### 2AC Fiscal Discipline/Downgrade DA

#### 1. US economy failing now – fiscal discipline is collapsing, unemployment is high, and recovery is unlikely

**Portman 6/13** – (Senator Rob Portman,(R-Ohio) serves on the Budget Committee, Director of the Office of Management and Budget from May 2006 - June 2007 under President George Bush, “We Can Do Better on Economy”, Politico News, June 13, 2012, http://www.politico.com/news/stories/0612/77389\_Page2.html#ixzz1yS3sieyN)

We are living through the weakest economic recovery since the Great Depression. More than

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past recoveries. We have the blueprint; we just need the will.

#### 4. Double dip inevitable – either the fiscal cliff will cause a recession or Moody’s will downgrade us for preventing it

Thompson 9/12 (Derek is a senior editor at The Atlantic, where he oversees business coverage, 9/12/12, “Double-Dip or Downgrade? Moody's Tells the U.S. 'Cut or Be Cut'” [www.theatlantic.com/business/archive/2012/09/double-dip-or-downgrade-moodys-tells-the-us-cut-or-be-cut/262274/](http://www.theatlantic.com/business/archive/2012/09/double-dip-or-downgrade-moodys-tells-the-us-cut-or-be-cut/262274/))

Before January 1, Washington has two choices. The first option is to do

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if the agency isn't properly convinced of our seriousness to cut the deficit.

#### 5. Empirics flow overwhelmingly aff – austerity fails and hurts confidence – infrastructure spending is uniquely good

**Shields, 12** (Michael Shields, Chief Correspondent in Vienna for Reuters, 4-27-12, “Europe’s austerity drive is suicidal: Stiglitz,” <http://ca.reuters.com/article/businessNews/idCABRE83Q0GJ20120427>)

Europe's attempt to save its way back to health is tantamount to economic suicide that

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do to promote growth rather than how do we strangle each other together."

#### 6. New downgrade doesn’t matter – investors have faith in the US and other issues overwhelm

Forex Crunch 9/11, “Why a Moody’s Credit Rating Cut Doesn’t Matter,” Sept. 11, 2012, <http://www.forexcrunch.com/why-a-moodys-credit-rating-cut-doesnt-matter/>

Analysts at the global credit rating agency, Moody’s, released a warning to the

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this week when the Federal Reserve is scheduled to make their rate decision.

#### 7. Infrastructure stimulus is key to economic growth—multiple reasons

New America Foundation 10 — New America Foundation—“a nonprofit, nonpartisan public policy institute that invests in new thinkers and new ideas to address the next generation of challenges facing the United States,” 2010 (“The Case for an Infrastructure-Led Jobs and Growth Strategy,” February 23rd, Available Online at http://www.newamerica.net/publications/policy/the\_case\_for\_an\_infrastructure\_led\_jobs\_and\_growth\_strategy, Accessed 06-09-2012)

As the Senate takes up a greatly scaled down $15 billion jobs bill stripped

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recoup the cost of the investment through stronger growth and higher tax revenues.

#### 9. Downgrade inevitable, plan won’t hurt the economy

Detrixhe, 12(John Detrixhe, Bloomberg Businessweek writer, 6-8-12,“S&P Sees Possible U.S. Downgrade by 2014” www.businessweek.com/news/2012-06-08/u-dot-s-dot-political-risk-may-spur-another-downgrade-by-2014-s-and-p-says)

Political and fiscal risks may lead to another downgrade of the U.S.

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its policymaking and political institutions, particularly regarding the direction of fiscal policy.”

#### 10. Transportation investment solves downgrade

Szakonyi 12 (“S&P: Lack of US Infrastructure Plan Could Spur Credit Crisis,” Mark Szakonyi, Associate Editor | Apr 5, 2012 5:23PM GMT *The Journal of Commerce Online - News Story)hhs-ps*

Agency says crisis possible if infrastructure, transportation funding not met Standard & Poor’s said

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it difficult for state transportation agencies to commit to long-term projects.

#### 11. Lack of cooperation in both houses leaves Congress with no solution to the economy

Sahadi, 12 (Senior Writer for CNNMoney. Specializing in taxes and deficit spending) 7/16/12 (Jeanne, “Fiscal Cliff Fight is On, and Economy Suffers” LexisNexis)

The inability of Democrats and Republicans to work out their differences on the fiscal cliff

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though, to those actually trying to run a business and hire people.

#### 14. New downgrade doesn’t matter – investors have faith in the US and other issues overwhelm

Forex Crunch 9/11, “Why a Moody’s Credit Rating Cut Doesn’t Matter,” Sept. 11, 2012, <http://www.forexcrunch.com/why-a-moodys-credit-rating-cut-doesnt-matter/>

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