# 1NC Shell

**The United States Federal Government should shift substantial resources currently dedicated to the Safe, Accountable, Flexible, Efficient Transportation Equity Act towards the [plan]**

**Net benefit - the plan wrecks spending neutrality – opens the door to wasteful projects and makes it impossible to do anything to reduce the federal deficit**

**Kasich 96** [Kasich, Former Chair of the House Budget Committee, 4-19-96 (John, “Truth in Budgeting Act won't balance a thing,” The Times Union)]

The objective of this bill, in Washington-speak, is to take the transportation spending ''off-budget'' -- in other words, to give it special status so the rules that apply to almost all other portions of the budget won't apply to this category. Supporters of this plan say it is justified because the federal government is somehow hoarding taxes earmarked for transportation programs and spending them elsewhere. Those who are really interested in ''truthful budgeting'' know nothing could be farther from the truth. In fact, Washington has spent more from the Highway Trust Fund than it has received in earmarked taxes in 12 of the past 15 years. In 1994 alone, the federal government collected $ 18 billion in trust fund taxes but spent $ 22 billion on trust fund programs. By exempting transportation spending from the rules that apply to most other federal spending, we could be creating a deficit disaster. Both the White House and the congressional budget offices estimate that exempting transportation from the restraints could increase the federal budget deficit by more than $ 20 billion over the next five years. This means that to get to a balanced budget, other, non-transportation programs must be cut by $ 20 billion. Proponents of this measure are notably silent on where these cuts should fall. Off-budget proponents also claim that more federal spending is needed to improve the nation's infrastructure. This, too, misses the point. Part of the problem is not how much the federal government is spending but how we spend it. For starters, between 1991 and 1997, more than $ 6 billion in trust fund taxes will pay for more than 500 ''demonstration'' projects for the districts of powerful members. These projects don't address national transportation needs, and an association of state transportation officials has asked that the practice of earmarking ''demonstration projects'' be stopped. Yet if we took the transportation funds ''off-budget'' and removed the restraints that now apply, the door would certainly be open for even more of these shenanigans in the future. But what is most dangerous about the bill is this: If we give one federal program vaunted budget status, who will be next? Lobbyists around town can't wait to see if ''off-budget'' will be their fiscal fountain of youth. To prove this, look at who is on each side of the issue: Transportation lobbyists unanimously support preferential treatment for transportation spending; accountability-in-government and balanced-budget groups, academics and Wall Street all strongly oppose the measure. Federal Reserve Chairman Alan Greenspan, who usually refrains from commenting on congressional spending policy, said that taking trust funds off-budget ''could weaken the ability of the Congress to prioritize and control spending . . . (and) could engender cynicism in financial markets and the public at large about the commitment and ability of government to control federal spending.''

**Fiscal discipline prevents global economic collapse – increased spending scares away investors**

**Bergsten 2009** [C. Fred Bergsten, Director of the Institute for International Economics, former Assistant Secretary of the Treasury for International Affairs and Assistant for International Economic Affairs to the National Security Council. “The Dollar and the Deficits.” Foreign Affairs. Lexis Nexis.]

A first step is to recognize the dangers of standing pat. For example, the United States' trade and current account deficits have declined sharply over the last three years, but absent new policy action, they are likely to start climbing again, rising to record levels and far beyond. Or take the dollar. Its role as the dominant international currency has made it much easier for the United States to finance, and thus run up, large trade and current account deficits with the rest of the world over the past 30 years. These huge inflows of foreign capital, however, turned out to be an important cause of the current economic crisis, because they contributed to the low interest rates, excessive liquidity, and loose monetary policies that—in combination with lax financial supervision—brought on the overleveraging and underpricing of risk that produced the meltdown. It has long been known that large external deficits pose substantial risks to the US economy because foreign investors might at some point refuse to finance these deficits on terms compatible with US prosperity. Any sudden stop in lending to the United States would drive the dollar down, push inflation and interest rates up, and perhaps bring on a hard landing for the United States—and the world economy at large. But it is now evident that it can be equally or even more damaging if foreign investors do finance large US deficits for prolonged periods. US policymakers, therefore, must recognize that large external deficits, the dominance of the dollar, and the large capital inflows that necessarily accompany deficits and currency dominance are no longer in the United States' national interest. Washington should welcome initiatives put forward over the past year by China and others to begin a serious discussion of reforming the international monetary system. If the rest of the world again finances the United States' large external deficits, the conditions that brought on the current crisis will be replicated. To a large extent, the US external deficit has an internal counterpart: the budget deficit. Higher budget deficits generally increase domestic demand for foreign goods and foreign capital and thus promote larger current account deficits. But the two deficits are not "twin" in any mechanistic sense, and they have moved in opposite directions at times, including at present. The latest projections by the Obama administration and the Congressional Budget Office (CBO) suggest that both in the short run, as a result of the crisis, and over the next decade or so, as baby boomers age, the US budget deficit will exceed all previous records by considerable margins. The Peterson Institute for International Economics projects that the international economic position of the United States is likely to deteriorate enormously as a result, with the current account deficit rising from a previous record of six percent of GDP to over 15 percent (more than $5 trillion annually) by 2030 and net debt climbing from $3.5 trillion today to $50 trillion (the equivalent of 140 percent of GDP and more than 700 percent of exports) by 2030. The United States would then be transferring a full seven percent ($2.5 trillion) of its entire economic output to foreigners every year in order to service its external debt. This untenable scenario highlights a grave triple threat for the United States. If the rest of the world again finances the United States' large external deficits, the conditions that brought on the current crisis will be replicated and the risk of calamity renewed. At the same time, increasing US demands on foreign investors would probably become unsustainable and produce a severe drop in the value of the dollar well before 2030, possibly bringing on a hard landing. And even if the United States were lucky enough to avoid future crises, the steadily rising transfer of US income to the rest of the world to service foreign debt would seriously erode Americans' standards of living. Hence, new record levels of trade and current account deficits would likely levy very heavy costs on the United States whether or not the rest of the world was willing to finance these deficits at prices compatible with US prosperity. Washington should seek to sharply limit these external deficits in the future—and it is encouraging that the Obama administration has indicated its intention to move in that direction, opting for future US growth that is export-oriented, rather than consumption-oriented, and rejecting the role of the United States as the world's consumer of last resort. Balancing the budget is the only reliable policy instrument for preventing such a buildup of foreign deficits and debt for the United States. As soon as the US economy recovers from the current crisis, it is imperative that US policymakers restore a budget that is balanced over the economic cycle and, in fact, runs surpluses during boom years. Measures that could be adopted now and phased in as growth is restored include containing the cost of medical care, reforming Social Security, and enacting new taxes on consumption. The US government's continued failure to responsibly address the fiscal future of the United States will imperil its global position as well as its future prosperity. The country's fate is already largely in the hands of its foreign creditors, starting with China but also including Japan, Russia, and a number of oil-exporting countries. Unless the United States quickly achieves and maintains a sustainable economic position, its ability to pursue autonomous economic and foreign policies will become increasingly compromised.

**Economic collapse causes nuclear war and extinction**

**Bearden 2000** Masters Science in nuclear engineering of Georgia Tech, U.S. Army (Retiredd) Lieutant Colonial [T.E., LTC, U.S. Army, “The Unnecessary Energy Crisis: How to Solve It Quickly,” http://www.freerepublic.com/forum/a3aaf97f22e23.htm, June 24]

History bears out that **desperate nations take desperate actions**. **Prior to** the final **economic collapse**, the **stress on nations will have increased the intensity and number of their conflicts, to the point where** the arsenals of weapons of mass destruction (**WMD**) now possessed by some 25 nations, **are almost certain to be released**. As an example, **suppose a starving North Korea launches nuclear weapons upon Japan** and South Korea, including U.S. forces there, in a spasmodic suicidal response. **Or** suppose **a desperate China**-whose long-range nuclear missiles (some) can reach the United States-**attacks Taiwan**. In addition to immediate responses, the **mutual treaties** involved in such scenarios **will quickly draw other nations into the conflict**, **escalating it significantly**. Strategic nuclear studies have shown for decades that, under such extreme stress conditions, once a few nukes are launched, adversaries and potential adversaries are then compelled to launch on perception of preparations by one's adversary. The real legacy of the MAD concept is this side of the MAD coin that is almost never discussed. Without effective defense, the only chance a nation has to survive at all is to launch immediate full-bore pre-emptive strikes and try to take out its perceived foes as rapidly and massively as possible. As the studies showed, **rapid escalation to full WMD exchange occurs.** Today, a great percent of the WMD arsenals that will be unleashed, are already on site within the United States itself. **The resulting great ~~Armageddon~~ (war) will destroy civilization** as we know it, **and perhaps most of the biosphere**, at least for many decades.

# 2NC O/V

**The counterplan solves the case – instead of deficit spending we just take already-allocated funds from a different type of transportation infrastructure**

**And - There are sufficient funds for the plan**

**FHA 05** [Federal Highway Administration. “A Summary of Highway Provisions in SAFETEA-LU.” August 25, 2005.]

On August 10, 2005, the President signed into law the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). With guaranteed funding for highways, highway safety, and public transportation totaling $244.1 billion, SAFETEA-LU represents the largest surface transportation investment in our Nation's history. The two landmark bills that brought surface transportation into the 21st century—the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) and the Transportation Equity Act for the 21st Century (TEA-21)—shaped the highway program to meet the Nation's changing transportation needs.

# AT CP Illegitimate

**The counterplan is legitimate –**

**1. Realistic and Core of the Topic – forcing affs to defend increases in spending is key to topic specific education**

**Gilroy 09** [Leonard, Director of Government Reform at the Reason Foundation (“Congress Will Just Figure Out How to Pay for $500 Billion Transportation Bill Later,” Reason, 6/19/09, http://reason.org/blog/show/congress-will-just-figure-out)]

So all we're really left with here are more questions than answers on this "transformational" plan. What would have been truly transformational here would have been for the bill's sponsors to spend as much time thinking through the hard issues of funding as they did the politically easier issues of what their "vision" entails. Without this due diligence, I suspect Americans will view this as yet more Congressional snake oil, which isn't exactly helpful when it's more critical than ever to build broad public support for increased infrastructure investment that is focused on improving mobility and helping the economy.

**2. Advocacy Skills- Forcing the aff to defend PIC’s out of every part of the aff encourages the development of better researched policies and is vital to being a competent policy advocate because ideas aren’t enough in congress, that’s key to social change and avoiding the lack of planning that caused poor policies like Iraq**

**2. Reciprocity- they chose the wording and mandates of the plan for strategic reasons such as bigger advantages and solvency --- reciprocity demands they incur the strategic cost of defending against this CP – and reciprocity is the baseline for fair and educational debate**

**3. Predictability – the CP is grounded in the wording of the resolution which they should have to research to win – also, it’s not infinitely regressive – there are only a certain number of funds that can be offset to do the plan**

**4. Aff ground – not specifying means the aff is bound to deficit spending – there are plenty of other funding mechanisms they could’ve chosen**

**Bosworth and Milusheva, 11** (Barry and Sveta, “Innovations in U.S. Infrastructure Financing: An Evaluation,” Brookings, 2011, http://www.brookings.edu/~/media/research/files/papers/2011/10/20%20infrastructure%20financing%20bosworth%20milusheva/1020\_infrastructure\_financing\_bosworth\_milusheva)

Driven by the belief that the U.S. infrastructure is inadequate, many organizations have¶ become advocates of increased spending. But in a period of strong opposition to tax increases,¶ they have sought means of accomplishing that goal outside of the standard budget processes. In¶ particular, there has been increased interest in three proposals for changing the mechanisms for¶ financing infrastructure projects: (1) changes in the structure of bond financing, (2) creation of a¶ national infrastructure bank, and (3) public-private partnerships for the construction and¶ management of future infrastructure projects.

**5. You can get offense – you could internal link or impact turn the net benefit or read a disad to the fund the we are taking funds from**

**6. Counter-interpretation – the negative gets resolutionally-grounded PICs based on funding**

# AT Perm Do the CP

**The counterplan is competitive – instead of substantially increasing investment we just transfer current transportation infrastructure investment – this is good**

**1. Tests the word increase – which means a net-increase**

**Rogers 5** [Judge, STATE OF NEW YORK, ET AL., PETITIONERS v. U.S. ENVIRONMENTAL PROTECTION AGENCY, RESPONDENT, NSR MANUFACTURERS ROUNDTABLE, ET AL., INTERVENORS, 2005 U.S. App. LEXIS 12378, \*\*; 60 ERC (BNA) 1791, 6/24, lexis]

 [\*\*48]  Statutory Interpretation. [HN16](http://www.lexis.com/research/retrieve?_m=1fe428155fdfc9074f3623f0dae9d78a&docnum=14&_fmtstr=FULL&_startdoc=1&wchp=dGLbVlz-zSkAW&_md5=0ebd338d6a7793de8561db53b915effd&focBudTerms=term%20increase&focBudSel=all#clscc16)While the CAA defines a "modification" as any physical or operational change that "increases" emissions, it is silent on how to calculate such "increases" in emissions. [42 U.S.C. § 7411(a)(4)](http://www.lexis.com/research/buttonTFLink?_m=8541fbf7a7f5554ca588059b132acd17&_xfercite=%3ccite%20cc%3d%22USA%22%3e%3c%21%5bCDATA%5b367%20U.S.%20App.%20D.C.%203%5d%5d%3e%3c%2fcite%3e&_butType=4&_butStat=0&_butNum=103&_butInline=1&_butinfo=42%20U.S.C.%207411&_fmtstr=FULL&docnum=14&_startdoc=1&wchp=dGLbVlz-zSkAW&_md5=1f89a0e47b1996a5400e8d865d8da08a). According to government petitioners, the lack of a statutory definition does not render the term "increases" ambiguous, but merely compels the court to give the term its "ordinary meaning." See [Engine Mfrs.Ass'nv.S.Coast AirQualityMgmt.Dist., 541 U.S. 246, 124 S. Ct. 1756, 1761, 158 L. Ed. 2d 529(2004)](http://www.lexis.com/research/buttonTFLink?_m=8541fbf7a7f5554ca588059b132acd17&_xfercite=%3ccite%20cc%3d%22USA%22%3e%3c%21%5bCDATA%5b367%20U.S.%20App.%20D.C.%203%5d%5d%3e%3c%2fcite%3e&_butType=3&_butStat=2&_butNum=104&_butInline=1&_butinfo=%3ccite%20cc%3d%22USA%22%3e%3c%21%5bCDATA%5b541%20U.S.%20246%5d%5d%3e%3c%2fcite%3e&_fmtstr=FULL&docnum=14&_startdoc=1&wchp=dGLbVlz-zSkAW&_md5=48f016ea3eabfdb898b67b348b11662c); [Bluewater Network, 370 F.3d at 13](http://www.lexis.com/research/buttonTFLink?_m=8541fbf7a7f5554ca588059b132acd17&_xfercite=%3ccite%20cc%3d%22USA%22%3e%3c%21%5bCDATA%5b367%20U.S.%20App.%20D.C.%203%5d%5d%3e%3c%2fcite%3e&_butType=3&_butStat=2&_butNum=105&_butInline=1&_butinfo=%3ccite%20cc%3d%22USA%22%3e%3c%21%5bCDATA%5b370%20F.3d%201%2cat%2013%5d%5d%3e%3c%2fcite%3e&_fmtstr=FULL&docnum=14&_startdoc=1&wchp=dGLbVlz-zSkAW&_md5=78fdfe9d48c7b91d7659b90c0198707e); [Am. Fed'n of Gov't Employees v. Glickman, 342 U.S. App. D.C. 7, 215 F.3d 7, 10 [\*23]  (D.C. Cir. 2000)](http://www.lexis.com/research/buttonTFLink?_m=8541fbf7a7f5554ca588059b132acd17&_xfercite=%3ccite%20cc%3d%22USA%22%3e%3c%21%5bCDATA%5b367%20U.S.%20App.%20D.C.%203%5d%5d%3e%3c%2fcite%3e&_butType=3&_butStat=2&_butNum=106&_butInline=1&_butinfo=%3ccite%20cc%3d%22USA%22%3e%3c%21%5bCDATA%5b342%20U.S.%20App.%20D.C.%207%5d%5d%3e%3c%2fcite%3e&_fmtstr=FULL&docnum=14&_startdoc=1&wchp=dGLbVlz-zSkAW&_md5=fb18ff0b92931ac00621d88dae997e67). Relying on two "real world" analogies, government petitioners contend that the ordinary meaning of "increases" requires the baseline to be calculated from a period immediately preceding the change. They maintain, for example, that in determining whether a high-pressure weather system "increases" the local temperature, the relevant baseline is the temperature immediately preceding the arrival of the weather system, not the temperature five or ten years ago. Similarly,  [\*\*49]  in determining whether a new engine "increases" the value of a car, the relevant baseline is the value of the car immediately preceding the replacement of the engine, not the value of the car five or ten years ago when the engine was in perfect condition.

**1. Tests the word substantially, which must be measured against a pre-existing baseline**

**Markey 09** [Judge for the Court of Appeals for the State of Michigan (PEOPLE OF THE STATE OF MICHIGAN, Plaintiff-Appellee, v ROBERT ALAN McREYNOLDS, Defendant-Appellant. http://coa.courts.mi.gov/documents/OPINIONS/FINAL/COA/20090630\_C282582\_51\_282582.OPN.PDF]

In MCL 777.37(1)(a), “sadism” is grouped with “torture,” “excessive brutality,” and “conduct designed to substantially increase the fear and anxiety a victim suffered during the offense.” The inclusion of the adjective “excessive” in “excessive brutality” is noteworthy. “Excessive” means going beyond the usual, necessary, or proper limit or degree; characterized by excess.” Random House Webster’s College Dictionary (1997). Thus, “excessive brutality” implies that there may be brutality in the commission of a crime, but the variable is scored for brutality that is “beyond the usual” occurring in the commission of the crime. Similarly, in the phrase, “conduct designed to substantially increase the fear and anxiety a victim suffered during the offense,” the inclusion of the words “substantially increase” is noteworthy. The phrasing implicitly recognizes that there is a baseline level of fear and anxiety a victim suffers during an offense, and the scoring of the variable is appropriate for conduct that is designed to substantially increase that level. This phrasing also suggests that the Legislature intended the scoring to be based on conduct beyond that necessary to commit the offense. The context of the term “sadism” with other terms that contemplate conduct beyond that necessary to commit the offense suggests that the conduct that forms the basis of sadism is conduct that is in addition to that necessary to commit the offense. Thus, “sadism” denotes conduct that exceeds that which is inherent in the commission of the offense.

**2. That means the perm is severance, which is a voting issue – it’s a moving target which destroys cost-benefit analysis and argument development because we would never be able to generate stable links**

**3. It also means that perm isn’t topical – it doesn’t defend the resolution because it isn’t an increase –in order for the aff to win they have to prove a net-increase in transportation infrastructure is good – forcing them to defend the resolution is good because it’s the only way to get topic education and a stasis of literature from which we can develop research skills**

**4. Certainty – the CP allows the possibility that there aren’t enough funds to be offset to do the plan**

**5. We’re not a PIC and we’re not plan-plus – offsets amendments are legislatively distinct**

**Streeter 11** [Sandy Streeter, Analyst on Congress and the Legislative Process, “House Offset Amendments to Appropriations Bills: Procedural Considerations,” Congressional Research Service, July 5, 2011, http://www.fas.org/sgp/crs/misc/RL31055.pdf]

One of the most common methods for changing spending priorities in appropriations bills on the House floor is through offset amendments. House offset amendments generally change spending priorities in a pending appropriations measure by increasing spending for certain activities (or creating spending for new activities not included in the bill) and offsetting the increase with funding decreases in other activities in the bill. Offset amendments are needed to avoid the Congressional Budget Act 302(f) and 311(a) points of order enforcing certain spending ceilings affecting regular appropriations bills, continuing resolutions (CRs), and supplemental appropriations measures (supplementals). In addition, amendments to general appropriations bills that would increase total spending provided in the bill must be entirely offset.¶ Two types of House offset amendments are considered in the Committee of the Whole House on the State of the Union (Committee of the Whole): clause 2(f) and reachback (or fetchback) amendments. As provided under House Rule 21, clause 2(f) offset amendments consist of two or more amendments considered together (or en bloc) that would change amounts by directly adding text or changing text in the body of the bill. Taken as a whole the amendment does not increase the amount of funding in the pending bill. Such amendments (1) must provide offsets in both new budget authority and outlays, (2) can only include language transferring appropriations in the bill, and (3) may contain certain unauthorized appropriations.

**5. Even if the perm can be non-topical, it can’t be anti-topical – they justify affirmatives reading reductions in transportation infrastructure spending in the 1AC**

# AT Perm Do Both

**They say perm do both –**

**1. Cross-apply all the perm do the cp answers – the perm still severs from net-increase**

**2. The perm still links to the net-benefit – even if they offset the same program as the CP they just use it on a different transportation infrastructure projects as well as increasing deficit spending to pay for the plan – cross-x checks – we only need to win one instance of deficit spending to trigger the net-benefit – that’s 1NC Kasich**

# AT Stimulus Good

**They say stimulus good –**

**1. We still access stimulus –**

**a) Uniqueness – the SAFETEA funding exists in the status quo – the uniqueness for the aff is the reason why our project isn’t working to stimulate the program**

**b) We still do the aff – we pump money into the aff which is a distinct type of stimulus which means we still get aggregate-demand increases from the type of jobs we increase**

**2. They don’t access stimulus anyway –**

Veronique **de Rugy 11** is a senior research fellow at the Mercatus Center at George Mason University, “FEDERAL INFRASTRUCTURE SPENDING: NEITHER A GOOD STIMULUS NOR A GOOD INVESTMENT,” Nov 16, http://mercatus.org/sites/default/files/publication/Federal%20Infrastructure%20Spending%20-%20Neither%20a%20Good%20Stimulus%20Nor%20a%20Good%20Investment.pdf

Section 1. **Infrastructure spending can’t stimulate the economy** According to Keynesian economic theory, a fall in demand causes a fall in spending. Since one person’s spending is someone else’s income, a fall in demand makes a nation poorer. When that poorer nation prudently cuts back on spending, it sets off yet another wave of falling income. So, a big shock to consumer spending or business confidence can set off waves of job losses and layoffs. Can anything stop this cycle? Keynesians say yes: government spending can take the place of private spending during a crisis. If the government increases its own spending, it will create new jobs. These new workers should consume more, and businesses should then buy more machines and equipment to meet the demands of government and the revitalized public. This increase in gross domestic product is what economists call the multiplier effect. It means that one dollar of government spending will end up creating more than a dollar of new national income. This spending can take a number of forms: public service employment, cash transfers, state revenue sharing, or infrastructure projects. As it turns out, **as appealing as the Keynesian story sounds, there is little consensus among economists about its accuracy**. Moreover, a survey of the economic literature on the impact of infrastructure spending on the economy reveals that **economists are far from having reached a consensus about the actual returns** on such spending. 3 In this paper, my colleague Matt Mitchell and I discover that some respected economists find large positive multipliers (every dollar in government spending means more than a dollar of economic growth) but others find negative multipliers (every dollar spend hurts the economy). 4 The range is wide, going from 3.7 to -2.88. 5 While this diversity of opinion could be explained in part by the wide range of circumstances in which stimulus might be applied (open or closed economy, fixed or flexible exchange rates, level of countries’ indebtedness, the level of interest rates, whether or not the stimulus spending is temporary or permanent, and whether or not it is a large or a small stimulus …), 6 nonetheless, as a recent International Monetary Fund (IMF) working paper puts it, “Economists have offered an embarrassingly wide range of estimated multipliers.” 7 However, the most important reasons to be skeptical about further stimulus—particularly infrastructure stimulus—have to do with the way it is implemented. 8 As a general rule, the studies that obtain large multipliers do so by assuming that stimulus funds will be distributed just as Keynesian theory says they ought to be. In the words of Keynesian economist and former presidential economic advisor Lawrence Summers, **fiscal stimulus “can be counterproductive if it is not timely, targeted, and temporary**.” 9 **Infrastructure spending cannot fulfill these criteria**.

# 2NC O/V – NB

**The plan kills fiscal responsibility and leads to more and more wasteful projects because lobbyists and policy-makers use it to snowball to more deficit spending– that scares away investors, balloons the debt, and causes the U.S. to withdraw from the system – collapses the economy**

# 2NC U – Fiscal Discipline Now

**Balanced budget now - Obama**

**Baker 2012** [Peter Baker, White House correspondent, New York Times. “Obama More Conservative than Hoover? Someone Thinks So.” May 23, 2012. <http://thecaucus.blogs.nytimes.com/2012/05/23/obama-more-conservative-than-hoover-someone-thinks-so/>]

It’s not every day that a White House boasts of being more conservative than Herbert Hoover. But there was Jay Carney, the presidential press secretary, on Wednesday telling reporters aboard Air Force One that Mr. Hoover was a more profligate spender than President Obama. Clearly unimpressed by the questions he was getting from reporters, Mr. Carney volunteered an extensive and robust answer to one that was not asked, defending Mr. Obama against Republican charges of fiscal recklessness. He read a passage from Rex Nutting of MarketWatch stating that spending under Mr. Obama had grown even more slowly than under Mr. Hoover. “The president has demonstrated significant fiscal restraint” and applied a “balanced approach” to spending, Mr. Carney said as Mr. Obama headed here for the Air Force Academy commencement. Mr. Carney added pointedly that any reporting to the contrary would be the result of “sloth and laziness.” He added a familiar attack on former President George W. Bush’s “tax cuts for the rich,” which “contributed significantly to the red ink that was gushing” when Mr. Obama took over. The commentary cited by the White House concluded that spending is rising just 0.4 percent a year under Mr. Obama. But such calculations depend on when you start counting. Mr. Nutting starts from the first full fiscal year under Mr. Obama, which started Oct. 1, 2009, more than eight months after he took office, because that is the first budget the new president could fully shape. His calculation also assumes that spending will fall in the next fiscal year as currently projected by the Congressional Budget Office.

**Fiscal discipline now – helping the economy**

**Walker 2012** [Dinah Walker, Analyst, Geoeconomics. “Quarterly Update: The Economic Recovery in Historical Context”, Council on Foreign Relations, May 29, 2012, http://www.cfr.org/geoeconomics/quarterly-update-economic-recovery-historical-context/p25774?cid=ppc-Google-CGS-chart\_book-recovery-economic\_recovery&gclid=CI3yxYiU27ACFUQUKgodiXH51g]

How does the current recovery, which according to the National Bureau of Economic Research officially started in June 2009, compare to those of the past? The following charts provide a series of answers, plotting current indicators (in red) against the average of all prior post–World War II recoveries (in blue). The X-axis shows the number of months since the end of the recession. The dotted lines are composites of prior recoveries representing the weakest and strongest experiences of the past. This recovery chart book replaces the cycle chart book, which plotted the downturn as well as the recovery. Those interested in the previous presentation can view an updated version here. The current recovery remains an outlier among postwar recoveries along several dimensions, particularly those that relate to housing. However, the pace of nonfarm payroll growth has at last started to accelerate, and the past few months of payroll gains have been stronger than is typical at this point in postwar recoveries. In addition, industrial capacity, which had been declining steadily throughout the first year and a half of the recovery, reached a turning point at the start of 2011 and has been rising steadily ever since. Real GDP is growing, but less rapidly than in all but one of the previous postwar recoveries. Thirty-three months after the start of the economic recovery, GDP is only 6.8 percent higher than it was when the recovery officially began. This compares favorably only to the 1980 recession. Soft home prices have been central to the weakness of the recovery. Prices have continued to fall even after the recession officially ended. The continued weakness of nominal home prices is a postwar anomaly. In every previous postwar recovery, the stock of household debt has risen. As of the first quarter of this year, real GDP is 1.3 percent above its pre-crisis peak, having first surpassed this peak in the third quarter of 2011. The recovery has begun. In the current recovery, the collapse in home prices has severely damaged household balance sheets. As a result, consumers have avoided taking on new debt. The result is weak consumer demand and a slow recovery. The relative weakness of this recovery is obvious in the labor market. Job losses continued throughout the first eight months of the recovery but the pace of job growth has accelerated in recent months. There are still five million fewer Americans on nonfarm payrolls than there were at the start of 2008. Because of the depth of the recent recession, one might expect stronger-than-average improvement in industrial production. Despite the predicted snapback, the increase in industrial production during this recovery has been fairly typical of postwar recoveries. Capacity in manufacturing, mining, and electric and gas utilities usually grows steadily from the start of a recovery. However, during the current recovery, investment was initially so slow that capacity declined. Since the start of last year, this trend has reversed itself and industrial capacity has been steadily rising. The growth in world trade since the start of the recovery exceeds even the best of the prior postwar experiences. However, this reflects the depth of the fall during the recession. The federal deficit began the recovery at a much higher level than in any other postwar recovery. Although the deficit as a percent of GDP has shrunk slightly, its level creates significant challenges for policymakers and the economy.

# 2NC Link – Plan Kills Fiscal Discipline

**Extend 1NC Kasich – this evidence is really good and in the context of transportation funding – you should call for it – two warrants**

**a) Lobbyists – removing funding restraints for just one project gives lobbyists an in to push side-projects into congress – that snowballs to collapse any sign of fiscal discipline**

**b) Public – the plan is perceived as an abandonment of funding neutral projects – that scares away investors and accesses another internal link into our Bergsten evidence**

**And –** earmarks trigger another link and takes out their turns

Roth 10 (Gabriel, civil engineer and transportation economist, currently a research fellow at the Independent Institute, “Federal Highway Funding”, June, http://www.downsizinggovernment.org/transportation/highway-funding)

Federal politicians often direct funds to projects in their states that are low priorities for the nation as a whole. The Speaker of the House of Representatives in the 1980s, "Tip" O'Neill, represented a Boston district and led the push for federal funding of the Big Dig. More recently, Representative Don Young of Alaska led the drive to finance that state's infamous "Bridge to Nowhere," discussed below. The inefficient political allocation of federal dollars can be seen in the rise of "earmarking" in transportation bills. This practice involves members of Congress slipping in funding for particular projects requested by special interest groups in their districts. In 1982, the prohibition on earmarks in highway bills in effect since 1914 was broken by the funding of 10 earmarks costing $362 million. In 1987, President Ronald Reagan vetoed a highway bill partly because it contained 121 earmarks, and Congress overrode his veto.23 Since then, transportation earmarking has grown by leaps and bounds. The 1991 transportation authorization bill (ISTEA) had 538 highway earmarks, the 1998 bill (TEA-21) had 1,850 highway earmarks, and the 2005 bill (SAFETEA-LU) had 5,634 highway earmarks.24 The earmarked projects in the 2005 bill cost $22 billion, thus indicating that earmarks are consuming a substantial portion of federal highway funding. The problem with earmarks was driven home by an Alaska bridge project in 2005. Rep. Don Young of Alaska slipped a $223 million earmark into a spending bill for a bridge from Ketchikan—with a population of 8,900—to the Island of Gravina—with a population of 50. The project was dubbed the "Bridge to Nowhere" and created an uproar because it was clearly a low priority project that made no economic sense.

# 2NC I/L – Fiscal Discipline K2 Economy

**Fiscal discipline is key to prevent economic collapse**

**Roe 2011** [Phil Roe, U.S. Representative, Tennessee. “Cut, cap and balance: A fight toward fiscal responsibility.” May 18, 2011. <http://thehill.com/blogs/congress-blog/economy-a-budget/161973-cut-cap-and-balance-a-fight-toward-fiscal-responsibility>]

It is imperative to the future of the country that we fight for an immediate shift toward fiscal responsibility. That is why I, along with my colleagues in the Republican Study Committee (RSC), wrote a letter to House Speaker John Boehner asking him to “Cut, Cap and Balance.” Specifically, we advocated for discretionary and mandatory spending reductions that would cut the deficit in half next year; enacting statutory, enforceable total-spending caps to reduce federal spending to 18 percent of Gross Domestic Product (GDP); and a Balanced Budget Constitutional Amendment (BBA) with strong protections against federal tax increases and including a Spending Limitation Amendment (SLA). This proposal will put us on a path to prosperity, and I will work to see provisions like this are included in any final agreement.¶ I believe it is prudent to limit the extension of borrowing authority as much as possible, in order to demand accountability from Senate Democrats and the Obama Administration. Every day, we see more and more evidence of the need to confront the problem now. The International Monetary Fund (IMF) report released in April adds urgency to the need for meaningful actions — both short and long-term — to confront the nation's debt head-on. Additionally, Moody's Analytics released a report several weeks ago forecasting a downgrade in our country’s bond rating. It’s clear that if we fail to stop the spending spree, our nation will face economic collapse in the long-term. ¶ House Speaker John Boehner was recently quoted saying: “There will be no debt limit increase without serious budget reforms and significant spending cuts – cuts that are greater than any increase in the debt limit.” I agree. Everything must be on the table when it comes to spending cuts because this problem is too big to solve with cuts to a few programs. We are sure to meet economic catastrophe if we do not get our debt under control by enacting enforceable spending cuts. ¶ With each passing day our nation’s fiscal health gets worse, leaving our children and grandchildren falling farther into debt. The Democrats have given up, saying that the only answer to excessive borrowing is more borrowing. Therefore, it is imperative that we move quickly and unite behind a plan to restore fiscal responsibility to Washington.

# 2NC Impact – Hegemony

**Runaway spending will trigger a financial crisis and force a U.S. withdrawal of forces from the world – causes a power vacuum and great power war**

**Goure 10** Goure, Ph.D., Vice President of the Lexington Institute, former member of the Department of Defense Transition Team, former Director of the Office of Strategic Competitiveness, former Deputy Director of the International Security Program at the Center for Strategic & International Studies, 3-10-10 (Daniel, “WILL AMERICAN EMPIRE END LIKE GREAT BRITAIN'S?,” States News Service)

Is such a scenario farfetched? Hardly. America's financial situation today is, if anything, even more parlous than that of Great Britain just before the 1972 crash. The budget deficit for 2009 was $1.6 trillion; that for 2010 is es-timated to be at least $1.4 trillion, about 11.2 percent of GDP, the biggest deficit in 60 years and that was while we were fighting World War Two. This means that all discretionary expenditures in this year's budget, including national defense, are being deficit financed. All national tax receipts are going simply to fund entitlements. Public debt is expected to more than double in the coming decade, from $5.8 trillion in 2008 to $14.3 trillion in 2019. As a result, interest payments on that debt are forecast to leap from 8 percent of fed-eral expenditures to 17 percent. Debt servicing will then exceed all expendi-tures for national security as a percentage of the federal budget. Everyone knows that the current program of trillion dollar deficits as far as the eye can see is unsustainable. But nothing is being done to rein in spending. If critics of Obama Care are to be believed, there is a trillion dollar time bomb awaiting taxpayers in the next decade when it will no longer be possible to balance the books by counting ten years of tax receipts to cover six years of increased medical benefits. So at some point, there will be a financial crisis, a run on the dollar, a dramatic rise in the interest rates on U.S. treasuries, and a collapse of government finances. The only way to cut defense spending and to do it rapidly will be to withdraw from overseas bases, and demobilize forces. The end result will be the biggest international power vacuum since the sack of Rome in 367 AD. Nassim Nicholas Taleb, the brilliant author of The Black Swan: The Impact of the Highly Improbable, makes the point that the likelihood of such events is al-ways underestimated before they occur, but in their aftermath it is demonstrated how obvious it was that they were about to occur. Just think dot.com and housing bubbles or even the so-called failure to connect the dots prior to September 11. I would note that Taleb is telling every American to short T-bills meaning that interests rates will rise as will payments to service that debt. In other words, the American empire is at great risk of declining and doing so not smoothly and gracefully but with a bang and a whimper. The consequences for the world are likely to be damaging at best and, catastrophic at worst.