# 2ac say yes

**Maduro will be more accommodating to foreign investment—seen as political oxygen**

**Shifter 13**— President at Inter-American Dialogue (“The Empire Makes Nice Is it time for a Venezuela reset?”, 3/11, http://www.foreignpolicy.com/articles/2013/03/11/the\_empire\_makes\_nice\_venezuela\_hugo\_chavez?page=0,2) EL

Though uncertainty abounds in the country that Chávez so thoroughly dominated for so long, the most likely scenario is that acting President Nicolás Maduro, Chávez's designated successor, will win the election scheduled for April 14. He will benefit from an emotional boost from Chavez's death and a demoralized opposition that that was thrown off balance by major defeats in presidential and gubernatorial elections in late 2012. Maduro will preside over a government made up of diverse factions that, absent Chávez's charisma and political shrewdness, will have a hard time staying together -- particularly as the country's already serious economic conditions worsen. The Obama administration should take two critical facts about Venezuela's post-Chávez political reality into account. First, since Maduro is not Chávez, he will have little choice but to govern in a different fashion than his predecessor. Lacking comparable magnetism and resources, Maduro will likely be somewhat more accommodating to those Chávez treated with utter intransigence, such as the private sector, foreign investors, and the opposition. Maduro, acting out of self-interest, will need, and look for, political oxygen. The second is simply the risk of turbulence in Venezuela, especially after the upcoming electoral cycle. To be sure, analysts' occasional predictions about political violence during the Chávez years were (happily) not borne out. And given the extent of rancor and polarization in the society, it is striking how little political violence there has been (common crime, on the other hand, has skyrocketed). Still, the security situation is far from settled -- a militia force of 125,000 answered directly to Chávez -- and it would be a mistake to rule out chaotic and perilous scenarios that should be of great concern to the entire hemisphere. What does this mean for Washington? Assuming that Maduro succeeds Chávez, the Obama administration should be amenable to taking steps toward establishing a better relationship with Caracas. Since the relationship today is practically nonexistent, that would not require a big leap.

**Domestic pressure on Maduro to fix the economy is especially high now—recent power outages and inflation**

**Reuters 9/5**—“Political Sparks Fly after Venezuela Blackout”, <http://www.voanews.com/content/reu-political-sparks-fly-after-venezuela-blackout/1744193.html>) EL

CARACAS — One of the worst power outages in Venezuelan history has given a jolt to President Nicolas Maduro's government and revived opposition accusations that its socialist policies and incompetence are wrecking the country. Even though Venezuela's 29 million people have endured sporadic blackouts since 2009, there was widespread shock at the extent of this week's outage across two-thirds of the nation. In the capital Caracas, which the government strenuously shields from rationing, the power went off throughout Tuesday afternoon, causing chaos on the streets. “This isn't the Third World, it's the Fifth World!” griped student Marilyn Morales, 26, recounting how first she was trapped in underground transport, then had to lend a doctor her iPhone to use as a torch during an appointment in a dark clinic. Some Venezuelans in the provinces watched the pain in Caracas with a measure of schadenfreude, saying it was about time the privileged residents of the capital, known as “caraquenos,” saw what they endured regularly. Maduro, a 50-year-old former bus driver who narrowly won a presidential election this year after the death of his mentor and former leader Hugo Chavez, accused the opposition of deliberately sabotaging the grid to discredit him. “Everything seems to indicate that the extreme right wing has revived its plan for an 'electricity coup,”' he said, announcing a new Chavez-style initiative, Mission Electricity, to guard and improve the grid. “I urge the electricity workers and people to help in the fight to protect the system from sabotage.” Maduro has not yet provided concrete evidence of sabotage, and troops have been guarding important installations since similar accusations in the past. Opposition mockery Though Venezuela's well-funded opposition movement certainly has its radicals, and plenty of machinations plagued Chavez' 14-year rule, Maduro's daily accusations of assassination and coup plots are straining credulity for many Venezuelans. Opposition leader Henrique Capriles, who still contests Maduro's election victory in April and hopes to make gains against the ruling party in December local elections, led lampooning of the sabotage claims. “The power cut shows once again the terrible incompetence of this government,” said Capriles. He was in the middle of a webcast with journalists - where electricity shortages were under discussion - when the lights went off on him. “They'll make up any old story to distract Venezuelans,” added Capriles, 41, who governs Miranda state. Opposition politicians accuse officials of stealing money and failing to invest properly in state-run power company Corpoelec after Chavez nationalized the sector in 2007 during a sweeping state takeover of much of the economy. They want Electricity Minister Jesse Chacon to resign. Unlike other parts of the developing world, including political ally Cuba, Venezuelans had been unused to power failures due to the oil-exporter's rich natural resources and strong hydroelectric facilities that generate two-thirds of electricity. Chacon gave a technical rather than political explanation for Tuesday's outage, saying a major line - No. 765 in central Guarico state that carries about 60 percent of national supply - collapsed when a protective metal shield fell on it. But, in a nod to his boss, he did not rule out foul play. Venezuela has a maximum generation capacity of about 28,000 megawatts, and demand that day was a below-average level of between 16,300-16,500, the minister said, denying accusations that the system could not cope with increasing needs. Litany of problems The electricity sector is just one in a bulging in-tray of problems Maduro faces as he seeks to govern in the name of Chavez while also fixing some of his predecessor's failings. Most urgent is the economy. Inflation, a decades-old problem predating Chavez, remains the highest in the Americas, at an annualized 43 percent, and is causing huge pain on the streets despite government subsidies that offer some protection to the poor. Currency controls are creating myriad distortions and scams: the dollar is selling on the black market at six times the official price of 6.3 bolivars. That has brought a resurgence of practices like “currency tourism” where Venezuelans travel abroad simply to take advantage of dollar allowances at the official rate. In some cases, they buy a ticket to show as a requisite for the allowance, but then do not get on the plane. Or they fly to the cheapest possible destination, where someone will be waiting to “buy” their credit card allowance straight off them. Restricted access to dollars for private businesses has also been a factor in persistent shortages of basics from toilet paper to flour that continue to irritate Venezuelans. Maduro's standing has not been helped, either, by some spectacular verbal gaffes. In the latest, when alluding to the biblical story of Jesus miraculously providing loaves and fishes for a crowd of followers, he spoke of a multiplication of “penises” instead of “fishes”, muddling the Spanish words “penes” and “peces.” Also last month, he raised eyebrows describing how he sometimes sleeps in the mausoleum where Chavez's body lies. How all this plays with the Venezuelan people is hard to read in polls that are often small or politically skewed. But analysts say the nation remains roughly 50:50 for and against Maduro. Both sides dispute that, however, saying they are on top and will prove it at the Dec. 8 municipal elections. Beyond that, opposition leaders are looking towards a possible recall referendum in 2016 to try to end Maduro's rule.

# visas cp

**Venezuela key to legitimacy of the investment regime—they’re about to ignore ICSID awards**

**Gomez 10**—a Professor of Law at the University of Zaragoza (Katia Fach, July, “Latin America and ICSID: David versus Goliath?”) EL

Focusing on the exigency of this national control, there are presently two pending cases in ICSID against Venezuela: Brandes Inv. Partners v. Bolivarian Republic of Venezuela and CEMEX Caracas II Invs. B.V. v. Bolivarian Republic of Venezuela.78 In the future, Venezuela may resort to this “internal test” argument, borrowed from Argentina, to avoid complying with any award ICSID renders against it.79 If this happens, ICSID will be forced to address another legitimacy crisis. Taking into account the Venezuelan environment, the access to diplomatic protection stated in Article 27. 1 of the ICSID Convention will not be effective. Therefore, foreign investors will probably see first-hand that Venezuela has managed to effectively shield itself from ICSID awards.

**Venezuela is key—reacted against investment with highest intensity**

**Gomez 10**—a Professor of Law at the University of Zaragoza (Katia Fach, July, “Latin America and ICSID: David versus Goliath?”) EL

As it has been pointed out throughout this paper, Latin America224 is currently going back to approaches that belong to the Calvo doctrine.225 This stance is considered to be beneficial by these countries, as the Calvo doctrine fosters the region’s independence from the United States and strengthens Latin American sovereignty and regionalism. Nevertheless, it must be taken into account that Latin America is not a harmonious bloc.226 This is demonstrated through a number of factors, including its level of development, its political allies and its economic policies.227 While some countries of Latin America continue to develop liberal economic policies (Chile, Costa Rica, Dominican Republic, and Colombia), others (Venezuela, Bolivia, and Ecuador) have shown their reluctance to conform to this model, and are adopting a different model of economic regulation.228 The first set of neo-liberal proposals is based on free market access, institutional efficiency, and investor protection, while, on the other hand, the anti-Free Trade Agreement countries rely on a strong state, capable of creating wealth through its control over natural resources and the economy.229 A clear example of the important differences that exist within this region are the many recent clashes between Hugo Chavez and Alvaro Uribe, president of Venezuela and former president of Colombia, respectively.230 Both leaders represent the various tendencies that coexist, and sometimes collide, within Latin America. Similar conclusions can be drawn if we analyze the specific sector of investment arbitration in Latin America. On the one hand, this paper has shown that in recent years there have been many conflicts in this field. Due to a wide number of cited reasons, the system established by ICSID has been considered detrimental by the countries of Latin America. On the other hand, despite this general anti-ICSID sentiment in Latin America, each nation is developing its own position according to its socio-political characteristics. The countries examined most thoroughly in this paper are: Argentina, Venezuela, Ecuador and Bolivia. Argentina’s resistance to ICSID is a result of a series of ICSID awards issued against the 43country as a consequence of an economic crisis that Argentina has considered to be a state of necessity.231 On the other hand, Venezuela, Ecuador, and Bolivia have leftist regimes, which can be considered politically volatile232 by powers like the United States.233 The control of valuable natural resources has become a national issue in these countries.234 From their perspective, the exploitation of these resources by foreign companies shows the abuse committed by the first world in Latin America. As a part of their “retaliation campaign”, Venezuela, Ecuador, and Bolivia are developing a series of initiatives aimed at eliminating ICSID as a forum for resolving international investment disputes.235 This paper has analyzed in detail these initiatives and their legal implications including the following: (1) resorting to the Constitution to ignore ICSID awards, (2) promoting national courts’ reactions against ICSID, (3) drafting international contracts that avoid ICSID arbitration, (4) withdrawing from the ICSID Convention, (5) using Bilateral Investment Treaties to combat ICSID, (6) creating national agencies to react against ICSID arbitrations, and (7) developing a regional arbitration center aimed at replacing ICSID. Within this more reactionary bloc, there are also differences in the intensity of the nations’ responses and there is some precedent for international investment disputes between South American countries that, theoretically, share approaches.236 At this time, the most radical position is that taken by Venezuela .237 In recent months, President Chavez expropriated several foreign companies operating in key sectors of the country,238 “and created a joint venture with Russia to drill for heavy crude oil in Venezuela’s Orinoco River Basin.”239 Chavez also announced his intention to withdraw Venezuela from the Inter-American Commission on Human Rights after this organization accused him of endangering democracy in Venezuela.240 This kind of news certainly worries the international community and investors, particularly those in the United States and Europe.

# at: air scrubbing

**Air scrubbing is impossible**

**Scientific American 11** (12/13, Umair Irfan, “Scrubbing Carbon Dioxide from Air May Prove Too Costly,” <http://www.scientificamerican.com/article.cfm?id=scrubbing-carbon-dioxide-air-too-expensive>, mat)

One of the seemingly ideal and direct solutions to climate change is to efficiently vacuum up greenhouse gases straight from the atmosphere. But a new study finds that such a proposal is very far-fetched and tremendously expensive. The president's science adviser, John Holdren, and Energy Secretary Steven Chu have expressed support in the past for capturing and storing pollution from the air as a measure to mitigate global temperature increases. However, in a paper published earlier this month in the Proceedings of the National Academy of Sciences, researchers found that trying to scrub the air is much more expensive than keeping it from getting dirty in the first place. For the scientists conducting the study, air capture was shown to be largely wishful thinking that distracts from more effective strategies for combating pollution and climate change. "We thought it was important to set the record straight because [air capture] has policy implications," said Howard Herzog, a senior research engineer at the Massachusetts Institute of Technology's Energy Initiative and one of the report's authors. He said that air capture is appealing because it allows people to get away with not changing anything about their energy use. Air capture involves using filters, chemical reactions or special materials to collect greenhouse gases like carbon dioxide. Many of these technologies already exist for industrial use to keep carbon dioxide out of critical processes and to purify the air on spacecraft and submarines. The problem with using these tools to fight climate change is that pulling carbon dioxide out of the atmosphere is resource-intensive. "[Air capture] takes a lot of energy. The reason we have CO2 emissions is because we use a lot of energy. Controlling CO2 by burning a lot of energy doesn't make a lot of sense," Herzog said. Another challenge for air capture is that the atmosphere blanketing the Earth's surface is very big, and carbon dioxide is a relatively small part of it. The scientists studied some of the existing air capture strategies on the market and calculated how efficient and how costly they would be in cleaning the air at large. "I suggested looking into what the efficiencies should be as a function of the dilution of the target materials," said Kurt Zenz House, president of C12 Energy, a carbon dioxide management firm, and one of the paper's co-authors. Small needles, big haystack He explained that the team examined how much energy it takes for carbon extraction systems to clean the air outdoors when the gas is spread out, unlike the richer concentrations in smokestacks for factories and coal power plants where carbon scrubbing systems are commonly advised. Collecting carbon dioxide from the atmosphere would require combing through 300 times as much air as you would need in a power plant. "It's harder to find a needle in large haystack than a small haystack," said House. The researchers found that previous cost and efficiency estimates for air capture from entrepreneurs and scientists were far too optimistic. Extracting carbon dioxide from the air would likely cost more than $1,000 per ton, compared to $50 to $100 per ton from a system installed in a chimney. "We're not saying it's infeasible to take CO2 out of the air; we're asking if this is an economic way to mitigate climate change, and here we're very clear it's not," said Herzog. House also noted that the energy needed to pull a given quantity of carbon dioxide from the air is greater than the energy you get from burning the coal that produced it. In other words, running an air capture system with coal power would produce more pollution than it cleans up. "If you power it with natural gas, you break even, which is pointless," said House. The only way air capture would be effective in fighting climate change is if it were powered by renewable energy like solar or wind power, in which case, it is better to feed the energy back into the grid to displace fossil fuel generation, according to House. "For air capture to work, people would basically have to substantially improve on what we've achieved so far in commercial separation systems," he said.

**Geo-Engineering fails**

**Moriarty and Honnery ’10 – Both PhDs**

Patrick Moriarty, Ph.D. Department of Design, Monash University, and Damon Honnery, Ph.D. Department of Mechanical and Aerospace Engineering, Monash University. “Why Technical Fixes Won’t Mitigate Climate Change”. Journal of Cosmology, 2010, Vol 8, 1921-1927. http://journalofcosmology.com/ClimateChange107.html

As discussed here, geoengineering is action intended to manipulate climate on a global, or at least regional, scale. Corner and Pidgeon (2010) have pointed out that our emissions of CO2 (which have raised atmospheric CO2 levels from the pre-industrial 280 ppm to the present 387 ppm) could also be considered geoengineering. If so, we are merely arguing about different forms of the practice. The potential use of geoengineering for climate mitigation received a boost with a paper by Nobel laureate Paul Crutzen (2006). Like the present authors, he argued that conventional methods of mitigation were not working—the CO2 atmospheric concentration continues to climb at about 2 ppm each year. His inspiration was the significant drop in global temperatures recorded in the year following the Mount Pinatubo volcanic eruption in the Philippines in June 1991. The cooling resulted from the emission of some 10 Mt of sulphate aerosols into the lower stratosphere in the tropics. Continuous deliberate placement of fine sulphate aerosols in the lower stratosphere would reflect some of the incoming short-wave solar radiation, increasing the Earth’s albedo, and counteracting the positive forcing from increased levels of GHGs. The options available for geoengineering can be either local in extent (such as altering the albedo of deserts, crops or urban areas) or global (such as the use of giant space-based mirrors). Only aerosol placement in the tropical stratosphere, albedo enhancement of marine stratiform clouds and reflective mirrors in space would have the potential to counteract a doubling or more of atmospheric CO2 ppm (Lenton and Vaughan 2009). Of these global approaches, the cheapest is likely to be aerosol placement. Except for space-based mirrors, the approaches appear both far cheaper and far faster to implement than more conventional mitigation methods. Because of the lack of progress in slowing emissions and the low cost and rapid cooling resulting from global measures, geoengineering is gaining acceptance. The U.K. Royal Society (2009) has endorsed it as a technique to be used alongside other mitigation methods. But implementing measures to reduce the planetary albedo run enormous risks. Global precipitation would on average be reduced—it is not possible to bring both global temperatures and precipitation to their previous levels (Bala 2009). Acidification of the oceans would continue, potentially destabilising ocean ecosystems (Doney et al. 2009). Also, because elevated levels of CO2 will persist for centuries, so too must geoengineering—the continuous placement of aerosols, for example. Any abrupt cessation because of dangerous side effects discovered would rapidly raise the forcing to levels corresponding to the GHG concentrations at that time, resulting in very rapid warming, with possibly catastrophic effects on ecosystems (Matthews and Caldeira 2007). Thus although the costs of aerosol placement may well be modest, the overall cost of countering the unwanted consequences could be very high. Recently, perhaps because of these serious drawbacks, some researchers have modelled the effects of more modest aerosol placement schemes. Rather than global year-round aerosol coverage, they have looked at techniques that might prevent melting of the Greenhouse ice cap or Arctic summer sea ice, or summer warming of the north Atlantic during the hurricane season (Caldeira and Wood 2008, MacCracken 2009). The aerosols might be locally applied, for part of the year, to address a very specific problem resulting from climate change. But to be effective, their effects would necessarily be felt globally (Caldeira and Wood 2008), and if several of these projects were to be implemented simultaneously, the combined gobal effects might be extremely uncertain.

# protectionism

**Trade and investment are totally different issues—timeframe of the economic relationship**

**von Moltke 00**-- Adjunct Professor of Environmental Studies and Senior Fellow of the Institute on International Environmental Governance at Dartmouth (Konrad, “An International Investment Regime? Issues of Sustainability”, <http://www.iisd.org/pdf/investment.pdf>) EL

An international investment regime is needed to ensure that private interests¶ and public goods—including international private interests and international¶ public goods—which are typically at stake in productive investment, are properly balanced. Because of its historical links to the trade regime, it is tempting¶ to assume, as all investment agreements have done thus far, that an international investment regime needs to resemble the GATT/WTO. That assumption was presumably appropriate in an international system composed almost¶ exclusively of states. Faced with the increasing reality of globalization, however,¶ the tasks of an international investment regime have become more dynamic¶ and more challenging. An effective international investment regime must be¶ capable of balancing the rights of individuals against public goods. This is a¶ highly dynamic task that will require significant institutional capability in the¶ investment regime to ensure that its outcomes are viewed as legitimate.¶ The rapid development of international markets poses a dramatic challenge to¶ international policy-makers. New markets require new regimes to ensure that¶ a proper balance is struck between individual rights and public goods, including international public goods. These regimes must reflect the structure of the¶ problem they are designed to address; in other words, form follows function.¶ The debate about an international investment regime has not taken this basic¶ axiom of public policy to heart.¶ The MAI negotiators began with an institutional and organizational template—that of the GATT—and sought to adjust it to the needs of investment.¶ A preferable approach is to first identify the key characteristics of foreign direct¶ investment as well as the policy interest that requires concerted international¶ action. The second step is choosing institutions and their placement in an¶ organizational framework. The dilemma of international institutional design¶ is the need to develop an appropriate institutional framework in an environment that exhibits relatively few institutional alternatives. The art of international negotiation is to be imaginatively innovative where this is essential,¶ while adhering as closely as possible to established precedent. ¶ The tendency to construct an international investment regime modelled after¶ the trade regime is understandable, even if it represents a serious error. The¶ affinities between the two activities are real, and the trade regime is widely¶ viewed as a success. Foreign direct investment was long linked closely to trade.¶ Over the past decades, international investment flows have become increasingly independent of trade, responding to their own rules and incentives. A¶ significant portion of contemporary international investment seeks the best¶ relationship between risk and return, or a diversification of risk, rather than¶ the construction of a trading position. Before considering the characteristics of¶ an investment regime, particularly its institutions and organizational structure,¶ it is vital to consider the factors that determine the underlying problem structure and the public interest to be served by such a regime.¶ An International Investment Regime? — Issues of Sustainability¶ 47¶ Invest 9/11/00 10:54 AM Page 47¶ 4.1 The time frame of investment¶ Trade in goods occurs within a limited time frame. It is neither instantaneous¶ nor very extended. Goods transactions are typically measured in days or¶ months. Sales of certain major capital goods, airplanes for example, may¶ extend over several years. But as the time frame of the sale gets longer, the sale¶ increasingly resembles an investment, involving leases, loans or even some¶ form of ownership stake.¶ The significance of the temporal dimension of a sale lies in the social, economic and legal relationships established. The sale of goods creates a limited¶ relationship expressed as a contract that specifies dates, conditions of delivery,¶ prices and other relevant conditions. It may include warranties over an extended¶ period that are, however, strictly tied to the goods being traded. This is a relationship that is readily standardized. Indeed, many aspects of international¶ trade in goods are by now highly standardized, including contracts of sale, payments procedures, deadlines and jurisdictional issues in case of dispute. Sales¶ of like products are alike. It is increasingly possible to sell goods internationally¶ over the telephone or the Internet. Apart from warranties and possible service¶ agreements, the legal relationship between buyer and seller is terminated upon¶ completion of the transaction.¶ Frequently, the seller will seek to establish a longer-term relationship based on¶ certain characteristics of the goods being sold, the inclusion of property rights¶ in the sale (for example licences), sales strategies or other methods. But usually¶ the resulting relationship is a personal one between buyer and seller and either¶ party can terminate it without further consequence. Its aim is to continue to¶ sell and to purchase the goods that are at its centre.¶ Trade in services demands a more complex relationship, extending over widely¶ varying periods of time. Provision of services can be a one-time event or a continuing activity. ¶ Intellectual property rights take the temporal and legal dimension one step¶ further. The TRIPS Agreement implies the ability of innovators to acquire specific rights—namely patents, trademarks or brand names—in other countries¶ and to hold and use these rights for an extended period of time. To achieve¶ this goal, the TRIPS Agreement moves the trade regime into the domain of¶ positive regulation. Instead of prohibiting certain activities by states it creates¶ a positive obligation to act in certain ways. It is to be expected that implementing this novel obligation by the traditional means of the trade regime will¶ prove highly contentious, possibly even fracturing the regime.¶ The time frame of investments is widely divergent. Purely financial transactions—particularly portfolio investment—can be extremely liquid, subject to¶ purchase and sale almost immediately. Within certain markets there are now¶ specialist investors and arbitrageurs who will purchase and sell investments¶ within seconds. The underlying social and legal relationship can only be¶ described as ephemeral. ¶ Other investments, particularly productive investments, are long-term, measured in years or even decades. The power plant that is built today may still be¶ in use a century later—well beyond the time when it is fully depreciated—¶ much modified but nevertheless in the same location and often using the same¶ fuel. The forest that is cut down today may not regenerate in 200 years, and¶ the farm or the plantation that replaces it will transform the landscape in¶ which it is located. It will be the object of changing crops and evolving practices from one year to the next.¶ Trade, as a short-term activity, is static. Long-term investment is dynamic.

**China is fueling protectionism and nationalism—not the US**

**Simpson 2/4**/2010 (Peter, VOA News, "China dismisses US trade threats",

http://www1.voanews.com/english/news/economy-and-business/China-Dismisses-US-trade-threats--83536722.html, WEA)

In the latest disagreement between Washington and Beijing, Chinese Foreign Ministry spokesman Ma Zhaoxu on Thursday said the country's currency was set at a "reasonable level." And he warned "accusations and pressure" would not help solve the problem. Ma says the exchange rate is not the cause of the trade deficit between the two countries. He says China hopes the United States will regard trade and currency issues "in a balanced and fair light." The terse response comes a day after President Obama promised to adopt a tougher stance toward Beijing, and push for a further opening up of Chinese markets. U.S. companies, along with many in Europe, have longed complained that Beijing's currency policies give Chinese firms an unfair advantage. Many trade analysts and economists say the yuan is set at an artificially low level, making Chinese goods cheap overseas. But Beijing rejects calls for it to revalue its currency. The issue is the latest in a growing list of grievances between the two economic powers. Ties have been strained in recent weeks, starting with claims of Chinese cyber-attacks on U.S. Web sites, including Google. President Obama's plans to meet the Dalai Lama, and Washington's deal to sell arms to Taiwan have strained relations further. Ma repeated threats of sanctions against U.S. companies involved in the Taiwan arms deal. Ma says China "will surely" impose sanctions against these companies due to what he calls Washington's "blatant disregard of our opposition and representations." Wednesday, President Obama said he would not take a protectionist stance toward China, which is expected to become the world's second largest economy this year. He said to shut the U.S. off from the Chinese market "would be a mistake."

**Protectionism won’t go nuclear and their examples are insignificant**

**Bremmer 9** – president of Eurasia Group, a political-risk consultancy (Ian, 3/24, The Political Risks From Washington, http://www.realclearpolitics.com/articles/2009/03/top\_five\_risks\_and\_a\_red\_herri.html)

There is one serious risk I think we can downplay--a global trade war. The past months have brought all sorts of fears of growing US protectionism and the spiraling international reaction. And a wide array of localized protectionist measures have been taken around the world-indeed, the world bank has counted about 50 trade restrictive actions and only a dozen liberalizing ones since the G20 countries promised to forestall protectionism last November. To list just a few examples--multiple countries have given low cost or no cost cash to their automakers; the United States has restricted stimulus procurement to a subset of countries under a "Buy American" provision; in response to US cancellation of a Mexican trucking program that country has put over $2 billion in tariffs in place on trade with the United States. But thinking about the magnitude rather than the quantity of events uncovers that this is more conventional, rather narrow protectionism than the opening salvos of a trade war. Certainly in the United States, the highest stakes for protectionism are around the automotive sector (after all, the millions of jobs potentially at stake would undo the Obama administration's job preservation goals in one swoop). But there has been no serious suggestion of raising tariffs on foreign autos, and congressional votes and nationwide polls have made clear that there is no public will to keep the industry alive through massive subsidy. If the auto sector-where unionized labor and management could easily point to foreign competition as a cause of its problems-is not enough to merit nuclear protectionism, what is? Nothing, probably. The biggest silver lining to the economic and financial crisis in the United States is that it has very little to do with globalization. To date, there has been no blaming foreigners; rather, the recession has been a story of domestic greed and poor oversight. Certainly, as Americans feel poorer, the risk of redistribution from the have-lots to the have-littles increases. But it's not a backlash against interconnectedness, trade, or global supply chains.

# democracy

**Venezuela is key to ALBA—funding for socialism**

**Ciupa 11**-- PhD Candidate, School of Politics & IR at Queen Mary University of London (Kristen, “THE POLITICAL ECONOMY OF VENEZUELAN OIL AND REGIONAL RESPONSES TO NEOLIBERALISM”, <http://www.politics.qmul.ac.uk/research/degrees/postgraduateresearch/Ciupa_PE_Venuzuela/112586.html>) EL

My PhD research focuses on contemporary regionalisms in Latin America associated with the Bolivarian Alliance for the Peoples of Our America (ALBA) regional bloc, exploring the extent to which they represent anti-neoliberal and anti-imperial challenges to the logics of neoliberal global capitalism. As the first attempt to coordinate a regionally integrated social, economic and political response to the dominant neoliberal political economic model, ALBA facilitates alternative forms of regional trade, develops a regional trading currency, nationalizes natural resource sectors and extends social welfare programs. Heavily reliant on oil extraction and export, ALBA has also been criticized for remaining tied to a model of international trade that has contributed to social inequality in Latin America. I approach this topic via a scalar analysis that explores the relationship between class politics, state form, and capital at the international and local levels as they impact upon regional initiatives. My analysis at the international level draws on theories of uneven and combined development, Marxist state theory, and theories of imperialism. I explore the current phase of neoliberal global capitalism, focusing on the intensification of capitalist expansion, uneven and combined development and changes to state form, in order to delineate the limitations and possibilities for state-led third world autonomy in the current international capitalist system. At the local level, as the main country to support ALBA materially and ideologically, my analysis focuses on the Venezuelan state and class politics as they impact on ALBA, and as they are impacted by two aspects of Venezuelan political economy and society: the oil industry and the relationship between civil society and state politics. First, as both the source of funding for many of ALBA’s initiatives, as well as the subject of many of its agreements, my analysis focuses on the implications of an anti-neoliberal project that is closely tied to the Venezuelan oil industry. My research illuminates the linkages between the international demand for oil, the Venezuelan oil industry, Venezuelan state form and the interaction between national and international class interests, in order to explore the implications of an export-oriented model of growth for a project of regional integration. Second, my research explores how the unique ‘top down’, ‘bottom up’ approach to Venezuelan politics associated with the Bolivarian revolution, which gradually supplants state-led institutions with locally run communal organizations, has impacted state-led projects, such as ALBA, and explores the potentiality of ALBA to incorporate social movements and constituent power into a more equitable form of regional integration. At the regional level, I situate an analysis of ALBA within the international and local contexts, exploring how international and local class politics impact upon the possibilities for regional autonomy, power, and identity-building. I contrast ALBA with neoliberal forms of regionalism and situate ALBA within the current proliferation of regionalisms in Latin America, to determine the extent to which ALBA challenges the logics of neoliberal regionalism, state, development, and the neoliberal separation of politics and civil society. My research situates an analysis of ALBA within the context of New Left political projects in Latin America, exploring the possibility of constructing state-led alternatives to neoliberal capitalism through regionalism in an era of globalization.

**Maduro is working with investment capital both from the US and Venezuela now**

**Van Auken 6/7**-- politician and activist for the Socialist Equality Party (Bill, “Venezuela’s Maduro reaches out to big business and Washington”, 2013, <http://www.wsws.org/en/articles/2013/06/07/vene-j07.html>) EL

After three months in office, Venezuelan President Nicolas Maduro, the handpicked successor of the late Hugo Chavez, has put aside left rhetoric to seek accommodation with Venezuela’s biggest capitalists as well as with the Obama administration in Washington. Maduro has repeatedly charged in recent months that US imperialism was conspiring to bring down his government and was the guiding hand behind a wave of political violence that followed his narrow election victory against right-wing candidate Henrique Capriles in April. Yet Venezuela’s Foreign Minister Elias Jaua was all smiles Wednesday, following a 40-minute meeting in Guatemala with US Secretary of State John Kerry. The two, who met privately on the sidelines of the Organization of American States General Assembly meeting in Antigua, Guatemala, declared their commitment to, in Kerry’s words, “establish a more constructive and positive relationship.” This is to include resuming the exchange of ambassadors, which has been suspended since late 2010. It was Venezuela that requested the meeting. “We agreed today there will be an ongoing, continuing dialogue between the State Department and the Foreign Ministry, and we will try to set out an agenda by which we agree on things we can work together,” said Kerry. For his part, Jaua declared that “A good relationship between the government of President Nicolas Maduro and the government of President Barack Obama is what suits both peoples, it’s the guarantee of peace and stability for our peoples.” Just last month, Maduro referred to Obama in a public speech as “the big boss of the devils” and accused him of backing the “fascist right” in attacking the Venezuelan people. In Guatemala, Jaua said that he had presented Kerry with a report on the violence that followed the April 14 election to choose Chavez’s successor in which 11 people were killed and 80 injured, most of them Maduro supporters. He gave the US secretary of state an extract of the report prepared on the incidents by Venezuela’s Public Advocate’s office. He said that the discussion had “alerted Kerry to the actions of anti-democratic groups in Venezuela, which threaten Venezuelan democracy, stability and which often are being supported by political and economic sectors of other countries.” In point of fact, the most significant “sectors” seeking to destabilize the Venezuelan regime have long been the CIA and the US State Department. Maduro’s turn toward accommodation with US imperialism has been accompanied by a similar approach to both foreign and domestic capital. Among the most significant deals in terms of foreign capital was reached late last month with Chevron Corp. Chevron is providing $2 billion in financing for Petroboscan, a joint venture between the US oil giant and Venezuela’s state-owned oil company, PDVSA, to boost heavy crude production in the northwestern state of Zulia. Shortly beforehand, PDVSA secured a $1 billion credit line with Houston-based Schlumberger Ltd., the world’s largest oilfield services company. While oil exports to the US have declined to about 900,000 barrels a day, it remains Venezuela’s chief customer for oil, responsible for 95 percent of the country’s export earnings and roughly half of its federal budget revenue. From the standpoint of the US-based energy conglomerates, securing dominance over Venezuela’s oil reserves, the largest in the world, remains a strategic objective. The investments by Chevron and Schlumberger make clear that they see the potential for major profits, the Venezuelan government’s rhetoric about “Bolivarian socialism” notwithstanding. Domestically, after charging for months that major Venezuelan capitalists, backed by the US, were waging an “economic war” against his government, Maduro invited the country’s second-richest individual, Lorenzo Mendoza, the head of the country’s largest food company, Polar, to meet with him last month at the Miraflores presidential palace in Caracas. Both Chavez and Maduro had singled out Polar and Mendoza for attack over the country’s increasingly severe shortages and rising food prices. Holding them responsible for hoarding and waging an “economic war,” they threatened to nationalize the firm. For his part, Mendoza, who is worth some $4.5 billion, was an enthusiastic supporter of the US-backed coup that briefly unseated Chavez in April 2002. This history had contributed to his keeping a fairly low profile under Chavez, but it was noted in the Venezuelan media that he mounted a vigorous public defense of his company in the face of Maduro’s recent charges. Mendoza described the meeting as “very cordial, direct, sincere,” adding, “The president was very kind in listening to us and communicating the need to keep investing, producing and supplying markets. That is our lifelong commitment, passion and vocation.” He said that the two had reached an agreement “not to politicize” the issue of food. Vice President Jorge Arreaza provided a similar description of the encounter between the “working class” president and the billionaire. “The problem’s been overcome,” he said. The meeting with Mendoza was only the most visible of a series of talks between the government and prominent Venezuelan capitalists. Among the deals reached is the lifting of certain price controls and the easing of currency restrictions. “In another sign of the rapprochement, the hallways of the finance ministry for the first time in years are filled with businessmen in sharp suits,” Reuters reported. “Many carry folders stuffed with requests for greater flexibility in the currency control system and an easing of price controls.” The news agency quoted Finance Minister Nelson Merentes stating after one meeting with business executives: “We’ve entered a phase of creating closer ties with the private sector, without ignoring the new socialist economy.” After months of charging the big bourgeoisie in Venezuela with “sabotage,” the Maduro government is now currying its favor and begging it to increase production. This turn is driven by a deepening economic crisis characterized by a decline in growth, soaring inflation and widespread shortages. Venezuela’s inflation rate is now near 30 percent, with the bulk of it reflecting the sharp rise in the price of food. Meanwhile, the growth rate for the first quarter of 2013 amounted to just 0.7 percent. This overall figure, however, masks the severity of the situation. Venezuela’s financial sector, which continues to enjoy some of the highest profit rates in the world, saw a 31 percent growth during this period, while manufacturing declined by 3.6 percent and construction by 1.2 percent. The scarcity index, which tracks the amount of products missing from store shelves, has hit its highest level since the Central Bank began tracking these figures. The accommodation between the Maduro government and Venezuelan capitalists, on the one hand, and Washington, on the other, has taken the political wind out of the sails of the rightist candidate Henrique Capriles, who has continued to charge electoral fraud and condemn Maduro as an illegitimate president. While the Obama administration has yet to formally recognize Maduro’s close election victory, it has turned a cold shoulder to demands for OAS sanctions against Venezuela. And Mendoza’s visit to Miraflores indicates that the billionaire accepts Maduro as legitimate. Clearly, both domestic and foreign capital recognize that behind the left rhetoric and the limited social reforms of “Bolivarian Socialism,” Maduro’s government defends capitalism and they can do business with it. More fundamentally, continued agitation by the right wing and a further weakening of the government under conditions of deepening economic crisis and rising popular discontent poses the danger of provoking a social explosion in the working class.

**Democracies don’t create peace – at best, it’s *correlation, not causation***

**Rosato, 03** Sebastian, Ph.D. candidate, Political Science Department, UChicago, American Political Science Review, November, <http://journals.cambridge.org/download.php?file=%2FPSR%2FPSR97_04%2FS0003055403000893a.pdf&code=97d5513385df289000828a47df480146>, “The Flawed Logic of Democratic Peace Theory,” ADM

Democratic peace theory is probably the most powerful liberal contribution to the debate on the causes of war and peace. In this paper I examine the causal logics that underpin the theory to determine whether they offer compelling explanations for the ﬁnding of mutual democratic paciﬁsm. I ﬁnd that they do not. Democracies do not reliably externalize their domestic norms of conﬂict resolution and do not trust or respect one another when their interests clash. Moreover, elected leaders are not especially accountable to peace loving publics or paciﬁc interest groups, democracies are not particularly slow to mobilize or incapable of surprise attack, and open political competition does not guarantee that a democracy will reveal private information about its level of resolve thereby avoidingconﬂict. Since the evidence suggests that the logics do not operate as stipulated by the theory’s proponents, there are good reasons to believe that while there is certainly peace among democracies, it may not be caused by the democratic nature of those states. Democratic peace theory—the claim that democracies rarely ﬁght one another because they share common norms of live-and-let-live and domestic institutions that constrain the recourse to war—is probably the most powerful liberal contribution to the debate on the causes of war and peace.1 If the theory is correct, it has important implications for both the study and the practice of international politics. Within the academy it undermines both the realist claim that states are condemned to exist in a constant state of security competition and its assertion that the structure of the international system, rather than state type, should be central to our understanding of state behavior. In practical terms democratic peace theory provides the intellectual justiﬁcation for the belief that spreading democracy abroad will perform the dual task of enhancing American national security and promoting world peace. In this article I offer an assessment of democratic peace theory. Speciﬁcally, I examine the causal logics that underpin the theory to determine whether they offer compelling explanations for why democracies do not ﬁght one another. A theory is comprised of a hypothesis stipulating an association between an independent and a dependent variable and a causal logic that explains the connection between those two variables. To test a theory fully, we should determine whether there is support for the hypothesis, that is, whether there is a correlation between the independent and the dependent variables and whether there is a causal relationship between them.2 An evaluation of democratic peace theory, then, rests on answering two questions. First, do the data support the claim that democracies rarely ﬁght each other? Second, is there a compelling explanation for why this should be the case? Democratic peace theorists have discovered a powerful empirical generalization: Democracies rarely go to war or engage in militarized disputes with one another. Although there have been several attempts to challenge these ﬁndings (e.g., Farber and Gowa 1997; Layne 1994; Spiro 1994), the correlations remain robust (e.g., Maoz 1998; Oneal and Russett 1999; Ray 1995; Russett 1993; Weart 1998). Nevertheless, some scholars argue that while there is certainly peace among democracies, it may be caused by factors other than the democratic nature of those states (Farber and Gowa 1997; Gartzke 1998; Layne 1994). Farber and Gowa (1997), for example, suggest that the Cold War largely explains the democratic peace ﬁnding. In essence, they are raising doubts about whether there is a convincing causal logic that explains how democracies interact with each other in ways that lead to peace. To resolve this debate, we must take the next step in the testing process: determining the persuasiveness of the various causal logics offered by democratic peace theorists

# ptx

#### The CR will pass now

**Brown, 9/27/13** ­ - politics reporter for Politico (Carrie, “How it ends” Politico, http://www.politico.com/story/2013/09/house-republicans-government-shutdown-how-it-ends-97442.html?hp=l6)

The GOP suffers from PTSD when it comes to government shutdowns. It took the political hit for the last one, in 1995-96, and many members worry about history repeating itself.

That’s why Republicans could decide to accept a clean funding bill, keep the government open and move on — demanding to curtail, delay or defund Obamacare in exchange for raising the debt limit next month.

The House Republican leadership’s opening move last week suggests this scenario is quite possible.

They initially floated a plan to pass a government funding bill that would’ve allowed the Senate to strip out the language defunding Obamacare without ever having to send it back to the House for final approval. It was a tacit admission that the Republican leaders wanted to give House members a chance to reject the health care law without the risk of a government shutdown. But the rank and file, well aware that it was a procedural maneuver, refused to go along.

For the tea party wing of the Republican Party to back down now, Boehner would need convince members that the debt limit fight won’t leave them similarly empty-handed. And if Republicans accept a clean CR now, they would likely be forced to pass a full fiscal year 2014 spending plan in mid-November.

Republicans think the debt limit provides better leverage for extracting concessions. For starters, it polls better than shutting down the government over Obamacare.

#### The GOP is highly likely to cave and enough votes exist now for a clean debt ceiling

**Beutler, 9/24/13** - Salon's political writer (Brian, “Ted Cruz’s complaints are meaningless” Salon, <http://www.salon.com/2013/09/24/ted_cruzs_complaints_are_meaningless/>)

Several commentators have watched the defund campaign go flaccid and responded by reissuing breathless exhortations that the risk of a debt default next month is much more severe than the risk of a shutdown ever was.

Here’s Steve Benen, Ezra Klein and Jonathan Chait, just today.

But it seems to me the past week’s events set up the following equation — cave on defunding Obamacare + ??? = win the debt limit fight — and it’s up to one of these guys to solve for ???

They all proceed from the same basic premise — the GOP’s demands are so extreme, and the Democrats’ commitment not to negotiating so ironclad, that Congress simply can’t increase the debt limit without one party folding. Parties don’t like to fold, ergo the risk of default is high.

I think this logic is flawed for a few reasons. Parties fold all the time. The GOP’s demands are actually wishes couched as demands. Their insistence on concessions from President Obama isn’t actually as black and white

as the doomsayers portray it.

But on top of these misapprehensions, the debt limit freakout caucus also misrepresents a straightforward argument that the fight will be resolved fairly harmlessly as a lazily reductive assumption.

Chait says, “The debt-ceiling showdowns of 2011 and last spring both resolved themselves without triggering an economic meltdown, and so most people have come to assume the same will happen again this fall.”

This is a caricature, which allows doomsayers to grapple with a few basic facts. I and many others are pretty sanguine about this debt limit fight not because everything worked out OK earlier this year and in 2011, but because 1) everyone has said the debt limit will be increased; 2) the votes are there to increase the debt limit; 3) there are multiple procedural avenues that lead to votes on a debt limit increase; 4) at least two of them lead there without Republicans extracting concessions from President Obama.

House Republicans have a whole laundry list of non-starter debt limit “demands,” the most high-profile of which is a rider that would “delay” (as opposed to “defund”) Obamacare. Assuming John Boehner can pass that bill with GOP votes, it’ll come to the Senate, which is currently giving the public an object lesson in how Democrats can strip all of these riders on their own, while Republicans pretend they fought to the bitter end to extort the president. Don’t believe me? See the McConnell quote at the top of this article and replace the word “defund-” with “delay-.”

John Boehner doesn’t want to default on the national debt. He’s said he’s not willing to allow it. And lucky for him, there are enough votes in the House to pass the clean (or nearly entirely clean) debt limit bill that comes back from the Senate.

**Climate fight**

Steve **Benen**, MSNBC, **9/18**/13, Congress targets Obama's climate agenda, maddowblog.msnbc.com/\_news/2013/09/18/20559938-congress-targets-obamas-climate-agenda

It's been about three months since President Obama unveiled a fairly ambitious agenda to combat the climate crisis, and in the immediate aftermath, Republicans had very little to say about it. Indeed, Politico reported in June that GOP leaders came up with a game plan: ignore the speech, ignore global warming, and generally ignore science altogether. That approach will change today. President Barack Obama's plans to curb the gases blamed for global warming are heading to their first test, a House hearing in which administration officials make their case before skeptical lawmakers. The energy panel meeting Wednesday comes just days before a deadline for the Environmental Protection Agency to release a revised proposal setting the first-ever limits on carbon dioxide from newly built power plants. You might be thinking, "Wait, why would Congress matter in this?" and at a certain level, it doesn't. The Obama administration is using its regulatory authority to combat the climate crisis, taking advantage of powers the U.S. Supreme Court has already endorsed. As was reported in June, "The president outlined a series of climate proposals he intended to advance through executive action, sidestepping a Congress mired in gridlock in its handling of most matters, let alone politically touchy energy and climate issues." But while Congress struggles mightily to create, it finds it easier to destroy. Rep. Ed Whitfield, the chairman of the Energy and Commerce panel on energy and power, is a conservative Kentucky Republican who already intends to push legislation to place new limits on what the EPA can do to regulate carbon pollution from power plants. For that matter, as the AP added, "Congress could also hinder the EPA by slashing its budget." Indeed, it's difficult to know just how far congressional Republicans are prepared to go to stop the White House from addressing the climate crisis, which makes today's hearing that much more interesting -- we're about to get a big hint.

**Gun control thumps**

Aliyah **Frumin**, MSNBC, **9/21**/13, Bright prospects on foreign agenda; domestic in chaos, tv.msnbc.com/2013/09/21/bright-prospects-for-obama-on-foreign-agenda-domestic-in-chaos/

Domestic distractions are plenty. Earlier this week, Obama was all set to give remarks on the economy — when the debate over gun control was suddenly renewed following the mass shooting at the Washington, D.C., Navy Yard. The tragedy prompted Obama to call on Congress once again to revisit gun control. It’s likely going to be a Sisyphean task. His push for expanded background checks following the Newtown massacre failed after the Senate could not get the 60 votes it needed to overcome the threat of a filibuster. It’s unlikely this time will be any different. And finally, there’s the huge issue of the debt ceiling and some Republicans saying they’ll only keep the government funded beyond September if Obama’s healthcare law is defunded. That, of course, could risk a government shutdown if the two sides cannot come to agreement.