) system that could undermine Russia’s strategic nuclear deterrence also featured in this assessment of the strategic environment (Kommersant, November 18). Since the reform of Russia’s conventional Armed Forces began in late 2008, Makarov has consistently promoted adopting network-centric capabilities to facilitate the transformation of the military and develop modern approaches to warfare. Keen to displace traditional Russian approaches to warfare, and harness military assets in a fully integrated network, Makarov possibly more than any senior Russian officer appreciates that the means and methods of modern warfare have changed and are continuing to change (Zavtra, November 23; Interfax, November 17). The contours of this evolving and unpredictable strategic environment, with the distinctions between war and peace often blurred, interface precisely in the general’s expression of concern about nuclear conflict: highlighting the risk of escalation. However, such potential escalation is linked to the reduced time involved in other actors deciding to intervene in a local crisis as well as the presence of network-centric approaches among western militaries and being developed by China and Russia. From Moscow’s perspective, NATO “out of area operations” from Kosovo to Libya blur the traditional red lines in escalation; further complicated if any power wishes to pursue intervention in complex cases such as Syria. Potential escalation resulting from local conflict, following a series of unpredictable second and third order consequences, makes Makarov’s comments seem more understandable; it is not so much a portrayal of Russia surrounded by “enemies,” as a recognition that, with weak conventional Armed Forces, in certain crises Moscow may have few options at its disposal (Interfax, November 17). There is also the added complication of a possibly messy aftermath of the US and NATO drawdown from Afghanistan and signs that the Russian General Staff takes Central Asian security much more seriously in this regard. The General Staff cannot know whether the threat environment in the region may suddenly change. Makarov knows the rather limited conventional military power Russia currently possesses, which may compel early nuclear first use likely involving sub-strategic weapons, in an effort to “de-escalate” an escalating conflict close to Russia’s borders. Moscow no longer primarily fears a theoretical threat of facing large armies on its western or eastern strategic axes; instead the information-era reality is that smaller-scale intervention in areas vital to its strategic interests may bring the country face-to-face with a network-centric adversary capable of rapidly exploiting its conventional weaknesses. As Russia plays catch-up in this technological and revolutionary shift in modern warfare capabilities, the age-old problem confronts the General Staff: the fastest to act is the victor (See EDM, December 1). Consequently, Makarov once again criticized the domestic defense industry for offering the military inferior quality weapons systems. Yet, as speed and harnessing C4ISR (Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance) become increasingly decisive factors in modern warfare, the risks for conflict escalation demand careful attention – especially when the disparate actors possess varied capabilities. Unlike other nuclear powers, Russia has to consider the proximity of several nuclear actors close to its borders. In the coming decade and beyond, Moscow may pursue dialogue with other nuclear actors on the nature of conflict escalation and de-escalation. However, with a multitude of variables at play ranging from BMD, US Global Strike capabilities, uncertainty surrounding the “reset” and the emergence of an expanded nuclear club, and several potential sources of instability and conflict, any dialogue must consider escalation in its widest possible context. Makarov’s message during his presentation, as far as the nuclear issue is concerned, was therefore a much tougher bone than the old dogs of the Cold War would wish to chew on.

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#### Russia perceives the shale revolution as confined and limited

McKeigue, 7/8/2013 (James – reporter for Oil and Gas Investor, How to profit from the shale revolution in Latin America, Money Week, p. <http://moneyweek.com/new-world-how-to-profit-from-the-shale-revolution-in-latin-america/>)

What do the Russian government and Greenpeace have in common? They both fear the spread of America’s shale gas revolution. The former worries that if shale takes off elsewhere it will weaken its position in the market, while the latter dreads the supposed environmental consequences of global shale production. I’m sure you have all heard about shale gas by now, but just to recap, shale gas is natural gas trapped within shale rock formations. Over the past decade, new drilling methods and a process called hydraulic fracturing (‘fracking’), which involves pumping a mix of pressurised water, sand and chemicals underground to crack underground rocks and free the gas. Producers now have access to gas that was once uneconomic to extract. So far the ‘shale revolution’ has been largely confined to the US, where there is so much of the stuff, there has been a glut. This has helped to drive prices of natural gas to new lows in recent years. But attempts to launch it elsewhere have failed. For example, after wasting millions of dollars drilling failed wells in Poland – supposedly Europe’s best shale prospect – ExxonMobil pulled out of the country last year. Fracking is not without its risks In the US, the shale revolution has been nothing short of a miracle. And it promises to grant energy independence to the world’s biggest oil importer. Indeed, thanks to shale, the US is set to overtake Russia as the world’s biggest gas producer in 2015 and Saudi Arabia as the world’s biggest oil producer by 2020. The energy transformation is boosting America’s economy and giving the government new geopolitical strength. It’s even helped to cut the country’s C02 emissions as the country’s power plants switch from coal to gas. So, why aren’t other countries following suit? Well, like most ‘miracles’, shale energy comes with several strings attached. The extraction technique, ‘fracking’, involves pumping millions of litres of water and chemicals at high pressure to fracture underground rock formations to release trapped gas. And not everyone is prepared to do it. For example, the French have banned it over fears that it may contaminate underground aquifers. In the relatively densely populated UK, ‘Nimbyism’ threatens to slow fracking development, as local communities recoil against the idea of heavy industry despoiling quiet rural spots. Even in places like China, where the government is often prepared to ignore environmental worries or Nimbyism, shale gas is far from certain. In this instance, the problem is water scarcity. China has the world’s biggest shale gas reserves and it could sustain a widespread fracking campaign. But experts are uncertain if fracking will take off there. But Russian oil ministers and Greenpeace activists can’t breathe easy just yet. Because Latin America has the perfect conditions for shale gas and I’ve found one company that looks like it’s about to spark the revolution over there.

#### The plan exports the shale revolution to Mexico – that’s the plan

Karl, 5/7/**20**13 (David – president of the Asia Strategy Initiative, board of counselors of Young Professionals in Foreign Policy, former director of studies at the Pacific Council on International Policy, Time for a North American Energy Initiative, Monsters Abroad, p. http://monstersabroad.wordpress.com/2013/05/07/time-for-a-north-american-energy-initiative/)

Mexico possesses energy reserves so large that they rival Kuwait’s and it is the third-largest oil supplier (following Canada and Saudi Arabia) to the United States. Sitting on top of what may be the world’s fourth-largest reserves of shale gas, it is also well positioned to benefit from the shale revolution. Yet due to nationalistic restrictions that shut out foreign capital and technology, PEMEX has experienced sharp production declines in recent years and is unable to exploit deep-water reserves in the Gulf of Mexico or onshore resources that require hydraulic fracturing (“fracking”) to extract. Indeed, a Baker Institute report two years ago warned that without major new investments in exploration and production the company could lose its entire capacity to export crude oil within a decade. PEMEX’s new head sees shale development as a key to the country’s economic future but acknowledges that foreign partnerships are a critical factor. The regional payoff would be profound if Mexico is able to replicate the energy renaissance now unfolding in the other NAFTA countries and act in concert with them to maximize its benefits. A recent Citigroup report argues that surging oil and natural gas output in the three countries “will eventually turn the global geopolitics of energy on its head” and that “the growing continental surplus of hydrocarbons points to North America effectively becoming the new Middle East by the next decade.” A study by the Manhattan Institute concurs, noting that “the total North American hydrocarbon resource base is more than four times greater than all the resources extant in the Middle East.” It also estimates that a NAFTA-style collaboration in the hydrocarbon sector could yield as much as $7 trillion in value to the North American economy over 20 years. Prospective gains like these should start policymakers in Washington, Ottawa and Mexico City thinking in imaginative and cooperative directions.

#### That makes Russia decline

Mead, 5/1/**20**13 (Walter Russell, US Shale Gas Boom Undermining Putin’s Gazprom, The American Interest, p. <http://blogs.the-american-interest.com/wrm/2013/05/01/us-shale-gas-boom-undermining-putins-gazprom/>)

In public statements, however, the Russian company remains defiant (and perhaps in a state of denial) about the implications of the shale gas boom: Speaking on state television on March 30, Gazprom Chief Executive Alexei Miller minimized the impact of gas from U.S. shale fields, extracted using hydraulic-fracturing techniques. He predicted that it was a “bubble that will burst very soon. We are skeptical about shale gas. We don’t see any risks [to us] at all.” Gazprom spokesman Sergei Kupriyanov acknowledged that shale-gas development “does have an impact” on contract negotiations. “But we don’t see any tragedy here….Our main competitive advantage is that we can guarantee volumes for a long time.” Maybe, maybe not. But the immediate impact on Russia should not be underestimated. Vladimir Putin’s plans for reclaiming Great Power status for Russia are predicated on the country’s continuing strong economic performance, and the energy sector is key. Gazprom accounts for more than 10 percent of the country’s exports, and hits to its bottom line this year, the WSJ speculates, will cause Russia to miss Putin’s target of 5 percent annual growth. Putin’s hardball tactics in his near-abroad when Russia was energy top dog were instrumental in confirming him as an authoritarian bully in the minds of many Westerners. These tactics also inadvertently made Russia more vulnerable to shifts in the global energy market, with many of its main customers desperately seeking out alternative suppliers so that they would never find themselves backed into a corner again. So it’s easy to join the Bulgarians in gloating over this reversal. But everything in moderation. As we’ve said before, a cagey, resentful and frustrated Russia facing economic decline and increasing powerlessness on the world stage is good for no one at all.

Nuclear war

David 99 (Steven R David, professor of international relations at John Hopkins, PhD from Harvard, January/February 1999, “Saving America from the Coming Civil Wars,” Foreign Affairs)

AT NO TIME since the civil war of 1918 -- 20 has Russia been closer to bloody conflict than it is today. The fledgling government confronts a vast array of problems without the power to take effective action. For 70 years, the Soviet Union operated a strong state apparatus, anchored by the KGB and the Communist Party. Now its disintegration has created a power vacuum that has yet to be filled. Unable to rely on popular ideology or coercion to establish control, the government must prove itself to the people and establish its authority on the basis of its performance. But the Yeltsin administration has abjectly failed to do so, and it cannot meet the most basic needs of the Russian people. Russians know they can no longer look to the state for personal security, law enforcement, education, sanitation, health care, or even electrical power. In the place of government authority, criminal groups -- the Russian Mafia -- increasingly hold sway. Expectations raised by the collapse of communism have been bitterly disappointed, and Moscow's inability to govern coherently raises the specter of civil unrest. If internal war does strike Russia, economic deterioration will be a prime cause. From 1989 to the present, the GDP has fallen by 50 percent. In a society where, ten years ago, unemployment scarcely existed, it reached 9.5 percent in 1997 with many economists declaring the true figure to be much higher. Twenty-two percent of Russians live below the official poverty line (earning less than $ 70 a month). Modern Russia can neither collect taxes (it gathers only half the revenue it is due) nor significantly cut spending. Reformers tout privatization as the country's cure-all, but in a land without well-defined property rights or contract law and where subsidies remain a way of life, the prospects for transition to an American-style capitalist economy look remote at best. As the massive devaluation of the ruble and the current political crisis show, Russia's condition is even worse than most analysts feared. If conditions get worse, even the stoic Russian people will soon run out of patience. A future conflict would quickly draw in Russia's military. In the Soviet days civilian rule kept the powerful armed forces in check. But with the Communist Party out of office, what little civilian control remains relies on an exceedingly fragile foundation -- personal friendships between government leaders and military commanders. Meanwhile, the morale of Russian soldiers has fallen to a dangerous low. Drastic cuts in spending mean inadequate pay, housing, and medical care. A new emphasis on domestic missions has created an ideological split between the old and new guard in the military leadership, increasing the risk that disgruntled generals may enter the political fray and feeding the resentment of soldiers who dislike being used as a national police force. Newly enhanced ties between military units and local authorities pose another danger. Soldiers grow ever more dependent on local governments for housing, food, and wages. Draftees serve closer to home, and new laws have increased local control over the armed forces. Were a conflict to emerge between a regional power and Moscow, it is not at all clear which side the military would support. Divining the military's allegiance is crucial, however, since the structure of the Russian Federation makes it virtually certain that regional conflicts will continue to erupt. Russia's 89 republics, krais, and oblasts grow ever more independent in a system that does little to keep them together. As the central government finds itself unable to force its will beyond Moscow (if even that far), power devolves to the periphery. With the economy collapsing, republics feel less and less incentive to pay taxes to Moscow when they receive so little in return. Three-quarters of them already have their own constitutions, nearly all of which make some claim to sovereignty. Strong ethnic bonds promoted by shortsighted Soviet policies may motivate non-Russians to secede from the Federation. Chechnya's successful revolt against Russian control inspired similar movements for autonomy and independence throughout the country. If these rebellions spread and Moscow responds with force, civil war is likely. Should Russia succumb to internal war, the consequences for the United States and Europe will be severe. A major power like Russia -- even though in decline -- does not suffer civil war quietly or alone. An embattled Russian Federation might provoke opportunistic attacks from enemies such as China. Massive flows of refugees would pour into central and western Europe. Armed struggles in Russia could easily spill into its neighbors. Damage from the fighting, particularly attacks on nuclear plants, would poison the environment of much of Europe and Asia. Within Russia, the consequences would be even worse. Just as the sheer brutality of the last Russian civil war laid the basis for the privations of Soviet communism, a second civil war might produce another horrific regime. Most alarming is the real possibility that the violent disintegration of Russia could lead to loss of control over its nuclear arsenal. No nuclear state has ever fallen victim to civil war, but even without a clear precedent the grim consequences can be foreseen. Russia retains some 20,000 nuclear weapons and the raw material for tens of thousands more, in scores of sites scattered throughout the country. So far, the government has managed to prevent the loss of any weapons or much material. If war erupts, however, Moscow's already weak grip on nuclear sites will slacken, making weapons and supplies available to a wide range of anti-American groups and states. Such dispersal of nuclear weapons represents the greatest physical threat America now faces. And it is hard to think of anything that would increase this threat more than the chaos that would follow a Russian civil war.

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#### Text: The United States federal government should propose that it {PLAN} to through binding consultation to the Federal government of Brazil. The United States federal government should support this proposal during consultation and abide by the results of the consultation.

#### The counterplan builds effective cooperation and is critical to U.S. Brazil relations

Einaudi, 11 – Member and research specialist of the Brazil Institute at the Woodrow Wilson International Center for Scholars, Distinguished Visiting Fellow in the Center for Strategic Research, Institute for National Strategic Studies at the National Defense University (Luigi R., , “Brazil and the United States: The Need for Strategic Engagement,” March 2011)ahayes

Whether Brazil’s future policies will, like those of the United States, reflect greater caution and sensitivity to third party interests remains an open question. But there can be no question that Brazil’s global activism is here to stay. “The days when domestic weaknesses (an acumulo de vulnerabilidades) limited our scope of action abroad have been left behind,” stated Antonio de Aguiar Patriota in his first speech as the new Foreign Minister under President Rousseff on January 2, 2011.33 Brazilians cannot underestimate what is left to be done domestically, he argued, but they now expect “to engage on all major international debates.” The United States and Brazil, concludes one American observer, seem destined to keep bumping into each other all over the world.34 The key requirement for both countries is therefore to give strategic shape and rationality to these otherwise random interactions. Prospects and Policy Recommendations The United States has a basic national security interest in Brazil’s continuing democratic and marketoriented success, which improves its will and capacity to help address pressing global problems. We are in a rapidly changing period of international relations, in which a high premium is put on skilled and effective diplomacy in order to provide a measure of management to situations that could spin out of control. We are still haunted by nuclear weapons. In these circumstances, Brazil plays an important role. It is in the U.S. interest to find as many ways as possible not only to cooperate with Brazil, but also to engage with Brasilia as a regional and global partner in the maintenance of peace and prosperity. A prerequisite for improved mutual engagement will be changes in perspective on both sides. Mutually beneficial engagement requires the United States to welcome Brazil’s emergence as a global power. Brazil is more than a tropical China35; it is culturally and politically close to the United States and Europe. Brazil, in turn, needs to realize that the United States accepts its rise. Brazil also needs to recognize that the United States still matters greatly to Brasilia and that more can be achieved working with Washington than against it. The United States and Brazil have vast overlapping interests, but a formal strategic partnership is probably out of the question for both countries. In the United States, Brazil must compete for policy attention with China, India, Russia, Japan, Mexico, and several European countries. It poses no security threat to the United States. Moreover, despite Brazil’s importance in multilateral organizations, particularly the UN, Brazil can be of limited practical assistance at best to the United States in its two current wars. Brazil’s interests, in turn, may be fairly said to include the need to distinguish itself from the United States. Diplomatically, this means neither country can expect automatic agreement from the other. Interests differ and it may be politically necessary to highlight differences even when interests are similar. But both countries should make every effort to develop a habit of “permanent consultation” in an effort to coordinate policies, work pragmatically together where interests are common, and reduce surprises even while recognizing that specific interests and policies often may differ. A first operational step, therefore, is for both countries to hold regular policy-level consultations, increase exchanges of information, and coordinate carefully on multilateral matters. This is much easier said than done. The list of global issues on which Brazil is becoming a major player includes conflict resolution, all aspects of energy, including nuclear matters, all types of trade, the environment, space, and the development of international law, including law of the seas and nonproliferation. To share information and ensure effective consultation on so many functional issues will require finding ways to lessen the geographic stovepiping natural to bureaucracy. The U.S. Department of State, for example, has historically organized itself into geographical bureaus responsible for relations with countries in particular regions, leaving functional issues to offices organized globally. This organization hampers the exchange of information and consultation with countries such as Brazil, whose reach and policies go beyond their particular geographic region. One result is that multilateral affairs are still often an isolated afterthought in the U.S. Government. Are there things the United States and Brazil could do, whether bilaterally or in the World Trade Organization, that would offset some of the negative effects of the China trade on manufacturing in both their countries?36 Just posing the question reveals the complexity of the task.

#### Brazil says yes – want an improved Mexico market for potential trade

Hakim, president emeritus and senior fellow of the IAD, 2013

(1/8/13, Peter, president emeritus and senior fellow of the Inter-American Dialogue, previously taught at both MIT and Columbia, MA of Public and International Affairs from Princeton University’s Woodrow Wilson School, MS in Physics at the University of Pennsylvania, “Which Issues Will Define the Brazil-Mexico Agenda?,” The Inter-American Dialogue piece with responses from Peter Hakim, Reubens Barbosa, Reuben Olmos, and Joel Korn, <http://www.thedialogue.org/page.cfm?pageID=32&pubID=3201>) ahayes

A: Peter Hakim, member of the Advisor board and president emeritus of the Inter-American Dialogue: "Brazil-Mexico trade is barely even a trickle today. With a combined GDP of nearly $4 trillion, the region's two giants exchange less than $8 billion in goods and services annually. That compares to U.S. trade of $500 billion with Mexico and $50 billion with Brazil. Presidents Lula and Calderón were right in thinking that they had a win-win proposition when they agreed in 2010 to pursue a 'special economic pact.' But negotiations stalled, in part because Mexican businesses were uneasy about encouraging competition from Brazil's booming economy. The shifting fortunes of the two countries, however, may have improved prospects for agreement. Mexican self-confidence has risen with a notable three-year upswing of the economy. Today's vibrant Mexican markets will, in turn, have greater appeal to an economically slumping Brazil (although its response to the slowdown has been more to raise protectionist barriers, including a quota on Mexican auto imports, than to embrace freer trade). Still, presidents Dilma and Peña Nieto should be motivated by the huge potential payoff of a robust trade arrangement that opens untapped markets for both nations. The Brazilian government is aware as well that an arrangement with Mexico also offers new access to the U.S. market, while the new Mexican administration knows that Brazil is a vital entry point to all of South America. And a bonus looms. A trade deal between Mexico and Brazil, which together produce almost two-thirds of Latin America's output, could be a crucial step toward greater hemisphere-wide economic cooperation. It would break down the region's current divide into two non-overlapping economic groups--the 11 countries that have free-trade agreements with the United States and the seven countries that are current or prospective members of Mercosur."

#### U.S. – Brazil relations are high but consultation is necessary to maintain them – solves general conflict and a laundry list of impacts

Meyer, 10 - Latin American Affairs Analyst @ CRS, (Peter J., Analyst in Latin American Affairs at the Congressional Research Service, “Brazil-U.S. Relations,” 3/5/10,http://www.dtic.mil/cgi-bin/GetTRDoc?AD=ADA521243) ahayes

Relations with the United States Currently, relations between the United States and Brazil may be characterized as friendly. The United States has increasingly regarded Brazil as a significant power, especially in its role as a stabilizing force in Latin America. U.S. officials assert that the United States seeks to increase cooperation with moderate leftist governments in Latin America (like Brazil) in order to ease mounting tensions among countries in South America, and to deal with populist governments in the region. Brazil under President Lula has helped diffuse potential political crises in Venezuela, Ecuador, and Bolivia, and supported Colombia’s ongoing struggle against terrorist organizations and drug traffickers. Brazil is also commanding the U.N. stabilization force in Haiti. Brazil and the United States have worked closely on a wide range of bilateral and regional issues, and Brazil-U.S. cooperation has increased in recent years, as reflected in the continuing high level contacts between the two governments, particularly on energy issues. Early in 2007, two high-level meetings between Presidents Bush and Lula culminated in the March 2007 signing of a U.S.-Brazil Memorandum of Understanding (MOU) to promote bio-fuels development in the Western Hemisphere.59 The initiative was expanded in November 2008 to include additional countries in Africa, Central America, and the Caribbean (See “Ethanol and Other Biofuels” section below).60 Although Brazil and the United States share common goals for regional stability, Brazil’s independent approach to foreign policy has led to periodic disputes with the United States on trade and political issues, including how (and whether) to create a Free Trade Area of the Americas (FTAA) and Brazil’s vocal opposition to the war in Iraq and the U.S. embargo of Cuba. Despite President Lula’s friendly relationship with President Obama, a number of differences between Brazil and the United States have emerged in recent months. In addition to ongoing disputes over the U.S. tariff on Brazilian ethanol and the Doha Round of WTO negotiations, Brazil has criticized the United States for failing to take a stronger stance on the political crisis in Honduras and has reacted negatively to a recent agreement that will provide the United States with access to seven Colombian military bases, which the Brazilian foreign minister described as “a strong military presence whose aim and capability seems to go well beyond what might be needed inside Colombia.”61 Brazil is considered a middle-income country and does not receive large amounts of U.S. foreign assistance. Brazil received $21.5 million in U.S. aid in FY2009, will receive an estimated $25 million in FY2010, and would receive $20.9 million under the Obama Administration’s request for FY2011. U.S. assistance priorities in Brazil include supporting environmental programs and the strengthening of local capacity to address threats to the Amazon, promoting renewable energy and energy efficiency to mitigate climate change, strengthening the professionalism and peacekeeping capabilities of the Brazilian military, and reducing the transmission of communicable diseases.62 The Bush Administration came to view Brazil as a strong partner whose cooperation should be sought in order to solve regional and global problems, and the Obama Administration appears to view Brazil in a similar light. Current issues of concern to both Brazil and the United States include counternarcotics and counterterrorism efforts, energy security, trade, human rights, the fight against HIV/AIDS, and the environment Counternarcotics Although Brazil is not a major drug-producing country, it serves as a major transit country for illicit drugs from neighboring Andean countries destined primarily for Europe. Urban gangs— such as São Paulo’s First Command of the Capital (PCC) and Rio de Janeiro’s Red Command (CV)—have begun playing greater roles in narcotics and weapons smuggling, establishing their presence in other countries in the region and forging ties with Colombian and Mexican traffickers. Brazil has also become the second-largest consumer (after the United States) of cocaine in the world. With U.S. support, Brazil has taken several steps to improve its counternarcotics capabilities. In 2004, Brazil implemented an Air Bridge Denial program, which authorizes lethal force for air interdiction, and in 2006, Brazil passed an anti-drug law that prohibits and penalizes the cultivation and trafficking of illicit drugs. Brazil has also worked with its neighbors to construct Joint Intelligence Centers at strategic points along its borders and invested in a sensor and radar project called the Amazon Vigilance System in an attempt to control illicit activity in its Amazon region. In 2009, Brazil’s federal police captured 18.9 metric tons of cocaine, 1.4 metric tons of cocaine base, 513 kilograms of crack cocaine, 150.6 metric tons of marijuana, 3.3 kilograms of heroin, and 183.3 tons of precursor chemicals.63 Brazil received $992,000 in U.S. counternarcotics assistance in FY2008, was expected to receive $1 million in FY2009, and an would receive an estimated $1 million in FY2010 under the Obama Administration’s request.64 U.S. counternarcotics assistance includes training for the Brazil’s federal police, support for interdiction programs at Brazil’s ports, and expanding the capabilities of special investigations units. Counterterrorism and the Tri-Border Area65 The Tri-Border Area (TBA) of Argentina, Brazil, and Paraguay has long been used for arms smuggling, money laundering, and other illicit purposes. According to the 2009 State Department Country Reports on Terrorism, the United States remains concerned that Hezbollah and Hamas are raising funds through illicit activities and from sympathizers in the sizable Middle Eastern communities in the region. Indeed, reports have indicated that Hezbollah earns over $10 million a year from criminal activities in the TBA.66 Although it has been reported that al Qaeda’s operations chief Khalid Shaikh Mohammed lived in the Brazilian TBA city of Foz de Iguazu in 1995 and Brazilian authorities arrested Ali al-Mahdi Ibrahim—who was wanted by Egypt for his alleged role in the 1997 massacre of tourists at Luxor—in the TBA in 2003, the State Department report states that there have been no corroborated reports that any Islamic groups have an operational presence in the area.67 The United States joined with the countries of the TBA in the “3+1 Group on Tri-Border Area Security” in 2002 and the group built a Joint Intelligence Center to combat trans-border criminal organizations in the TBA in 2007. The United States has also worked bilaterally with Brazil to improve its counterterrorism capabilities. In addition to providing counterterrorism training, the United States has worked with Brazil to implement the Container Security Initiative (CSI) at the port of Santos. While the State Department Country Reports on Terrorism lauded the Brazilian government as a “cooperative partner in countering terrorism,” it also noted that Brazil’s failure to strengthen its legal counterterrorism framework by passing long-delayed anti-money laundering and counterterrorism bills “significantly undermined its overall commitment to combating terrorism.”68 Brazil, like many Latin American nations, has been reluctant to adopt specific antiterrorism legislation as a result of the difficulty of defining terrorism in a way that does not include the actions of social movements and other groups whose actions of political dissent were condemned as terrorism by repressive military regimes in the past.69 Nonetheless, some Brazilian officials continue to push for antiterrorism legislation, asserting that the country will face new threats as a result of hosting the 2014 World Cup and the 2016 Olympics.70 In January 2009, the Western Hemisphere Counterterrorism and Nonproliferation Act of 2009 (H.R. 375, Ros-Lehtinen) was introduced in the House. Among other provisions, the bill calls on the U.S. Secretary of State to negotiate with Brazil, Argentina, and Paraguay to establish a Regional Coordination Center (RCC) in the TBA to serve as a joint operational facility dedicated to coordinating efforts, capacity, and intelligence to counter current and emerging threats and prevent the proliferation of nuclear, chemical, and biological weapons. A similar provision can be found in the Foreign Relations Authorization and Reform Act for Fiscal Years 2010 and 2011 (H.R. 2475, Ros-Lehtinen), which was introduced in the House in May 2009. Energy Security In the last few years, there has been significant congressional interest in issues related to Western Hemisphere energy security. Brazil is widely regarded as a world leader in energy policy for successfully reducing its reliance on foreign oil through increased domestic production and the development of alternative energy resources. In addition to being the world’s second largest producer of ethanol, Brazil currently generates over 85% of its electricity through hydropower.71 At the same time, Brazil has attained the ability to produce large amounts of enriched uranium as part of its nuclear energy program. More recently, Brazil’s state-run oil company, Petrobras, a leader in deep-water oil drilling, has discovered what may be the world’s largest oil field find in 25 years.72 Ethanol and Other Biofuels73 Brazil stands out as an example of a country that has become a net exporter of energy, partially by increasing its use and production of ethanol. On March 9, 2007, the United States and Brazil, the world’s two largest ethanol-producing countries, signed a Memorandum of Understanding to promote greater cooperation on ethanol and biofuels in the Western Hemisphere. The agreement involves: (1) technology sharing between the United States and Brazil; (2) feasibility studies and technical assistance to build domestic biofuels industries in third countries; and, (3) multilateral efforts to advance the global development of biofuels. The first countries to receive U.S.- Brazilian assistance were the Dominican Republic, El Salvador, Haiti, and St. Kitts and Nevis.74 Since March 2007, the United States and Brazil have moved forward on all three facets of the agreement. U.S. and Brazilian consultants have carried out feasibility studies that identified shortterm technical assistance opportunities in Haiti, the Dominican Republic, and El Salvador. On November 20, 2008, the United States and Brazil announced an agreement to expand their biofuels cooperation and form new partnerships with Guatemala, Honduras, Jamaica, GuineaBissau, and Senegal.75 The United States and Brazil are also working with other members of the International Biofuels Forum (IBF) to make biofuels standards and codes more uniform. In March 2009, the Western Hemisphere Energy Compact (S. 587, Lugar) was introduced. The legislation would provide $6 million in FY2010 to expand U.S.-Brazil biofuels cooperation.76 Despite this progress, several potential obstacles to increased U.S.-Brazil cooperation on biofuels exist, including current U.S. tariffs on most Brazilian ethanol imports. The United States currently allows duty-free access on sugar-based ethanol imports from many countries through the Caribbean Basin Initiative, Central American Free Trade Agreement, and the Andean Trade Preferences Act, among others.77 Some Brazilian ethanol is processed at plants in the Caribbean for duty-free entry into the United States, but exports arriving directly from Brazil are currently subject to a 54-cent-per-gallon tax, plus a 2.5% tariff. Several bills were introduced in the 110th Congress that would have eliminated or adjusted the ethanol tariff. Nuclear Energy Between the mid-1970s and the mid-1980s, Brazil sought to develop nuclear weapons as it competed with Argentina for political and military dominance of the Southern Cone. Brazil’s 1988 constitution limits nuclear activity to peaceful purposes, however, and in 1991, Brazil and Argentina reached an agreement not to pursue nuclear weapons. Although Brazil subsequently joined the Nuclear Nonproliferation Treaty (NPT) and a number of other multilateral nonproliferation regimes, some international observers became concerned when Brazil commissioned a uranium enrichment plant in 2004 and refused to give International Atomic Energy Agency (IAEA) inspectors full access to the centrifuge plant in 2005. The Brazilian government maintained that it needed to enrich uranium in order to produce its own fuel, and it justified its refusal to give IAEA inspectors access by citing security concerns over the proprietary aspects of the country’s nuclear technology. Negotiations between Brazil and the IAEA ended in October 2005 when the Bush Administration lent its support to Brazil by asserting that limited inspections should be enough for Brazil to comply with its international obligations.78 President Lula has stated Brazil’s intention to spend $540 million over the next eight years to build a third nuclear power plant and a nuclear-powered submarine. In September 2008, the Brazilian Minister for Energy and Mining announced that he would like Brazil to build 60 new nuclear energy plants over the next 50 years. He claimed this expansion of nuclear power is the only way that Brazil will be able to meet the energy needs of its growing population while avoiding massive carbon emissions through the burning of fossil fuels.79 Oil The recent discovery of substantial oil fields in the Santos Basin, which extends 500 miles along the Brazilian coast, has the potential to turn Brazil into a major oil and gas producer and an important source of energy for the United States. The Tupi field, discovered in November 2007, has confirmed oil reserves of between five and eight billion barrels, and it is estimated that the entire Santos Basin could hold up to 50 billion barrels of oil. President Lula asserts that the oil fields have the potential to transform Brazil and improve living conditions for its people. He intends to implement a new regulatory framework, which will increase the state’s role in the exploitation of the reserves while investing the profits in a new social fund for education, infrastructure, science and technology, and poverty reduction.80 Exploiting the new fields will be difficult and costly, however, as the oil is located in the so-called “pre-salt” layer, beneath layers of rock and salt up to 7,000 meters below the seabed. Brazil’s state-owned oil company, Petrobras, has announced that it will need $270 billion in investment over the next 10 years to develop the reserves.81 Some foreign investors have questioned whether the company will be able to access sufficient finance should the Brazilian government implement its proposed regulatory framework. 82 Nonetheless, Petrobras has already received several financing commitments. In April 2009, the Export-Import Bank of the United States approved a preliminary $2 billion loan commitment to Petrobras.83 Since then, the U.S. government has reportedly indicated that it is prepared to go beyond the original agreement to provide up to $10 billion in financing.84 In May 2009, Brazil and China signed an agreement under which China will provide Petrobras with $10 billion in financing in exchange for guaranteed oil deliveries of 150,000 barrels per day (bdp) in 2009 and 200,000 bpd for the next decade.85 Brazil’s stateowned National Bank of Economic and Social Development (BNDES) will provide Petrobras with an additional $12.5 billion over 20 years.86 Trade Issues Trade issues are central to the bilateral relationship between Brazil and the United States, with both countries being heavily involved in subregional, regional, and global trade talks. Brazil has sought to strengthen Mercosur and to establish free trade agreements with most of the countries in South America, while also pursuing efforts to negotiate a Mercosur-European Union free trade agreement. The United States has been actively involved in the Doha negotiations and, until late 2005, pressed for action on the region-wide Free Trade Agreement of the Americas (FTAA). Since negotiations for the FTAA have been largely abandoned, the United States has continued to sign bilateral and subregional agreements with countries throughout Latin America. Bilateral trade between the United States and Brazil totaled $46.2 billion in 2009, a nearly 23% decline from 2008. U.S. exports to Brazil amounted to $26.2 billion while U.S. imports from Brazil amounted to $20.1 billion.87 Doha Round of the World Trade Organization Talks 88 Brazil has had a leading role in the Doha round of the World Trade Organization (WTO) talks. In 2003, Brazil led the G-20 group of developing countries’ efforts to insist that developed countries agree to reduce and eventually eliminate agricultural subsidies as part of any settlement. In late July 2004, WTO members agreed on the framework for a possible Doha round agreement, but formal talks were suspended indefinitely in July 2006 after key negotiating groups failed to break a deadlock on the issue of agricultural tariffs and subsidies. In June 2007, negotiators from India and Brazil walked out of a round of informal talks with representatives from the United States and the European Union (EU), refusing to open their markets further unless U.S. and EU subsidies were substantially reduced. In recent years, trade ministers have repeatedly failed to reach an agreement to conclude the Doha round and the U.S. negotiating position remains a source of contention with Brazil.89 World Trade Organization Dispute90 On December 21, 2009, Brazil announced that the WTO had authorized the country to impose trade retaliation measures worth $829.3 million in 2010 as a result of a nearly decade long dispute over U.S. cotton subsidies. Although Brazil has not yet finalized its decision to impose retaliatory measures, it has indicated that it may levy duties of up to 100% on a preliminary list of 222 goods of U.S. origin valued at $561 million and implement cross-retaliation in sectors outside the trade in goods—such as U.S. copyrights and patents—for the remaining $268.3 million.91 Brazil initiated the dispute with the United States in 2002, and a WTO dispute settlement panel ruled in Brazil’s favor in September 2004. The United States appealed the ruling but it was reaffirmed by the WTO appellate body in March 2005. Although the Bush Administration asked Congress to modify the cotton subsidy program in July 2005, a WTO dispute panel ruled in December 2007 that the United States was not moving quickly enough to comply with the 2004 ruling.92 Brazil and the United States then went to arbitration over the level of trade sanctions Brazil has the right to impose against the United States, leading to an August 31, 2009 decision by a WTO arbitration panel, which largely favored Brazil’s retaliation request. Generalized System of Preferences 93 The Generalized System of Preferences (GSP) provides duty-free tariff treatment to certain products imported from developing countries. In the 109th Congress, renewal of the preference (as established by Title V of the Trade Act of 1974) was somewhat controversial, owing, in part, to concerns of some Members that a number of the more advanced developing countries (such as Brazil and India) were contributing to the impasse in the Doha round of WTO talks. Compromise language worked out between the House and Senate extended GSP for two years for all countries, while asserting that the President “should” revoke “competitive need limitation (CNL)” waivers for products from certain countries, based on the criteria specified. In June 2007, the Bush Administration decided to revoke the CNL waivers on Brazilian brake parts and ferrozirconium.94 The 111th Congress extended GSP until December 31, 2010 with P.L. 111-124. On June 4, 2009, H.R. 2702 (C. Smith) was introduced in the House. The bill would suspend GSP for Brazil until the country meets its obligations under the Convention on the Civil Aspects of International Child Abduction. Intellectual Property Rights In the last few years, Brazil has taken steps to improve its record on protecting intellectual property rights (IPR). The Brazilian government has created a national action plan to address piracy and intellectual property crimes, which has included increased police actions. Brazil and the United States continue to work together to address intellectual property issues, primarily through the U.S.-Brazil Bilateral Consultative Mechanism and the U.S.-Brazil Commercial Dialogue. In recognition of this progress, the United States Trade Representative lowered Brazil from the Priority Watch List of countries with significant IPR violations to the Watch List in 2007. Brazil remained on the Watch List in 2008 and 2009. In order to build on progress that has been made, USTR recommends that Brazil should consider strengthening its IPR enforcement legislation, more vigorously addressing book and internet piracy, and signing the World Intellectual Property Organization Internet Treaties.95 The U.S. government has also expressed concerns about Brazil’s periodic threats to issue compulsory licenses for patented pharmaceutical products. In May 2007, Brazil broke a patent on a drug used to treat HIV/AIDS that is produced by Merck & Co. in order to import a cheaper version of that drug from India.96 In July 2009, President Lula suggested that developing countries should be allowed to lift patent rights to produce more vaccine to battle the A(H1N1) flu epidemic.97 Human Rights The U.S. State Department’s Country Report on Human Rights on Brazil covering 2008 states that while “the federal government generally respected the human rights of its citizens ... there continued to be numerous, serious abuses, and the records of several state governments were poor.” Some human rights issues of particular concern include ongoing crime and human rights abuses by police, race and discrimination, and trafficking in persons. Violent Crime and Human Rights Abuses by Police Most observers agree that the related problems of urban crime, drugs, and violence, on the one hand, and corruption and brutality in law enforcement and prisons, on the other, are threatening citizens’ security in Brazil. Crime is most rampant in the urban shanty towns (favelas) in Rio de Janeiro and São Paulo. Violence has traditionally been linked to turf wars being waged between rival drug gangs for control of the drug industry or to clashes between drug gangs and police officials, who have been criticized for the brutal manner in which they have responded to the gang violence. The weaknesses in Brazil’s criminal justice system have became dramatically apparent in recent years as gangs have launched violent attacks that have destabilized the cities of São Paulo and Rio de Janeiro. In one such attack in May 2006, street combat and rioting organized by a prisonbased gang network, the First Capital Command (PCC), paralyzed the city of São Paulo for several days.98 Officially, the violent gang attacks, which were followed by police reprisals, resulted in at least 186 deaths.99 More recently, in October 2009, gunmen of the Red Command (CV) launched a raid on the Morro dos Macacos favela to wrest control of the drug trade from the rival Friends of Friends gang. Over the course of several days, 31 people were killed, including three police sharpshooters whose helicopter was shot down as they tried to control the situation.100 As police forces in São Paulo and Rio de Janeiro have employed strong-arm tactics in hopes of curbing the rampant gang violence, some human rights groups have raised concerns over a rising number of extrajudicial killings. Upon completing a November 2007 visit to Brazil, a U.N. Special Rapporteur concluded that police in Brazil are allowed to “kill with impunity in the name of security.”101 Indeed, more than 11,000 people have been killed by the two police forces since 2003. Although the officers involved have reported nearly all of the killings as legitimate acts of self defense, or “resistance killings,” a recent two year investigation by Human Rights Watch concluded that “a substantial portion of the alleged resistance killings reported...(were) in fact extrajudicial executions.” The Human Rights Watch report also indicates that those police officers responsible for extrajudicial killings enjoy near total impunity. For example, of the over 7,800 complaints against police officers recorded by the Rio Police Ombudsman’s Office over the past decade, only 42 generated criminal charges by state prosecutors and just four led to convictions.102 Despite these criticisms, some have defended the strong-arm tactics. São Paulo’s public security secretariat maintains that Human Rights Watch failed to take note of the fact that annual state killings by police have declined by 50% since 2003 while the homicide rate has been reduced by 70% over the past decade.103 Many analysts have asserted that Brazilian politicians at all levels of government have failed to devote the resources and political will necessary to confront the country’s serious public security problems, however, this may be changing. The state of Rio de Janeiro launched a new anticrime initiative in 2009 that considerably expands the number of personnel charged with maintaining security. Whereas previous police efforts generally centered around quick raids, the new initiative establishes Police Pacification Units (UPPs) that will maintain permanent presences in the favelas. After the favelas are cleared of drug gangs, the UPPs are charged with maintaining security and other governmental institutions are brought in to provide basic social services. The new initiative has been rather successful in reducing crime and violence without extensive bloodshed. Rio de Janeiro’s government intends to expand the initiative from the seven pilot favelas targeted in 2009 to 40 additional favelas in 2010.104 Race and Discrimination 105 People of African descent in Brazil, also known as Afro-Brazilians, represent 45% of the country’s population, but constitute 64% of the poor and 69% of the extreme poor.106 During the Cardoso Administration, the Brazilian government began to collect better official statistics on Afro-Brazilians. These statistics found significant education, health, and wage disparities between Afro-Brazilians and Brazil’s general population. Brazil now has the most extensive anti-discrimination legislation geared towards Afrodescendants of any country in Latin America. In 2001, Brazil became the first Latin American country to endorse quotas in order to increase minority representation in government service. Since 2002, several state universities in Brazil have enacted quotas setting aside admission slots for black students. Although most Brazilians favor government programs to combat social exclusion, they disagree as to whether the beneficiaries of affirmative action programs should be selected on the basis of race or income.107 In 2003, Brazil became the first country in the world to establish a Special Secretariat with a ministerial rank to manage Racial Equity Promotion Policies. Afro-Brazilian activists, while acknowledging recent government efforts on behalf of Afro-descendants, have noted that most universities have preferred not to implement quota systems, and that the Special Secretariat lacks the funding, staff, and clout necessary to advance its initiatives.108 Despite these limitations, Brazil has taken a leadership role in advancing issues of race and discrimination within the Organization of American States, where it is leading the drafting of an Inter-American Convention for the Prevention of Racism and All Forms of Discrimination and Intolerance. In March 2008, Brazil and the Untied States signed an agreement known as the United States-Brazil Joint Action Plan Against Racial Discrimination to bilaterally promote racial equality in areas such as education, health, housing, and labor.109 On September 9, 2008, the House passed H.Res. 1254 (Engel), expressing congressional support for the U.S.-Brazil antidiscrimination plan. Trafficking in Persons for Forced Labor 110 According to the U.S. State Department’s Trafficking in Persons report, Brazil does not fully comply with the minimum standards for the elimination of trafficking, but is making significant efforts to do so. As a result, it is listed as a Tier 2 country.111 Brazil is a source, transit, and destination country for people, especially women and children, trafficked for commercial sexual exploitation. Brazilian Federal Police estimate that between 250,000 and 400,000 children are exploited in domestic prostitution, especially in the country’s coastal resort areas where child sex tourism is prevalent. Brazil is also a source country for men trafficked internally for forced labor. More than 25,000 men have reportedly been recruited to labor in slave-like conditions, many in the country’s agribusiness industry. Roughly half of the more than 11,000 people freed from debt slavery in 2007 and 2008 were found working on sugarcane plantations.112 While the Brazilian government announced an agreement with the sugar industry to provide decent working conditions for the country’s sugarcane cutters in June 2009, the accord does not establish minimum wages or formal obligations.113 Reports suggest that significant numbers of men working in cattle ranching, mining, and the production of charcoal for pig iron—a key ingredient of steel that is then purchased by major companies in the United States—are also subjected to slave labor.114 Over the past year, the Brazilian government has taken a number of actions to address the problem of human trafficking. Anti-slave labor mobile units under the Ministry of Labor increased their operations, inspecting remote areas, freeing victims, and forcing those responsible to pay fines and restitution. Slave labor victims received some $3.6 million in compensation as a result of the 2008 operations. The Brazilian government also continued prosecuting traffickers, providing assistance to victims, and broadcasting its anti-trafficking public awareness campaign. Additionally, the Brazilian government began implementing a national plan of action to prevent trafficking in persons. Despite these actions, Brazil has made only limited progress in bringing traffickers to justice and effectively penalizing those who exploit forced labor.115 Convention on the Civil Aspects of International Child Abduction Over the past several years, a high-profile child custody case has focused attention on Brazil’s noncompliance with the Hague Convention on the Civil Aspects of International Child Abduction.116 In June 2004, Sean Goldman was taken to Brazil by his mother, Bruna Bianchi Carneiro Ribeiro Goldman, a Brazilian native. Ms. Bianchi then divorced her husband David Goldman—a U.S. citizen—and asserted full custody of Sean. In August 2004, the Superior Court of New Jersey ruled that Ms. Bianchi’s continued retention of Sean constituted parental kidnapping under U.S. law and awarded Mr. Goldman custody.117 In September 2004, Mr. Goldman filed an application for Sean’s return under the 1980 Hague Convention on the Civil Aspects of International Child Abduction, to which both the United States and Brazil are party and which entered into force between the countries on December 1, 2003. Under the Convention, a child removed from a country in violation of a parent’s custodial rights should be promptly returned to the place of his or her habitual residence. The courts of the country of the child’s residence can then resolve the custody dispute.118 In 2005, a Brazilian federal judge ruled that although Sean had been moved to Brazil wrongfully, he should remain in Brazil because he had become settled in his new location.119 In August 2008, Ms. Bianchi died and a Brazilian state court judge granted temporary custody of Sean to the man Ms. Bianchi married following her move to Brazil, Joao Paulo Lins e Silva.120 The custody case then bounced between federal appeals courts and the Brazilian Supreme Court until December 22, 2009, when the Brazilian Supreme Court issued a definitive ruling that ordered that Sean be returned to his father. On December 24, 2009, Sean was handed over to Mr. Goldman at the U.S. Consulate in Rio de Janeiro.121 The U.S. State Department’s Report on Compliance with the Hague Convention on the Civil Aspects of International Child Abduction cites Brazil for patterns of noncompliance with the Convention. It faults Brazilian courts for treating Convention cases as custody decisions, demonstrating bias toward Brazilian citizens, and making the judicial process excessively lengthy. There are currently some 50 unresolved cases of children being retained in Brazil after having been wrongly removed from the United States.122 On March 11, 2009, the House unanimously passed H.Res. 125 (C. Smith), calling on Brazil to meet its obligations under the Hague Convention to return Sean Goldman to his father in the United States. On March 24, 2009, the Senate approved S.Res. 37 (Lautenberg) by unanimous consent, calling on Brazil to comply with the requirements of the Convention on the Civil Aspects of International Child Abduction and to assist in the safe return of Sean Goldman to his father in the United States. On June 4, 2009, H.R. 2702 (C. Smith) was introduced in the House. The bill would suspend the Generalized System of Preferences for Brazil until the country meets its obligations under the Convention on the Civil Aspects of International Child Abduction. HIV/AIDS Internationally recognized as having one of the world’s most successful HIV/AIDS programs, Brazil has made the fight against the spread of HIV/AIDS a national priority. Initially focused on disease prevention, Brazil’s HIV/AIDS program expanded to providing antiretroviral therapy (ART) on a limited basis by 1991, and later guaranteeing universal access by 1996. Currently some 172,000 Brazilians have access to free generic versions of ART drugs, some of which are locally produced and financed by the Brazilian government. The incidence of HIV/AIDS in Brazil has stabilized since 1997, and universal free access to ART has increased average survival times from 18 months for those diagnosed in 1995, to 58 months for those diagnosed in 1996.123 HIV prevalence has been stable at 0.5% for the general population in Brazil since 2000, so most government prevention efforts are now targeted at high-risk groups where prevalence rates are still above 5%. Brazil’s decision to develop generic ART drugs to treat HIV/AIDS under the compulsory licensing provision of its patent law led to a subsequent 80% drop in the cost of treatment. That decision brought Brazil into conflict with the United States and the international pharmaceutical industry. In May 2001, the United States submitted a complaint to the WTO, which was later withdrawn, that Brazil’s practices violated the Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement and prevented companies from developing new products in Brazil. While the pharmaceutical industry argued that TRIPS was an essential tool to protect intellectual property rights, developing countries (like Brazil) countered that TRIPS inhibited their ability to fight public health emergencies in a cost-effective manner. In August 2003, a WTO decision temporarily waived part of the TRIPS rules to allow the export of generic drugs to countries confronting a grave public health challenge (such as HIV/AIDS, tuberculosis, or malaria). That temporary waiver became permanent in late 2005.124 Brazil currently manufactures older ART drugs for domestic consumption and export to several African countries but has to import newer medicines. According to Brazil’s Ministry of Health, tough negotiations with pharmaceutical companies have resulted in $1.1 billion in savings for the country’s HIV/AIDS program. Amazon Conservation The Amazon basin spans the borders of eight countries and is the most biodiverse tract of tropical rainforest in the world. It holds 20% of the Earth’s fresh water and 10% of all known species. Approximately 60% of the Amazon falls within Brazilian borders, making Brazil home to 40% of the world’s remaining tropical forests.125 The Brazilian Amazon was largely undeveloped until the 1960s, when the military government began subsidizing the settlement and development of the region as a matter of national security. Over the last 40 years, the human population has grown from 4 million to over 20 million, and the resulting settlements, roads, logging, cattle ranching, and subsistence and commercial agriculture have led to approximately 15% of the Brazilian Amazon being deforested.126 In the 1980s, some predicted that deforestation would decline if the Brazilian government stopped providing tax incentives and credit subsidies to settlers and agricultural producers. Those predictions have not borne out, however, as the complex and often interrelated causes of deforestation have multiplied rather than decreased.127 Between 1990 and 2000, Brazil lost an area of rainforest twice the size of Portugal, however, deforestation rates have generally declined since the peak year of 2004.128 Domestic Efforts Recognizing that deforestation threatens the biodiversity of the Amazon region and is responsible for 70% of Brazil’s annual greenhouse-gas emissions, the Lula Administration has expanded protected areas and implemented new environmental policies.129 During its first five years in office, the Lula Administration created 62 new natural reserves, bringing the total area of the Brazilian Amazon protected by law to nearly 110,000 square miles, the fourth-largest percentage of protected area in relation to territory in the world.130 President Lula has also signed a Public Forest Management Law that encourages sustainable development and placed a moratorium on soybean plantings and cattle ranching in the Amazon. Moreover, Brazil intends to reduce the rate of Amazon deforestation by half—based on the 1996-2005 average—to 2,300 square miles per year—by 2017 and reduce Amazon deforestation by 80% by 2020. Brazil plans to meet these goals by increasing federal patrols of forested areas, replanting over 21,000 square miles of forest, and financing sustainable development projects in areas where the local economy depends on logging.131 The Lula Administration maintains that its efforts have been successful, highlighting the fact that just 2,706 square miles of the Amazon were deforested between July 2008 and July 2009, the lowest annual level since the National Institute for Space Studies began monitoring deforestation in 1988.132 Although some conservation groups have praised President Lula for his Administration’s actions, a number of environmentalists—including former Environment Minister Marina Silva and current Environment Minister Carlos Minc—have questioned the Administration’s commitment to sustainable development.133 Critics assert that the Administration favors agricultural interests over conservation. This claim was reinforced by President Lula’s June 2009 approval of an environmental law that grants nearly 260,000 square miles of the Amazon to illegal squatters, 72% of which will go to large land holders.134 Critics also maintain that Brazil’s occasional declines in deforestation rates are not the result of the Lula Administration’s initiatives, but correspond to declining global commodity prices that make it less profitable to clear the forests. They point out that deforestation rates only began falling as commodity prices collapsed in late 2008.135 In order to combat further deforestation, some analysts maintain that the Brazilian government will have to greatly increase the number of people employed to work in protected areas and do more to confront agricultural producers operating within the Amazon.136 Carbon Offsets and Other International Initiatives The Amazon holds 10% of the carbon stores in the world’s ecosystem and absorbs nearly two billion tons of carbon dioxide each year, making it a sink for global carbon emissions and an important asset in the prevention of climate change.137 The Kyoto Protocol—of which Brazil is a signatory—created a Clean Development Mechanism (CDM), which allows emission reduction projects in developing countries to earn certified emission reduction credits (CERs) that can then be traded or sold to industrialized countries to meet their mandated emission reduction targets. Brazil has taken full advantage of the CDM, and is host to over 9% of the worldwide emission reduction projects. These projects represent 33.5 million CERs, or a reduction of 33.5 million tons of carbon dioxide.138 The CDM allows for a wide variety of emission reduction projects, but in terms of forestry, CERs are only awarded for afforestation and reforestation projects, not forest conservation. As a result, forestry projects account for a very small percentage of the total CERs awarded. A number of industrialized countries that would like to achieve a greater percentage of their mandated emission reductions through carbon offsets have teamed with developing countries with substantial tropical forests to propose widening the CDM to include forest conservation. Brazil has opposed such a plan, arguing it would absolve rich countries from cutting their own emissions.139 Brazil has supported the rise of voluntary offset markets, however, in which organizations and individuals not subject to mandatory emission reductions can buy carbon offsets to contribute to conservation and clean energy projects. Brazil believes Amazon conservation should be done through public funding rather than a carbon market. Accordingly, it launched the “Amazon Fund” in August 2008. The fund is intended to attract donations from countries, companies, and non-governmental organizations to assist in Brazil’s Amazon conservation efforts. Brazil intends to raise $21 billion by 2021 to support forest conservation, scientific research, and sustainable development. Norway has pledged $1 billion to he fund through 2015 and Germany has pledged $26.8 million. The first projects funded by the Amazon Fund were announced in December 2009. They include projects to regenerate degraded land, monitor land registration titles, and pay rubber tappers and other forest dwellers to protect the forest.140 USAID environment programs support Amazon conservation through the promotion of proper land-use and encouragement of environmentally friendly income generation activities for the rural poor. In FY2006, USAID initiated the Amazon Basin Conservation Initiative, which supports community groups, governments, and public and private organizations working throughout the Amazon Basin in their efforts to conserve the Amazon’s globally important biodiversity. USAID provided $5.2 million for environmental programs in Brazil in FY2007, $9.5 million in FY2008, and $10 million in FY2009. The Conference Report (H.Rept. 111-366) to the FY2010 Consolidated Appropriations Act (P.L. 111-117) asserts that, of the funds appropriated in the act for biodiversity programs, $25 million are to go to the Amazon Basin Conservation Initiative, $10 million of which is directed to activities in Brazil.

# Off

#### The House is likely to approve CIR now due to Obama’s push

Matthews, 10/17

Laura Matthews, U.S. politics reporter for the International Business Times; “Immigration Reform 2013: ‘Finish The Job,’ Obama Tells Congress,” 10/17/2013, http://www.ibtimes.com/immigration-reform-2013-finish-job-obama-tells-congress-1430650 //bghs-ms

With the threat of a U.S. default lifted and the government reopened after a 16-day shutdown, President Barack Obama quickly shifted the focus of his domestic agenda, putting a 2013 immigration reform bill among his top three priorities.¶ The president outlined on Thursday three policy areas where he said there is not only bipartisan agreement but also the real possibility of making immediate progress to “make a difference in our economy.”¶ In addition to pursing a balanced budget and finding consensus on a farm bill, Obama urged Congress to finish the work started on comprehensive immigration reform. The momentum pro-reform advocates saw earlier this year died off with the fiscal fight that ended Wednesday night, but now the president thinks it can come back. ¶ “We should finish the job of fixing our broken immigration system,” Obama said at a White House conference on Thursday. “There is already a broad coalition across America that’s behind this effort of comprehensive immigration reform.”¶ The Senate passed its 2013 comprehensive immigration reform bill in June, which included an increase in border security and a 13-year path to citizenship for immigrants in the country without legal papers. However, House Republicans have said they will not act on that measure unless it is supported by a majority of their caucus.¶ “The majority of Americans thinks this is the right thing to do,” Obama said. “And it’s sitting there waiting for the House to pass it. Now if the House has ideas on how to improve the Senate bill, let’s hear ’em. Let’s start the negotiations.”¶ Obama encouraged lawmakers to not put off the problem for another year or longer.¶ “This can and should get done by the end of this year,” he said.¶ In response to the president's call for action on immigration reform, American’s Voice, a pro-reform group, said the principal question remains whether House Speaker John Boehner will act.¶ The group’s executive director, Frank Sharry, called Obama’s offer a “get-out-of-jail card” being presented to Boehner and “smart” House Republicans.¶ “Working with Democrats to pass reform will help the GOP rehabilitate their badly damaged brand; solve a huge political problem facing the GOP with respect to Latino, Asian and immigrant voters; and prove to the American people they can govern responsibly rather than recklessly,” Sharry said in a statement. “The window of opportunity is open now. The goal should be to move through the House in a way that leads to bicameral negotiations with the Senate this year and a bill to the president’s desk as soon as possible.”

#### Plan’s oil riders spark a debate – Obama and House disagree

Boman, Rigzone senior editor, 6/26/13

[Karen Boman, Senior Editor at Rigzone.com, journalism at Texas A&M, 2013 (“White House Cannot Support Gulf Transboundary Bill,” Rigzone.com, June 26th, Available Online at <http://www.rigzone.com/news/oil_gas/a/127326/White_House_Cannot_Support_Gulf_Transboundary_Bill>, Accessed on June 26, 2013)][SP]

The Obama administration cannot support a bill that would move forward establishing a framework for oil and gas exploration and production in the transboundary zone in the Gulf of Mexico, the Office of Management and Budget (OMB) reported Tuesday.

The White House does support the goal set out in H.R. 1613 to provide Congressional approval of the agreement and allow the Secretary of the Interior to implement the agreement. However, the administration "strongly objects" to exempting actions taken by public companies in accordance with transboundary agreements from requirements under Section 1504 of the Dodd-Frank Act and the Securities and Exchange Commission's Natural Resource Extraction Disclosure Rule.

"As a practical matter, this provision would waive the requirement for the disclosure of any payments made by resource extraction companies to the United States or foreign governments in accordance with a transboundary hydrocarbon agreement," OMB said in a statement. "The provision directly and negatively impacts U.S. efforts to increase transparency and accountability, particularly in the oil, gas and minerals sectors."

OMB noted that the Obama administration looks forward to working with Congress to enact legislation that would focus the U.S.-Mexico Transboundary Agreement, without the inclusion of extraneous and unnecessary provisions.

#### PC is key

McMorris-Santoro, 10/15

Evan McMorris-Santoro, political reporter for Buzzfeed; “Obama Has Already Won The Shutdown Fight And He’s Coming For Immigration Next,” 10/15/2013, http://www.buzzfeed.com/evanmcsan/obama-has-already-won-the-shutdown-fight-and-hes-coming-for //bghs-ms

The White House and Democrats are “ready” to jump back into the immigration fray when the fiscal crises ends, Sharry said. And advocates are already drawing up their plans to put immigration back on the agenda — plans they’ll likely initiate the morning after a fiscal deal is struck.¶ “We’re talking about it. We want to be next up and we’re going to position ourselves that way,” Sharry said. “There are different people doing different things, and our movement will be increasingly confrontational with Republicans, including civil disobedience. A lot of people are going to say, ‘We’re not going to wait.’”¶ The White House isn’t ready to talk about the world after the debt limit fight yet, but officials have signaled strongly they want to put immigration back on the agenda.¶ Asked about future strategic plans after the shutdown Monday, a senior White House official said, “That’s a conversation for when the government opens and we haven’t defaulted.” But on Tuesday, Press Secretary Jay Carney specifically mentioned immigration when asked “how the White House proceeds” after the current fracas is history.¶ “Just like we wish for the country, for deficit reduction, for our economy, that the House would follow the Senate’s lead and pass comprehensive immigration reform with a big bipartisan vote,” he said. “That might be good for the Republican Party. Analysts say so; Republicans say so. We hope they do it.”¶ The president set immigration as his next priority in an interview with Univision Tuesday.¶ “Once that’s done, you know, the day after, I’m going to be pushing to say, call a vote on immigration reform,” Obama said. He also set up another fight with the House GOP on the issue.¶ “We had a very strong Democratic and Republican vote in the Senate,” Obama said. “The only thing right now that’s holding it back is, again, Speaker Boehner not willing to call the bill on the floor of the House of Representatives.”¶ Don’t expect the White House effort to include barnstorming across the country on behalf of immigration reform in the days after the fiscal crisis ends, reform proponents predict. Advocates said the White House has tried hard to help immigration reform along, and in the current climate that means trying to thread the needle with Republicans who support reform but have also reflexively opposed every one of Obama’s major policy proposals.¶ Democrats and advocates seem to hope the GOP comes back to immigration on its own, albeit with a boost from Democrats eager to join them. Po cir lls show Republicans have taken on more of the blame from the fiscal battle of the past couple of weeks. But Tom Jensen, a pollster with the Democratic firm Public Policy Polling, said moving to pass immigration reform could be just what the doctor ordered to get the public back on the side of the Republicans.¶ “We’ve consistently found that a sizable chunk of Republican voters support immigration reform, and obviously a decent number of Republican politicians do too,” Jensen said. “After this huge partisan impasse, they may want to focus on something that’s not quite as polarized, and immigration would certainly fit the bill since we see voters across party lines calling for reform.”

#### Visa policy is dragging down US-India relations now – only CIR can reaffirm our alliance with India

Zee News 12

[“Krishna, Hillary to discuss visa fee hike in NY”, October 1st, 2012, http://zeenews.india.com/news/nation/krishna-hillary-to-discuss-visa-fee-hike-in-ny\_802978.html]

New York: The issue of US visa fee hike, which has hurt several Indian IT firms, is expected to come up for discussion when External Affairs Minister SM Krishna meets US Secretary of State Hillary Clinton here on Monday on the sidelines of the UN General Assembly session. India has "consistently" taken up the issue of the visa fee hike with the US and the issue will figure in talks between Krishna and Clinton, official sources said. The US had raised visa fee in 2010 to fund its enhanced costs on securing border with Mexico under the Border Security Act. Some of the top Indian companies TCS, Infosys, Wipro and Mahindra Satyam were affected by the US action and India is expected to soon seek consultations with the US at the World Trade Organization (WTO) on the issue. The sources said that young Indian professionals working in the US have been the "cornerstone" of India-US relations and are a pillar in the improved bilateral relations that has brought the two countries closer. Hiking visa fees or limiting the number of work visas available to Indian companies is tantamount to "undermining that pillar and growth in India-US relations," they added. "Raising visa fees and putting other barriers is not in consonance with the forward thinking of growing bilateral ties," the sources said. This will be the third bilateral meeting between Krishna and Clinton this year. They had previously met in India in April and again in June in Washington. The sources said that the two countries have a fairly elaborate agenda and the visa issue is one of the issues in a broader relationship. Krishna will also address the 67th session of the UN General Assembly today. part of the world are essential to the peace and prosperity of the world.

#### Solves laundry list of global conflicts – spills over and solves Asian power vacuum

Armitage et al ’10[Richard is the President of Armitage International and former Deputy Secretary of State. R. Nicholas Burns is a Professor in the Practice of Diplomacy and International Politics, Kennedy School of Government, Harvard University. Richard Fontaine is the President of the Center for New American Security. “Natural Allies: A Blueprint for the Future of U.S.-India Relations,” October, Center for New American Security, http://belfercenter.ksg.harvard.edu/files/Burns%20-%20Natural%20Allies.pdf]

A strengthened U.S.-India strategic partnership is thus imperative in this new era. The transformation of U.S. ties with New Delhi over the past 10 years, led by Presidents Clinton and Bush, stands as one of the most significant triumphs of recent American foreign policy. It has also been a bipartisan success. In the last several years alone, the United States and India have completed a landmark civil nuclear cooperation agreement, enhanced military ties, expanded defense trade, increased bilateral trade and investment and deepened their global political cooperation.¶ Many prominent Indians and Americans, however, now fear this rapid expansion of ties has stalled. Past projects remain incomplete, few new ideas have been embraced by both sides, and the forward momentum that characterized recent cooperation has subsided. The Obama administration has taken significant steps to break through this inertia, including with its Strategic Dialogue this spring and President Obama’s planned state visit to India in November 2010. Yet there remains a sense among observers in both countries that this critical relationship is falling short of its promise.¶ We believe it is critical to rejuvenate the U.S.- India partnership and put U.S. relations with India on a more solid foundation. The relationship requires a bold leap forward. The United States should establish a vision for what it seeks in the relationship and give concrete meaning to the phrase “strategic partnership.” A nonpartisan working group of experts met at the Center for a New American Security (CNAS) over the past eight months to review the main pillars of the U.S.-India relationship and we articulate here a specific agenda of action.¶ In order to chart a more ambitious U.S.-India strategic partnership, we believe that the United States should commit, publicly and explicitly, to work with India in support of its permanent membership in an enlarged U.N. Security Council; seek a broad expansion of bilateral trade and investment, beginning with a Bilateral Investment Treaty; greatly expand the security relationship and boost defense trade; support Indian membership in key export control organizations, a step toward integrating India into global nonproliferation efforts; and liberalize U.S. export controls, including the removal of Indian Space Research Organization (ISRO) subsidiaries from the U.S. Entity List.¶ These and the other actions outlined in this report will require India to make a number of commitments and policy changes, including taking rapid action to fully implement the Civil Nuclear Agreement; raising its caps on foreign investment; reducing barriers to defense and other forms of trade; enhancing its rules for protecting patents and other intellectual property; further harmonizing its export control lists with multilateral regimes; and seeking closer cooperation with the United States and like-minded partners in international organizations, including the United Nations. ¶ The U.S. relationship with India should be rooted in shared interests and values and should not be simply transactional or limited to occasional collaboration. India’s rise to global power is, we believe, in America’s strategic interest. As a result, the United States should not only seek a closer relationship with India, but actively assist its further emergence as a great power.¶ U.S. interests in a closer relationship with India include:¶ • Ensuring a stable Asian and global balance of power.¶ • Strengthening an open global trad[e]ing system.¶ • Protecting and preserving access to the global commons (air, sea, space, and cyber realms).¶ • Countering terrorism and violent extremism.¶ • Ensuring access to secure global energy resources.¶ • Bolstering the international nonproliferation regime.¶ • Promoting democracy and human rights.¶ • Fostering greater stability, security and economic prosperity in South Asia, including in Pakistan, Afghanistan, Nepal, Bangladesh and Sri Lanka.¶ A strong U.S.-India strategic partnership will prove indispensable to the region’s continued peace and prosperity. Both India and the United States have a vital interest in maintaining a stable balance of power in Asia. Neither seeks containment of China, but the likelihood of a peaceful Chinese rise increases if it ascends in a region where the great democratic powers are also strong. Growing U.S.-India strategic ties will ensure that Asia will not have a vacuum of power and will make it easier for both Washington and New Delhi to have productive relations with Beijing. In addition, a strengthened relationship with India, a natural democratic partner, will signal that the United States remains committed to a strong and enduring presence in Asia.¶ The need for closer U.S.-India cooperation goes well beyond regional concerns. In light of its rise, India will play an increasingly vital role in addressing virtually **all major global challenges**. Now is the time to transform a series of bilateral achievements into a lasting regional and global partnership.

# Case - Inherency

#### Status quo solves pipeline capacity

Platts, benchmarking firm for the commodities market, 2/8/13

(Platts is a leading global provider of energy, petrochemicals, metals and agriculture information, and a premier source of benchmark price assessments for those commodity markets. Since 1909, Platts has provided information and insights that help customers make sound trading and business decisions and enable the markets to perform with greater transparency and efficiency, “US gas export capacity to Mexico could more than double, report says”, accessed 6-26-13, http://www.platts.com/latest-news/natural-gas/Houston/US-gas-export-capacity-to-Mexico-could-more-than-6133846, RRR)

Several new pipeline systems designed to move US natural gas supplies to Mexican demand centers could add up to 4.8 Bcf/d of US export capacity into Mexico by 2015, Goldman Sachs said in a report released Friday.

The increasing exports will continue to help reduce the oversupply of natural gas in the United States going forward, the report said.

US exports into Mexico have been growing in recent years in response to a boost in Mexican demand spurred by economic growth and increased gas-fired power generation.

In terms of US/Mexico cross-border points, existing capacity is close to 3 Bcf/d for flows into Mexico, according to the Mexican government's Secretaria de Energia, the report said.

Close to 1.6 Bcf/d of the capacity is in South Texas, another 800,000 Mcf/d is in southern California, with the rest split between Arizona at 400,000 Mcf/d and West Texas at 200,000 Mcf/d.

However, actual flows from the US into Mexico averaged just 1.7 Bcf/d in 2012, in part because of constraints on the Mexican side of the border, Goldman Sachs said.

Three major pipeline projects south of the border approved by the Mexican government will allow more gas to reach downstream demand centers.

# Case

**Manufacturing not key to the economy**

**Wessel 12** (David Wessel, economics editor of The Wall Street, “Manufacturing Industry Gained Momentum In 2011,” 1-19-12, <http://www.npr.org/2012/01/19/145437593/are-more-u-s-manufacturing-jobs-being-created>)

WESSEL: Well, that's a good question. So basically, factories have added more than 300,000 jobs in the past two years, and that's pretty good news - certainly better than losing jobs. But it would take **two million more jobs** to get manufacturing back to where it was in 2007 before the recession. Factories are managing to produce more without hiring a lot more workers, because they're getting more productive; technology, reorganization, making people work harder, making them work smarter. It's all made for a remarkable surge of productivity. Factories get 40 percent more output out of every out of work today, compared to what they got 10 years ago. MONTAGNE: Still though, if sales keep growing, would factories not hire more? Maybe not as many workers as they had before, but more, and couldn't that be one part of the answer, at least, to the jobs problem? WESSEL: Well, it would definitely be one part, but it's a small part. For all the romance about manufacturing, **we are no longer a manufacturing economy** when it comes to jobs. Only nine percent of the jobs in America today are in manufacturing. It just isn't big enough to put Americans back to work. Even if factory employment doubled, which isn't going to happen, that wouldn't be enough new jobs to put all the 13 million unemployed people back to work. So yes, it's a plus. But no, it's not enough to solve our unemployment problem.

**No impact to the economy**

Thomas P.M. **Barnett** (senior managing director of Enterra Solutions LLC and a contributing editor/online columnist for Esquire magazine) August 20**09** “The New Rules: Security Remains Stable Amid Financial Crisis” http://www.aprodex.com/the-new-rules--security-remains-stable-amid-financial-crisis-398-bl.aspx

When the global financial crisis struck roughly a year ago, the blogosphere was ablaze with all sorts of scary predictions of, and commentary regarding, ensuing conflict and wars -- a rerun of the Great Depression leading to world war, as it were. Now, as global economic news brightens and recovery -- surprisingly led by China and emerging markets -- is the talk of the day, it's interesting to look back over the past year and realize how globalization's first truly worldwide recession has had virtually no impact whatsoever on the international security landscape. None of the more than three-dozen ongoing conflicts listed by GlobalSecurity.org can be clearly attributed to the global recession. Indeed, the last new entry (civil conflict between Hamas and Fatah in the Palestine) predates the economic crisis by a year, and three quarters of the chronic struggles began in the last century. Ditto for the 15 low-intensity conflicts listed by Wikipedia (where the latest entry is the Mexican "drug war" begun in 2006). Certainly, the Russia-Georgia conflict last August was specifically timed, but by most accounts the opening ceremony of the Beijing Olympics was the most important external trigger (followed by the U.S. presidential campaign) for that sudden spike in an almost two-decade long struggle between Georgia and its two breakaway regions. Looking over the various databases, then, we see a most familiar picture: the usual mix of civil conflicts, insurgencies, and liberation-themed terrorist movements. Besides the recent Russia-Georgia dust-up, the only two potential state-on-state wars (North v. South Korea, Israel v. Iran) are both tied to one side acquiring a nuclear weapon capacity -- a process wholly unrelated to global economic trends. And with the United States effectively tied down by its two ongoing major interventions (Iraq and Afghanistan-bleeding-into-Pakistan), our involvement elsewhere around the planet has been quite modest, both leading up to and following the onset of the economic crisis: e.g., the usual counter-drug efforts in Latin America, the usual military exercises with allies across Asia, mixing it up with pirates off Somalia's coast). Everywhere else we find serious instability we pretty much let it burn, occasionally pressing the Chinese -- unsuccessfully -- to do something. Our new Africa Command, for example, hasn't led us to anything beyond advising and training local forces. So, to sum up: \* No significant uptick in mass violence or unrest (remember the smattering of urban riots last year in places like Greece, Moldova and Latvia?); \* The usual frequency maintained in civil conflicts (in all the usual places); \* Not a single state-on-state war directly caused (and no great-power-on-great-power crises even triggered); \* No great improvement or disruption in great-power cooperation regarding the emergence of new nuclear powers (despite all that diplomacy); \* A modest scaling back of international policing efforts by the system's acknowledged Leviathan power (inevitable given the strain); and \* No serious efforts by any rising great power to challenge that Leviathan or supplant its role. (The worst things we can cite are Moscow's occasional deployments of strategic assets to the Western hemisphere and its weak efforts to outbid the United States on basing rights in Kyrgyzstan; but the best include China and India stepping up their aid and investments in Afghanistan and Iraq.) Sure, we've finally seen global defense spending surpass the previous world record set in the late 1980s, but even that's likely to wane given the stress on public budgets created by all this unprecedented "stimulus" spending. If anything, the friendly cooperation on such stimulus packaging was the most notable great-power dynamic caused by the crisis. Can we say that the world has suffered a distinct shift to political radicalism as a result of the economic crisis? Indeed, no. The world's major economies remain governed by center-left or center-right political factions that remain decidedly friendly to both markets and trade. In the short run, there were attempts across the board to insulate economies from immediate damage (in effect, as much protectionism as allowed under current trade rules), but there was no great slide into "trade wars." Instead, the World Trade Organization is functioning as it was designed to function, and regional efforts toward free-trade agreements have not slowed. Can we say Islamic radicalism was inflamed by the economic crisis? If it was, that shift was clearly overwhelmed by the Islamic world's growing disenchantment with the brutality displayed by violent extremist groups such as al-Qaida. And looking forward, austere economic times are just as likely to breed connecting evangelicalism as disconnecting fundamentalism. At the end of the day, the economic crisis did not prove to be sufficiently frightening to provoke major economies into establishing global regulatory schemes, even as it has sparked a spirited -- and much needed, as I argued last week -- discussion of the continuing viability of the U.S. dollar as the world's primary reserve currency. Naturally, plenty of experts and pundits have attached great significance to this debate, seeing in it the beginning of "economic warfare" and the like between "fading" America and "rising" China. And yet, in a world of globally integrated production chains and interconnected financial markets, such "diverging interests" hardly constitute signposts for wars up ahead. Frankly, I don't welcome a world in which America's fiscal profligacy goes undisciplined, so bring it on -- please! Add it all up and it's fair to say that this global financial crisis has proven the great resilience of America's post-World War II international liberal trade order. Do I expect to read any analyses along those lines in the blogosphere any time soon? Absolutely not. I expect the fantastic fear-mongering to proceed apace. That's what the Internet is for.

**No impact**

**Layne, 2007**

Christopher Layne, Professor of International Studies at the University of Miami. 2007. American Empire: A Debate. Pg. 79-80

The same architects of illusion who fulminated for war with Iraq now are agitating for war with Iran. If Iran gets nuclear weapons they say, three bad things could happen: it could trigger a nuclear arms race in the Middle East; it might supply nuclear weapons to terrorists; and Tehran could use its nuclear weapons to blackmail other states in the region or to engage in aggression. Each of these scenarios, however, is improbable in the extreme. During the early 1960s, American policy-makers had similar fears that China’s acqui­sition of nuclear weapons would trigger a proliferation stampede, but these fears did not materialize—and **a nuclear Iran will not touch off a proliferation snowball in the Middle East**. Israel, of course, already is a nuclear power (as is Pakistan, another regional power). The other three **states that might be tempted to go for a nuclear weapons capability are Egypt, Saudi Arabia, and Turkey. As** MIT **professor** Barry **Posen points out**, however, **each of these three states would be under strong pressure not do to** 50.84 **Egypt is** particu­larly **vulnerable to outside pressure to refrain from going nuclear because its shaky economy depends on** foreign—especially **U.S**.—economic **assistance. Saudi Arabia would find it hard to purchase nuclear weapons or material on the black market—which is closely watched by the U**nited **S**tates—**and**, Posen notes, **it would take the Saudis years to develop the industrial and engineering capabilities to develop nuclear weapons indigenously. Turkey is constrained by its membership in NATO and its quest to be admitted to membership of the E**uropean **U**nion. Notwithstanding the near-hysterical rhetoric of the Bush administration and the neoconservatives, **Iran is not going to give nuclear weapons to terror­ists**. This is not to say that Tehran has not abetted groups like Hezbollah in Lebanon, or Hamas in the Palestinian Authority. Clearly, it has. However, **there are good reasons that states—even those that have ties to terrorists—draw the line at giving them nuclear weapons** (or other WMD): **if the terrorists were to use these weapons against the U**nited **S**tates **or its allies, the weapons could be traced back to the donor state—which would be at risk of annihilation by an American retaliatory strike. Iran’s leaders have too much at stake to run this risk.** Even if one believed the administration’s overheated rhetoric about the indifference of rogue state leaders about the fate of their populations, **they** do **care very much about the survival of their regimes—which means that they can be deterred**. **For the same reason, Iran’s possession of nuclear weapons will not invest Tehran with options to attack or intimidate its neighbors**. Just as it did during the Cold War, **the U**nited **S**tates **can extend its own deterrence umbrella to protect its clients in the region**—like Saudi Arabia, the Gulf states, and Tur­key. **American security guarantees not only will dissuade Iran from acting recklessly but will also restrain proliferation by negating the incentives for states like Saudi Arabia and Turkey to build their own nuclear weapons. Given the overwhelming U.S. advantage** in both nuclear and conventional military capabilities, **Iran is not going to risk national suicide by challenging America’s security commitments in the region**. In short, **while a nuclear-armed Iran hardly is desirable, neither is it “intolerable,” because it could be contained and deterred successfully** by the United States.

**Criminals and states not associating with terror in Latin America – no instab**

Richard **Weitz**, Senior Fellow and Director, Center for Political-Military Analysis, Hudson Institute. “Where are Latin America’s Terrorists?” 11-9-**11**

http://www.project-syndicate.org/commentary/where-are-latin-america-s-terrorists-

The Colombian army’s killing of Alfonso Cano, head of the Revolutionary Armed Forces of Colombia (FARC), will not eliminate that country’s largest guerrilla group anytime soon. But it does partly illustrate why international terrorism has not established a major presence in Latin America. Local security forces, bolstered by generous American assistance, have made the region a difficult place for foreign terrorists to set up operational cells – and other conditions also help to make Latin America less vulnerable. One reason why the FARC has survived repeated blows to its leadership is the support that it receives from various groups, perhaps including government officials, in neighboring Ecuador and Venezuela. Fortunately, this backing appears to have declined in the last year or so, following improvement in Colombia’s relations with these countries. Another factor contributing to the FARC’s survival has been its transformation over the years from a revolutionary organization into a narco-terrorist group that uses violence to support its criminal operations. Many former terrorist and insurgent groups in the region have undergone similar transformations over the last two decades. These groups, some with transnational reach, mostly engage in narcotics trafficking, arms smuggling, and kidnapping. At worst, they sometimes employ terrorist tactics (commonly defined as violence that deliberately targets civilians). In Colombia, the FARC and the National Liberation Army (ELN) finance their operations through drug trafficking, kidnapping, and extortion. These groups might kill civilians, but their main targets are the police and security personnel who threaten their activities. Latin America is distinctive in the recurring and broad overlap of mass movements professing revolutionary goals with transnational criminal operations. The Internet and modern social media are allowing these mass criminal movements to expand their activities beyond kidnapping, extortion, and trafficking in drugs, arms, and people, to include fraud, piracy, information theft, hacking, and sabotage. Violent mass movements remain in some Latin American countries, but, like the FARC, they are typically heavily engaged in organized crime. Drug cartels and gang warfare may ruin the lives of thousands of innocent people, but they should not be seen as equivalent to the ideological revolutionaries who used to wreak havoc in the region, or to contemporary mass terrorists. Extra-regional terrorist movements such as al-Qaeda have minimal presence in South America, with little independent operational activity and few ties to local violent movements. At most, the two types of groups might share operational insights and revenue from transnational criminal operations. Hezbollah has not conducted an attack in Latin America in almost two decades. Indigenous organized criminal movements are responsible for the most serious sources of local violence. Latin American countries generally are not a conducive environment for major terrorist groups. They lack large Muslim communities that could provide a bridgehead for Islamist extremist movements based in Africa and the Middle East. The demise of military dictatorships and the spread of democratic regimes throughout Latin America (except for Cuba) means that even severe economic, class, ethnic, and other tensions now more often manifest themselves politically, in struggles for votes and influence. No Latin American government appears to remain an active state sponsor of foreign terrorist movements. At worst, certain public officials may tolerate some foreign terrorists’ activities and neglect to act vigorously against them. More often, governments misapply anti-terrorist laws against their non-violent opponents. For example, despite significant improvement in its human-rights policies, the Chilean government has at times applied harsh anti-terrorism laws against indigenous Mapuche protesters. Indeed, Latin American terrorism is sometimes exaggerated, because governments have incentives to cite local terrorist threats to secure foreign support, such as US capacity-building funding. Just as during the Cold War, when Latin American leaders were lavished with aid for fighting communist subversion, governments seek to fight “terrorist” threats at America’s expense. Ironically, the strength of transnational criminal organizations in Latin America may act as a barrier to external terrorist groups. Extra-regional terrorists certainly have incentives to penetrate the region. Entering the US, a high-value target for some violent extremist groups, from Latin America is not difficult for skilled operatives. Extra-regional terrorist groups could also raise funds and collaborate operationally with local militants. But Latin America’s powerful transnational criminal movements, such as the gangs in Mexico that control much of the drug trafficking into the US, do not want to jeopardize their profits by associating themselves with al-Qaeda and its affiliates. Supporting terrorism would merely divert time and other resources from profit-making activities, while focusing unsought US and other international attention on their criminal operations.

**No risk of nuclear terror – assumes every warrant**

**Mueller 10** (John, professor of political science at Ohio State, Calming Our Nuclear Jitters, Issues in Science and Technology, Winter, <http://www.issues.org/26.2/mueller.html>)

Politicians of all stripes preach to an anxious, appreciative, and very numerous choir when they, like President Obama, proclaim atomic terrorism to be “the most immediate and extreme threat to global security.” It is the problem that, according to Defense Secretary Robert Gates, currently keeps every senior leader awake at night. This is hardly a new anxiety. In 1946, atomic bomb maker J. Robert Oppenheimer ominously warned that if three or four men could smuggle in units for an atomic bomb, they could blow up New York. This was an early expression of a pattern of dramatic risk inflation that has persisted throughout the nuclear age. In fact, although expanding fires and fallout might increase the effective destructive radius, the blast of a Hiroshima-size device would “blow up” about 1% of the city’s area—a tragedy, of course, but not the same as one 100 times greater. In the early 1970s, nuclear physicist Theodore Taylor proclaimed the atomic terrorist problem to be “immediate,” explaining at length “how comparatively easy it would be to steal nuclear material and step by step make it into a bomb.” At the time he thought it was already too late to “prevent the making of a few bombs, here and there, now and then,” or “in another ten or fifteen years, it will be too late.” Three decades after Taylor, we continue to wait for terrorists to carry out their “easy” task. In contrast to these predictions, terrorist groups seem to have exhibited only limited desire and even less progress in going atomic. This may be because, after brief exploration of the possible routes, they, unlike generations of alarmists, have discovered that the tremendous effort required is scarcely likely to be successful. The most plausible route for terrorists, according to most experts, would be to manufacture an atomic device themselves from purloined fissile material (plutonium or, more likely, highly enriched uranium). This task, however, remains a daunting one, requiring that a considerable series of difficult hurdles be conquered and in sequence. Outright armed theft of fissile material is exceedingly unlikely not only because of the resistance of guards, but because chase would be immediate. A more promising approach would be to corrupt insiders to smuggle out the required substances. However, this requires the terrorists to pay off a host of greedy confederates, including brokers and money-transmitters, any one of whom could turn on them or, either out of guile or incompetence, furnish them with stuff that is useless. Insiders might also consider the possibility that once the heist was accomplished, the terrorists would, as analyst Brian Jenkins none too delicately puts it, “have every incentive to cover their trail, beginning with eliminating their confederates.” If terrorists were somehow successful at obtaining a sufficient mass of relevant material, they would then probably have to transport it a long distance over unfamiliar terrain and probably while being pursued by security forces. Crossing international borders would be facilitated by following established smuggling routes, but these are not as chaotic as they appear and are often under the watch of suspicious and careful criminal regulators. If border personnel became suspicious of the commodity being smuggled, some of them might find it in their interest to disrupt passage, perhaps to collect the bounteous reward money that would probably be offered by alarmed governments once the uranium theft had been discovered. Once outside the country with their precious booty, terrorists would need to set up a large and well-equipped machine shop to manufacture a bomb and then to populate it with a very select team of highly skilled scientists, technicians, machinists, and administrators. The group would have to be assembled and retained for the monumental task while no consequential suspicions were generated among friends, family, and police about their curious and sudden absence from normal pursuits back home. Members of the bomb-building team would also have to be utterly devoted to the cause, of course, and they would have to be willing to put their lives and certainly their careers at high risk, because after their bomb was discovered or exploded they would probably become the targets of an intense worldwide dragnet operation. Some observers have insisted that it would be easy for terrorists to assemble a crude bomb if they could get enough fissile material. But Christoph Wirz and Emmanuel Egger, two senior physicists in charge of nuclear issues at Switzerland‘s Spiez Laboratory, bluntly conclude that the task “could hardly be accomplished by a subnational group.” They point out that precise blueprints are required, not just sketches and general ideas, and that even with a good blueprint the terrorist group would most certainly be forced to redesign. They also stress that the work is difficult, dangerous, and extremely exacting, and that the technical requirements in several fields verge on the unfeasible. Stephen Younger, former director of nuclear weapons research at Los Alamos Laboratories, has made a similar argument, pointing out that uranium is “exceptionally difficult to machine” whereas “plutonium is one of the most complex metals ever discovered, a material whose basic properties are sensitive to exactly how it is processed.“ Stressing the “daunting problems associated with material purity, machining, and a host of other issues,” Younger concludes, “to think that a terrorist group, working in isolation with an unreliable supply of electricity and little access to tools and supplies” could fabricate a bomb “is farfetched at best.” Under the best circumstances, the process of making a bomb could take months or even a year or more, which would, of course, have to be carried out in utter secrecy. In addition, people in the area, including criminals, may observe with increasing curiosity and puzzlement the constant coming and going of technicians unlikely to be locals. If the effort to build a bomb was successful, the finished product, weighing a ton or more, would then have to be transported to and smuggled into the relevant target country where it would have to be received by collaborators who are at once totally dedicated and technically proficient at handling, maintaining, detonating, and perhaps assembling the weapon after it arrives. The financial costs of this extensive and extended operation could easily become monumental. There would be expensive equipment to buy, smuggle, and set up and people to pay or pay off. Some operatives might work for free out of utter dedication to the cause, but the vast conspiracy also requires the subversion of a considerable array of criminals and opportunists, each of whom has every incentive to push the price for cooperation as high as possible. Any criminals competent and capable enough to be effective allies are also likely to be both smart enough to see boundless opportunities for extortion and psychologically equipped by their profession to be willing to exploit them. Those who warn about the likelihood of a terrorist bomb contend that a terrorist group could, if with great difficulty, overcome each obstacle and that doing so in each case is “not impossible.” But although it may not be impossible to surmount each individual step, the likelihood that a group could surmount a series of them quickly becomes vanishingly small. Table 1 attempts to catalogue the barriers that must be overcome under the scenario considered most likely to be successful. In contemplating the task before them, would-be atomic terrorists would effectively be required to go though an exercise that looks much like this. If and when they do, they will undoubtedly conclude that their prospects are daunting and accordingly uninspiring or even terminally dispiriting. It is possible to calculate the chances for success. Adopting probability estimates that purposely and heavily bias the case in the terrorists’ favor—for example, assuming the terrorists have a 50% chance of overcoming each of the 20 obstacles—the chances that a concerted effort would be successful comes out to be less than one in a million. If one assumes, somewhat more realistically, that their chances at each barrier are one in three, the cumulative odds that they will be able to pull off the deed drop to one in well over three billion. Other routes would-be terrorists might take to acquire a bomb are even more problematic. They are unlikely to be given or sold a bomb by a generous like-minded nuclear state for delivery abroad because the risk would be high, even for a country led by extremists, that the bomb (and its source) would be discovered even before delivery or that it would be exploded in a manner and on a target the donor would not approve, including on the donor itself. Another concern would be that the terrorist group might be infiltrated by foreign intelligence. The terrorist group might also seek to steal or illicitly purchase a “loose nuke“ somewhere. However, it seems probable that **none exist**. All governments have an intense interest in controlling any weapons on their territory because of fears that they might become the primary target. Moreover, as technology has developed, finished bombs have been out-fitted with devices that trigger a non-nuclear explosion that destroys the bomb if it is tampered with. And there are other security techniques: Bombs can be kept disassembled with the component parts stored in separate high-security vaults, and a process can be set up in which two people and multiple codes are required not only to use the bomb but to store, maintain, and deploy it. As Younger points out, “only a few people in the world have the knowledge to cause an unauthorized detonation of a nuclear weapon.” There could be dangers in the chaos that would emerge if a nuclear state were to utterly collapse; Pakistan is frequently cited in this context and sometimes North Korea as well. However, even under such conditions, nuclear weapons would probably remain under heavy guard by people who know that a purloined bomb might be used in their own territory. They would still have locks and, in the case of Pakistan, the weapons would be disassembled. The al Qaeda factor The degree to which al Qaeda, the only terrorist group that seems to want to target the United States, has pursued or even has much interest in a nuclear weapon may have been exaggerated. The 9/11 Commission stated that “al Qaeda has tried to acquire or make nuclear weapons for at least ten years,” but the only substantial evidence it supplies comes from an episode that is supposed to have taken place about 1993 in Sudan, when al Qaeda members may have sought to purchase some uranium that turned out to be bogus. Information about this supposed venture apparently comes entirely from Jamal al Fadl, who defected from al Qaeda in 1996 after being caught stealing $110,000 from the organization. Others, including the man who allegedly purchased the uranium, assert that although there were various other scams taking place at the time that may have served as grist for Fadl, the uranium episode never happened. As a key indication of al Qaeda’s desire to obtain atomic weapons, many have focused on a set of conversations in Afghanistan in August 2001 that two Pakistani nuclear scientists reportedly had with Osama bin Laden and three other al Qaeda officials. Pakistani intelligence officers characterize the discussions as “academic” in nature. It seems that the discussion was wide-ranging and rudimentary and that the scientists provided no material or specific plans. Moreover, the scientists probably were incapable of providing truly helpful information because their expertise was not in bomb design but in the processing of fissile material, which is almost certainly beyond the capacities of a nonstate group. Kalid Sheikh Mohammed, the apparent planner of the 9/11 attacks, reportedly says that al Qaeda’s bomb efforts never went beyond searching the Internet. After the fall of the Taliban in 2001, technical experts from the CIA and the Department of Energy examined documents and other information that were uncovered by intelligence agencies and the media in Afghanistan. They uncovered no credible information that al Qaeda had obtained fissile material or acquired a nuclear weapon. Moreover, they found no evidence of any radioactive material suitable for weapons. They did uncover, however, a “nuclear-related” document discussing “openly available concepts about the nuclear fuel cycle and some weapons-related issues.” Just a day or two before al Qaeda was to flee from Afghanistan in 2001, bin Laden supposedly told a Pakistani journalist, “If the United States uses chemical or nuclear weapons against us, we might respond with chemical and nuclear weapons. We possess these weapons as a deterrent.” Given the military pressure that they were then under and taking into account the evidence of the primitive or more probably nonexistent nature of al Qaeda’s nuclear program, the reported assertions, although unsettling, appear at best to be a desperate bluff. Bin Laden has made statements about nuclear weapons a few other times. Some of these pronouncements can be seen to be threatening, but they are rather coy and indirect, indicating perhaps something of an interest, but not acknowledging a capability. And as terrorism specialist Louise Richardson observes, “Statements claiming a right to possess nuclear weapons have been misinterpreted as expressing a determination to use them. This in turn has fed the exaggeration of the threat we face.” Norwegian researcher Anne Stenersen concluded after an exhaustive study of available materials that, although “it is likely that al Qaeda central has considered the option of using non-conventional weapons,” there is “little evidence that such ideas ever developed into actual plans, or that they were given any kind of priority at the expense of more traditional types of terrorist attacks.” She also notes that information on an al Qaeda computer left behind in Afghanistan in 2001 indicates that only $2,000 to $4,000 was earmarked for weapons of mass destruction research and that the money was mainly for very crude work on chemical weapons. Today, the key portions of al Qaeda central may well total only a few hundred people, apparently assisting the Taliban’s distinctly separate, far larger, and very troublesome insurgency in Afghanistan. Beyond this tiny band, there are thousands of sympathizers and would-be jihadists spread around the globe. They mainly connect in Internet chat rooms, engage in radicalizing conversations, and variously dare each other to actually do something. Any “threat,” particularly to the West, appears, then, principally to derive from self-selected people, often isolated from each other, who fantasize about performing dire deeds. From time to time some of these people, or ones closer to al Qaeda central, actually manage to do some harm. And occasionally, they may even be able to pull off something large, such as 9/11. But in most cases, their capacities and schemes, or alleged schemes, seem to be far less dangerous than initial press reports vividly, even hysterically, suggest. Most important for present purposes, however, is that any notion that al Qaeda has the capacity to acquire nuclear weapons, even if it wanted to, looks farfetched in the extreme. It is also noteworthy that, although there have been plenty of terrorist attacks in the world since 2001, all have relied on conventional destructive methods. For the most part, terrorists seem to be heeding the advice found in a memo on an al Qaeda laptop seized in Pakistan in 2004: “Make use of that which is available … rather than waste valuable time becoming despondent over that which is not within your reach.” In fact, history consistently demonstrates that terrorists prefer weapons that they know and understand, not new, exotic ones. Glenn Carle, a 23-year CIA veteran and once its deputy intelligence officer for transnational threats, warns, “We must not take fright at the specter our leaders have exaggerated. In fact, we must see jihadists for the small, lethal, disjointed, and miserable opponents that they are.” al Qaeda, he says, has only a handful of individuals capable of planning, organizing, and leading a terrorist organization, and although the group has threatened attacks with nuclear weapons, “its capabilities are far inferior to its desires.” Policy alternatives The purpose here has not been to argue that policies designed to inconvenience the atomic terrorist are necessarily unneeded or unwise. Rather, in contrast with the many who insist that atomic terrorism under current conditions is rather likely— indeed, exceedingly likely—to come about, I have contended that it is hugely unlikely. However, it is important to consider not only the likelihood that an event will take place, but also its consequences. Therefore, one must be concerned about catastrophic events even if their probability is small, and efforts to reduce that likelihood even further may well be justified. At some point, however, probabilities become so low that, even for catastrophic events, it may make sense to ignore them or at least put them on the back burner; in short, the risk becomes acceptable. For example, the British could at any time attack the United States with their submarine-launched missiles and kill millions of Americans, far more than even the most monumentally gifted and lucky terrorist group. Yet the risk that this potential calamity might take place evokes little concern; essentially it is an acceptable risk. Meanwhile, Russia, with whom the United States has a rather strained relationship, could at any time do vastly more damage with its nuclear weapons, a fully imaginable calamity that is substantially ignored. In constructing what he calls “a case for fear,” Cass Sunstein, a scholar and current Obama administration official, has pointed out that if there is a yearly probability of 1 in 100,000 that terrorists could launch a nuclear or massive biological attack, the risk would cumulate to 1 in 10,000 over 10 years and to 1 in 5,000 over 20. These odds, he suggests, are “not the most comforting.” Comfort, of course, lies in the viscera of those to be comforted, and, as he suggests, many would probably have difficulty settling down with odds like that. But there must be some point at which the concerns even of these people would ease. Just perhaps it is at one of the levels suggested above: one in a million or one in three billion per attempt.

played a tiny role in national economies.¶ It's true that the massive state interventions of the past year may be fueling some new bubbles: the cheap cash and government guarantees provided to banks, companies, and consumers have fueled some irrational exuberance in stock and bond markets. Yet these rallies also demonstrate the return of confidence, and confidence is a very powerful economic force. When John Maynard Keynes described his own prescriptions for economic growth, he believed government action could provide only a temporary fix until the real motor of the economy started cranking again—the animal spirits of investors, consumers, and companies seeking risk and profit.¶ Beyond all this, though, I believe there's a fundamental reason why we have not faced global collapse in the last year. It is the same reason that we weathered the stock-market crash of 1987, the recession of 1992, the Asian crisis of 1997, the Russian default of 1998, and the tech-bubble collapse of 2000. The current global economic system is inherently more resilient than we think. The world today is characterized by three major forces for stability, each reinforcing the other and each historical in nature.

**No ME war escalation**

**Fettweis**, Asst Prof Poli Sci – Tulane, Asst Prof National Security Affairs – US Naval War College, **‘7**

(Christopher, “On the Consequences of Failure in Iraq,” *Survival*, Vol. 49, Iss. 4, December, p. 83 – 98)

Without the US presence, a second argument goes, nothing would prevent Sunni-Shia violence from sweeping into every country where the religious divide exists. A Sunni bloc with centres in Riyadh and Cairo might face a Shia bloc headquartered in Tehran, both of which would face enormous pressure from their own people to fight proxy wars across the region. In addition to intra-Muslim civil war, cross-border warfare could not be ruled out. Jordan might be the first to send troops into Iraq to secure its own border; once the dam breaks, Iran, Turkey, Syria and Saudi Arabia might follow suit. The Middle East has no shortage of rivalries, any of which might descend into direct conflict after a destabilising US withdrawal. In the worst case, Iran might emerge as the regional hegemon, able to bully and blackmail its neighbours with its new nuclear arsenal. Saudi Arabia and Egypt would soon demand suitable deterrents of their own, and a nuclear arms race would envelop the region. Once again, however, **none of these outcomes is particularly likely.** Wider war No matter what the outcome in Iraq, **the region is not likely to devolve into chaos.** Although it might seem counter-intuitive, by most traditional measures the Middle East is very stable. Continuous, uninterrupted governance is the norm, not the exception; most Middle East regimes have been in power for decades. Its monarchies, from Morocco to Jordan to every Gulf state, have generally been in power since these countries gained independence. In Egypt Hosni Mubarak has ruled for almost three decades, and Muammar Gadhafi in Libya for almost four. The region's autocrats have been more likely to die quiet, natural deaths than meet the hangman or post-coup firing squads. Saddam's rather unpredictable regime, which attacked its neighbours twice, was one of the few exceptions to this pattern of stability, and he met an end unusual for the modern Middle East. Its regimes have survived potentially destabilising shocks before, and they would be likely to do so again. The region actually experiences very little cross-border warfare, and even less since the end of the Cold War. Saddam again provided an exception, as did the Israelis, with their adventures in Lebanon. Israel fought four wars with neighbouring states in the first 25 years of its existence, but none in the 34 years since. Vicious civil wars that once engulfed Lebanon and Algeria have gone quiet, and its ethnic conflicts do not make the region particularly unique. The biggest risk of an American withdrawal is intensified civil war in Iraq rather than regional conflagration. Iraq's **neighbours will likely not prove eager to fight each other** to determine who gets to be the next country to spend itself into penury propping up an unpopular puppet regime next door. As much as the Saudis and Iranians may threaten to intervene on behalf of their co-religionists, they have shown no eagerness to replace the counter-insurgency role that American troops play today. If the United States, with its remarkable military and unlimited resources, could not bring about its desired solutions in Iraq, why would any other country think it could do so?17 Common interest, not the presence of the US military, provides the ultimate foundation for stability. All ruling regimes in the Middle East share a common (and understandable) fear of instability. It is the interest of every actor - the Iraqis, their neighbours and the rest of the world - to see a stable, functioning government emerge in Iraq. If the United States were to withdraw, increased regional cooperation to address that common interest is **far more likely than outright warfare.**

**Empirics are conclusive – tons of war in the region and zero escalation**

Kevin **Drum**, Staff Writer for the Washington Monthly, 9/9/**’7**

(<http://www.washingtonmonthly.com/archives/individual/2007_09/012029.php>)

Having admitted, however, that the odds of a military success in Iraq are almost impossibly long, Chaos Hawks nonetheless insist that the U.S. military needs to stay in Iraq for the foreseeable future. Why? Because if we leave the entire Middle East will become a bloodbath. Sunni and Shiite will engage in mutual genocide, oil fields will go up in flames, fundamentalist parties will take over, and al-Qaeda will have a safe haven bigger than the entire continent of Europe. Needless to say, this is nonsense. Israel has fought war after war in the Middle East. Result: no regional conflagration. Iran and Iraq fought one of the bloodiest wars of the second half the 20th century. Result: no regional conflagration. The Soviets fought in Afghanistan and then withdrew. No regional conflagration. The U.S. fought the Gulf War and then left. No regional conflagration. Algeria fought an internal civil war for a decade. **No regional conflagration**.

**Deterrence solves**

**Russell**, senior lecturer, National Security Affairs – Naval Postgraduate School, managing editor – Strategic Insights, December **‘9**

(James A, “Extended Deterrence, Security Guarantees, and Nuclear Weapons: U.S. Strategic and Policy Conundrums in the Gulf,” Strategic Studies Institute) [footnote 26 included]

The build out of the U.S. military infrastructure points around the region provide the hosting states with **tangible evidence of the credibility of** the **American military commitment to their security.** The military footprint today in the Gulf is no “trip-wire” force, but is engaged in tangible military operations, such as the multi-national maritime security operations conducted in the Gulf and the Arabian Sea by the combined task force command operating out of the 5th Fleet Headquarters in Manama. Since the British withdrawal from the Gulf in the early 1970s, the United States has **repeatedly demonstrated** its willingness to deploy its conventional forces to the region in response to regional instability. Starting with Operation Earnest Will in 1988, the United States slowly but inexorably inserted itself into the role played by the British for over a century as protecting the Gulf States from external threats. Following Operation Desert Storm, the United States kept sufficient forces in theater to enforce the United Nations’ cease fire resolutions on a recalcitrant Saddam. Last, but not least, it flowed significant forces and absorbed the monetary costs of toppling Saddam and providing a protective conventional force that can be readily called upon by the Iraq regime if needed. Given this history **it is difficult to see how any state could doubt the credibility of** the **U**nited **S**tates’ **commitments** to use its conventional forces as an instrument of regional defense. This history suggests an overwhelming emphasis on the role of conventional force in operationalizing American security guarantees and extended deterrent commitments. In the Gulf—unlike Northeast Asia—the role of nuclear weapons has never been explicitly spelled out and has very much remained in the background. **However**, while reference to nuclear weapons might remain unstated, the reality is that they are explicitly committed to defend American forces whenever the commander-in-chief might deem it necessary. The entire (and substantial) American military regional footprint operates under a quite **explicit nuclear umbrella**—**headlines or no headlines.** If a nuclear umbrella is indeed draped over America’s forward deployed Gulf presence, it’s hard not to see how that umbrella is similarly draped over the states that are hosting those forces. The only problem with Secretary Clinton’s recent statements is that she seems unaware of this fact, i.e., the United States already maintains a nuclear umbrella backed by nuclear weapons in the region. While the United States has pledged not to use nuclear weapons against non-nuclear signatories of the Nuclear Nonproliferation Treaty (known as negative security assurances), it maintains a policy of calculated ambiguity in honoring those commitments if its forces are attacked by chemical or biological weapons.[24] President Clinton reinforced this position in Presidential Decision Memorandum 60 in December 1997, which stated: state-parties to the Treaty on the Nonproliferation of Nuclear Weapons, except in the case of an invasion or any other attack on the United States, its territories, its armed forces or other troops, its allies, or on a state toward which it has a security commitment carried out, or sustained by such a non-nuclear-weapon state in association or alliance with a nuclear-weapon state.[25] As previously noted, the United States last unsheathed this proverbial sword in 1996 with the discovery of a potential chemical weapons plant in Libya. **The sword**, however, **remains at the ready** in the Gulf where Iran’s development of chemical weapons, long-range missiles, and its emphasis on terrorism and asymmetric warfare constitute prominent elements of the regional threat environment. If anything Iran’s weakened conventional forces potentially drive Iranian military responses during an armed conflict to those weapons that would lead the United States to consider forswearing its negative security assurances.[26] [Footnote begins] 26. **As argued in** James A. **Russell, “Strategic Stability Reconsidered**: Prospects for Escalation and Nuclear War in the Middle East,” *Institut Français des Relations Internationales Proliferation Papers* 26 (**Spring** 20**09**). [Footnote ends] In this scenario, it seems clear that American nuclear weapons are a component in the web of military capabilities designed to discourage Iranian use of its unconventional weapons in war. Conclusion Nuclear weapons have historically helped implicitly and explicitly support America’s far flung global commitments in the Gulf and elsewhere. The system of Gulf security built by the United States reflects a **time-honored template of regional defense** and security **honed in decades of Cold War experience.** In the Gulf, the dual tools of extended deterrence and security assurances have proven a cornerstone of a system of regional security efficiently administered by America’s military organizations. Nuclear weapons today undeniably form part of this system—explicitly protecting U.S. forces and implicitly protecting regimes hosting those forces.

**Data disproves hegemony impacts**

**Fettweis, 11**

Christopher J. Fettweis, Department of Political Science, Tulane University, 9/26/11, Free Riding or Restraint? Examining European Grand Strategy, Comparative Strategy, 30:316–332, EBSCO

It is perhaps worth noting that there is no evidence to support a direct relationship between the relative level of U.S. activism and international stability. In fact, the limited data we do have suggest the opposite may be true. During the 1990s, the United States cut back on its defense spending fairly substantially. By 1998, the United States was spending $100 billion less on defense in real terms than it had in 1990.51 To internationalists, defense hawks and believers in hegemonic stability, this irresponsible “peace dividend” endangered both national and global security. “No serious analyst of American military capabilities,” argued Kristol and Kagan, “doubts that the defense budget has been cut much too far to meet America’s responsibilities to itself and to world peace.”52 On the other hand, if the pacific trends were not based upon U.S. hegemony but a strengthening norm against interstate war, one would not have expected an increase in global instability and violence. The verdict from the past two decades is fairly plain: The world grew more peaceful while the United States cut its forces. No state seemed to believe that its security was endangered by a less-capable United States military, or at least none took any action that would suggest such a belief. No militaries were enhanced to address power vacuums, no security dilemmas drove insecurity or arms races, and no regional balancing occurred once the stabilizing presence of the U.S. military was diminished. The rest of the world acted as if the threat of international war was not a pressing concern, despite the reduction in U.S. capabilities. Most of all, the United States and its allies were no less safe. The incidence and magnitude of global conflict declined while the United States cut its military spending under President Clinton, and kept declining as the Bush Administration ramped the spending back up. No complex statistical analysis should be necessary to reach the conclusion that the two are unrelated. Military spending figures by themselves are insufficient to disprove a connection between overall U.S. actions and international stability. Once again, one could presumably argue that spending is not the only or even the best indication of hegemony, and that it is instead U.S. foreign political and security commitments that maintain stability. Since neither was significantly altered during this period, instability should not have been expected. Alternately, advocates of hegemonic stability could believe that relative rather than absolute spending is decisive in bringing peace. Although the United States cut back on its spending during the 1990s, its relative advantage never wavered. However, even if it is true that either U.S. commitments or relative spending account for global pacific trends, then at the very least stability can evidently be maintained at drastically lower levels of both. In other words, even if one can be allowed to argue in the alternative for a moment and suppose that there is in fact a level of engagement below which the United States cannot drop without increasing international disorder, a rational grand strategist would still recommend cutting back on engagement and spending until that level is determined. Grand strategic decisions are never final; continual adjustments can and must be made as time goes on. Basic logic suggests that the United States ought to spend the minimum amount of its blood and treasure while seeking the maximum return on its investment. And if the current era of stability is as stable as many believe it to be, no increase in conflict would ever occur irrespective of U.S. spending, which would save untold trillions for an increasingly debt-ridden nation. It is also perhaps worth noting that if opposite trends had unfolded, if other states had reacted to news of cuts in U.S. defense spending with more aggressive or insecure behavior, then internationalists would surely argue that their expectations had been fulfilled. If increases in conflict would have been interpreted as proof of the wisdom of internationalist strategies, then logical consistency demands that the lack thereof should at least pose a problem. As it stands, the only evidence we have regarding the likely systemic reaction to a more restrained United States suggests that the current peaceful trends are unrelated to U.S. military spending. Evidently the rest of the world can operate quite effectively without the presence of a global policeman. Those who think otherwise base their view on faith alone.

**Relations empirically not key to global heg – they can’t access their large-scale impact.**

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# Oil

#### Probability: Central Asia is the most probable scenario for global nuclear war

**Blank, 2K**

Blank, Research Professional of National Security Affairs at the Strategic Studies Institute of the US Army War College, 2000 (Dr. Stephen J Blank, Research Professional of National Security Affairs at the Strategic Studies Institute of the US Army War College June, pg. http://www.milnet.com/pentagon/Russia-2000-assessment-SSI.pdf)

Furthermore, it is gratuitously provocative to proclaim that the exercise proves or shows that “we can go anywhere, anytime.” In fact, were we to face a military contingency that we deemed of sufficient value to cause our active military intervention in Central Asia, we could easily face insurmountable logistical, strategic, and political difficulties. It is a landlocked area with no friendly port for hundreds of miles; air corridors of neighboring countries like Afghanistan, Iran, China, and Russia are unlikely to be friendly; the water supply in the region is declining; and much of the region is environmentally at risk. Central Asia’s physical infrastructure might charitably be called “Third World” and the region is highly diverse ethnically and politically. Thus we might quickly end up on the wrong side of a Central Asian ethnic conflict. In such a case we would also quite likely be opposed by one or more of the key neighboring states, China, Iran, or Russia, all of whom might find it easier to project and sustain power into the area (or use proxies for that purpose) than we could.

#### A Central Asian war wouldn’t need the US to go nuclear

Starr 01 – Chair of Central Asia-Caucasus Institute at John Hopkins University [S. Frederick, “The War Against Terrorism and U.S. Bilateral Relations with the Nations of Central Asia,” Testimony before Senate Subcommittee on Central Asia and the Southern Caucasus, Dec 13, <http://www.cacianalyst.org/Publications/Starr_Testimony.htm>]

However, this does not mean that US actions are without risk to the Central Asian states. Quite the contrary. For a decade they have faced not only the dangers arising from Afghanistan but also the constant threat posed by certain groups in Russia, notably the military and security forces, who are not yet reconciled to the loss of empire. This “imperial hangover” is not unique to Russia. France exhibited the same tendencies in Algeria, the Spanish in Cuba and Chile, and the British when they burned the White House in 1812. This imperial hangover will eventually pass, but for the time being it remains a threat. It means that the Central Asians, after cooperating with the US, will inevitably face redoubled pressure from Russia if we leave abruptly and without attending to the long-term security needs of the region. That we have looked kindly into Mr. Putin’s soul does not change this reality. The Central Asians face a similar danger with respect to our efforts in Afghanistan. Some Americans hold that we should destroy Bin Laden, Al Queda, and the Taliban and then leave the post-war stabilization and reconstruction to others. Such a course runs the danger of condemning all Central Asia to further waves of instability from the South. But in the next round it will not only be Russia that is tempted to throw its weight around in the region but possibly China, or even Iran or India. All have as much right to claim Central Asia as their “backyard” as Russia has had until now. Central Asia may be a distant region but when these nuclear powers begin bumping heads there it will create terrifying threats to world peace that the U.S. cannot ignore. This prospect, along with the unresolved problem of Russia’s imperial hangover, is the reality that the Central Asian states must face if the US precipitously withdraws from their region once the military campaign has achieved its goals. It requires that the United States develop and implement a longer-term strategy for regional security in Central Asia of a sort which, until this moment, has existed only in fragmentary form, if at all. Such a strategy is essential for the viability and sustainability of the states of Central Asia. No less, it is essential for the United States’ own long-term interest in helping build a stable world. What, then, are the elements of such a post-war strategy for Central Asia? The question demands the most serious attention of this sub-committee and of the American government as a whole. At the risk of simplification, I would suggest that it must contain three elements, pertaining to (1) security, (2) politics, and (3) economics. The basic truth upon which any security policy for Central Asia must be grounded is that no single country, or pair of countries, can provide an adequate security environment for the Central Asian region. Bordered by nuclear states and formidable regional powers, all of which have close historic and cultural ties with the region, Central Asia cannot depend for its security on any one of them without imperiling the security of all the others.

#### Central asia escalates – It’s a geopolitical hub

Arun **Sahgal &**, former Army officer who created the Office of Net Assessment in the Indian Joint Staff, Senior Fellow at the Institute for Defense Studies and Analyses and ‘Distinguished Fellow’ School of Geo-Politics at the Manipal Academy of Higher Education, Vinod **Anand 10**, postgraduate in defence and strategic studies and is an alumnus of Defence Services Staff College and College of Defence Management, “Strategic Environment in Central Asia and India”, <http://www.silkroadstudies.org/new/docs/publications/1004Joshi-V-Strategic.pdf>

The geo-strategic salience of Central Asia today has been underscored by two main factors. First, Central Asia has become important because of the discovery of hydrocarbon reserves and second, it has become a major transportation hub for gas and oil pipelines and multi-modal communication corridors connecting China, Russia, Europe, the Caucasus region, the Trans-Caspian region and the Indian Ocean. Furthermore, whether it was Czarist Russia or the Soviet Union or even the present Central Asian regimes, there has always been a strategic ambition in the north to seek access to the warm waters of the Indian Ocean. Thus Afghanistan, which links Central Asia and South Asia, is a strategic bridge of great geopolitical significance. Central Asia and South Asia are intimately connected not only geographically but also strategically. The Central Asian republics of Turkmenistan, Uzbekistan and Tajikistan have borders with Afghanistan, Iran lies to its west and Pakistan to the east and south. Therefore, the geostrategic significance of Afghanistan is enhanced even though it may not be an oil- or gas-rich country. With the control of Afghanistan comes the control of the land routes between the Indian subcontinent and resource-rich Central Asia, as well as of a potential corridor to Iran and the Middle East. Thus, stability and peace in Afghanistan, and for that matter Pakistan, are a geostrategic imperative. Central Asia has never been a monolithic area and is undergoing a turbulent transitional process with a diverse range of ethnicities and fragmented societies throughout the region. These societal divisions and lack of political maturity compound the social, economic and political challenges. Security and economic issues are the two most important components of the Central Asian states’ engagement with outside powers. Among the states themselves there are elements of both cooperation and competition. Historical legacies, their geo-strategic locations, and above all their perceived national interests profoundly influence the political choices of Central Asian nations. The weaknesses of the new nations in Central Asia pave the way for outside powers to interfere in their internal affairs.

#### Shale is collapsing now – no exports and no effect on prices

**Guryanov, 10/2**

Leonid Guryanov, reporter for “The Voice of Russia,”: who focuses in energy news, citing Dmitry Alexandrov, the chief of the analytical research service of the UNIVER Capital Company. “Oil and Gas Companies Lose Interesting in US Shale Gas,”10/2/13, <http://voiceofrussia.com/2013_10_02/Oil-and-gas-companies-lose-interest-in-US-shale-gas-1809/> //BGHS:IS

One of the world’s biggest oil and gas companies, Royal Dutch Shell, is gradually pulling out of its shale gas projects. Royal Dutch Shell said a few days ago it was selling off major shale assets due to its gas production backlog. Early last year, the United States pinned great hopes on shale gas production. President Barack Obama said the new production technologies would ensure the US energy independence for a whole century. The so-called ‘shale gas revolution’ did have a role to play in the US economy. The United States stopped importing natural gas, while boosting shale gas production by a factor of 10. But many major gas producers began to report problems quite soon, namely a large-scale depreciation of shale assets. The British companies BP and BP Group said they’d lost one billion dollars and one billion 300 million dollars respectively, while the Canadian EnCana Company said it had lost almost two billion dollars. Now it is Shell, which says it has written off more than two billion dollars. The company is selling its Eagle Ford Shale stake in South Texas, one of the biggest shale gas deposits in the United States. The company claims that almost 200 gas wells, drilled in the area, are incapable of reaching their planned production capacity. The expert warning that the US shale gas reserves were largely exaggerated, while the deposits were quickly depleted due to the specifics of the production technology was obviously ignored. Now they have more problems, says the chief of the analytical research service of the UNIVER Capital Company, Dmitry Alexandrov. "The surge in the interest in shale gas **is clearly over**. Given the US budget problems, shale gas production companies should expect no more funding. Therefore, shale gas deposits are no longer financially attractive. And finally, the cost-effective subsurface sites have been depleted. So, to go ahead with shale gas production, they have either to resort to a lot of extra drilling, or call into question the existing gas production." Experts believe that after the shale gas peak of 2011, gas production will grow stable at best. But the US will certainly not be able to export its cheap shale gas to Europe or Asia, Dmitry Alexandrov says.

#### Shale is a bust and is not sustainable – ignore media hype

Loder, 10/10

Asjylyn Loder, reporter for BusinessWeek, citing David Hughes, a geoscientist and president of Global Sustainability Research, “U.S. Shale-Oil Boom May Not Last as Fracking Wells Lack Staying Power,” 10/10/13, http://www.businessweek.com/articles/2013-10-10/u-dot-s-dot-shale-oil-boom-may-not-last-as-fracking-wells-lack-staying-power#p1

Global Sustainability’s Hughes estimates the U.S. needs to drill 6,000 new wells per year at a cost of $35 billion to maintain current production. His research also shows that the newest wells aren’t as productive as those drilled in the first years of the boom, a sign that oil companies have already tapped the best spots, making it that much harder to keep breaking records. Hughes has predicted that production will peak in 2017 and fall to 2012 levels within two years. “The hype about U.S. energy independence and ‘Saudi America’ is deafening if you look at the mainstream media,” Hughes says. “We need to have a much more in-depth and intelligent discussion about this.” On Oct. 7, Abdalla Salem el-Badri, OPEC’s secretary general, said at a conference in Kuwait that U.S. shale producers are “running out of sweet spots” and that output will peak in 2018.

The plan causes a flood – that tanks prices

Schelmetic 11 (Tracey E., Contributor – TMC, “Saudi Prince Frets that High Oil Prices will Spur Drive to Alternative Energy”, TMC, 6-1, http://green.tmcnet.com/channels/renewable-energy/articles/181084-saudi-prince-frets-that-high-oil-prices-will.htm, Deech)

What do you do when you're a theocratic ruler of an oil-rich nation and you see the insidious creep of **alternative energy** technologies coming to end your party? You worry, apparently. Saudi Arabian prince Alwaleed bin Talal recently told CNN that his country wants to see oil prices **come down** to between **$70** and $80 a barrel. The reason? The Saudi rulers are **apprehensive** that high oil prices are spurring Western countries to seek replacement energy sources. The prince is concerned that if oil prices remain at high current levels, countries that use a lot of petroleum products – like the U.S. and Western European nations – will be encouraged to invest in alternative energy sources such as **solar**, **wind power**, **geothermal heat**, **hydropower** and **other technologies** – all of which would be **detrimental** to the oil-rich nation.

That tanks prices

Al-Saleh, 8 (Yasser Al-Saleh, Paul Upham and Khaleel Malik, Manchester Institute for Innovation Research, “Renewable Energy Scenarios for the Kingdom of Saudi Arabia”, 10, 2008, http://www.tyndall.ac.uk/sites/default/files/wp125.pdf)

These scenarios represent what might be thought of as a continuation of current trends in terms of the abundant availability of fossil fuels and limited strategic actions on environmental protection. Nonetheless, owing to other factors, such as increasing domestic demand for energy as well as a desire to free hydrocarbon resources for export and - perhaps more importantly petrochemical production, Saudi Arabia is considering the renewable energy option with which it is most familiar (i.e. Solar Photovoltaics). As previously mentioned, in the scenario with a positive perception of renewables, solar PV enjoys a relatively high penetration in on-grid applications as well (i.e. decentralised production of electricity). In a world of abundant oil reserves, Saudi Arabia - as a major oil-producer with the greatest spare production capacity - could choose to maximise its oil production and perhaps further expand its operations in the Far East in order to achieve a maximum market share and ultimately become the world’s unsurpassed supplier. As a result of the adoption of a sustained ‘market flooding’ strategy, oil prices could gradually drop down to as low as $10 per barrel. This low price may, however, guarantee the maintenance of reasonable revenue to Saudi Arabia, whose production costs are very low (according to some unofficial estimates perhaps as low as $1.5 per barrel at present). Such an aggressive approach - although regarded by a few panellists as being somewhat technically difficult - would result in driving other ‘high-cost’ oil-producers (including many OPEC members) from the market, as well as demolishing much of the global interest and research into alternative energy means (including renewables). 7.2 YELLOW SCENARIOS These scenarios envision a future in which global environmental concerns become significantly stronger and environmental actions become more coordinated. Greenhouse gas emissions are vigorously scrutinised with performance targets being completely agreed on and respected around the world. Carbon Capture and Storage (CCS) has become a widely-adopted technology, and technological advancements in fuel cells and hydrogen storage are attributed to a strong market growth for hydrogen fuels in transport applications. As a result of environmental movements towards carbon-neutral and carbon-free technologies, the rate of climate change is slowed (yet not reversed). Given the availability of oil resources in Saudi Arabia, a ‘market flooding’ strategy that might drive oil prices down makes a lot of sense in a world where environmentally-friendly options are strongly favoured. Nevertheless, adopting such a hostile strategy, which Saudi Arabia has constantly avoided, would mean that maintaining good relations with other oil-producers could become an increasingly difficult challenge. For a country like Saudi Arabia that is blessed with very high levels of direct solar radiation, but is increasingly faced with an increased demand for electricity and water as well as a low revenue stream (owing to low oil prices), solar thermal seems to be an attractive choice worth considering.

# Case

**No risk of nuclear terror – assumes every warrant**

**Mueller 10** (John, professor of political science at Ohio State, Calming Our Nuclear Jitters, Issues in Science and Technology, Winter, <http://www.issues.org/26.2/mueller.html>)

Politicians of all stripes preach to an anxious, appreciative, and very numerous choir when they, like President Obama, proclaim atomic terrorism to be “the most immediate and extreme threat to global security.” It is the problem that, according to Defense Secretary Robert Gates, currently keeps every senior leader awake at night. This is hardly a new anxiety. In 1946, atomic bomb maker J. Robert Oppenheimer ominously warned that if three or four men could smuggle in units for an atomic bomb, they could blow up New York. This was an early expression of a pattern of dramatic risk inflation that has persisted throughout the nuclear age. In fact, although expanding fires and fallout might increase the effective destructive radius, the blast of a Hiroshima-size device would “blow up” about 1% of the city’s area—a tragedy, of course, but not the same as one 100 times greater. In the early 1970s, nuclear physicist Theodore Taylor proclaimed the atomic terrorist problem to be “immediate,” explaining at length “how comparatively easy it would be to steal nuclear material and step by step make it into a bomb.” At the time he thought it was already too late to “prevent the making of a few bombs, here and there, now and then,” or “in another ten or fifteen years, it will be too late.” Three decades after Taylor, we continue to wait for terrorists to carry out their “easy” task. In contrast to these predictions, terrorist groups seem to have exhibited only limited desire and even less progress in going atomic. This may be because, after brief exploration of the possible routes, they, unlike generations of alarmists, have discovered that the tremendous effort required is scarcely likely to be successful. The most plausible route for terrorists, according to most experts, would be to manufacture an atomic device themselves from purloined fissile material (plutonium or, more likely, highly enriched uranium). This task, however, remains a daunting one, requiring that a considerable series of difficult hurdles be conquered and in sequence. Outright armed theft of fissile material is exceedingly unlikely not only because of the resistance of guards, but because chase would be immediate. A more promising approach would be to corrupt insiders to smuggle out the required substances. However, this requires the terrorists to pay off a host of greedy confederates, including brokers and money-transmitters, any one of whom could turn on them or, either out of guile or incompetence, furnish them with stuff that is useless. Insiders might also consider the possibility that once the heist was accomplished, the terrorists would, as analyst Brian Jenkins none too delicately puts it, “have every incentive to cover their trail, beginning with eliminating their confederates.” If terrorists were somehow successful at obtaining a sufficient mass of relevant material, they would then probably have to transport it a long distance over unfamiliar terrain and probably while being pursued by security forces. Crossing international borders would be facilitated by following established smuggling routes, but these are not as chaotic as they appear and are often under the watch of suspicious and careful criminal regulators. If border personnel became suspicious of the commodity being smuggled, some of them might find it in their interest to disrupt passage, perhaps to collect the bounteous reward money that would probably be offered by alarmed governments once the uranium theft had been discovered. Once outside the country with their precious booty, terrorists would need to set up a large and well-equipped machine shop to manufacture a bomb and then to populate it with a very select team of highly skilled scientists, technicians, machinists, and administrators. The group would have to be assembled and retained for the monumental task while no consequential suspicions were generated among friends, family, and police about their curious and sudden absence from normal pursuits back home. Members of the bomb-building team would also have to be utterly devoted to the cause, of course, and they would have to be willing to put their lives and certainly their careers at high risk, because after their bomb was discovered or exploded they would probably become the targets of an intense worldwide dragnet operation. Some observers have insisted that it would be easy for terrorists to assemble a crude bomb if they could get enough fissile material. But Christoph Wirz and Emmanuel Egger, two senior physicists in charge of nuclear issues at Switzerland‘s Spiez Laboratory, bluntly conclude that the task “could hardly be accomplished by a subnational group.” They point out that precise blueprints are required, not just sketches and general ideas, and that even with a good blueprint the terrorist group would most certainly be forced to redesign. They also stress that the work is difficult, dangerous, and extremely exacting, and that the technical requirements in several fields verge on the unfeasible. Stephen Younger, former director of nuclear weapons research at Los Alamos Laboratories, has made a similar argument, pointing out that uranium is “exceptionally difficult to machine” whereas “plutonium is one of the most complex metals ever discovered, a material whose basic properties are sensitive to exactly how it is processed.“ Stressing the “daunting problems associated with material purity, machining, and a host of other issues,” Younger concludes, “to think that a terrorist group, working in isolation with an unreliable supply of electricity and little access to tools and supplies” could fabricate a bomb “is farfetched at best.” Under the best circumstances, the process of making a bomb could take months or even a year or more, which would, of course, have to be carried out in utter secrecy. In addition, people in the area, including criminals, may observe with increasing curiosity and puzzlement the constant coming and going of technicians unlikely to be locals. If the effort to build a bomb was successful, the finished product, weighing a ton or more, would then have to be transported to and smuggled into the relevant target country where it would have to be received by collaborators who are at once totally dedicated and technically proficient at handling, maintaining, detonating, and perhaps assembling the weapon after it arrives. The financial costs of this extensive and extended operation could easily become monumental. There would be expensive equipment to buy, smuggle, and set up and people to pay or pay off. Some operatives might work for free out of utter dedication to the cause, but the vast conspiracy also requires the subversion of a considerable array of criminals and opportunists, each of whom has every incentive to push the price for cooperation as high as possible. Any criminals competent and capable enough to be effective allies are also likely to be both smart enough to see boundless opportunities for extortion and psychologically equipped by their profession to be willing to exploit them. Those who warn about the likelihood of a terrorist bomb contend that a terrorist group could, if with great difficulty, overcome each obstacle and that doing so in each case is “not impossible.” But although it may not be impossible to surmount each individual step, the likelihood that a group could surmount a series of them quickly becomes vanishingly small. Table 1 attempts to catalogue the barriers that must be overcome under the scenario considered most likely to be successful. In contemplating the task before them, would-be atomic terrorists would effectively be required to go though an exercise that looks much like this. If and when they do, they will undoubtedly conclude that their prospects are daunting and accordingly uninspiring or even terminally dispiriting. It is possible to calculate the chances for success. Adopting probability estimates that purposely and heavily bias the case in the terrorists’ favor—for example, assuming the terrorists have a 50% chance of overcoming each of the 20 obstacles—the chances that a concerted effort would be successful comes out to be less than one in a million. If one assumes, somewhat more realistically, that their chances at each barrier are one in three, the cumulative odds that they will be able to pull off the deed drop to one in well over three billion. Other routes would-be terrorists might take to acquire a bomb are even more problematic. They are unlikely to be given or sold a bomb by a generous like-minded nuclear state for delivery abroad because the risk would be high, even for a country led by extremists, that the bomb (and its source) would be discovered even before delivery or that it would be exploded in a manner and on a target the donor would not approve, including on the donor itself. Another concern would be that the terrorist group might be infiltrated by foreign intelligence. The terrorist group might also seek to steal or illicitly purchase a “loose nuke“ somewhere. However, it seems probable that **none exist**. All governments have an intense interest in controlling any weapons on their territory because of fears that they might become the primary target. Moreover, as technology has developed, finished bombs have been out-fitted with devices that trigger a non-nuclear explosion that destroys the bomb if it is tampered with. And there are other security techniques: Bombs can be kept disassembled with the component parts stored in separate high-security vaults, and a process can be set up in which two people and multiple codes are required not only to use the bomb but to store, maintain, and deploy it. As Younger points out, “only a few people in the world have the knowledge to cause an unauthorized detonation of a nuclear weapon.” There could be dangers in the chaos that would emerge if a nuclear state were to utterly collapse; Pakistan is frequently cited in this context and sometimes North Korea as well. However, even under such conditions, nuclear weapons would probably remain under heavy guard by people who know that a purloined bomb might be used in their own territory. They would still have locks and, in the case of Pakistan, the weapons would be disassembled. The al Qaeda factor The degree to which al Qaeda, the only terrorist group that seems to want to target the United States, has pursued or even has much interest in a nuclear weapon may have been exaggerated. The 9/11 Commission stated that “al Qaeda has tried to acquire or make nuclear weapons for at least ten years,” but the only substantial evidence it supplies comes from an episode that is supposed to have taken place about 1993 in Sudan, when al Qaeda members may have sought to purchase some uranium that turned out to be bogus. Information about this supposed venture apparently comes entirely from Jamal al Fadl, who defected from al Qaeda in 1996 after being caught stealing $110,000 from the organization. Others, including the man who allegedly purchased the uranium, assert that although there were various other scams taking place at the time that may have served as grist for Fadl, the uranium episode never happened. As a key indication of al Qaeda’s desire to obtain atomic weapons, many have focused on a set of conversations in Afghanistan in August 2001 that two Pakistani nuclear scientists reportedly had with Osama bin Laden and three other al Qaeda officials. Pakistani intelligence officers characterize the discussions as “academic” in nature. It seems that the discussion was wide-ranging and rudimentary and that the scientists provided no material or specific plans. Moreover, the scientists probably were incapable of providing truly helpful information because their expertise was not in bomb design but in the processing of fissile material, which is almost certainly beyond the capacities of a nonstate group. Kalid Sheikh Mohammed, the apparent planner of the 9/11 attacks, reportedly says that al Qaeda’s bomb efforts never went beyond searching the Internet. After the fall of the Taliban in 2001, technical experts from the CIA and the Department of Energy examined documents and other information that were uncovered by intelligence agencies and the media in Afghanistan. They uncovered no credible information that al Qaeda had obtained fissile material or acquired a nuclear weapon. Moreover, they found no evidence of any radioactive material suitable for weapons. They did uncover, however, a “nuclear-related” document discussing “openly available concepts about the nuclear fuel cycle and some weapons-related issues.” Just a day or two before al Qaeda was to flee from Afghanistan in 2001, bin Laden supposedly told a Pakistani journalist, “If the United States uses chemical or nuclear weapons against us, we might respond with chemical and nuclear weapons. We possess these weapons as a deterrent.” Given the military pressure that they were then under and taking into account the evidence of the primitive or more probably nonexistent nature of al Qaeda’s nuclear program, the reported assertions, although unsettling, appear at best to be a desperate bluff. Bin Laden has made statements about nuclear weapons a few other times. Some of these pronouncements can be seen to be threatening, but they are rather coy and indirect, indicating perhaps something of an interest, but not acknowledging a capability. And as terrorism specialist Louise Richardson observes, “Statements claiming a right to possess nuclear weapons have been misinterpreted as expressing a determination to use them. This in turn has fed the exaggeration of the threat we face.” Norwegian researcher Anne Stenersen concluded after an exhaustive study of available materials that, although “it is likely that al Qaeda central has considered the option of using non-conventional weapons,” there is “little evidence that such ideas ever developed into actual plans, or that they were given any kind of priority at the expense of more traditional types of terrorist attacks.” She also notes that information on an al Qaeda computer left behind in Afghanistan in 2001 indicates that only $2,000 to $4,000 was earmarked for weapons of mass destruction research and that the money was mainly for very crude work on chemical weapons. Today, the key portions of al Qaeda central may well total only a few hundred people, apparently assisting the Taliban’s distinctly separate, far larger, and very troublesome insurgency in Afghanistan. Beyond this tiny band, there are thousands of sympathizers and would-be jihadists spread around the globe. They mainly connect in Internet chat rooms, engage in radicalizing conversations, and variously dare each other to actually do something. Any “threat,” particularly to the West, appears, then, principally to derive from self-selected people, often isolated from each other, who fantasize about performing dire deeds. From time to time some of these people, or ones closer to al Qaeda central, actually manage to do some harm. And occasionally, they may even be able to pull off something large, such as 9/11. But in most cases, their capacities and schemes, or alleged schemes, seem to be far less dangerous than initial press reports vividly, even hysterically, suggest. Most important for present purposes, however, is that any notion that al Qaeda has the capacity to acquire nuclear weapons, even if it wanted to, looks farfetched in the extreme. It is also noteworthy that, although there have been plenty of terrorist attacks in the world since 2001, all have relied on conventional destructive methods. For the most part, terrorists seem to be heeding the advice found in a memo on an al Qaeda laptop seized in Pakistan in 2004: “Make use of that which is available … rather than waste valuable time becoming despondent over that which is not within your reach.” In fact, history consistently demonstrates that terrorists prefer weapons that they know and understand, not new, exotic ones. Glenn Carle, a 23-year CIA veteran and once its deputy intelligence officer for transnational threats, warns, “We must not take fright at the specter our leaders have exaggerated. In fact, we must see jihadists for the small, lethal, disjointed, and miserable opponents that they are.” al Qaeda, he says, has only a handful of individuals capable of planning, organizing, and leading a terrorist organization, and although the group has threatened attacks with nuclear weapons, “its capabilities are far inferior to its desires.” Policy alternatives The purpose here has not been to argue that policies designed to inconvenience the atomic terrorist are necessarily unneeded or unwise. Rather, in contrast with the many who insist that atomic terrorism under current conditions is rather likely— indeed, exceedingly likely—to come about, I have contended that it is hugely unlikely. However, it is important to consider not only the likelihood that an event will take place, but also its consequences. Therefore, one must be concerned about catastrophic events even if their probability is small, and efforts to reduce that likelihood even further may well be justified. At some point, however, probabilities become so low that, even for catastrophic events, it may make sense to ignore them or at least put them on the back burner; in short, the risk becomes acceptable. For example, the British could at any time attack the United States with their submarine-launched missiles and kill millions of Americans, far more than even the most monumentally gifted and lucky terrorist group. Yet the risk that this potential calamity might take place evokes little concern; essentially it is an acceptable risk. Meanwhile, Russia, with whom the United States has a rather strained relationship, could at any time do vastly more damage with its nuclear weapons, a fully imaginable calamity that is substantially ignored. In constructing what he calls “a case for fear,” Cass Sunstein, a scholar and current Obama administration official, has pointed out that if there is a yearly probability of 1 in 100,000 that terrorists could launch a nuclear or massive biological attack, the risk would cumulate to 1 in 10,000 over 10 years and to 1 in 5,000 over 20. These odds, he suggests, are “not the most comforting.” Comfort, of course, lies in the viscera of those to be comforted, and, as he suggests, many would probably have difficulty settling down with odds like that. But there must be some point at which the concerns even of these people would ease. Just perhaps it is at one of the levels suggested above: one in a million or one in three billion per attempt.

played a tiny role in national economies.¶ It's true that the massive state interventions of the past year may be fueling some new bubbles: the cheap cash and government guarantees provided to banks, companies, and consumers have fueled some irrational exuberance in stock and bond markets. Yet these rallies also demonstrate the return of confidence, and confidence is a very powerful economic force. When John Maynard Keynes described his own prescriptions for economic growth, he believed government action could provide only a temporary fix until the real motor of the economy started cranking again—the animal spirits of investors, consumers, and companies seeking risk and profit.¶ Beyond all this, though, I believe there's a fundamental reason why we have not faced global collapse in the last year. It is the same reason that we weathered the stock-market crash of 1987, the recession of 1992, the Asian crisis of 1997, the Russian default of 1998, and the tech-bubble collapse of 2000. The current global economic system is inherently more resilient than we think. The world today is characterized by three major forces for stability, each reinforcing the other and each historical in nature.

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# CIR

**Solves laundry list of global conflicts – spills over and solves Asian power vacuum**

**Armitage et al ’10** [Richard is the President of Armitage International and former Deputy Secretary of State. R. Nicholas Burns is a Professor in the Practice of Diplomacy and International Politics, Kennedy School of Government, Harvard University. Richard Fontaine is the President of the Center for New American Security. “Natural Allies: A Blueprint for the Future of U.S.-India Relations,” October, Center for New American Security, http://belfercenter.ksg.harvard.edu/files/Burns%20-%20Natural%20Allies.pdf]

**A strengthened U.S.-India strategic partnership is thus imperative in this new era. The transformation of U.S. ties with New Delhi over the past 10 years, led by Presidents Clinton and Bush, stands as one of the most significant triumphs of recent American foreign policy.** It has also been a bipartisan success. In the last several years alone, the United States and India have completed a landmark civil nuclear cooperation agreement, enhanced military ties, expanded defense trade, increased bilateral trade and investment and deepened their global political cooperation.¶ **Many prominent Indians and Americans, however, now fear this rapid expansion of ties has stalled.** **Past projects remain incomplete, few new ideas have been embraced by both sides, and the forward momentum that characterized recent cooperation has subsided.** The Obama administration has taken significant steps to break through this inertia, including with its Strategic Dialogue this spring and President Obama’s planned state visit to India in November 2010. Yet there remains a sense among observers in both countries that this critical relationship is falling short of its promise.¶ We believe **it is critical to rejuvenate the U.S.- India partnership and put U.S. relations with India on a more solid foundation.** The relationship requires a bold leap forward. The United States should establish a vision for what it seeks in the relationship and give concrete meaning to the phrase “strategic partnership.” A nonpartisan working group of experts met at the Center for a New American Security (CNAS) over the past eight months to review the main pillars of the U.S.-India relationship and we articulate here a specific agenda of action.¶ In order to chart a more ambitious U.S.-India strategic partnership, we believe that the United States should commit, publicly and explicitly, to work with India in support of its permanent membership in an enlarged U.N. Security Council; seek a broad expansion of bilateral trade and investment, beginning with a Bilateral Investment Treaty; greatly expand the security relationship and boost defense trade; support Indian membership in key export control organizations, a step toward integrating India into global nonproliferation efforts; and liberalize U.S. export controls, including the removal of Indian Space Research Organization (ISRO) subsidiaries from the U.S. Entity List**.**¶ These and the other actions outlined in this report will require India to make a number of commitments and policy changes, including taking rapid action to fully implement the Civil Nuclear Agreement; raising its caps on foreign investment; reducing barriers to defense and other forms of trade; enhancing its rules for protecting patents and other intellectual property; further harmonizing its export control lists with multilateral regimes; and seeking closer cooperation with the United States and like-minded partners in international organizations, including the United Nations**.** ¶ The U.S. relationship with India should be rooted in shared interests and values and should not be simply transactional or limited to occasional collaboration. India’s rise to global power is, we believe, in America’s strategic interest. As a result, the United States should not only seek a closer relationship with India, but actively assist its further emergence as a great powe**r.**¶ **U.S. interests in a closer relationship with India include:**¶ • **Ensuring a stable Asian and global balance of power.**¶ **• Strengthening an open global trad[e]ing system.**¶ **• Protecting and preserving access to the global commons (air, sea, space, and cyber realms).**¶ **• Countering terrorism and violent extremism.**¶ **• Ensuring access to secure global energy resources.**¶ **• Bolstering the international nonproliferation regime.**¶ **• Promoting democracy and human rights.**¶ **• Fostering greater stability, security and economic prosperity in South Asia, including in Pakistan, Afghanistan, Nepal, Bangladesh and Sri Lanka.**¶ **A strong U.S.-India strategic partnership will prove indispensable to the region’s continued peace and prosperity. Both India and the United States have a vital interest in maintaining a stable balance of power in Asia. Neither seeks containment of China, but the likelihood of a peaceful Chinese rise increases if it ascends in a region where the great democratic powers are also strong. Growing U.S.-India strategic ties will ensure that Asia will not have a vacuum of power and will make it easier for both Washington and New Delhi to have productive relations with Beijing. In addition, a strengthened relationship with India, a natural democratic partner, will signal that the United States remains committed to a strong and enduring presence in Asia.**¶ The need for closer U.S.-India cooperation goes well beyond regional concerns. In light of its rise, **India will play an increasingly vital role in addressing virtually all major global challenges.** **Now is the time to transform a series of bilateral achievements into a lasting regional and global partnership.**

**Immigration reform is key to Mexican stability and border cooperation**

**Castaneda ‘3**

(Castañeda, Jorge G. Source: Foreign Affairs; May/Jun2003, Vol. 82 Issue 3, p67-81, 15p, 4 Black and White Photographs)

Dealing with Mexico is in many ways the most important regional task facing the Bush administration. The matter can be summed up simply: President Vicente Fox's **consolidation of Mexico's first democratic transfer of power must be**-and be **seen to be-a success**. There is nothing more important to the United States **than a stable Mexico**, and today a stable Mexico means a democratic one. And the United States **has a huge role in making Mexico's transition to democracy a success, or in contributing to its failure**. The success or failure of this experiment will be judged in Mexico ultimately in the light of the country's economic performance-which has not been impressive these past two years. But Mexicans will also judge the state of their country's relations with the United States. They will look to see whether Presidents Fox and Bush deliver on the ambitious bilateral agenda they sketched out at their historic February 2001 meeting at Fox's ranch in Guanajuato, Mexico. On issues of trade, drug enforcement, the border, building a North American Economic Community, energy, and, most significant, immigration, the two countries set out a bold series of goals to meet by the end of Bush's first term, if not sooner. Indeed, in the first eight months of their respective presidencies, Bush and Fox achieved a fundamental breakthrough on immigration. By the time of the Guanajuato meeting, both sides had identified the core policies needed to tackle undocumented migration flows from Mexico to the United States: an expanded temporary-worker program; increased transition of undocumented Mexicans already in the United States to legal status; a higher U.S. visa quota for Mexicans; enhanced border security and stronger action against migrant traffickers; and more investment in those regions of Mexico that supplied the most migrants. The speed with which both governments carried out these negotiations certainly captured the political imagination of both societies. Fox's resounding state visit to Washington on the eve of the September 11 terrorist attacks further lifted the new initiatives and underscored both leaders' commitment to them. But the symmetry ends there: Fox staked much more on this partnership than Bush did. And since the Mexican president has little to show for his gamble, he has paid a high domestic political price for his willingness to bring about a sea change in Mexico's relations with the United States and the rest of the world. Indeed, this change has been on the order of what President Carlos Salinas did with Mexico's economy or what President Ernesto Zedillo did with the nation's political system. **Hence the centrality of immigration in the bilateral relationship** today: both Bush and Fox stated dramatic goals and raised expectations enormously. The United States understandably was forced to put the issue on hold for a time. But what was initially portrayed as a brief interlude will now probably stretch through Bush's entire first term. **It will be almost impossible to point to success** in the bilateral relationship **without** a deal on **immigration**. And unless there is such a breakthrough, Fox's six-year term in office, nearly half over, may well be seen in Mexico as an exercise in high expectations but disappointing results. To avoid a breakdown in relations, Bush must make a state visit to Mexico City this year. He should take with him sufficient progress on key issues-immigration; trade concerns relating to sugar, tuna, trucking, and the North American Free Trade Agreement's agricultural chapter; and funding for heightened security and the expedited passage of people and cargo at the border-to show that Mexico remains a top priority for his administration. Bush must also show that he is willing to spend political capital to ensure the success of Fox's push for true Mexican democracy. Washington **may have so far missed an opportunity** to present its relationship with Mexico City **as a model for the rest of the hemisphere and**, indeed, for **the rest of the developing world**-an example of how a rich and powerful neighbor and a still relatively poor and weak one can get along and contribute to each other's success. But the window of **opportunity has not been shut**. In the aftermath of the current conflict with Iraq, the United States would benefit hugely by demonstrating that it can construct alliances beyond its traditional circle of friends.

**The House is likely to approve CIR now due to Obama’s push**

**Extend Matthews, 10/17**

Laura Matthews, U.S. politics reporter for the International Business Times; “Immigration Reform 2013: ‘Finish The Job,’ Obama Tells Congress,” 10/17/2013, http://www.ibtimes.com/immigration-reform-2013-finish-job-obama-tells-congress-1430650 //bghs-ms

**With the threat of a U.S. default lifted and the government reopened** after a 16-day shutdown, President Barack **Obama quickly shifted the focus of his domestic agenda, putting a 2013 immigration reform bill among his top** three **priorities**.¶ The president outlined on Thursday three policy areas where he said **there is not only bipartisan agreement but also the real possibility of making immediate progress** to “make a difference in our economy.”¶ In addition to pursing a balanced budget and finding consensus on a farm bill, **Obama urged Congress to finish the work started on c**omprehensive **i**mmigration **r**eform. The **momentum** pro-reform advocates saw earlier this year died off with the fiscal fight that ended Wednesday night, but now the president thinks it **can come back**. ¶ **“We should finish the job of fixing our broken immigration system,” Obama said** at a White House conference on Thursday. “**There is already a broad coalition across America that’s behind this effort of c**omprehensive **i**mmigration **r**eform.”¶ The Senate passed its 2013 comprehensive immigration reform bill in June, which included an increase in border security and a 13-year path to citizenship for immigrants in the country without legal papers. However, House Republicans have said they will not act on that measure unless it is supported by a majority of their caucus.¶ “**The majority of Americans thinks this is the right thing to do**,” Obama said. “And it’s sitting there waiting for the House to pass it. Now if the House has ideas on how to improve the Senate bill, let’s hear ’em. Let’s start the negotiations.”¶ Obama encouraged lawmakers to not put off the problem for another year or longer.¶ “**This can and should get done by the end of this year**,” he said.¶ **In response to the president's call for action on immigration reform, American’s Voice**, a pro-reform group, **said the principal question remains whether House Speaker John Boehner will act.**¶ The group’s executive director, Frank **Sharry, called Obama’s offer a “get-out-of-jail card” being presented to Boehner and “smart” House Republicans**.¶ “**Working with Democrats to pass reform will help the GOP rehabilitate their badly damaged brand; solve a huge political problem facing the GOP with respect to Latino, Asian and immigrant voters; and prove to the American people they can govern responsibly rather than recklessly**,” Sharry said in a statement. “**The window of opportunity is open now. The goal should be to move through the House in a way that leads to bicameral negotiations with the Senate this year and a bill to the president’s desk as soon as possible**.”

**Obama’s pushing CIR now --- makes passage likely**

**Stokols, 10/17**

Eli Stokols, political reporter for Fox News – "the face of political journalism on local TV news" in Denver; “ANALYSIS: Obama’s quick pivot to immigration reform,” 10/17/2013, http://kdvr.com/2013/10/17/analysis-obamas-quick-pivot-to-immigration-reform //bghs-ms

On Thursday morning, **Obama looked to press his advantage by urging Republicans in Congress to end the political brinksmanship and to start working together with Democrats on** budget negotiations, **immigration reform** and the farm bill that has stalled in the House.¶ **“To all my friends in Congress, understand that how business is done in this town has to change,” Obama said, implicitly chiding** the **Republicans** who seemingly oppose his administration at every turn.¶ “You don’t like a particular policy, or a particular president, then argue for your position,” Mr. Obama said in the 15-minute statement. “Go out there and win an election. Push to change it. But don’t break it.”¶ While another stern lecture from the president isn’t likely to improve relations between the White House and Capitol Hill, **Obama does have a stronger hand in the upcoming political fights; and by pivoting quickly to immigration reform, he’s taking advantage of a sudden window of opportunity.¶** During his remarks Thursday, **Obama re-framed the debate over c**omprehensive **i**mmigration **r**eform, **reminding the country of the Senate proposal, passed with broad bipartisan support earlier this year**, that’s lingering in the House.¶ “**There’s already a broad coalition across America that’s behind** this effort of **c**omprehensive **i**mmigration **r**eform — from business leaders to faith leaders to law enforcement,” the president said.¶ “In fact, the Senate has already passed a bill with strong bipartisan support that would make the biggest commitment to border security in our history; would modernize our legal immigration system; make sure everyone plays by the same rules, makes sure that folks who came here illegally have to pay a fine, pay back taxes, meet their responsibilities.”¶ The legislation, crafted by a bipartisan group of eight senators including Colorado Sen. Michael Bennet, a Democrat, would spend $46 billion to enhance security on the U.S. Mexico border and create a 13-year path to citizenship for undocumented immigrants.¶ “It will establish a sensible and rational system for the future flow of immigrants to this country, put in place a process to reunite families and provide a path to citizenship for millions of people who came to this country for a better but are living in the shadows of our society,” Bennet said. “I suggest the House take a hard look at the Senate bill. There is no reason we can’t work out a final bill to pass into law in the coming months.”¶ Obama noted that **the legislation is likely to grow the nation’s economy over the next several decades.¶** “Our economy would be 5 percent larger two decades from now,” the president said. “That’s $1.4 trillion in new economic growth.¶ “The majority of Americans think this is the right thing to do. And it’s sitting there waiting for the House to pass it. Now, if the House has ideas on how to improve the Senate bill, let’s hear them. Let’s start the negotiations. But let’s not leave this problem to keep festering for another year, or two years, or three years. **This can and should get done by the end of this year**.”¶ **The president is speaking to a House GOP caucus that is fractured into factions, the body’s growing dysfunction writ large by the debacle of the last two weeks.¶ While many of the conservative hard-liners who aimed to dismantle Obamacare by shutting down the government will never support c**omprehensive **i**mmigration **r**eform, more **moderate Republicans** — those **concerned with the GOP’s ability to win national elections**, not just their own grip on their safe, gerrymandered, primary-ripe seats — **have likely been chastened by recent polls showing their approval ratings in the 20s.¶ On immigration reform, Republican leaders have another impossible choice.¶** Speaker John **Boehner can again listen to** the rank and file **members and refuse to take up the Senate bill or he can listen to business groups interested in growing the country’s educated workforce** — and risk revolt from within his caucus — **by moving ahead on a policy issue that could help the party repair its image with the public and broaden its appeal to Hispanics, the country’s fastest growing demographic group.¶ The White House knows this.¶ Pressing for comprehensive immigration reform is a win-win**: either win passage of another landmark law that will add to Obama’s legacy, or solidify the public’s current perception of the GOP as a party that’s controlled by it’s far-right flank and appears closed to Hispanics and other minorities heading into next year’s midterms.¶ Of those two scenarios, most Washington observers are betting on the latter.¶ Congressman Cory **Gardner, R-Yuma**, told FOX31 Denver the day after last November’s election that **saw** President **Obama reelected in large part due to overwhelming support from Hispanic voters, that his party understood the political imperative of working with Democrats on c**omprehensive **i**mmigration **r**eform.

**Top conservatives agree it’ll pass**

**Silva, 10/17**

Mark Silva, deputy managing editor for government news in Washington and editor of Political Capital; “Immigration Next: Old-Fashioned Way, Jeb Bush Recommends,” 10/17/2013, http://go.bloomberg.com/political-capital/2013-10-17/immigration-next-old-fashioned-way-jeb-bush-recommends //bghs-ms

**Next up: Immigration.**¶ **Jeb Bush, former Florida governor, brother of one president, son of another and** the one **serious-minded Republican** who probably won’t run for the White House in 2016, **says it’s time for Congress to get serious about immigration.¶ Bush is framing the urgency of the debate in economic terms.¶** “An economically driven immigration system –I think that’s a conservative idea,” Bush said this morning on MSNBC’s “Morning Joe.” It oughta be passed.”¶ **His argument is that immigration has always been an economic engine**, a source of entrepreneurial power that has fueled the nation’s growth — and that, as the “broken immigration system” stands, it is thwarting potential growth by keeping millions of undocumented immigrants in the dark and preventing professional talent educated either in the U.S. or abroad from putting their skills to work here.¶ President Barack **Obama, who endorses the “comprehensive” approach that the Senate approved this year — offering** g **a path to citizenship for the undocumented while cracking down on illegal immigration and expanding visas — has signaled that he will press the Republican-run House to start moving on its own measures now that the budget debacle has ended** — or at least been pushed back to January and February. **A bipartisan group of lawmakers in the House is working on their own comprehensive plan, while leaders take a piece by piece approach to bills.¶ They ought to get it done the old-fashioned way**, Bush, co-author of the book, “Immigration Wars,” suggested today: Get a bill out of the House and take it to conference with the Senate, negotiate a solution in traditional legislative form rather than the crisis-oriented standoffs that have marked so much of the budgetary debate in recent years, and this week.¶ Sen. Chuck **Schumer**, a New York Democrat and one of the senators **who crafted the bipartisan agreement** on that side, **said** on the same show today that **he holds hope of getting something through the House. Leaders such as House Budget Chairman Paul Ryan and Majority Leader Eric Cantor understand the need**.¶ “**I hope the leadership in the House brings it back and creates a conservative alternative that a majority of House members could support**,” Bush said today. “Look our immigration system is broken, it doesn’t work, and we have a chance to fix it.”

**Obama’s focusing his capital on CIR now --- that’s key to passing the bill**

**The Hindu, 10/17**

“Obama administration urges House to pass immigration reform bill,” 10/17/2013, http://www.thehindu.com/news/international/world/obama-administration-urges-house-to-pass-immigration-reform-bill/article5243051.ece?homepage=true //bghs-ms

The **Obama** Administration **has urged the House** of Representatives **to pass the immigration reform bill that would provide a pathway to citizenship to millions of undocumented people and accelerate the immigration of professionals from countries like India and China**.¶ “Now, **that legislation passed the Senate with a significant bipartisan majority, and** he (Mr. **Obama**) **absolutely believes that the House ought to take up that legislation and pass it**. And as we’ve discussed in recent days, **that’s not a partisan pursuit; it’s the opposite of a partisan pursuit, one, because it requires votes from both parties, and it also would benefit both parties**,” the White House Press Secretary, Jay Carney, said.¶ “There is no question that the decision by the House to shut the government down and to flirt with default has forced him and everyone in Congress to pay attention to those problems and to those crises rather than the many other things that we could and should be working on, and immigration reform is one of them,” he said.¶ Mr. Carney said there are many proponents of comprehensive immigration reform in the Republican Party and within the broader Republican universe.¶ “**He wants to continue the effort** that has been underway all year to try **to pass a bipartisan c**omprehensive **i**mmigration **r**eform legislation **that would strengthen the economy, help our middle class, reduce the deficit and make us more competitive in the future**,” he said.

**Economic engagement with Mexico’s politically divisive**

**Wilson ‘13**

Associate at the Mexico Institute of the Woodrow Wilson International. Center for Scholars (Christopher E., January, “A U.S.-Mexico Economic Alliance: Policy Options for a Competitive Region,” http://www.wilsoncenter.org/sites/default/files/new\_ideas\_us\_mexico\_relations.pdf)

At a time when Mexico is poised to experience robust economic growth, a manufacturing renaissance is underway in North America and bilateral trade is booming, the United States and Mexico have an important choice to make: sit back and reap the moderate and perhaps temporal benefits coming naturally from the evolving global context , or implement a robust agenda to improve the competitiveness of North America for the long term . Given that job creation and economic growth in both the United States and Mexico are at stake, t he choice should be simple, but a limited understanding about the magnitude, nature and depth of the U.S.-Mexico economic relationship among the public and many policymakers has made serious action to support regional exporters more **politically divisive** than it ought to be.

**NAFTA proves the link – trade gets linked to a broader fights about jobs**

**Villarreal and Fergusson ‘13**

Specialists in International Trade and Finance (M. Angeles, Ian F., 02/21, “NAFTA at 20: Overview and Trade Effects,” http://www.fas.org/sgp/crs/row/R42965.pdf)

NAFTA was **controversial when** first **proposed**, mostly because it was the first FTA involving two wealthy, developed countries and a developing country. **The political debate** surrounding the agreement **was divisive** with proponents arguing that the agreement would help generate thousands of jobs and reduce income disparit y in the region, while opponents warned that the agreement would cause huge job losses in the United States as companies moved production to Mexico to lower costs. In reality, NAFTA did not cause the huge job losses feared by the critics or the large economic gains predicted by supporters. The net overall effect of NAFTA on the U.S. economy appears to have been relatively modest, primarily because trade with Canada and Mexico account for a small percentage of U.S. GDP. However, there were worker and firm adjustment costs as the three countries adjusted to more open trade and investment among their economies.

**Even if winners win is true, he concedes an independent agenda crowd-out link**

Michael **Hirsh**, National Journal, **2/7**/13, There’s No Such Thing as Political Capital, www.nationaljournal.com/magazine/there-s-no-such-thing-as-political-capital-20130207

**Presidents are limited in what they can do by time and attention span, of course**, just as much as they are by electoral balances in the House and Senate. But this, too, **has nothing to do with political capital.** Another well-worn meme of recent years was that **Obama used up too much political capital passing** the **health care** law in his first term. But **the real problem was that the plan was unpopular**, the economy was bad, and **the president didn’t realize** that the national mood (yes, again, the national mood) was at a tipping point against big-government intervention, with the tea-party **revolt about to burst on the scene**. For Americans in 2009 and 2010—haunted by too many rounds of layoffs, appalled by the Wall Street bailout, aghast at the amount of federal spending that never seemed to find its way into their pockets—government-imposed health care coverage was simply an intervention too far. So was the idea of another economic stimulus. **Cue the tea party** and what ensued: two **titanic fights** over the debt ceiling. Obama, like Bush, had **settled on pushing an issue that was out of sync with the country’s mood**. Unlike Bush, Obama did ultimately get his idea passed. But **the bigger political problem** with health care reform **was that it distracted the government’s attention from other issues** that people cared about more urgently, such as the need to jump-start the economy and financial reform. **Various congressional staffers told me** at the time that their **bosses didn’t** really **have the time to** **understand** how the Wall Street lobby was riddling the **Dodd-Frank** financial-reform legislation with loopholes. **Health care was sucking all the oxygen out of the room**, the aides said.

**Hirsh’s arg is PC can’t set the agenda- however, Obama has to work behind the scenes to push specific provisions**

**Bernstein 1-28**

[Jonathan Bernstein. Assistant Professor of Political Science at UTSA, 1/28/13, “On immigration, Obama should opt for a persuasive vagueness,” http://www.washingtonpost.com/blogs/post-partisan/wp/2013/01/28/on-immigration-obama-should-opt-for-a-persuasive-vagueness/]

Ezra **Klein made a**n excellent **point about** Barack Obama and **immigration** reform today:¶ **Republicans will fight** **most anything Obama proposes**…This is a frustrating fact of life for the Obama administration — and perhaps even a sick commentary on how our political system works — but it is, nevertheless, a fact: Their involvement polarizes issues. And it’s not unique to them: Presidential involvement in general polarizes issues. By staying out, at least for now, the Obama administration is making it easier for Republicans to stay in.¶ The political scientist Richard Neustadt said that **the power of the presidency** really just **meant the** **power to persuade**. But by that he didn’t really mean winning debate-style arguments. Yes, that can happen, but usually **presidents persuade by** **bargaining** — by **capitalizing on** all **the things presidents can do to** **convince others that they should do what the president wants** them to do.¶ In this instance, if Klein is correct — and I’m pretty sure he is — **the way for Obama to “persuade” is to be** as **vague about the** new bipartisan Senate **proposal** as he can, at least **in public**. At the same time, **the White House may need to** **push for specific provisions behind the scenes**.¶ And the dance is probably more complicated than that, because it’s not just presidents who polarize, after all. A **full-throated embrace** of the bipartisan deal **by** the “usual suspect” **liberal groups could easy scare off Republican support**; on the other hand, if they oppose the deal, it could make it hard for mainstream liberals to support it. Assuming that the administration both wants the bipartisan package to be the basis for a bill that passes — but that the president also has preferences on details that are up for grabs — he may have strong preferences on how liberal groups react. And yet **the president cannot force them to do what he wants**; **he can only**, yes, **persuade them**. In doing so, **he may call upon** **whatever trust they have in their past history together**, **or he may be** **bargaining** with them. After all, **each group involved has** **other things they want from the Obama Administration**.¶ All of which is only to say that the correct steps for the president are usually difficult to find. The president needs the cooperation of all sorts of people (not just Members of Congress) who don’t have to do what he wants; then again, **no one else in the** American **political system has more potential ways to influence** (“persuade”) **others**. And **from the outside**, not only **is it** sometimes **hard to know what the president should be doing** to persuade — but it’s not even always obvious who needs persuading (Members of Congress? Which ones? Interest groups? Again, which ones? Parts of the bureaucracy?).

# Case

**Services are comparatively more significant and squo solves it**

**Thompson 12** (Derek Thompson is a senior editor at The Atlantic, where he oversees business coverage for the website., 3/9/2012, "Trade My Brain, Please! Why We Don't Need to 'Make Something' to Export It", [www.theatlantic.com/business/archive/2012/03/trade-my-brain-please-why-we-dont-need-to-make-something-to-export-it/254274/](http://www.theatlantic.com/business/archive/2012/03/trade-my-brain-please-why-we-dont-need-to-make-something-to-export-it/254274/))

The president is onto something. Exports matter. A good reason to fetishize manufacturing is right in the president's first line: "If we do stuff here, we can sell it there." As you might have caught on, I changed the word "make" in the president's speech to "do" in this paragraph, because **we don't need to make something and put it in a box to sell it to foreigners**. We can do stuff and sell it for foreign money, too. This sort of thing is called a "service exports." It means selling our work, or brains, and our resources to other countries. "Services exports" sounds like a rather silly or impossible thing -- like putting an American doctor in a small box, shipping him across the Pacific to hospital in Mumbai, and shipping him back with the rupees. In fact, services exports are much simpler than that. Simpler, even, than selling actual manufactured goods. If an Argentinian student goes to Harvard, that's an export. If a Korean uses a Kansas architect to design a building, that's an export. If Bain Capital advises a British investor getting in on a Moroccan start-up, that's an export. Perhaps service exports seem less "pure" than manufactured exports. In fact, there's a better case that the opposite is true. For any given "export dollar," service exports create a great share of what economists call "U.S. value added. That's a mouth-full, so you can call it "cold hard money in America." Think about a car shipped in a box from the United States to Spain. That's a U.S. export. But it's not a 100% U.S. product. The car parts might have come from one country, where they were fixed in Canada, taken south to be assembled in the United States, and shipped to Barcelona. The money made from the Spanish sale counts as a U.S. export, but the revenue is divided across the car's global supply chain. On the other hand, if a Barcelona family goes to Detroit for vacation, their euros stay in Detroit. "Business service exports had 95.6 percent U.S. value-added in 2004," the Brookings Metropolitan Policy program reported in a new study on exports. "Metropolitan areas specialized in services, such as Des Moines, Las Vegas, and Washington, D.C. tend to have higher shares of U.S. value-added in their exports than the rest of the largest 100 metro areas." The United States is the second or third largest total exporter, by various counts. But as a service exporter, we're the unambiguous world leader, commanding 14% of the world market, twice that of second-place Germany. In 2010, private services exports represented a third of U.S. exports, according to Brookings, and that number is going to keep growing. (As Scott Thomasson pointed out on Twitter, we even have a trade surplus with China.) An emphasis on exports is important because it keeps us competitive in a global market and brings in foreign money, which is especially useful for a slow economy. But we shouldn't just think of exports as stuff we can put into a box. We will continue to make things and put them in boxes and sell them in other countries. But 70% of the economy is employed in the services sector and **there are five times more people working in professional services**/education/leisure&hospitality **than manufacturing today, and the ratio will probably grow in the next decade**. We need to talk about those exporting industries, too. You don't need to make something to sell it "there."

**Royal votes neg – the next page says decline disincentives saber rattling**

**Royal, their author, 10**—director of Cooperative Threat Reduction at the U.S. Department of Defense (Jedediah, “Economic Integration, Economic Signaling and the Problem of Economic Crises”, published in *Economics of War and Peace*: Economic, Legal and Political Perspectives, ed. Goldsmith and Brauer, p. 217, google books)

There is, however, another trend at play. Economic crises tend to fragment regimes and divide polities. A decrease in cohesion at the political leadership level and at the electorate level **reduces the ability** of the state to coalesce a sufficiently strong political base **required to undertake costly balancing measures** such as economic costly signals. Schweller (2006) builds on earlier studies (sec, e.g., Christensen, 1996; Snyder, 2000) that link political fragmentation with decisions **not to balance** against rising threats or to balance only in minimal and ineffective ways to demonstrate a tendency for states to 'underbalance'. Where political and social cohesion is strong, states are more likely to balance against rising threats in effective and costly ways. However, 'unstable and fragmented regimes that rule over divided polities will be significantly constrained in their ability to adapt to systemic incentives; they will be least likely to enact bold and costly policies **even when their nation's survival is at stake** and they are needed most' (Schweller, 2006, p. 130).