### Budget Deal Politics Disadvantage

#### A budget deal will pass, but capital is key

**Bowles and Simpson 9/16**/13 (Erskine Bowles and Alan Simpson, writers for Christian Science Monitor, “Government shutdown? A leap of trust can seal a budget deal” <http://www.csmonitor.com/Commentary/Common-Ground/2013/0916/Government-shutdown-A-leap-of-trust-can-seal-a-budget-deal> 9/16/13)

Budget talk in Washington is again dominated by nonnegotiable demands and a potential government shutdown – or even an unprecedented default on US debt in October… These social events have led to discussions between senior White House staff and Republican senators about the budget and replacing the mindless, across-the-board cuts in defense and domestic programs (known as sequestration) with smart, selective cuts.

#### <Link>

#### Shutdown kills the economy

**Liberto 9/18**/13 (Jennifer Liberto is a senior writer for CNNMoney in Washington, 9/18/13, “CBO chief: Government shutdown bad for economy”, <http://money.cnn.com/2013/09/18/news/economy/congress-shutdown-economy/>)

A long, broad shutdown of the federal government could drag an already weak economy, said Congressional Budget Office Director Douglas Elmendorf… In the longest shutdown, which lasted 21 days, many employees of the Social Security Administration stayed on the job and benefit checks were issued mostly on time.

#### Best studies prove economic collapse causes war

**Royal 10** (Jedediah Royal, Director of Cooperative Threat Reduction at the U.S. Department of Defense, 2010, “Economic Integration, Economic Signaling and the Problem of Economic Crises,” in Economics of War and Peace: Economic, Legal and Political Perspectives, ed. Goldsmith and Brauer, p. 213-215)

Less intuitive is how periods of economic decline may increase the likelihood of external conflict… This implied connection between integration, crises and armed conflict has not featured prominently in the economic-security debate and deserves more attention.