## plan

#### The United States federal government should ratify the Transboundary Hydrocarbons Agreement with Mexico.

## inherency

#### Contention 1 Inherency

#### The Transboundary Agreement has been negotiated and ratified by Mexico – but U.S. implementation is lacking

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(Neil and Carl, “OIL, MEXICO, AND THE¶ TRANSBOUNDARY AGREEMENT¶ A MINORITY STAFF REPORT¶ PREPARED FOR THE USE OF THE¶ COMMITTEE ON FOREIGN RELATIONS¶ UNITED STATES SENATE”, 12-21-2012)

The Transboundary Agreement (TBA) provides a bilateral basis¶ upon which both countries can develop the legal framework necessary¶ for joint production of oil and natural gas reserves that extend¶ across our national maritime borders in the Gulf of Mexico.¶ Secretary of State Hillary Clinton and Mexican Minister of Foreign¶ Affairs Patricia Espinosa Cantellano signed the¶ Transboundary Agreement (TBA), officially called the Agreement¶ between the United States of America and the United Mexican¶ States Concerning Transboundary Hydrocarbon Reservoirs in the¶ Gulf of Mexico, on February 20, 2012, at Los Cabos, Mexico (see¶ Appendix I for the text of the agreement). The Mexican Senate¶ ratified the agreement on April 12, 2012, but the Obama administration¶ has not formally submitted the agreement for passage in¶ the U.S. Congress.¶ The TBA was negotiated pursuant to the 2000 Treaty on the¶ Continental Shelf, which called for the U.S. and Mexico to establish a mechanism that transboundary oil and gas reserves would be¶ shared equitably. At the time, concern that companies would drain¶ Mexican reserves from the U.S. side of the border was, reportedly,¶ a hot button political issue in Mexico. Upon conclusion of the 2000¶ Treaty, the U.S. put a moratorium on oil and gas exploration on¶ the U.S. side of the maritime border.¶ It is widely acknowledged in both capitals that the TBA negotiations¶ moved quickly in order to be completed in time for the ratification¶ in Mexico prior to 2012 Congressional elections. Both PAN¶ and PRI political leaders used their influence to gain support for¶ the TBA, which the Mexican Senate ratified.¶ In the United States, the TBA stalled within the Obama administration¶ despite support by key officials in the Departments of¶ State and Interior. Prior to completing the agreement, the Departments¶ of State and Interior participated in Senate Foreign Relations¶ Committee briefings to discuss status of the negotiations;¶ however, there was no consultation on specific text. The SFRC Minority¶ Staff appreciated candid assessments offered by lead U.S.¶ negotiator Ambassador Richard Morningstar.¶ The Obama administration has not taken a position on the key¶ question of whether the TBA is a treaty or an executive agreement,¶ although the latter seems the administration’s more likely preference.¶ A treaty would be reviewed by the Senate Foreign Relations¶ Committee and require the advice and consent of the Senate,¶ demanding a two-thirds vote, for approval. As part of the treaty¶ process, the resolution of ratification would be reviewed and¶ amended in order to provide Congressional understandings on¶ issues left unclear by the text of the TBA itself. Additional implementing¶ legislation affecting the Department of Interior would also¶ be required and need review by its committees of oversight. An executive agreement would not require the two-thirds vote¶ necessitated by a treaty, but instead it would be approved in the¶ same form as a statute, requiring passage by majority in both the¶ Senate and the House of Representatives. Legislation approving¶ the agreement, necessary implementing authorities, and clarifications¶ regarding certain provisions of the TBA could be subject to¶ amendment, including by items unrelated to the TBA itself, thus¶ possibly miring the TBA in other political fights.¶ Regardless of whether Congress considers the TBA as a treaty or¶ executive agreement, Congressional hearings and thorough examination¶ of the TBA and its implementing legislative proposals are¶ needed. So far the Obama administration has declined to officially¶ submit its proposed implementing legislation to the committees of¶ jurisdiction for action through regular order.

## stability

#### Advantage one is stability

#### Drilling along US-Mexico border inevitable ----- only a question of cooperation or unilateral development

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(Karla, “TRANSBOUNDARY PETROLEUM RESERVOIRS: A RECOMMENDED APPROACH FOR THE UNITED STATES AND MEXICO IN THE DEEPWATERS OF THE GULF OF MEXICO”, Houston Journal of International Law, Volume 32, Number 2, Spring 2010)

In view of this, Mexico is primarily concerned with reservoirs located outside the Western Gap, and more specifically, those located in the Perdido fold belt. Nonetheless, it is only a matter of time until the Western Gap is made available for exploitation and production by both countries, which will create the same issues for the Western Gap faced by other areas of the GOM. The principal challenges that Pemex faces with regard to deep-water production include: (i) human resources; (ii) exploration; (iii) exploitation; (iv) technology; and (v) financing. (85) These challenges will have to be assumed in the short term because Mexico's oil production is decreasing, and Pemex has estimated that fifty-five percent of the country's 54 billion barrels of equivalent oil from prospective resources (86) is located in deep-waters. (87) Currently, Mexico cannot compete with the United States with regard to the development of the resources in the GOM, for it has not yet progressed beyond the stage of exploration. In order to strengthen Pemex's financial and technical capacities and provide it with more flexibility for the performance of its functions, Mexico began reforming its energy legislation. (88) This process ended in November 2008. However, the last legislative reform does not endow Pemex with the capital and technology necessary to undertake the activities of exploration and production of deep-waters in the GOM. (89) The issue of transboundary reservoirs has attracted the attention of Mexican lawmakers, politicians, and economists, among others. (90) Most of them advise taking prompt action to protect Mexico's rights to its resources. (91) Moreover, the exploitation of the resources located in the GOM will be a way for Mexico to increase its levels of petroleum production. To summarize, in the GOM (i) there are formations, like the Perdido fold belt, that cross the maritime boundary of Mexico and the United States, and that will enable production as early as 2010, (ii) substantial exploration activity has already been conducted by the United States, (iii) large areas have been leased by the United States for exploitation, while others are currently being exploited, (iv) Mexico has not achieved the levels of resource development that the United States has achieved, and (v) both countries need to take advantage of the production of their hydrocarbons in the short term. (92) In light of these circumstances, with the aim of protecting the rights of both countries and optimizing the use of resources, it would be appropriate for Mexico and the United States to cooperate in the development of their transboundary reservoirs. This cooperation will maximize economic benefits, avoid physical waste, increase energy security, and avoid international disputes likely to arise if the United States initiates production of the transboundary reservoirs. Cooperation has led to beneficial results among other countries that have faced similar dilemmas.

#### PEMEX is failing now – the 2008 reforms couldn’t do it

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(Lourdes, “The Future of PEMEX”, Americas Quarterly, 2012, http://www.americasquarterly.org/node/3781)

Exploration and Production: The Keys to Deeper Reform The 2008 Energy Reform initiated the makeover of the Mexican exploration and production (E&P) industry. Crucial institutional arrangements were defined, such as the governance of PEMEX, the establishment of a regulator for E&P, the terms for procurement, and the structure of contracts. Some of the innovations have since raised questions about their usefulness. But they opened a path toward an institutional architecture that resembles more closely the organization of the oil industry worldwide. Mexico continues to have one of the most—if not the most—closed arrangements in the petroleum industry. The lack of outside investment and input in PEMEX Exploration and Production (PEP), the crown jewel subsidiary of PEMEX, has hindered innovation and technological advancement. The limits of existing arrangements become increasingly evident as traditional areas of production decline and new opportunities, such as in the deep and ultra-deep waters of the Gulf of Mexico, are pursued under tougher conditions. Preserving the status quo—and maintaining legal coherence—has been made more costly by the refusal to amend the Constitution to allow some degree of private participation in the energy sector—as has been done in Brazil, Norway and even Cuba. Mexico’s oil industry is accepting inefficiency while paying a high price to pretend that it can do it all on its own. In fact, world-class service companies such as Halliburton, Schlumberger, Noble, and Baker-Hughes work closely with pemex engineers to keep the oil flowing. According to Petroleum Intelligence Weekly, PEMEX paid over $16 billion for oil field services in 2007. PEP is repeatedly the number-one client of Schlumberger. A central element of the 2008 Energy Reform was the definition of a new incentive-based contractual framework. The model was developed to attract leading oil companies to the Mexican market while keeping the constitutional mandate intact. It relies on a fee-per-barrel rate determined in a bidding process, where ownership of hydrocarbons belongs to the Mexican state. Production, profits and risk are not shared, and there is no reserve booking for the companies. Thus far, the new contract model has not attracted any major oil companies. It has been applied to low-risk projects where a high recovery rate is ensured. Instead of having a Petrobras or a Chevron working jointly with PEMEX in the deep waters of the Gulf of Mexico, bidding has gone to mature fields, with services companies such as the United Kingdom’s Petrofac Facilities Management winning the auction.

#### Gulf of Mexico key to PEMEX production

Iliff ’12

(Laurence, “Pemex Makes Its First Big Oil Find in Deep Gulf”, The Wall Street Journal, 8-29-2012, http://online.wsj.com/article/SB10000872396390444914904577619712736497598.html)

Mexican state-owned oil firm Petroleos Mexicanos, or Pemex, has made its first big crude-oil discovery in the deep waters of the Gulf of Mexico, near the Mexico-U.S. maritime boundary, President Felipe Calderon said Wednesday. Mr. Calderon said the initial estimate of a deposit in the Perdido area on Mexico's side of the Gulf was between 250 million and 400 million barrels of light crude, using the industry's broadest measurement of "proven, probable and possible," or 3P, reserves. The exploratory well was drilled in 2,500 meters (8,250 feet) of water. "We estimate that this deposit could belong to one of the most important regions of the deep-water Gulf," he said. The larger "petroleum system" of additional fields, Mr. Calderon added, "could have from four billion to 10 billion barrels of crude, which bolsters our reserves and will allow Mexico to maintain and increase petroleum production in the medium- and long-term." The new well, dubbed "Trion I," was drilled 39 kilometers (24 miles) south of the U.S.-Mexico maritime border, and 180 kilometers east of Gulf state of Tamaulipas, which also borders the U.S. On the U.S. side of the Gulf, Royal Dutch Shell RDSB.LN -0.11% PLC operates its Perdido oil-and-gas platform in the region. The platform has a peak production capacity of 100,000 barrels per day, according to Shell's website. Prior to Pemex's discovery of crude oil at Trion, the oil monopoly had found only natural gas during the recent increase of its deep-water exploratory efforts. Carlos Morales, head of Pemex's exploration-and-production division, said in a radio interview that Trion I could be among the top 10 crude-oil discoveries on either side of the Gulf. He said typically a deposit of its type would take seven years to get to the production phase, but that Pemex is going to try to do that in five years. Mr. Morales said Pemex began committing more resources to Gulf oil exploration in 2007 with the construction of special drilling platforms and said he foresees a Tamaulipas oil port to service Pemex's future operations in the Gulf. Mr. Morales said pushing aggressively into deep waters could raise Pemex's crude-oil production to four million barrels a day from the current 2.55 million barrels a day. The deep waters of the Gulf are seen by analysts as one of Pemex's best bets to have another surge of oil production after eight years of steady declines. Pemex has traditionally drilled in the shallow waters of the southern Gulf, where the discovery of the supergiant Cantarell complex in the late 1970s launched Mexico as an oil power. Cantarell's output peaked at more than two million barrels of oil per day in 2004 and is now around 400,000 barrels a day. Mr. Calderon, who held up a sample of crude oil taken from the well, said half of Pemex's petroleum reserves could be in the deep waters of the Gulf. Pemex reported proven hydrocarbon reserves of 13.8 billion barrels of oil equivalent as of Jan. 1. Its 3P reserves were 43.8 billion barrels of oil equivalent. Under current law, Mexico doesn't allow foreign companies to drill in its territory except under contract to Pemex, with strict rules that ban the sharing of risk or of oil. Oil majors have expressed interest in drilling with Pemex on the Mexican side of the Gulf, but only under shared-risk contracts.

#### But, PEMEX doesn’t have the expertise in deepwater drilling to exploit those resources

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(Lourdes, “The Future of PEMEX”, Americas Quarterly, 2012, http://www.americasquarterly.org/node/3781)

The challenge for PEMEX is to increase reserves and oil and gas production in areas that are not part of its traditional zone of expertise. PEMEX has been outstanding at E&P in shallow waters. But its experience is mostly limited to 3,300 feet (1,000 meters) deep—far above the 8,200 to 11,500 feet (2,500 to 3,500 meters) needed in the most interesting area of the Gulf of Mexico. Going to deep and ultra-deep waters or to complex, fractured onshore fields such as Chicontepec requires new skills. Mexico is in the process of developing regulatory and safety measures to do so. But it is not a matter of buying technology in the market, as some politicians have asserted. Particularly in the case of deepwater production, international best practices show that because of the associated complexity and high risk, no company can operate alone. The Deepwater Horizon oil spill in April 2010, when a BP-operated drilling rig exploded on the U.S. side of the Gulf of Mexico and caused a 4.9 million barrel leak, reinforces the concerns over risks. Ideally, PEMEX would enter in a joint venture with companies at the cutting edge of deepwater production, such as Chevron, Shell, Petrobras, or BP. Yet this is prohibited by the Mexican Constitution, and the new contracts are unlikely to attract those companies. In the past decade, over 4 billion barrels were extracted on the U.S. side of the deep waters of the Gulf of Mexico. The area offers one of the richest potentials for oil and gas production. That is why the U.S., Mexico and Cuba are eager to exploit those resources, most of which lie in the deep and ultra-deep waters of the Gulf of Mexico where E&P presents great challenges and high risks. But the sophisticated technical and managerial requirements of deepwater E&P are a great challenge for Mexico. Still, in a controversial move, PEMEX has rented three rigs to initiate deepwater drilling in the Perdido Fold Belt area in the northwestern Gulf of Mexico. The National Hydrocarbons Commission (CNH) recently approved regulations that are consistent with those in the U.S., but the newly established agency does not yet have the personnel required for the oversight; nor does it have the legal authority to force PEMEX to wait.

#### The plan solves—the TBA would cause PEMEX reforms by giving Mexico an overwhelming economic incentive

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(Lourdes, “The Future of PEMEX”, Americas Quarterly, 2012, http://www.americasquarterly.org/node/3781)

Deepwater drilling is likely to take center stage with the signing of the U.S.–Mexico Transboundary Hydrocarbon Agreement in February 2012. The agreement, ratified by the Mexican Senate but still awaiting approval in the U.S., relieves concerns about the so-called “straw” effect, in which Mexican oil is sipped away by the U.S. as its production advances closer to the international maritime border in the Gulf of Mexico. The agreement provides a legal framework for development of oil and gas reservoirs that cross the maritime border in the Gulf of Mexico—the first such pact for both countries. In fact, it is viewed as a dress rehearsal for negotiations the U.S. will have to undertake with Canada, Russia and even Cuba to address shared reservoir exploitation. Implementation will require legal and institutional adjustments in Mexico and in the United States. Since it requires joint or coordinated production, the agreement possibly opens a new era of cooperation between PEMEX and international oil companies. If a transboundary field were identified, PEMEX would have to work with field operators on the U.S. side. This makes technological aptitude particularly relevant, since shared reservoirs are more likely to exist in the deep and ultra-deep waters of the Gulf of Mexico. For sovereignty, energy security and political reasons, Mexico will go the extra mile to ensure that its hydrocarbon resources are not lost to its neighbor. This gives it a high incentive to develop the institutional architecture—including strengthening the CNH—needed to implement the agreement. Identifying and developing a joint reservoir would allow PEMEX to work in full partnership with companies at the cutting edge of ultra-deepwater production. The experience, benefits and know-how that would be gained may reduce the reluctance to undertake joint production and other strategic alliances that are banned by PEMEX bylaws. Implementation of the treaty could trigger an accelerated transformation of the regime under which deepwater resources are exploited in Mexico. Exciting times are in sight. The incoming administration will be compelled to conduct a debate on the future of PEMEX, and the issue of constitutional reform will have to be a full part of it. The Mexican oil industry can no longer thrive on amendments to distorted schemes.

#### PEMEX is critical to the Mexican economy ---- TBA reforms key to solve

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(Tim R. and Jose Luis, “Energy Reform and the Future of Mexico’s Oil Industry: The Pemex Bidding Rounds and Integrated Service Contracts”, Texas Journal of Oil, Gas, and Energy Law, 6-21-2012, http://tjogel.org/wp-content/uploads/2012/07/Samples-Formatted\_Final\_June13.pdf)

In recent years, Latin America has seen an uptick in interest as a destination for companies seeking new opportunities in the exploration and production of oil and gas. 1 From the discovery of massive pre-salt oil fields off the coast of Brazil to unconventional plays in Argentina and Colombia, the region is generating renewed interest for the international energy industry. Four countries in particular—Brazil, Colombia, Mexico, and Peru—are moving forward with bidding rounds for significant exploration and production contracts with hopes of attracting technology, expertise, and capital from the private sector. The case of Petróleos Mexicanos (Pemex) and Mexico is especially compelling. As a state-controlled monopoly, Pemex is the sole producer of crude oil, natural gas, and refined products in Mexico. 2 Pemex, the most important company in Mexico, is simultaneously referred to as the “cash cow” and a “sacred cow” of Mexico. 3 As Mexico’s cash cow, Pemex provides over a third of the federal government’s revenues. 4 As Mexico’s sacred cow, Pemex has immense and symbolic national importance, which is deeply rooted in Mexico’s sense of sovereignty and independence. 5 Increasingly, these two roles are in tension as Pemex struggles to remain a cash cow while subject to the legal and political constraints of a sacred national treasure. 6 For most of the 20 th century, Mexico figured among the world’s largest oil producers and has been a major exporter for much of that time. 7 Currently, however, Mexico is facing the prospect of becoming a net importer of petroleum within a decade. 8 Pemex has recently undergone transformations in response to declining production, but reversing the tide will require a dramatic departure from the norm. 9 Politically sensitive reforms to the energy sector and a major shift in the traditional Pemex paradigm are needed. 10 Together, Mexico and Pemex are entering unfamiliar territory. 11 While a restrictive legal framework has barred competition within Mexico’s borders, Pemex is subject to rigid constraints under Mexican law with respect to finance and budgeting, contracting, procurement, and corporate governance. 12 The collective weight of these restrictions has limited Pemex’s ability to address lagging production. 13 In response, under the administration of President Felipe Calderón, legislation designed to modernize Pemex and allow greater private participation in the Mexican oil industry was passed in November 2008 (the Energy Reforms). 14

Declines in Mexican oil production result in escalating instability

Barnes 11 [Joe, Bonner Means Baker Fellow James A. Baker III Institute for Public Policy Rice University, “OIL AND U.S.–MEXICO BILATERAL RELATIONS”, April 29]

In summary, the slow decline of Mexican oil production, in and of itself, is unlikely to have a dramatic impact on international petroleum markets or prompt any dramatic response from the United States. There is, however, one set of circumstances which this decline would capture Washington’s attention. That is the extent to which it contributes to significant instability in Mexico. There is already a short- to medium-term risk of substantial instability in Mexico. As noted, the country is enduring extremely high levels of drug-related violence. Even if the Mexican government eventually succeeds in its efforts to suppress this violence, the process is likely to be expensive, bloody, and corrosive in terms of human rights. A period of feeble economic growth, combined with a fiscal crisis associated with a drop in revenues from Pemex, could create a “perfect storm” south of the border. If this were to occur, Washington would have no choice but to respond. In the longer-term, the United States has a clear interest in robust economic growth and fiscal sustainability in Mexico.34 There is at least one major example of the U.S. coming to Mexico’s aid in an economic emergency. In 1994, the United States extended US$20 billion in loan guarantees to Mexico when the peso collapsed, in large part to make U.S. creditors whole.35 Not least, a healthy Mexican economy would reduce the flow of illegal immigration to the United States. To the extent that prospects for such growth and sustainability are enhanced by reform of Pemex, the United States should be supportive. It might be best, in terms of U.S. economic and commercial interests, were Pemex to be fully privatized, but even partial reforms would be welcome. Not all national oil companies are created equal: Pemex’s development into something like Norway’s Statol would mark an important improvement.36

#### Mexican stability is critical to U.S. power

Kaplan ’12 – chief geopolitical analyst at Stratfor

(Robert D., With the Focus on Syria, Mexico Burns, Stratfor, 3-28-2012, http://www.stratfor.com/weekly/focus-syria-mexico-burns)

While the foreign policy elite in Washington focuses on the 8,000 deaths in a conflict in Syria -- half a world away from the United States -- more than 47,000 people have died in drug-related violence since 2006 in Mexico. A deeply troubled state as well as a demographic and economic giant on the United States' southern border, Mexico will affect America's destiny in coming decades more than any state or combination of states in the Middle East. Indeed, Mexico may constitute the world's seventh-largest economy in the near future. Certainly, while the Mexican violence is largely criminal, Syria is a more clear-cut moral issue, enhanced by its own strategic consequences. A calcified authoritarian regime in Damascus is stamping out dissent with guns and artillery barrages. Moreover, regime change in Syria, which the rebels demand, could deliver a pivotal blow to Iranian influence in the Middle East, an event that would be the best news to U.S. interests in the region in years or even decades. Nevertheless, the Syrian rebels are divided and hold no territory, and the toppling of pro-Iranian dictator Bashar al Assad might conceivably bring to power an austere Sunni regime equally averse to U.S. interests -- if not lead to sectarian chaos. In other words, all military intervention scenarios in Syria are fraught with extreme risk. Precisely for that reason, that the U.S. foreign policy elite has continued for months to feverishly debate Syria, and in many cases advocate armed intervention, while utterly ignoring the vaster panorama of violence next door in Mexico, speaks volumes about Washington's own obsessions and interests, which are not always aligned with the country's geopolitical interests. Syria matters and matters momentously to U.S. interests, but Mexico ultimately matters more, so one would think that there would be at least some degree of parity in the amount written on these subjects. I am not demanding a switch in news coverage from one country to the other, just a bit more balance. Of course, it is easy for pundits to have a fervently interventionist view on Syria precisely because it is so far away, whereas miscalculation in Mexico on America's part would carry far greater consequences. For example, what if the Mexican drug cartels took revenge on San Diego? Thus, one might even argue that the very noise in the media about Syria, coupled with the relative silence about Mexico, is proof that it is the latter issue that actually is too sensitive for loose talk. It may also be that cartel-wracked Mexico -- at some rude subconscious level -- connotes for East Coast elites a south of the border, 7-Eleven store culture, reminiscent of the crime movie "Traffic," that holds no allure to people focused on ancient civilizations across the ocean. The concerns of Europe and the Middle East certainly seem closer to New York and Washington than does the southwestern United States. Indeed, Latin American bureaus and studies departments simply lack the cachet of Middle East and Asian ones in government and universities. Yet, the fate of Mexico is the hinge on which the United States' cultural and demographic future rests. U.S. foreign policy emanates from the domestic condition of its society, and nothing will affect its society more than the dramatic movement of Latin history northward. By 2050, as much as a third of the American population could be Hispanic. Mexico and Central America constitute a growing demographic and economic powerhouse with which the United States has an inextricable relationship. In recent years Mexico's economic growth has outpaced that of its northern neighbor. Mexico's population of 111 million plus Central America's of more than 40 million equates to half the population of the United States. Because of the North American Free Trade Agreement, 85 percent of Mexico's exports go to the United States, even as half of Central America's trade is with the United States. While the median age of Americans is nearly 37, demonstrating the aging tendency of the U.S. population, the median age in Mexico is 25, and in Central America it is much lower (20 in Guatemala and Honduras, for example). In part because of young workers moving northward, the destiny of the United States could be north-south, rather than the east-west, sea-to-shining-sea of continental and patriotic myth. (This will be amplified by the scheduled 2014 widening of the Panama Canal, which will open the Greater Caribbean Basin to megaships from East Asia, leading to the further development of Gulf of Mexico port cities in the United States, from Texas to Florida.) Since 1940, Mexico's population has increased more than five-fold. Between 1970 and 1995 it nearly doubled. Between 1985 and 2000 it rose by more than a third. Mexico's population is now more than a third that of the United States and growing at a faster rate. And it is northern Mexico that is crucial. That most of the drug-related homicides in this current wave of violence that so much dwarfs Syria's have occurred in only six of Mexico's 32 states, mostly in the north, is a key indicator of how northern Mexico is being distinguished from the rest of the country (though the violence in the city of Veracruz and the regions of Michoacan and Guerrero is also notable). If the military-led offensive to crush the drug cartels launched by conservative President Felipe Calderon falters, as it seems to be doing, and Mexico City goes back to cutting deals with the cartels, then the capital may in a functional sense lose even further control of the north, with concrete implications for the southwestern United States. One might argue that with massive border controls, a functional and vibrantly nationalist United States can coexist with a dysfunctional and somewhat chaotic northern Mexico. But that is mainly true in the short run. Looking deeper into the 21st century, as Arnold Toynbee notes in A Study of History (1946), a border between a highly developed society and a less highly developed one will not attain an equilibrium but will advance in the more backward society's favor. Thus, helping to stabilize Mexico -- as limited as the United States' options may be, given the complexity and sensitivity of the relationship -- is a more urgent national interest than stabilizing societies in the Greater Middle East. If Mexico ever does reach coherent First World status, then it will become less of a threat, and the healthy melding of the two societies will quicken to the benefit of both. Today, helping to thwart drug cartels in rugged and remote terrain in the vicinity of the Mexican frontier and reaching southward from Ciudad Juarez (across the border from El Paso, Texas) means a limited role for the U.S. military and other agencies -- working, of course, in full cooperation with the Mexican authorities. (Predator and Global Hawk drones fly deep over Mexico searching for drug production facilities.) But the legal framework for cooperation with Mexico remains problematic in some cases because of strict interpretation of 19th century posse comitatus laws on the U.S. side. While the United States has spent hundreds of billions of dollars to affect historical outcomes in Eurasia, its leaders and foreign policy mandarins are somewhat passive about what is happening to a country with which the United States shares a long land border, that verges on partial chaos in some of its northern sections, and whose population is close to double that of Iraq and Afghanistan combined. Mexico, in addition to the obvious challenge of China as a rising great power, will help write the American story in the 21st century. Mexico will partly determine what kind of society America will become, and what exactly will be its demographic and geographic character, especially in the Southwest. The U.S. relationship with China will matter more than any other individual bilateral relationship in terms of determining the United States' place in the world, especially in the economically crucial Pacific. If policymakers in Washington calculate U.S. interests properly regarding those two critical countries, then the United States will have power to spare so that its elites can continue to focus on serious moral questions in places that matter less.

#### Mexican economic decline causes a flood of refugees, resulting in terrorism.

Brown ‘9 (Michael Brown, Undersecretary of Emergency Preparedness and Response in the Department of Homeland Security, “Border Control: Collapse of Mexico Is A Homeland Security & National Security Issue,” 1/14/2009, <http://michaelbrowntoday.com/journal/2009/1/15/border-control-collapse-of-mexico-is-a-homeland-security-nat.html>)

By failing to secure the borders and control immigration, we have opened ourselves up to a frightening scenario. **The United States could face a flood of refugees from Mexico if it were to collapse, overwhelming state and local governments along the U.S.-Mexico border**. During a time of economic duress, the costs would be overwhelming and would simply add to the already burgeoning costs at the federal level. Immigration and border control never was nor should it ever be about racism. Immigration and border control are national security and homeland security issues. Sleeper cells from numerous terrorist groups could, and probably already have, infiltrated the United States, just laying in wait to attack at an appropriately vulnerable time.

#### US-Mexican border terrorism results in bioterror attacks.

Timmerman ’10 (Ken Timmerman, Newsmax correspondent, “FBI Director

Mueller: Al-Qaida Still Wants Nuclear Bomb,” 3/18/2010,

http://newsmax.com/Newsfront/mueller-fbi-alqaida-nuclear/2010/03/18/id/353169)

FBI Director Robert Mueller warned Congress on Wednesday of ongoing al-Qaida efforts to acquire weapons of mass destruction to attack the United States. “Al-Qaida remains committed to its goal of conducting attacks inside the United States,” Mueller told a House appropriations subcommittee. “Further, al-Qaida’s continued efforts to access chemical, biological, radiological, or nuclear material pose a serious threat to the United States.” To accomplish its goals of new attacks on the American homeland, al-Qaida “seeks to infiltrate overseas operatives who have no known nexus to terrorism into the United States using both legal and illegal methods of entry,” Mueller said. In February, Sheikh Abdullah al-Nasifi, a known al-Qaida recruiter in Kuwait, boasted on al Jazeera television that Mexico’s border with the United States was the ideal infiltration point for terrorists seeking to attack America. “Four pounds of anthrax – in a suitcase this big – carried by a fighter through tunnels from Mexico into the U.S., are guaranteed to kill 330,000 Americans within a single hour if it is properly spread in population centers there,” al-Nasifi said.

#### Extinction

Steinbruner ’97 – Brookings senior fellow and chair in international security

(John D. Steinbruner, Brookings senior fellow and chair in international security, vice chair of the committee on international security and arms control of the National Academy of Sciences, Winter 1997, Foreign Policy, “Biological weapons: a plague upon all houses,” n109 p85(12), infotrac)  
Although human pathogens are often lumped with nuclear explosives and lethal chemicals as potential weapons of mass destruction, there is an obvious, fundamentally important difference: Pathogens are alive, weapons are not. Nuclear and chemical weapons do not reproduce themselves and do not independently engage in adaptive behavior; pathogens do both of these things. That deceptively simple observation has immense implications. The use of a manufactured weapon is a singular event. Most of the damage occurs immediately. The aftereffects, whatever they may be, decay rapidly over time and distance in a reasonably predictable manner. Even before a nuclear warhead is detonated, for instance, it is possible to estimate the extent of the subsequent damage and the likely level of radioactive fallout. Such predictability is an essential component for tactical military planning. The use of a pathogen, by contrast, is an extended process whose scope and timing cannot be precisely controlled. For most potential biological agents, the predominant drawback is that they would not act swiftly or decisively enough to be an effective weapon. But for a few pathogens - ones most likely to have a decisive effect and therefore the ones most likely to be contemplated for deliberately hostile use - the risk runs in the other direction. A lethal pathogen that could efficiently spread from one victim to another would be capable of initiating an intensifying cascade of disease that might ultimately threaten the entire world population. The 1918 influenza epidemic demonstrated the potential for a global contagion of this sort but not necessarily its outer limit.

## Oil spills

#### Advantage two is oil spills

#### Deepwater oil accident inevitable in the Gulf of Mexico

Shields ’12 – independent energy consultant

(David, “Q&A: Is Mexico Prepared for Deepwater Drilling in the Gulf?”, Inter-American Dialogue’s Latin American Energy Advisor, 2/20/2012, http://repository.unm.edu/bitstream/handle/1928/20477/Is%20Mexico%20Prepared%20for%20Deepwater%20Drilling%20in%20the%20Gulf.pdf?sequence=1)

They say that if a country does not defend its borders, then others will not respect those borders. That is probably how we should understand Pemex's decision to drill the Maximino-1 well in 3,000 meters of water in the Perdido Fold Belt, right next to the shared maritime boundary with the United States. It is a decision that does not make sense in terms of competitiveness or production goals. It is about defending the final frontier of national sovereignty and sticking the Mexican flag on the floor of the Gulf of Mexico to advise U.S. companies that they have no right to drill for oil in the ultradeep waters on the Mexican side. The recently signed deepwater agreement obliges both countries to work together and share the spoils of the development of transboundary reservoirs, if they actually exist. For now, Pemex, in line with constitutional restrictions, is going alone on the Mexican side. Safety is a major concern as Pemex and its contractors have no experience in such harsh environments. In fact, Pemex has never produced oil commercially anywhere in deep water. It does not have an insurance policy for worst-case scenarios nor does it have emergency measures in place to deal with a major spill. It does not fully abide by existing Mexican regulation of its deepwater activity, which cannot be enforced. On the U.S. side, prohibition of ultradeepwater drilling, enacted after the Deepwater Horizon spill, has come and gone. The next disaster is just waiting to happen.

#### Gulf’s ecosystems on the brink—plan key to solve another accident

Craig ’11 – Attorneys’ Title Professor of Law and Associate Dean for Environmental Programs at Florida State University

(Robin Kundis, “Legal Remedies for Deep Marine Oil Spills and Long-Term Ecological Resilience: A Match Made in Hell”, Brigham Young University Law Review, 2011, http://lawreview.byu.edu/articles/1326405133\_03craig.fin.pdf)

These results suggest that we should be very concerned for the Gulf ecosystems affected by the Macondo well blowout. First, and as this Article has emphasized throughout, unlike the Exxon Valdez spill, the Deepwater Horizon oil spill occurred at great depth, and the oil behaved unusually compared to oil released on the surface. Second, considerably more toxic dispersants were used in connection with the Gulf oil spill than the Alaska oil spill. 164 Third, humans could intervene almost immediately to begin cleaning the rocky substrate in Prince William Sound, but human intervention for many of the important affected Gulf ecosystems, especially the deepwater ones (but even for shallower coral reefs), remains impossible. Finally, and perhaps most importantly, the Prince William Sound was and remains a far less stressed ecosystem than the Gulf of Mexico. In 2008, for example, NOAA stated that “[d]espite the remaining impacts of the [still then] largest oil spill in U.S. history, Prince William Sound remains a relatively pristine, productive and biologically rich ecosystem.” 165 To be sure, the Sound was not completely unstressed, and “[w]hen the Exxon Valdez spill occurred in March 1989, the Prince William Sound ecosystem was also responding to at least three notable events in its past: an unusually cold winter in 1988–89; growing populations of reintroduced sea otters; and a 1964 earthquake.” 166 Nevertheless, the Gulf of Mexico is besieged by environmental stressors at another order of magnitude (or two), reducing its resilience to disasters like the Deepwater Horizon oil spill. As the Deepwater Horizon Commission detailed at length, the Gulf faces an array of long-term threats, from the loss of protective and productive wetlands along the coast to hurricanes to a growing “dead zone” (hypoxic zone) to sediment starvation to sealevel rise to damaging channeling to continual (if smaller) oil releases from the thousands of drilling operations. 167 In the face of this plethora of stressors, even the Commission championed a kind of resilience thinking, recognizing that responding to the oil spill alone was not enough. It equated restoration of the Gulf to “restored resilience,” arguing that it “represents an effort to sustain these diverse, interdependent activities [fisheries, energy, and tourism] and the environment on which they depend for future generations.” 168 A number of commentators have catalogued the failure of the legal and regulatory systems governing the Deepwater Horizon platform and the Macondo well operations. 169 The Deepwater Horizon Commission similarly noted that the Deepwater Horizon’s “demise signals the conflicted evolution—and severe shortcomings— of federal regulation of offshore oil drilling in the United States.” 170 In its opinion, “[t]he Deepwater Horizon blowout, explosion, and oil spill did not have to happen.” 171 The Commission’s overall conclusion was two-fold. First, “[t]he record shows that without effective government oversight, the offshore oil and gas industry will not adequately reduce the risk of accidents, nor prepare effectively to respond in emergencies.” 172 Second, “government oversight, alone, cannot reduce those risks to the full extent possible. Government oversight . . . must be accompanied by the oil and gas industry’s internal reinvention: sweeping reforms that accomplish no less than a fundamental transformation of its safety culture.” 173

#### The plan solves ------ the THA leads to safety coordination between the U.S. and Mexico

Broder and Krauss ’12 – business correspondents at the New York Times

(John M. and Clifford, “U.S. in Accord With Mexico on Drilling”, The New York Times, 2-20-2012, http://www.nytimes.com/2012/02/21/world/americas/mexico-and-us-agree-on-oil-and-gas-development-in-gulf.html?\_r=1&ref=americas)

WASHINGTON — The United States and Mexico reached agreement on Monday on regulating oil and gas development along their maritime border in the Gulf of Mexico, ending years of negotiations and potentially opening more than a million acres to deepwater drilling. The agreement, if ratified by Mexican and American lawmakers, would for the first time provide for joint inspection of the two countries’ rigs in the gulf. Until now, neither was authorized to oversee the environmental and safety practices of the other, even though oil spills do not respect international borders.“Each of the nations will maintain sovereignty and their own regulatory systems,” Ken Salazar, the interior secretary, said from Los Cabos, Mexico, where the agreement was completed. “But what this signifies, and what may be the most significant part of the agreement, is that we’re moving forward jointly with Mexico to ensure we have a common set of safety protocols. “As the Mexicans move into deepwater development,” Mr. Salazar said, “we want to make sure it’s done in a way that protects the environment and is as safe as possible.” The Transboundary Agreement, as it is called, will make up to 1.5 million acres of offshore territory claimed by the United States available for leasing as early as June, though the leases will not become active until a pact is ratified. The Interior Department estimates that the area contains as much as 172 million barrels of oil and 300 billion cubic feet of natural gas, relatively modest amounts by the oil-rich gulf’s standards. Mexico’s oil production has been a major source for the United States for more than 25 years, and it is the single most important revenue-raiser for the Mexican government. But its output has been in sharp decline in the last decade, as energy demand by its growing middle class has risen, forcing a decline in exports and raising the possibility that Mexico could become a net oil importer by the end of the decade. In response, Mexico’s national oil company, Petróleos Mexicanos, known as Pemex, has started a deepwater drilling program in recent years despite concerns that it is not sufficiently experienced for the task. Under the Mexican Constitution, Pemex cannot bring in a foreign partner like Royal Dutch Shell or Exxon Mobil to develop the gulf reserves, even though those companies have much more expertise in drilling in challenging waters. Pemex has drilled more than a dozen exploratory deepwater wells since 2002, but the results have been mixed. It plans to drill six more wells this year, including two at depths of more than 6,000 feet, where well pressure is customarily high and the possibility of a blowout is greater than in shallower wells. The program has been controversial in Mexico, especially after the BP accident two years ago. Juan Carlos Zepeda, Mexico’s chief oil regulator, has warned that Pemex is not prepared to control a possible leak from the two deepest wells it is planning this year and that the National Hydrocarbons Commission, the three-year-old agency Mr. Zepeda oversees, may be overmatched when it comes to regulating deepwater drilling. With a staff of 60, little logistical capability and a budget of only $7 million, it has had minimal say in how Pemex operates. In 1979, a blowout at one of Pemex’s shallow-water wells called Ixtoc I in the Bay of Campeche resulted in the largest oil spill ever in the gulf until the BP Deepwater Horizon disaster in 2010. The issue of sharing oil and gas reserves in gulf border waters dates from the 1970s. The two countries negotiated a treaty that would define their exploratory rights in border zones, but the United States Senate declined to ratify it in 1980. Presidents Obama and Felipe Calderón agreed to extend a drilling moratorium in the area until they could negotiate a final accord. The zones are near areas being drilled successfully, but they are in water depths reaching 10,000 feet and are considered vulnerable to hurricanes. “Mexico doesn’t have the resources to combat a major oil spill, and the United States does,” said Jorge Piñon, a former president of Amoco Oil Latin America and a current research fellow at the University of Texas. “Coordination and sharing communications, training, personnel, equipment and technology are essential for safe and productive drilling.” Gasoline prices are on the rise, and Republicans have blamed the administration for being slow to approve more domestic drilling. With the new agreement, coming at a time when the White House is moving closer to approving drilling in Alaskan Arctic waters, Mr. Obama was expected to argue that his policies have led to a surge in domestic production.

#### Joint inspection solves oversight --- key to safety even if there’s no Western Gap development

Padilla ’12 – managing director at IPD Latin America

(John D. Padilla, “Q&A: Is Mexico Prepared for Deepwater Drilling in the Gulf?”, Inter-American Dialogue’s Latin American Energy Advisor, 2/20/2012, http://repository.unm.edu/bitstream/handle/1928/20477/Is%20Mexico%20Prepared%20for%20Deepwater%20Drilling%20in%20the%20Gulf.pdf?sequence=1)

"The plan at issue is Pemex's intent to drill in the Perdido Foldbelt area, which abuts the U.S.- Mexico maritime border. Although the bulk of Pemex's offshore infrastructure is located in the southern Gulf of Mexico (i.e. near Cantarell and Ku-Maloob-Zaap), Perdido represents the company's most promising near-term commercial crude oil prospect. The 18 other deepwater wells Pemex has drilled have either been principally natural gas or heavy oil; those that will be brought online still await commercialization. Complicating the equation, Pemex is saddled with four latest- generation semisubmersible rigs that cost $500,000 per day. Because the company has been unable to drill in Perdido's ultra-deepwater, the rigs have been relegated to drilling in shallower water—work that less sophisticated technology could accomplish. Ongoing concerns over deepwater drilling in the wake of the Macondo incident, combined with memories of Pemex's less-than-aggressive response to its 1979 Ixtoc spill, have given authorities on both sides of the U.S.– Mexico border pause. An archaic constitutional ban that prevents the company from providing the proper balance of risk-reward incentives, coupled with declining production, leave Pemex few large-scale, near-term alternatives—other than forging into Perdido on its own. The accord signed by U.S. and Mexican authorities on Monday offers an elegant way to calm fears on both sides of the border. Whether joint ventures materialize or not, the accord would permit joint inspection teams the right to ensure compliance with safety and environmental laws. Will Mexico's Senate approve the accord?"

#### Plan spills over past the border to environmental standardization in the entire Gulf of Mexico

Velarde ’12 – attorney and counselor-at-law

(Rogelio Lopez, held various positions at Pemex during 1988-1993, including that of Financial Advisor to the Finance Department, In-House Counsel in Houston, Texas, In-House Counsel in New York, and Head of the International Legal Department of Pemex. He was honored with the “Most Distinguished Attorney Award” of Pemex for the period 1990-1991, former Chairman of the Energy Committee of the Mexican Bar Association, and currently he is the President for the Latin America Chapter of the Association of the International Petroleum Negotiators (AIPN), as Visiting Professor of Judicial Process on the Mexican Legal Studies Program at the University of Houston Law Center, and he is currently the director of the Energy Law Seminar organized between the Universidad Iberoamericana and the Mexican Bar Association. “US-Mexican treaty on Gulf of Mexico transboundary reservoirs”, International Law Office, 3-19-2012, http://www.internationallawoffice.com/newsletters/Detail.aspx?g=b9326bf8-f27f-43ff-b45a-1b2b70ccb217&redir=1)

Pemex has indicated that it has no information to confirm the existence of a transboundary field. However, it is unlikely that both countries would take the step of concluding such a treaty without having geological information to suggest the existence of such a field. One of the covenants included in the treaty is particularly significant in this context. It requires the two federal governments to adopt common norms and standards concerning safety and environmental protection for the "activity contemplated under this agreement". Effectively, this means a harmonised system of offshore technical standards for exploration and production in the Gulf Of Mexico - it seems highly unlikely that the relevant authorities in the United States(1) and Mexico(2) would agree to harmonise applicable standards only in respect of transboundary reservoirs.

#### Gulf ecosystems are critical biodiversity hotspots and have a key effect on the world’s oceans

Brenner ‘8 –

(Jorge Brenner, “Guarding the Gulf of Mexico’s valuable resources”, SciDevNet, 3-14-2008, http://www.scidev.net/en/opinions/guarding-the-gulf-of-mexico-s-valuable-resources.html)

The Gulf Of Mexico is rich in biodiversity and unique habitats, and hosts the only known nesting beach of Kemp's Ridley, the world's most endangered sea turtle. The Gulf's circulation pattern gives it biological and socioeconomic importance: water from the Caribbean enters from the south through the Yucatan Channel between Cuba and Mexico and, after warming in the basin, leaves through the northern Florida Strait between the United States and Cuba to form the Gulf Stream in the North Atlantic that helps to regulate the climate of western Europe.

#### Ocean biod key to survival

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(Robin Kundis Craig, “ARTICLE: Taking Steps Toward Marine Wilderness Protection? Fishing and Coral Reef Marine Reserves in Florida and Hawaii,” McGeorge Law Review, Winter 2003, 34 McGeorge L. Rev. 155)

Biodiversity and ecosystem function arguments for conserving marine ecosystems also exist, just as they do for terrestrial ecosystems, but these arguments have thus far rarely been raised in political debates. For example, besides significant tourism values - the most economically valuable ecosystem service coral reefs provide, worldwide - coral reefs protect against storms and dampen other environmental fluctuations, services worth more than ten times the reefs' value for food production. [n856](http://www.lexisnexis.com.proxy.library.emory.edu/lnacui2api/frame.do?reloadEntirePage=true&rand=1348077471187&returnToKey=20_T15565363878&parent=docview&target=results_DocumentContent&tokenKey=rsh-20.167770.63840861383#n856) Waste treatment is another significant, non-extractive ecosystem function that intact coral reef ecosystems provide. [n857](http://www.lexisnexis.com.proxy.library.emory.edu/lnacui2api/frame.do?reloadEntirePage=true&rand=1348077471187&returnToKey=20_T15565363878&parent=docview&target=results_DocumentContent&tokenKey=rsh-20.167770.63840861383#n857) More generally, "ocean ecosystems play a major role in the global geochemical cycling of all the elements that represent the basic building blocks of living organisms, carbon, nitrogen, oxygen, phosphorus, and sulfur, as well as other less abundant but necessary elements." [n858](http://www.lexisnexis.com.proxy.library.emory.edu/lnacui2api/frame.do?reloadEntirePage=true&rand=1348077471187&returnToKey=20_T15565363878&parent=docview&target=results_DocumentContent&tokenKey=rsh-20.167770.63840861383#n858) In a very real and direct sense, therefore, human degradation of marine ecosystems impairs the planet's ability to support life. Maintaining biodiversity is often critical to maintaining the functions of marine ecosystems. Current evidence shows that, in general, an ecosystem's ability to keep functioning in the face of disturbance is strongly dependent on its biodiversity, "indicating that more diverse ecosystems are more stable." [n859](http://www.lexisnexis.com.proxy.library.emory.edu/lnacui2api/frame.do?reloadEntirePage=true&rand=1348077471187&returnToKey=20_T15565363878&parent=docview&target=results_DocumentContent&tokenKey=rsh-20.167770.63840861383#n859) Coral reef ecosystems are particularly dependent on their biodiversity. [\*265] Most ecologists agree that the complexity of interactions and degree of interrelatedness among component species is higher on coral reefs than in any other marine environment. This implies that the ecosystem functioning that produces the most highly valued components is also complex and that many otherwise insignificant species have strong effects on sustaining the rest of the reef system. [n860](http://www.lexisnexis.com.proxy.library.emory.edu/lnacui2api/frame.do?reloadEntirePage=true&rand=1348077471187&returnToKey=20_T15565363878&parent=docview&target=results_DocumentContent&tokenKey=rsh-20.167770.63840861383#n860) Thus, maintaining and restoring the biodiversity of marine ecosystems is critical to maintaining and restoring the ecosystem services that they provide. Non-use biodiversity values for marine ecosystems have been calculated in the wake of marine disasters, like the Exxon Valdez oil spill in Alaska. [n861](http://www.lexisnexis.com.proxy.library.emory.edu/lnacui2api/frame.do?reloadEntirePage=true&rand=1348077471187&returnToKey=20_T15565363878&parent=docview&target=results_DocumentContent&tokenKey=rsh-20.167770.63840861383#n861) Similar calculations could derive preservation values for marine wilderness. However, economic value, or economic value equivalents, should not be "the sole or even primary justification for conservation of ocean ecosystems. Ethical arguments also have considerable force and merit." [n862](http://www.lexisnexis.com.proxy.library.emory.edu/lnacui2api/frame.do?reloadEntirePage=true&rand=1348077471187&returnToKey=20_T15565363878&parent=docview&target=results_DocumentContent&tokenKey=rsh-20.167770.63840861383#n862) At the forefront of such arguments should be a recognition of how little we know about the sea - and about the actual effect of human activities on marine ecosystems. The United States has traditionally failed to protect marine ecosystems because it was difficult to detect anthropogenic harm to the oceans, but we now know that such harm is occurring - even though we are not completely sure about causation or about how to fix every problem. Ecosystems like the NWHI coral reef ecosystem should inspire lawmakers and policymakers to admit that most of the time we really do not know what we are doing to the sea and hence should be preserving marine wilderness whenever we can - especially when the United States has within its territory relatively pristine marine ecosystems that may be unique in the world.

#### Resiliency is wrong specifically for the Gulf of Mexico—any shock can be the tipping point

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(Robin Kundis, “Legal Remedies for Deep Marine Oil Spills and Long-Term Ecological Resilience: A Match Made in Hell”, Brigham Young University Law Review, 2011, http://lawreview.byu.edu/articles/1326405133\_03craig.fin.pdf)

Ecological resilience and resilience theory acknowledge that ecosystems are dynamic—not, as prior theories had assumed, inherently stable systems tending toward an equilibrium. 142 Resilience theory recognizes that there are at least three different ways in which ecosystems experience and respond to change and perturbation—three different aspects of “resilience.” 143 The first and most common understanding of resilience refers to an ecosystem’s ability to absorb change and persist in function and relationships. 144 This sense of resilience refers to “the rate or speed of recovery of a system following a shock.” 145 As a practical matter in the law of natural resource management, the law tends to expect that ecosystems will be resilient in this first sense—that is, the law assumes that ecosystems will generally successfully absorb any human-induced perturbations of the system. As a result, natural resources law is what I will term “first sense resilience dependence,” but that dependence reflects a truncated understanding of ecosystems’ resilience and capacity for change. Importantly, however, the second aspect of resilience theory acknowledges that ecosystems can exist in multiple states rather than stabilizing around a single equilibrium state; as a result, changes and disturbances can “push” ecosystems over thresholds from one ecosystem state to another. 146 This second sense of resilience “assumes multiple states (or ‘regimes’) and is defined as the magnitude of a disturbance that triggers a shift between alternative states.” 147 For example, the boreal forests of Canada can exist in at least two states with respect to spruce budworms: a “no outbreak” state “characterized by low numbers of budworm and young, fastgrowing trees,” and an “outbreak” state “characterized by high numbers of budworm and old, senescent trees.” 148 The shift between the two appears to relate to an increase in canopy volume, which in turn affects bird populations and the birds’ ability to control the pest. 149 Regime-shift models can also help to explain outbreaks of some human diseases. 150 However, natural resources law and policy generally do not acknowledge this second sense of resilience, and, as a result, it generally does not incorporate mechanisms for acknowledging, responding to, or even trying to avoid ecological regime shifts. Finally, resilience theory also acknowledges “the surprising and discontinuous nature of change, such as the collapse of fish stock or the sudden outbreak of spruce budworms in forests.” 151 In other words, the long-time persistence of an ecosystem (or collection of multiple ecosystems) like the Gulf Of Mexico in an apparently stable, productive ecosystem state is absolutely no guarantee that humans can continue to disturb and abuse the system and expect only a gradual or linear response. As was true for the second sense of resilience, natural resource law in general and marine resources law in particular do not deal well with the possibility of sudden and dramatic ecosystem changes. Nevertheless, such regime shifts have been documented for a number of marine ecosystems. For example, In Jamaica, the effects of overfishing, hurricane damage, and disease have combined to destroy most corals, whose abundance has declined from more than 50 percent in the late 1970s to less than 5 percent today. A dramatic phase shift has occurred, producing a system dominated by fleshy macroalgae (more than 90 percent cover). Immediate implementation of management procedures is necessary to avoid further catastrophic damage. 152 Similarly, the presence or absence of sea otters can significantly influence the structure and function of Alaskan kelp forests because the otters, when present, control sea urchin populations, allowing for more extensive coral growth. 153 In some locations, moreover, “sea urchin population changes in response to sea otter predation were rapid and extreme” and could result in “short-term changes in kelp density.” 154 The current law, policy, and remedy regime for offshore oil drilling effectively presumes that marine ecosystems have virtually unlimited first-sense resilience with respect to oil spills—in crudest terms, that restoration will always be possible, and perhaps even through entirely natural means. 155 Our experience with the last large oil spill in U.S. waters, however, suggests otherwise.

## US-mexico relations

The TBA is crucial to US-Mexico relations – failure to ratify results in conflict

Brown and Meacham 6/5/13 [Brown is non-resident fellow at the German Marshall Fund of the United States. Meacham is director of the Americas Program at the Center for Strategic and International Studies. They previously served as senior advisers on the Republican staff of the Senate Foreign Relations Committee and authored the report Oil, Mexico, and the Transboundary Agreement, “Time for US-Mexico Transboundary Agreement”]

The United States-Mexico Transboundary Agreement (TBA) would enable cooperation between our two federal governments and our companies to unlock the potential for oil and natural gas reserves that extend across our Gulf of Mexico maritime boundary. Congressional approval of the TBA would enrich U.S.-Mexico relations in the near term while laying the foundation for improved energy security and enhanced environmental protection for the Gulf Coast. Bilateral relations with Mexico have improved dramatically in recent years, yet energy cooperation has lagged. Oil holds a privileged position of national pride and constitutional protection in Mexico, historically putting it off limits for domestic reform and bilateral cooperation with the U.S. The TBA is, therefore, more than just an energy agreement. Its approval by the Mexican government is a political statement opening a window to richer relations. While the area under future jurisdiction of the TBA could provide incremental domestic oil production, a far greater prize for the U.S. oil portfolio is the prospect of more reliable oil trade with our ally Mexico. The TBA would, for the first time, allow oil majors to work in joint production arrangements with PEMEX and support the confidence building necessary to enable those arrangements more widely in Mexico. That is not only good for oil major shareholders, it is good for our nation’s energy security. Even as U.S. domestic oil production increases, the sources of our imports remain critical for economic stability and national security flexibility**.** Recently, Mexico was supplanted by Saudi Arabia as our second largest foreign oil source after Canada. Mexican oil production has dropped by more than a quarter over the last decade, and U.S. refiners geared for heavy oil had to look elsewhere to make up the difference. Canadian heavy crude production is increasing in the country’s oil sands region, but pipeline infrastructure is insufficient. Therefore, in effect, the U.S. has had to increase imports of Middle East crudes in order to make up for shortfalls in Mexico. The TBA alone will not structurally reverse Mexico’s oil decline, but it is likely a necessary first step along that path. Regardless of TBA approval, Mexico’s PEMEX will continue its deepwater exploration near the U.S. border. With memories of Deepwater Horizon still fresh, it is worrisome that Mexico’s oil safety regulator, known as CNH, has almost no capacity to provide independent on-site inspections. All facilities operating under the TBA would be subject to U.S. inspectors with the ability to stop operations. Moreover, U.S. and Mexican regulators would work hand in hand, offering support for more systematic improvement. Given the foreign policy, energy security, and environmental benefits of the TBA signed in February 2012, it is disappointing that the Obama administration has delayed taking steps necessary for Congress to approve the agreement. That delay does not make it any less important for Congress to approve the agreement soon. Congress has a critical role in clarifying certain provisions of this international agreement. Dispute resolution mechanisms warrant particular attention. Already, it has been mistakenly argued that the TBA requires greater secrecy in payments of oil deals, encouraging an effort to exempt the agreement from the Cardin-Lugar transparency law. No such secrecy is required by the TBA, which subordinates its confidentiality rules to domestic law. The longer the TBA sits on the shelf, the more likely it will be hamstrung as a proxy for more rancorous energy disputes. Prompt Congressional activity could be a useful vote of confidence in the upcoming domestic energy sector reform in Mexico. Mexico needs new oil production from more complex fields to counterbalance its declining fields, let alone increased production. Leaders in Mexico’s two largest political parties know that under current capital and management constraints, PEMEX alone is extremely unlikely to turn Mexico’s oil and natural gas abundance into prosperity for the Mexican people. International oil majors are needed, but that will take political courage. Congressional approval of the TBA would tangibly demonstrate that the U.S. government and our companies are willing partners. That is good for Mexico and for the U.S.

#### US-Mexico relations are the backbone of the Mexican economy - key to the US and global economies.

Diplomatic Courier 2/24/13 [“U.S.-Mexico Relations: Love Thy Neighbor” Global Affairs, http://www.diplomaticourier.com/news/regions/latin-america/1331-us-mexico-relations-love-thy-neighbor]

It is not common knowledge that Mexico is the United States’ third largest trading partner, behind Canada and China. Every day, at least a billion dollars of goods flows across the border. Yet, Mexico is frequently negatively caricaturized, primarily with images of migrants illegally crossing the border into the U.S. and stealing U.S. jobs. Instead of viewing Mexico as a valuable partner that can benefit the U.S. in many facets, it is perceived as a liability, a region that cultivates corruption and violence and is the root of the current U.S. immigration ‘problem’ that has spurred controversial rogue measures like Arizona’s SB 1070. In matters of foreign policy, Mexico is an afterthought—our attention and resources are diverted to the Middle East or to grand strategies based on ‘pivoting’ our geopolitical and economical capacity towards Asia. With the U.S. economy performing at a snail-like pace, an emphasis on exports has re-emerged, but the bulk of the exporting narrative revolves around Asia. This is unfortunate, because our neighbor to the south has quietly positioned itself to be the next jewel in the emerging markets portfolio. For example, Market Watch (a Wall Street Journal subsidiary) recently published a bullish article on Mexico with the following headline: “Mexico: Investor’s New China”. The Economist published an opinion piece titled “The Global Mexican: Mexico is open for business”, highlighting Mexican companies that are investing locally and in the U.S. and arguing that Mexico is fertile ground for more investment, especially in the manufacturing sector. And according to The Financial Times, BRIC countries (Brazil, Russia, India, and China) are no longer the flavor of the month; Mexico is now taking over that distinction. In essence, immigration and the drug trade will no longer anchor the relationship between the U.S. and Mexico; instead, economics, finance, trade, and commerce will dictate the terms between the neighboring countries. However, in order to move forward, undoubtedly the elephant in the room must be addressed promptly. Immigration—although the topic is polarizing, it is imperative that President Obama tackles this issue steadfastly and in the most bi-partisan manner possible. It can be seen as one-sided that the onus is on the U.S., while Mexico gets carte blanche in its contradictory policy with their border patrol methods towards Central American migrants entering through Guatemala. True, but when you are world’s super power, not all is fair in love and war. Fortifying borders, beefing up security, creating walls that divide the two countries that mimic uncomfortable parallels between Israel and Palestine should not be the main focus. With the world becoming more flat, the emphasis in tackling the immigration quagmire should be trade and commerce. Engagement, interaction, and the exchange of ideas should be the picture we want to paint. We should not foster the argument that an open border policy and a global business paradigm will compromise American jobs and bite into our distinctive American competitiveness. The reason Mexicans cross the border illegally into the U.S. is because of one desire: opportunity. If Mexico develops a lasting robust economy, Mexicans will no longer desire to come to the U.S. in such droves. According to Nelson Balido, President of the Border Trade Alliance, this already occurring: “Mexico’s economy has, for the most part, weathered the worst of the economic downturn, meaning that more young Mexicans can reasonably seek and find work in their patria rather than heading north.” A strong American economy is extremely favorable for Mexico. Turn the tables a bit, and ponder what it means for the U.S. when a Mexican economy is robust and stable—more export possibilities for the U.S.; more investment from the U.S. to Mexico, and vice versa, creating a win-win situation. Less need for Mexicans to leave their homeland and look for jobs in the U.S. Sounds familiar? The characteristics of many vibrant emerging markets such as China, Indonesia, Brazil, and India, are occurring right next door. Why go East when we can venture South? Or perhaps, approach both simultaneously. According to a Nomura Equity Research report, Mexico in the next decade will surpass Brazil in being Latin America’s largest economy. When comparing Mexico on a GDP per capita basis, Mexico happens to be less developed than Argentina, Chile, and Brazil. This might sound negative, but in actuality it should be music to investors’ ears: more catching up for Mexico, meaning more investment and business activity. Moreover, Mexico’s economy is highly interconnected with the U.S. economy. Currently, Mexico sends almost 80 percent of its exports to the U.S., and roughly 50 percent of its imports are from the U.S. Manufacturing costs in Mexico are once again competitive compared to China. Ten years ago, China’s labor costs were four times cheaper than Mexico, but with labor wages in China inflating, Mexico now has a comparative advantage because its proximity to the U.S. Shipping cargo across the Pacific can be more expensive and arduous, versus trucking cargo from northern Mexico and delivering to Wisconsin in a matter of days. However if the U.S. administration continues to close the borders, the exchange of commerce between Mexico and the U.S. will suffer due to setbacks of just getting goods to cross the border. Luckily, NAFTA is already in place, but both parties (and Canada) can do more to cut red tape and streamline the movement of trade and commerce. Currently, Mexico is entering a perfect demographic storm. It has a young and growing population, which is expected to last for several decades. Mexico is no longer only looking north for economic advancement, as many of their multinational companies, such as Bimbo and Cemex, are currently doing business in Latin America and Spain. Mexico’s stock market is currently in talks to integrate their stock exchange with the MILA group—the established stock exchanges between Colombia, Peru, and Chile. The U.S. must act soon before it arrives at the party too late. It is in the U.S.’s interests to have Mexico think northward first, and then the other regions second, but the opposite is developing. The interconnectedness between both countries strongly conveys why the dialogue should revolve around bilateral trade and commerce agendas. For Mexico, 30 percent of GDP is dependent on exports, and 80 percent of exports are tagged to the U.S. Most importantly, one of ten Mexicans lives in the U.S., accounting for nearly 12 million Mexicans that consider the U.S. their current residence. Add in their descendants, and approximately 33 million Mexicans and Mexican-Americans reside in the U.S. Let’s put this figure in perspective: Venezuela has a population of 29 million; Greece, 11 million; and Canada, 34 million. Essentially we have a ‘country’ within a country—the beauty of America—but it must be embraced instead of shunned or ignored. Economically, it is a plus for Mexico, because there is a market for Mexican products; it is also a plus for the U.S. in many areas, including soft power, diversity, direct linkages to Mexico and Latin America. A cadre of American-born and educated human capital are able to cross cultures into Mexico and Latin America to conduct business and politics. The presidential election emphasized that Latinos in the U.S. are now a vital demographic when concerning local, Congressional, and Presidential elections. It makes practical sense for the U.S. (regardless of political party) to consider Mexico the front door to Central and South America. The most recent U.S. Census discovered that the Latino population in the United States: 1) now tops 50 million; 2) has accounted for more than half of America’s 23.7 million population increase in the last decade; 3) grew by 43 percent in the last decade; and 4) now accounts for about 1 out of 6 Americans. Latinos are now the largest minority group in the United States. These are extraordinary figures that should be leveraged into something positive. President Obama cannot respond by merely paying lip service to the Latino community. Latino voters have overwhelmingly backed President Obama for two elections now, but no favor is done with complete altruism. Surprisingly, during President Obama’s first term, there were 30 percent more deportations than during George W. Bush’s second term. Yet there is hope that President Obama will fix the broken system with a more humane approach, contrary to laws that are being pushed and backed by the Republican Party in Arizona, Georgia, and Alabama. Some may ask—what does this have to do with Mexico, or even Latin America? It is all about messages, and in the next four years the President must use the available tools to solidify relationships with its partners, paving the road for more trade and commerce, which ultimately will further strengthen the U.S. economy. What happens in the U.S. means a lot to many countries, and immigration is perhaps one of the most important matters in Mexico, Central, and South America. The U.S. must first focus on re-branding its relationship with Mexico. President Obama and Mexican President Peña Nieto need to formulate a new agenda between the two countries—one that resonates with the 21st century, linking the two countries economically; where the U.S. can envision Mexico as a vibrant emerging market in its own backyard. Obstacles do exist, like the current Mexican drug war and political corruption. But don’t India and China have corruption problems as well?

#### And, economic decline causes war – statistics prove

Royal 10 [Jedediah, 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. 213-214]

Less intuitive is how periods of economic decline may increase the likelihood of external conflict. Political science literature has contributed a moderate degree of attention to the impact of economic decline and the security and defence behaviour of interdependent states. Research in this vein has been considered at systemic, dyadic and national levels. Several notable contributions follow. First, on the systemic level, Pollins (2008) advances Modelski and Thompson's (1996) work on leadership cycle theory, finding that rhythms in the global economy are associated with the rise and fall of a pre-eminent power and the often bloody transition from one pre-eminent leader to the next. As such. exogenous shocks such as economic crises could usher in a redistribution of relative power (see also Gilpin. 1981) that leads to uncertainty about power balances, increasing the risk of miscalculation (Fearon. 1995). Alternatively, even a relatively certain redistribution of power could lead to a permissive environment for conflict as a rising power may seek to challenge a declining power (Werner, 1999). Separately, Pollins (1996) also shows that global economic cycles combined with parallel leadership cycles impact the likelihood of conflict among major, medium and small powers, although he suggests that the causes and connections between global economic conditions and security conditions remain unknown. Second. on a dyadic level, Copeland's (1996. 2000) theory of trade expectations suggests that 'future expectation of trade is a significant variable in understanding economic conditions and security behaviour of states. He argues that interdependent states are likely to gain pacific benefits from trade so long as they have an optimistic view of future trade relations. However, if the expectations of future trade decline. particularly for difficult to replace items such as energy resources, the likelihood for conflict increases, as states will be inclined to use force to gain access to those resources, Crises could potentially he the trigger for decreased trade expectations either on its own or because it triggers protectionist moves by interdependent states.' Third, others have considered the link between economic decline and external armed conflict at a national level. Blomberg and Hess (2002) find a strong correlation between internal conflict and external conflict, particularly during periods of economic downturn. They write, The linkages between internal and external conflict and prosperity are strong and mutually reinforcing. Economic conflict tends to spawn internal conflict, which in turn returns the favour. Moreover, the presence of a recession tends to amplify the extent to which international and external conflict self-reinforce each other. (Blomber & Hess,. 2002. p. 84) Economic decline has also been linked with an increase in the likelihood of terrorism (Blomberg. Hess. & Weerapana. 2004). which has the capacity to spill across borders and lead to external tensions. Furthermore, crises generally reduce the popularity of a sitting government. 'Diversionary theory' suggests that, when facing unpopularity arising from economic decline, sitting governments have increased incentives to fabricate external military conflicts to create a 'rally around the flag' effect. Wang (1996). DeRouen (1995), and Blomberg, Hess, and Thacker (2006) find supporting evidence showing that economic decline and use of force are at least indirectly correlated. Gelpi (1997), Miller (1999). and Kisangani and Pickering (2009) suggest that the tendency towards diversionary tactics are greater for democratic states than autocratic states, due to the fact that democratic leaders are generally more susceptible to being removed from office due to lack of domestic support. DeRouen (2000) has provided evidence showing that periods of weak economic performance in the United States, and thus weak Presidential popularity, are statistically linked to an increase in the use of force. In summary, recent economic scholarship positively correlates economic integration with an increase in the frequency of economic crises, whereas political science scholarship links economic decline with external conflict at systemic. dyadic and national level, This implied connection between integration. crises and armed conflict has not featured prominently in the economic-security debate and deserves more attention.

## solvency

#### Contention 4 Solvency

#### The plan solves best—leadership from Congress and State is key to effective cooperation with Mexico

Brown and Meacham ’12 – Senate Foreign Relations Committee Senior Staff Members

(Neil and Carl, “OIL, MEXICO, AND THE¶ TRANSBOUNDARY AGREEMENT¶ A MINORITY STAFF REPORT¶ PREPARED FOR THE USE OF THE¶ COMMITTEE ON FOREIGN RELATIONS¶ UNITED STATES SENATE”, 12-21-2012)

U.S.-Mexico bilateral cooperation has improved dramatically in¶ the last 5 years. Mexican sensitivities regarding their sovereignty¶ are still present in government dealings. But today they don’t prevent¶ bilateral cooperation, as they did in the recent past. As evidence¶ in this regard, we have seen a significant increase in Mexico’s¶ efforts to institutionalize and even expand cooperation among¶ both civilian and military officials.¶ The willingness to improve Mexican cooperation with the United¶ States is partly due to the trust developed through the successful¶ partnership the U.S. and Mexican governments have built while¶ working against drug trafficking organizations. The $1.9 billion¶ Merida Initiative through which the United States provides equipment,¶ training, and technical assistance to support the Mexican¶ government’s battle against the narcotics trade and transnational¶ crime has created a platform for greater bilateral cooperation.¶ Today, our two nations work closer than ever before. Yet, there¶ are still new areas in which the bilateral relationship should improve.¶ Interlocutors both from the then-existing Caldero´n administration¶ and senior advisers to then-incoming Pen˜ a Nieto administration¶ expressed a similar desire to expand cooperation in the bilateral¶ relationship. One senior member of the then-incoming Pen˜ a¶ Nieto administration expressed that it is time to move beyond tourism¶ and drugs, issues which are so prominent in the bilateral agen da today.11 Of course, the development of a contemporary, comprehensive¶ immigration policy ranks high when broadening the¶ agenda is discussed.¶ The U.S. is well positioned to increase dialogue and cooperation¶ on energy security with Mexico (included in renewable power and¶ efficiency, which were not part of this review, but which are areas¶ where cooperation can move forward without significant political¶ obstacles from the Mexican side). Key recommendations include:¶ 1. The U.S. should approve the Transboundary Agreement. The¶ Obama administration should formally submit to Congress proposed¶ implementing legislation and/or resolution of ratification¶ for the Transboundary Agreement and request Congressional¶ review through regular order. Congress should then quickly establish¶ a timetable for consideration of that proposal and approval¶ of the TBA.¶ 2. The State Department should integrate oil and natural gas development¶ into the bilateral agenda. U.S. Embassy officials are¶ well-versed in energy concerns. The commercial service is already¶ active in promoting business relationships, and some¶ agencies are building technical relationships. The newly established¶ Energy and Natural Resources Bureau at the State Department¶ is ably led by a former Ambassador to Mexico, Carlos¶ Pascual, and the bureau is well-equipped to lead broad U.S.G.¶ cooperation in areas such as shale gas, transparency, trade,¶ supply emergency coordination, demand management, and infrastructure¶ integration should the Government of Mexico wish¶ to work with the United States.

#### The plan’s demonstration of commitment is key to overall relations

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Finally, passage of the TBA would boost U.S.-Mexico relations on¶ energy issues, which have traditionally lagged. Mexican officials¶ roundly expressed support for the TBA and expectation for U.S.¶ ratification in conversation with the authors. The political impact¶ of not approving and implementing the TBA would set back U.S.-¶ Mexican relations on energy specifically and more broadly. Each of¶ our countries has hot button domestic political issues that take¶ courage for political leaders to address. In Mexico, oil is one such¶ issue, and members of both the PAN and PRI put their political¶ weight behind ratification in Mexico. The U.S. not fulfilling its side¶ of the agreement would, therefore, be seen as a violation of trust¶ and could erode confidence. In the extreme, although unlikely, if¶ Mexico proceeds with domestic energy reforms, U.S. companies¶ could be shut out of certain opportunities until the TBA is ratified.¶ However, bilateral benefits of approving the agreement do not require¶ immediate passage; U.S. commitment can be demonstrated¶ by the Obama administration formally submitting the TBA for¶ Congressional approval and commencement of Congressional hearings.