# DA Bomber

## 1NC

**Funding for a new long-range bomber that is key to deterrence depends on current savings in the Air Force budget – new programs kill it**

**National Defense 3/1** (National Defense Magazine is part of NDIA—The association’s membership base consists of nearly 900 companies and 26,000 individuals from the entire spectrum of the defense and national industrial bases, from government and from foreign nations with whom the United States, through DoD, has a Memorandum of Understanding “Air Force Trades Quantity For Quality” March 2012 By Dan Parsons, http://www.nationaldefensemagazine.org/archive/2012/March/Pages/AirForceTradesQuantityForQuality.aspx nkj)

The Air Force will cut airmen and ditch some underperforming and unwanted aircraft, focusing instead on purchasing fewer but more capable new models in order to bridge a years-long investment gap, officials said.

At the top of the list are aging fighters, bombers and air-refueling tankers. The service is bent on replacing or beginning to buy upgrades for all three within a decade, even if it means foregoing other programs, according to Air Force Chief of Staff Gen. Norton Schwartz.

“The bottom line is, these are important capabilities for the nation and ones we will make sacrifices elsewhere to sustain,” Schwartz said at a Pentagon news conference. “The challenge is sequencing these programs in a way that meets budget targets.”

The Air Force’s fleets are already smaller and older than when the military made a similar reduction in budget and force after the Cold War. The effort is all the more important after 10 years of conflict that emphasized equipping ground forces.

Using that logic, retired Air Force Lt. Gen. David Deptula said these modernization programs are long overdue.

“We have a geriatric Air Force,” he told National Defense. “We’re flying 50-plus year old bombers, we’re flying 50-plus year old tankers and our fighters are falling out of the sky because we’re putting more hours and years on them than they were designed for.

“We saw over the last decade a dramatic increase in funding for the Army and Marine Corps to the detriment of the Air Force,” he said. “Now it’s time to shift resources to the things that have been neglected. These are important capabilities needed for national security. It becomes an entire defense enterprise issue. Cuts should come from across service lines, not just within the Air Force.”

The Obama administration’s strategic guidance places a premium on policing Pacific waters, especially in the face of a rising China. That in turn places a premium on technologies that can reach across thousands of miles of ocean. Hence Air Force leaders’ dedication to not just a new long-range strike bomber, but the KC-46 refueling tanker. Add to the list service-life extension for the F-16 fleet, and the procurement of new satellites and space-launch vehicles.

Fleets have traditionally been modernized one at a time over a decade apiece. In the 1970s, funding went to updating the fighter fleet. In the 1980s, bombers were the priority, followed by airlift and tanker aircraft during the 1990s, he said.

The timelines for introduction of the F-35 and procurement of both a new tanker and new bomber are more compressed this time around. The Air Force hopes to begin taking delivery of its new tanker sometime in the fiscal year 2015 to 2016 timeframe. New bombers are scheduled to come online sometime after 2020. With the F-35 already in limited production, the three systems will be in concurrent production and competing for funds within eight years.

That worries Richard Aboulafia, an industry analyst with Teal Group. But, he agreed the Air Force is deserving of future investment.

“The Air Force missed an up-cycle 100 percent,” he said. “The military had this tremendous increase in defense spending, but it all went to body armor and [mine-resistant ambush protected vehicles]. It was all Iraq and Afghanistan, rather than actual technology. All the money went to bullets, beans and black oil, as they say.”

The bomber and tanker have become “viable programs,” Aboulafia said. But he predicts the Air Force will struggle to fund both programs at the levels that would be needed to ramp up production in the 2020s.

“There’s just no way to make this all good,” he said. “Accommodating JSF plans, just purely the minimum level of tactical aircraft needed to maintain force structure; that’s going to be a challenge. You add on to that the KC-46 tanker and next-generation bomber and the idea of being able to recapitalize so many different platforms in this budget environment is something of a fantasy.”

With multiple aging fleets needing upgrades, simultaneous production could overtax budgets and hamstring procurement. Some juggling will be required to ramp up production of big-budget projects over the next decade, but leaders at the highest levels remain committed to those modernization programs.

Keeping all three balls in the air will require F-35 production to be scaled back dramatically, Aboulafia said. The Air Force has done just that, but has yet to specify how deep the cuts will go or how drastically production will be delayed. Aboulafia recommended JSF production be dialed down to at least 48 or so per year from the current 72-per-year plan, he said.

The wish list comes at the expense of several current programs, including personnel. Air Force end strength will be cut by about 10,000 as a result of force restructuring, Schwartz said.

The service is seeking to eliminate six squadrons from the total of 60 in service.

Five of those squadrons fly the A-10, a close-air support plane that is popular with the Army. The Air Force has 348 A-10s that are organized into 15 squadrons. Of the 123 fighters cut from the fleet, 102 are A-10s. The remaining 21 are older F-16 fighters.

The resultant gap will be filled by the F-35, which remains in limited production pending “testing and … developmental changes to minimize concurrency issues before buying in significant quantities,” according to a Pentagon document outlining spending cuts.

Programs that are seeking revolutionary new technology such as the Common Vertical Lift Support Platform, Light Mobility Aircraft, and Light Attack and Armed Reconnaissance aircraft, were canceled outright.

Intelligence, surveillance and reconnaissance capabilities remain a top priority — one in which Schwartz foresaw increased investment, but did not go unscathed. But the Air Force is cutting one platform it says is redundant and prohibitively expensive.

The Global Hawk Block 30, an unmanned stand-in for the Cold War-era U-2 spy plane, is no more. Beyond the three more it is contracted to purchase from Northrop Grumman, the drones will be mothballed while the U-2, built by Lockheed Martin, will continue its role of taking pictures from the air.

“The delta between the Global Hawk [Block 30] and the U-2 was not sufficient to retain both for the same mission,” Schwartz said.

Global Hawk Block 40, which has a more-powerful sensor suite than the Block 30, will not be touched by reductions. Procurement of both the Navy Broad Area Maritime Surveillance aircraft and NATO’s version of the same plane will continue. Northrop Grumman reacted swiftly to the program cancellation, saying it was “disappointed with the Pentagon’s decision,” and promised to seek “alternatives to program termination.”

Some cash will be freed up by a reduction in the Air Force’s strategic airlift fleet — a downsizing made possible by parallel reductions in Army personnel. The fleet will lose 27 C-5A heavy cargo planes and 65 C-130 transports.

The service will also sell off the 38 C-27 medium-transport aircraft it bought to carry cargo and troops in Afghanistan. Their role will be taken over by C-130s, though 65 of those will be retired as well.

A fleet of 275 aircraft — 223 C-17s and 52 C-5s — “will be sufficient to satisfy dedicated military airlift needs,” Schwartz said.

As it gets smaller, the Air Force will rely more heavily on its nuclear triad as a deterrent, Schwartz said. None of the Defense Department’s three legs – ballistic missiles, submarines and bombers — will be threatened by budget cuts, though an overall reduction in the number of nuclear warheads is called for.

The Air Force is still on track to begin a series of new-start technologies by Feb. 2018 with the goal of establishing an arsenal of 700 strategic delivery vehicles deployed, with another 100 in reserve, coupled with 1,550 warheads, Schwartz said.

“I think each of the three legs is necessary,” said retired Air Force Gen. Henry Obering III. “The recall capability of the bomber, the incredible reaction time of ICBMs and the survivability of submarines are mutually supportive and equally important. When you begin to appear weak or susceptible in one area, that’s when you invite threats.”

**ALL large spending will trade off with defense spending—even if it’s not a military program**

**Knusden 11/14** (Patrick Louis Knudsen, the senior budget expert at The Heritage Foundation, learned the ins and outs of federal spending in 20 years on the staff of the Budget Committee of the U.S. House of Representatives. Knudsen holds a bachelor’s degree in English from the University of Wisconsin-Milwaukee, and earned 27 credits in the master’s program there. 11/14/11, “Spending Bills Setting Up Reckless Defense Cuts” http://blog.heritage.org/2011/11/14/spending-bills-setting-up-reckless-defense-cuts/, nkj)

Cracks in the Budget Control Act’s (BCA) spending caps are growing more visible as negotiators near completion of the first three appropriations bills for fiscal year (FY) 2012.

Unless the House changes course, appropriations could be sailing toward a breach of the BCA limits and a debilitating freeze on defense spending while still gushing “disaster” and “emergency” funds that escape the BCA boundaries entirely.

Under the agreement taking shape, House negotiators have essentially conceded to higher spending levels than those in the House-passed versions of the three spending bills—Agriculture, Commerce–Justice–Science, and Transportation–Housing and Urban Development—which are packaged together in a so-called “minibus.”

The deal would put the final total for the minibus at $127.8 billion in budget authority—roughly identical to the Senate’s recommended total for the three measures and about $5.1 billion more than the House originally proposed. In addition, the Senate bills include $3.2 billion in “disaster relief” funds that are totally exempt from the spending caps, i.e., the money spent in excess of the BCA limits.

This is because the BCA allows a formula-based amount of additional spending above the “official” BCA cap of $1.043 trillion to help remedy the effects of past weather “disasters” declared by the President. According to Administration calculations, the total of disaster funds could run as high as $11.3 billion if all the authority is used, and not a dime of it would count under the BCA limits.

The BCA also allows unlimited additional spending for future events designated as “emergencies” by Congress and the President. When coupled with the disaster loophole, this makes the BCA caps almost meaningless.

The Senate has larded its 12 appropriations bills with a total of $8.6 billion in “disaster relief” funds. House appropriators, to their credit, proposed no disaster spending. (See the Heritage Foundation Appropriations Tracker.) Nevertheless, on November 3, the House passed a procedural motion, with the support of 79 Republicans, urging minibus negotiators to insist on “the highest level of funding” for Federal Highway Administration disaster relief funding, which represents $1.9 billion of the disaster funds in the Senate bills.

The motion is not binding, but it is likely to influence House appropriators to accept at least some of the Senate’s added spending. That would be the first opening of the disaster spigot, which would then likely widen with subsequent spending measures.

Even more problematic, however, is how the path set by these first three appropriations bills could further risk military readiness with an irresponsible freeze in the defense spending bill.

House versions of the 12 regular appropriations bills total $1.04 trillion, about $3 billion below the official BCA budget authority cap for FY 2012. The distribution of funds in the House measures includes $530 billion for the defense bill, an increase of 3.3 percent over FY 2011. The Senate provides a higher total for its non-defense spending but freezes the defense bill at the 2011 level of $513 billion.

Therefore, depending on the sequence in which the appropriations are considered, each non-defense budget measure that passes at or near the higher Senate level increases the pressure on subsequent bills, including defense, to absorb deeper cuts to stay under the total BCA cap.

Negotiations on a House-Senate version of the defense budget bill have not yet been scheduled.

A defense freeze would be especially reckless now. Base defense spending has already sustained deep reductions in recent years and could face additional cuts ranging from $445 billion to $825 billion through 2021 under the existing BCA limits.

The 112th Congress did succeed earlier this year in reducing discretionary spending by 3.8 percent, but its commitment to spending restraint has started flagging. Members gave up early on aiming for the pre-stimulus 2008 spending levels, as once promised. After the House budget resolution passed, House appropriators set their spending levels to meet its total of $1.019 trillion in discretionary spending. But as soon as the BCA was agreed to, with its higher $1.043 trillion ceiling, they added on extra spending, mostly in the Labor–Health and Human Services–Education bill.

For all its faults, one virtue of the BCA is that it does call for a real spending cut of $7 billion in FY 2012 compared with 2011. The ceiling is riddled with loopholes, but appropriators do not have to exploit them. Instead, if they insist on this extra spending, they should offset any and all disaster or emergency spending with reductions elsewhere and stay under the official BCA cap.

The unacceptable alternative, which appears to be taking shape, is to keep punching holes in the BCA cap—further eroding any credibility of the debt ceiling deal—and allow irresponsible cuts in defense spending. The vote on the first minibus bill will go a long way to determining which course Congress chooses.

**Bomber solves nuclear war**

**Williams ‘10** (David E. Williams, Jr., Major, U.S. Air Force, career Security Forces Officer currently serving as the Chief of Nuclear Security Inspections, Defense Threat Reduction Agency, former Squadron Commander, Staff Officer, Operations Officer, Flight Commander, and Convoy Commander within the Air Force nuclear community, also a certified SWAT Team Leader, Trainer, Designated Marksman, and Crisis Negotiator, M.A. Security Studies, M.A. Counseling & Human Behavior, B.A. Psychology, “A Review of U.S. First-Strike Ambiguity and the Triad Nuclear Force,” Defense Threat Reduction University Journal, 1(2), October 2010, http://www.dtra.mil/dtru/documents/V1\_2/US%20First%20Strike%20Ambiguity%20-%20Williams.pdf)

The Case for Continuity The case for the continuity of current U.S. nuclear policies and structure involves consideration of their benefits in terms of security, international prestige, domestic politics, and technology. 8 From a security perspective, nuclear weapons ensure security because the potential usage of nuclear weapons during a conflict raises the cost of war to an unacceptable level. 9 Scott Sagan notes that: Nuclear declaratory policy is meant to enhance deterrence of potential adversaries by providing a signal of the intentions, options and proclivities of the U.S. government in different crisis and war-time scenarios. 10 I would argue, however, that an ambiguous U.S. first use policy of nuclear weapons creates valuable uncertainty on the part of potential adversaries. This uncertainty, coupled with U.S. nuclear and conventional superiority, makes overt state aggression against the U.S. or its’ allies a very uncertain and potentially disastrous proposition, thus not likely to happen. After all, no state has started a war with the U.S. since it acquired nuclear weapons. No part of the U.S. nuclear triad can be eliminated without creating an adverse impact on deterrence. This is the case because each element of the triad fills a unique role that makes U.S. nuclear forces lethal, survivable, and visible. Submarines offer the greatest degree of survivability, but the lowest degree of accuracy and become vulnerable upon surfacing. Bombers are the most accurate and only recallable option, but they are vulnerable to defensive counter-air missions and groundbased anti-aircraft fire. ICBMs are the most reliable means of delivery and the only sovereignlaunched option, yet are all located at known, stationary sites that are easily targeted by enemy ICBM forces, special operations teams, or terrorist surrogates. One may not consider the visibility of nuclear forces to be desirable, but the visibility of bombers and ICBMs allows for clear signaling to potential adversaries about U.S. intentions during a crisis. Take the Cuban Missile Crisis for example: President Kennedy used naval and air forces in order to signal his intent toward Premier Khrushchev. This signaling ensured there were no doubts about U.S. willingness to go to war to prevent Soviet missiles from being placed in Cuba. Future conflicts may require signaling of a similar nature to prevent deadly exchanges. For example, if Kim Jong Il were notified that the U.S. was uploading nuclear-armed bombers in response to North Korean deployments of nuclear-armed missiles, he might reconsider his actions. From the perspective of international prestige, other powers are retaining and in some cases enhancing their nuclear capability, yet as Younger points out, the U.S. is not modernizing any aspect of its inventory. 11 Instead, the U.S. is relying on mathematical projections and estimations regarding the reliability of its systems and deploying them well beyond what most states would consider a reasonable service-life. Further reductions in strategic nuclear forces could be seen as evidence of retrenchment on the part of the U.S. by ambitious rising or reemerging powers, thus increasing the risk of war. The U.S. could be characterized as a declining power by rising powers who are seeking either initial or enhanced nuclear technology. Rising powers, after all, will work to realign the international balance of power in their favor: one way of doing so is through countering U.S. military capabilities. If the U.S. were to reduce its capability by eliminating portions of the triad, then it would essentially be making it easier for other powers to challenge the current U.S. position. Further, without the potential threat of a nuclear first strike, U.S. allies might feel less secure about U.S. security commitments, especially in light of current troop commitments in Iraq and Afghanistan. Such insecurity has the potential to lead these allies to pursue nuclear capabilities of their own, as well as embolden hostile states to gamble on a lack of U.S. retaliation for WMD usage or conventional aggression. For example, when the U.S. considered reducing troop levels in South Korea, the government in Seoul signaled a potential shift in policy toward a nuclear capability to protect itself from possible North Korean aggression. 12 This threat resulted in very quick U.S. reassurances about troop levels and its commitment to defending South Korea

# DA Brain Drain

## 1NC

**Unique link – Chinese and Indian immigrants are fleeing the US – plan reverses this**

**Economic Times ’12** (“Gen-next of immigrants in US return home; India, China to gain from reverse brain drain”, April 17, http://economictimes.indiatimes.com/news/nri/returning-to-india/gen-next-of-immigrants-in-us-return-home-india-china-to-gain-from-reverse-brain-drain/articleshow/12696172.cms, CMR)

In growing numbers, highly educated children of immigrants to the US are uprooting themselves and moving to their ancestral countries, experts say. They are embracing homelands that their parents once spurned but that are now economic powers.¶ Some, like Kapadia, had arrived in the US as young children, becoming citizens, while others were born in the US to immigrant parents.¶ Enterprising Americans have always sought opportunities abroad. But this new wave underscores the evolving nature of global migration, which is presenting challenges to US supremacy and competitiveness.¶ In interviews, many of these Americans said they did not know how long they would live abroad; some said it was possible they would remain expatriates for many years, if not for the rest of their lives. Their decisions to leave have, in many cases, troubled their immigrant parents. Yet most said they had been pushed by the dismal hiring climate in the US or pulled by prospects abroad.¶ "Markets are opening, people are coming up with ideas every day, there's so much opportunity to mold and create," said Kapadia, now a researcher at Gateway House, a new foreign-policy research organisation in Mumbai. "People here are running much faster than those in Washington."¶ For generations, the world's less-developed countries have suffered brain drain - the flight of many of their best and brightest to the West. That, of course, has not stopped. But now, a reverse flow has begun, particularly to countries like China and India and, to a lesser extent, Brazil and Russia. Some scholars and business leaders contend that this emigration does not necessarily bode ill for the US.¶ They say young entrepreneurs and highly educated professionals sow American knowledge and skills abroad. At the same time, these workers acquire experience abroad and build networks that they can carry back to the US or elsewhere - a pattern known as "brain circulation."¶ But the experts caution that in the global race for talent, the return of these expatriates to the US and US companies is no longer a sure bet.¶ "These are the fleet-footed, they're the ones who in a sense will follow opportunity," said Demetrios G Papademetriou, president of the Migration Policy Institute, a non-profit group in Washington that studies population movements.

**The kills economic growth**

**Wadhwa, ‘9** – is senior research associate at the Labor & Worklife Program at Harvard Law School and executive in residence at Duke University. “Let's Give Visas to Startup Founders,” Bloomberg, Dec, http://www.businessweek.com/technology/content/dec2009/tc2009121\_842902.htm.

Bring up the topic of economic stimulus and job creation, and you won't hear much about immigration. If the topic does arise, it's usually because somebody believes foreigners are taking U.S. jobs. It's time to bring the immigration question squarely into the debate over jobs. A change to immigration policy could help create jobs and rev up economic growth. It's a change that wouldn't be hard to bring about. I'm talking about the establishment of a Startup Founders Visa program. The program would make it easier for those with great ideas and the desire to start a company to live and work in the U.S. The idea is simple, yet powerful. By letting in company founders, the U.S. would bring in risk-takers who want to create jobs and potentially build the next Google (GOOG), Cisco Systems (CSCO), or Microsoft (MSFT). At the same time, a founder visa program could stem the tide of talented, tech-savvy foreigners who are leaving the U.S. to seek fortunes in their home countries, primarily China and India. Even foes of flexible immigration policies who rail against both skilled and unskilled immigrants may have a hard time finding fault with granting visas to startup founders. Required: Early Investor BackingThis type of program has been championed by a long list of technology notables and entrepreneurship gurus, including venture capitalists Brad Feld, a managing director at Mobius Venture Capital, Paul Graham, a partner at early-stage venture firm Y Combinator, and technology startup experts Eric Ries and Dave McClure. This idea was originally conceived last year by Robert Litan, the Kaufmann Foundation's vice-president of research. Here's how it would work. Suppose a talented engineer who is not a U.S. citizen has a great idea for a new type of search engine and wants to start a company. This entrepreneur wants to start that company in the U.S., where venture capital markets are the most mature, intellectual property laws are strong, and the talent level is high. It turns out that the would-be founder's search engine idea is actually very good. So a qualified U.S. investor decides to put real money—say, $250,000 to $500,000—into the startup. That investor could nominate the potential founder for a Founders Visa while also making a formal commitment to fund his or her company. The idea and the founder's résumé would then need to pass muster with a government or industry-appointed board of venture capitalists, financiers, or technology experts. After passing, the founder would be granted a permanent resident visa. To open up visa slots, Ries, Feld and others propose altering an existing visa known as the EB-5, now for immigrant investors. Created by the Immigration Act of 1990, the EB-5 lets foreign nationals who invest at least $1 million in the U.S., and thereby create 10 jobs, obtain a green card. In areas where unemployment is high, foreign nationals need only invest $500,000 to obtain residency. By adding a Founders Visa provision such as that I have outlined to the EB-5 visa, we could avoid having to create a new class of visas and any political hassles this might entail. Newt Gingrich Likes the IdeaRichard Herman, a Cleveland-based immigration attorney and co-author of the upcoming book Immigrant, Inc.—Why Immigrant Entrepreneurs Are Driving the New Economy (and how they will save the American worker), says that allowing thousands of founders to get special immigration status could spur sufficient economic activity and innovation to realize billions of dollars in real economic gains for this country within a short time span. We're talking years, not decades. How palatable would such a program be politically? U.S. Representative Jared Polis (D-Colo.), himself a former entrepreneur, is developing legislation to make it easier for foreign founders of investor-backed startups to secure visas to remain in the U.S. On the other end of the political spectrum, even Newt Gingrich, the Republican former Speaker of the House, has blogged about the need to make the country "more accessible to skilled immigrants." He wrote this after witnessing "the dynamic entrepreneurial and high-tech business culture in Tokyo, Beijing, and Seoul"—countries with which we are competing for top talent. Representatives of both ends of the political spectrum can agree on this issue.¶ As things stand, we're losing the battle to retain the immigrants who fueled the recent tech boom. We're experiencing the first brain drain in American history. Other countries in Europe and South America are realizing the potential of attracting skilled immigrants and are putting together programs to snap them up. The startups needed to boost our economy are being created in Shanghai and Bangalore. That's great for those countries, but we need job creation in Silicon Valley in California and Research Triangle Park in North Carolina. That means warmly welcoming to America as many founders as we can.

**Indian economic growth is steady but fragile – prevents India-Pakistan conflict**

Šumit **Ganguly and** S. Paul **Kapur, ’10**. “India, Pakistan, and the Bomb: Debating Nuclear Stability in South Asia,” March, Columbia University Press, http://cup.columbia.edu/book/978-0-231-14374-5/india-pakistan-and-the-bomb/excerpt.

Since the implementation of the reforms, India’s economic performance has been impressive. Its gross domestic product is now over $4 trillion (purchasing power parity), making the Indian economy the sixth largest in the world. Indian GDP growth, no longer stuck at the “Hindu” rate of roughly 3 percent, jumped from 5.6 percent to 8.4 percent between 1990 and 2005, and reached 9 percent in 2007. Despite the global economic downturn, Indian growth is expected to continue at 4.8 to 5.5 percent from 2009 to 2010. India has also become a major player in the information technology sector and an important international source of skilled labor. Its rapidly growing middle class offers a potentially vast market for foreign imports. Indo-U.S. trade has skyrocketed from approximately $4.5 billion in 1988 to roughly $27 billion in 2005. Increased prosperity resulting from recent growth has led to rising economic aspirations on the part of the Indian electorate. Indians increasingly expect, as Raj Chengappa puts it, “better jobs, the American dream.” And Indian leaders realize that continued growth is necessary if India is to make further progress in combating poverty, improving living conditions, and improving its international stature. Indeed, according to some estimates, at a growth rate of 8 percent per year, India can bring its poverty rate into the single digits within two decades. Economic growth has become India’s main national priority. However, despite recent improvements, India faces significant economic challenges that could undermine future growth. For example, massive inequality, which has long plagued Indian society, continues unabated. Paradoxically, Indian economic growth has exacerbated the phenomenon. As the World Bank points out, “In a marked departure from previous decades, reforms of the 1990s were accompanied by a visible increase in income inequality.” Perhaps the most glaring example of this problem is the growing urban-rural divide. India’s economic boom has primarily benefited its cities, leaving out much of the countryside, which is home to roughly 70 percent of its population. In fact, approximately half of rural India has yet to access the electric power grid. According to the Indian government, more than 20 percent of the population lives in poverty. And 46 percent of Indian children are malnourished, versus 35 percent in sub-Saharan Africa and just 8 percent in China. Such severe inequality could lead not just to lagging growth but also to social unrest in disadvantaged regions and socioeconomic sectors. As Prime Minister Manmohan Singh puts it, such “equity concerns . . . can do incalculable harm to the cohesion of our polity. We need therefore to focus our attention on this as a matter of high national priority.” Other problems include the desperate state of India’s public education system. Approximately 33 percent of children fail to complete five years of schooling, and about the same percentage of the population is illiterate. India’s physical infrastructure is also a shambles and badly in need of large-scale investment. The resulting lack of transportation facilities has damaged India’s agricultural sector, which loses 30 to 40 percent of its produce to waste. Agricultural growth declined from 6 percent to 2.7 percent between 2006 and 2007. Analysts believe that the Indian government will need to spend roughly $150 billion per year, rather than the $30 billion that it has earmarked for yearly infrastructure expenditure, if the country is to sustain robust economic growth. India’s natural environment is also increasingly under threat. The burning of fossil fuels and industrial production that are part and parcel of economic expansion are also damaging India’s air and water. A recent Blacksmith Institute report listed two Indian cities in its top ten most polluted places in the world. According to a report by the Chittaranjan National Cancer Institute, more than 46 percent of Delhi’s population suffers impaired lung function due to air pollution. Such widespread damage to public health can undermine productivity and impede further economic growth. Finally, despite extensive reforms, the Indian economy continues to labor under a stifling regulatory regime. According to the World Bank, in 2006, India ranked 134th out of 175 countries in ease of doing business. Therefore, India might not continue its rapid economic growth. Expansion could stall if a large segment of its people remain malnourished and uneducated, its ports and roads are inadequate to move goods and services efficiently throughout the country, or punitive regulations impede wealth creation. Indian economic growth, then, is not only extremely important to the country’s future but is also potentially fragile. As a result, New Delhi hopes to avoid continued Indo-Pakistani conflict. More strife with Pakistan would be a significant distraction, diverting precious political and financial resources from the task of ensuring continued expansion. Also, Indo-Pakistani conflict could damage India’s budding trade relationships, particularly with the United States. Conflict with Pakistan could damage India’s international image and put India in the awkward position of fighting with a major U.S. ally. The resulting harm to Indo-U.S. relations could be financially costly and pose a further threat to continued Indian growth.

**Extinction**

**Chomsky, ‘9.**

Noam, “Crisis and Hope: Theirs and Ours,” http://www.thefallingrain.com/Crisis%20and%20Hope%20-%20Noam%20Chomsky.pdf

It’s also not too encouraging that Pakistan and India are now rapidly expanding their nuclear arsenals. Pakistan’s nuclear arsenals were developed with Reagan’s crucial aid. And India’s nuclear weapons program got a major shot in the arm with the recent US-India nuclear agreement. It’s also a sharp blow to the Non-Proliferation Treaty. Two countries have twice come close to nuclear war over Kashmir, and they’re also engaged in a kind of a proxy war in Afghanistan. These developments pose a very serious threat to world peace, even to human survival. Well, a lot to say about this crisis, but no time here.

**The plan crushes the Chinese labor force and competitiveness – they’re key to growth**

**Wyne, ‘7**, researcher at the Belfer Center for Science and International Affairs at the Kennedy School of Government (Ali, “Is China’s Economic Growth Sustainable?”, Volume 15, Spring, <http://web.mit.edu/murj/www/v15/v15-Features/v15-f5.pdf>)

Even if one believes that establishing the aforementioned dichotomy – economic and political – is not problematic, one would yet find it difficult to argue that China’s economic prospects are assured. For the past three decades, China has prospered largely on the back of one sector: manufacturing. By virtue of its size, it was able to accrue nearly continual economies of significant scale by establishing industrial parks and conditioning its workers to achieve maximum efficiency. In 2005, manufacturing accounted for over half of China’s economic growth and manufactured goods accounted for 91% of its exports.9 Now, however, for the first time in its history, foreign direct investment (FDI) in its manufacturing sector has declined; that is to say, the sector that has all but anchored China’s expansion is no longer a guarantor of its long-term success.10 In light of this outcome, Beijing is suddenly stressing the importance of innovation. In February 2006, for example, the Chinese government announced a “National Medium- and Long-Term Programme for Scientific and Technological Development (2006-20).”11 Its ability to innovate, in turn, depends on (1) the global competitive posture of its firms and (2) the quality of its labor force.

**Chinese growth is key to prevent CCP lashout**

**Shirk, ‘7.** director of the University of California system-wide Institute on Global Conflict and Cooperation and Ho Miu Lam professor of China and Pacific Relations at IR/PS and Deputy Assistant Secretary of State in the Bureau of East Asia and Pacific Affairs (Susan, Fragile China, pg 3).

As China’s leaders well know, the greatest political risk lying ahead of them is the possibility of an economic crash that throws millions of workers out of their jobs or sends millions of depositors to withdraw their savings from the shaky banking system. A massive environmental or public health disaster could also trigger regime collapse, especially if people’s lives are endangered by a media cover-up imposed by Party authorities. Nationwide rebellion becomes a real possibility when large numbers of people are upset about the same issue at the same time. Another dangerous scenario is a domestic or international crisis in which the CCP leaders feel compelled to lash out against Japan, Taiwan, or the United States because from their point of view not lashing out might endanger Party rule.”

**Nuclear civil war**

**Yee & Storey, ‘2** – Professor of Politics, Hong Kong Baptist University & Lecturer in Defense Studies, Deakin University

[Herbert & Ian, The China Threat: perceptions, myths and reality, 2002]

The fourth factor contributing to the perception of a China threat is the fear of political and economic collapse in the PRC, resulting in territorial fragmentation, civil war and waves of refugees pouring into neighbouring countries. Naturally, any or all of these scenarios would have a profoundly negative impact on regional stability. Today the Chinese leadership faces a raft of internal problems, including the increasing political demands of its citizens, a growing population, a shortage of natural resources and a deterioration in the natural environment caused by rapid industrialisation and pollution. These problems are putting a strain on the central government's ability to govern effectively. Political disintegration or a Chinese civil war might result in millions of Chinese refugees seeking asylum in neighbouring countries. Such an unprecedented exodus of refugees from a collapsed PRC would no doubt put a severe strain on the limited resources of China's neighbours. A fragmented China could also result in another nightmare scenario — nuclear weapons falling into the hands of irresponsible local provincial leaders or warlords.12 From this perspective, a disintegrating China would also pose a threat to its neighbours and the world.

# DA Oil

## 1NC

**Oil prices will stabilize now unless OPEC floods the market**

**Gronholt-Pedersen 6/22** (Joseph, the Economist, “Oil Market Well Balanced; OPEC to Determine Short-Term Outlook -BP Economist” http://investing.businessweek.com/research/markets/news/article.asp?docKey=600-201206220519DOWJONESENRGYSVC000603-1&params=timestamp%7C%7C06/22/2012%205:19%20AM%20ET%7C%7Cheadline%7C%7COil%20Market%20Well%20Balanced%3B%20OPEC%20to%20Determine%20Short-Term%20Outlook%20-BP%20Economist%7C%7CdocSource%7C%7CDow%20Jones%20and%20Company%2C%20Inc.%7C%7Cprovider%7C%7CACQUIREMEDIA MGE)

SINGAPORE--The global oil market is more balanced now than it was in 2011, but the short-term outlook mainly depends on OPEC production decisions, a senior economist for United Kingdom-headquartered oil major BP PLC (BP) said Friday. "If you set aside concerns about supply and the Iran issue, the oil market looks more balanced now than it was last year," Paul Appleby, BP's head of energy economics, told reporters. Mr. Appleby said a combination of higher production by Organization of Petroleum Exporting Countries, oil inventory levels getting back to normal and relatively weak consumption growth has weakened the market and caused prices to fall in recent months. ICE Brent future prices averaged a record of around $111 a barrel last year as supply disruptions, mainly from Libya, raised fears of a tightening oil market. But the benchmark has come down in recent months, dropping a quarter of its value since mid-March due to worries over global economic growth, while Saudi Arabia increased production. "There is still plenty of spare capacity, and Saudi Arabia could increase production further if they wanted," Mr. Appleby said. "But in the short term, it's really all about OPEC's production decisions," he said, noting that some members of the oil cartel have set a price target around $100 a barrel. "OPEC will try to manage production to keep prices around that level, and they can do that for a while," he said.

**Transportation sector key to oil demand**

**Rutledge 5** (Ian Rutledge is an energy economist and lectures at the University of Sheffield. He also works as an energy business consultant, Addicted to Oil : America's Relentless Drive for Energy Security, 9-10)

If electricity generation had been the only market for oil, Melvin Conant's 1981 forecast for oil imports might have been easily achieved. In reality, of course, oil is consumed in many other ways: by households and commercial enterprises (for central heating), by industry (in steam-raising boilers, furnaces and various non-energy uses like plastics) and in transportation. But while demand for oil from the residential, commercial and industrial (including electricity) sectors has remained more or less unchanged since the 1980s, demand from the transportation sector was soaring.

In 1950 the share of total US oil consumption attributable to the transportation sector was 54 per cent. By 1970 it had risen to 56 per cent, by 1980 it had jumped to 60 per cent and by 1990 it had reached 67 per cent. But it did not stop there. By 2001,69 per cent of US oil consumption was accounted for by the transportation sector as a whole (including motor vehicles, aircraft, shipping and railways) and 53 per cent of total US oil consumption was accounted for by motor vehicles alone. Indeed, the rate of increase in America's consumption of motor vehicle fuels (gasoline plus diesel) was prodigious: in 1960 it was 3.76 million b/d, in 1980,7.1 million b/d and by 2001, was running at 10.1 million b/d.

The reasons for this are clear. Oil, as we have already observed, is by far the most convenient energy source for LIMMs. In the twentieth century, American capitalism emerged and rose to phenomenal prosperity primarily through the manufacture and sale of the motor car - the archetypal LIMM. Other industries played their part - steel, plastics, and of course, the petroleum industry itself; but, as often as not, these were ancillary to the motor industry. Their products constituted the derived demand which emanated from the great car and truck factories. More than any other brand names. Ford and General Motors encapsulate the achievements of US manufacturing industry in the twentieth century.

Of course most other industrialised countries are motorised in varying degrees — but to nothing like the extent which characterises American society. This is a theme we shall examine in greater detail in Chapters Two and Nine, but for the time being it will suffice to underline one simple statistic which indicates the huge gap between the USA and the other industrialised countries. Motor gasoline and diesel consumption in the USA is 2,043 litres per inhabitant. That is three times greater than Japan and two and half times greater than Germany, France and the UK.58 Moreover this is only partially the result of geography -distances travelled — because energy consumption per 1,000 vehicle/kilometres, 183 kg of oil equivalent, is twice that of France and the UK and 1.8 times greater than Germany and Japan.2\*

**That causes Saudi Arabia to flood the oil market and collapse prices**

**Morse and Richards 2** (Edward L. Morse is Executive Adviser at Hess Energy Trading Company and was Deputy Assistant Secretary of State for International Energy Policy in 1979-81. James Richard is a portfolio manager at Firebird Management, an investment fund active in eastern Europe, Russia, and Central Asia, Foreign Affairs, March/April)

A simple fact explains this conclusion: 63 percent of the world's proven oil reserves are in the Middle East, 25 percent (or 261 billion barrels) in Saudi Arabia alone. As the largest single resource holder, Saudi Arabia has a unique petroleum policy that is designed to maximize the benefit of holding so much of the world's oil supply. Saudi Arabia's goal is to assure that oil's role in the international economy is maintained as long as possible. Hence Saudi policy has always denounced efforts by industrialized countries to wean themselves from oil dependence, whether through tax policy or regulation. Saudi strategy focuses on three different political arenas. The first involves the ties between the Saudi kingdom and other OPEC countries. The second concerns Riyadh's relationship with the non- OPEC producers: Mexico, Norway, and now Russia. Finally, there is Saudi Arabia's link to the major oil-importing regions -- most importantly North America, but also Europe and Asia. Given the size of the Saudi oil sector, the kingdom has a unique and critical role in setting world oil prices. Since its overriding objectives are maximizing revenues generated from oil exports and extending the life of its petroleum reserves, Riyadh aims to keep prices high as long as possible. But the price cannot be so high that it stifles demand or encourages other competitive sources of supply. Nor can it be so low that the kingdom cannot achieve minimum revenue targets. The critical balancing act of Saudi foreign policy, therefore, is to maintain oil prices within a reasonable price band. Stopping oil prices from falling below the minimum level requires cooperation from other OPEC countries and occasionally from non-OPEC producers. Preventing oil prices from rising too high requires keeping enough spare production capacity to use in an emergency. This latter feature is the signal characteristic of Saudi policy. The kingdom can afford to maintain this spare capacity because of the abundance of its oil reserves and the comparatively low cost of developing and producing its reserve base. In today's soft market, in which Saudi Arabia produces around 7.4 mbd, the kingdom has close to 3 mbd of spare capacity. Its spare capacity is usually ample enough to entirely displace the production of another large oil-exporting country if supply is disrupted or a producer tries to reduce output to increase prices. Not only does this spare capacity help the kingdom keep prices in check, but it also serves to link Riyadh with the United States and other key oil-importing countries. It is a blunt instrument that makes policymakers elsewhere beholden to Riyadh for energy security. This spare capacity is greater than the total exports of all other oil-exporting countries -- except Russia. Saudi spare capacity is the energy equivalent of nuclear weapons, a powerful deterrent against those who try to challenge Saudi leadership and Saudi goals. It is also the centerpiece of the U.S.- Saudi relationship. The United States relies on that capacity as the cornerstone of its oil policy. That arrangement was fine as long as U.S. protection meant Riyadh would not "blackmail" Washington -- an assumption that is more difficult to accept after September 11. Saudi Arabia's OPEC partners must also cooperate with the kingdom in part to prevent Riyadh from producing a glut and having prices collapse; spare capacity also serves to pressure key non-OPEC producers to cooperate with Saudi Arabia when necessary. But unlike the nuclear deterrent, the Saudi weapon is actively used when required. The kingdom has periodically (and brutally) demonstrated that it can use its spare capacity to destroy exports from countries challenging its market share. This tactic is the weapon that Saudi Arabia could use if Moscow ignores Riyadh's requests for cooperation. Saudi Arabia has triggered its spare capacity twice in recent history, once when prices were especially low. Both cases demonstrated that the kingdom will accept those low prices so long as it suffers less than its targets do. In 1985, Saudi Arabia successfully waged a price war designed to force other oil producers to stop "free riding" on Saudi oil policy. That policy meant that those states had to cooperate with the kingdom by reining in production enough to allow Saudi Arabia to produce the minimum level that it targeted. Oil prices fell by more than half within a few months, and Saudi Arabia immediately regained the market share it had lost in the preceding four years, mainly to non-OPEC countries.

**And the plan hurts oil prices even without a flood**

**Zakaria 4** - PhD in political science from Harvard and former managing editor of Foreign Affairs (Fareed, “Don’t Blame the Saudis,” 9/6, http://www.fareedzakaria.com/ARTICLES/newsweek/090604.html)

The largest ingredient in current oil prices has been a massive increase in demand. This year's growth is double what it has been for the past six years (on average). That's because the United States is in recovery, Japan's economy is finally back and Asia-particularly China and India-is growing fast. In fact, this year is likely to have the strongest global growth on record in three decades-unless oil prices choke it off. While demand is up, supply can't rise much. For a variety of reasons, almost no oil-producing country has "surplus capacity"-the ability to put substantially more oil into the market. Oil companies have been slow to increase investments in production, and these expenditures take a few years to bear fruit. "Right now oil markets are tighter than they were on the eve of the 1973 oil shocks. And they will stay tight for the next two years. That makes the geopolitics of oil crucial," says Daniel Yergin, the chairman of Cambridge Energy Research Associates. If there is trouble anywhere, it will probably cause an oil shock. And think of the possibilities-instability in Venezuela, Nigeria, Indonesia, Libya, Saudi Arabia or, of course, Iraq. Last year the markets could absorb the loss of Iraqi oil (during the war). This year they can't. Iraq has to stay online. And all these other countries have to stay stable. There is only one country with significant surplus capacity-Saudi Arabia. Saudi Arabia has increased its production repeatedly over the past two years, or else prices would be higher still than they are. And the Saudis are making investments that will increase their surplus capacity by the yearend. In a tight oil market, Saudi Arabia is the pivotal player. Consider the irony. One of the Bush administration's (privately stated) reasons for going to war in Iraq was to reduce our dependence on Saudi Arabia's oil power. It was a reasonable idea. But having botched the occupation, with Iraqi oil more insecure now than before the war, America is today more dependent on Saudi Arabia than ever before. Fortunately the Saudi regime has proved a responsible and reliable player, in this realm. "The Saudis are the central bankers of the world of oil. And they take that role seriously," says Yergin. What to do about this new reality? George Bush proposes increased U.S. production in Alaska. John Kerry calls for increased conservation. Bush is correct to argue that some increase in American production is important. In 1973, the United States imported one third of its oil from abroad. Today it imports two thirds. And exploration does not have to be ecologically devastating. Even if the major oilfields that are assumed to exist there were discovered in the Arctic National Wildlife Refuge, only a few thousand acres of the 19 million-acre refuge would be affected. But the more lasting solution to America's oil problem has to come from energy efficiency. American demand is the gorilla fueling high oil prices-more than instability or the rise of China or anything else. Between 1990 and 2000 the global trade in oil increased by 9.5 billion barrels. Half of that was accounted for by the rise in U.S. imports. America is consuming more because it is growing more-but also because over the past two decades, it has become much less efficient in its use of gasoline, the only major industrial country to slide backward. The reason is simple: three letters-SUV. In 1990 sport utility vehicles made up 5 percent of America's cars. Today they make up 55 percent. They violate all energy-efficiency standards because of an absurd loophole in the law that allows them to be classified as trucks.

**That crushes the Russian economy and undermines support for the regime**

**Kramer 12** – New York Times writer and editor (ANDREW E. “Higher Oil Prices to Pay for Campaign Promises” New York Times March 16, 2012 http://www.nytimes.com/2012/03/17/business/global/vladimir-putins-big-promises-need-fueling-by-high-oil-prices.html?\_r=2?pagewanted=print Putin Needs ajones)

MOSCOW — In American presidential politics, high oil prices are a problem. For Vladimir V. Putin’s new presidential term in Russia, they will be a necessity — crucial to fulfilling his campaign promises to lift government spending by billions of dollars a year. But doing that without busting the Kremlin’s budget would require oil to reach and sustain a price it has never yet achieved — $150 a barrel, according to one estimate by Citigroup. No wonder economists who specialize in Russia are skeptical. (On Friday, Russia’s Ural Blend export-grade oil was trading at $120 on the global spot market.) “It’s very hard to overestimate how vulnerable the Russian economy is to external pressures” from the oil price, Sergei Guriev, the rector of the New Economic School in Moscow, said in a telephone interview. “That vulnerability is huge, which is why Russia must be very vigilant. The spending is a risk.” The promised spending is also ambitious. Mr. Putin has laid out a program of raising wages for doctors and teachers, padding retirement checks for everyone and refurbishing Russia’s military arsenal. The oil-lubricated offerings would even include a population premium: expanding the popular “baby bonus” payments the Russian government provides to mothers, to include a third child. The payment, of up to $8,300 for housing or baby-related expenses, now comes as an incentive only with each of the first two children. The additional cost of the expanded baby benefits alone will total $4.6 billion a year, according to an estimate by the Higher School of Economics in Moscow. Most of Mr. Putin’s spending promises came at least partly in response to the street demonstrations by young and middle-class protesters in Moscow and other big cities challenging his authority in the weeks leading up to the March 4 election. His apparent aim was to shore up support from the rest of Russia: poorer and rural parts of the country, and from state workers and the elderly. The repercussions of his campaign promises, and an earlier commitment on military spending, could be felt for years to come, giving price swings in oil a bigger role than ever on the Russian economy. Taxes on oil and natural gas sales provide half of Russia’s government revenue. Each increase in the Russian budget equivalent to 1 percent of the gross domestic product requires a rise in the price of oil of about $10 a barrel on global markets — which is how Citigroup arrived at the $150-a-barrel figure for meeting the new obligations Mr. Putin has taken on. Analysts worry that, even if the government can fulfill its promises, too little will remain for a sovereign wealth fund that is intended as a shock absorber for the Russian economy and the ruble exchange rate during an oil price slump. Russia needed to use that buffer as recently as 2008, during the financial crisis. “The concern is simple,” Kingsmill Bond, the chief strategist at Citigroup in Russia, said in a telephone interview. “If the oil price that Russia requires to balance its budget is higher, the systemic risks that the market faces are also higher.” The bank estimated that Mr. Putin’s promises of higher wages and pensions, not counting the military outlays, add up to additional spending equal to 1.5 percent of Russia’s gross domestic product. That comes on top of an earlier pledge to spend an additional 3 percent of gross domestic product a year re-arming the military. In all, the new commitments would add up to about $98 billion a year, Citigroup estimates. The spillover from the Arab Spring and the specter of an Israeli attack on Iran’s nuclear development plants are propping up oil prices now. But over the long term, economic stagnation in Europe could help bring them down. Even before the election, Russia’s government spending was up, helping reinforce Mr. Putin’s message that he was the best candidate to deliver prosperity and stability. In January, the Russian military ministry, for example, doubled salaries in the nation’s million-person army. It was ostensibly a long-planned move. But coming just two months before the presidential vote, the political message was clear. Also smoothing the path for Mr. Putin’s victory was a national cap on utility rates that helped keep inflation at the lowest level in Russia’s post-Soviet history for January and February, at a 3.7 percent annual pace. “Putin made large spending commitments,” the Fitch rating agency said in a statement released the day after the election. “The current high price of oil cushions Russia’s public finances,” Fitch said. “But in the absence of fiscal tightening that significantly cuts the non-oil and gas fiscal deficit, a severe and sustained drop in the oil price would have a damaging impact on the Russian economy and public finances and would likely lead to a downgrade” of the nation’s credit rating. As Mr. Putin’s spending promises started to be introduced in January, Fitch altered Russia’s outlook to stable, from positive. Mr. Putin has defended the proposed spending as necessary and just, given the hardship of teachers and other public sector workers in the post-Soviet years. “A doctor, a teacher, a professor, these people should make enough money where they work so they don’t have to look for a side job,” Mr. Putin wrote in a manifesto published during the campaign. But in fact, the government will offset a portion of the pay raises, perhaps as much as one-third of their cost, by laying off some public sector workers and trimming some other public spending. That was the word from Lev I. Yakobson, the deputy rector of the Higher School of Economics, who helped draft the policy. That part of the plan, though, was never part of Mr. Putin’s stump speech.

**Nuclear war**

**Filger 9** (Sheldon, author and blogger for the Huffington Post, “Russian Economy Faces Disastrous Free Fall Contraction” http://www.globaleconomiccrisis.com/blog/archives/356)

In Russia historically, economic health and political stability are intertwined to a degree that is rarely encountered in other major industrialized economies. It was the economic stagnation of the former Soviet Union that led to its political downfall. Similarly, Medvedev and Putin, both intimately acquainted with their nation’s history, are unquestionably alarmed at the prospect that Russia’s economic crisis will endanger the nation’s political stability, achieved at great cost after years of chaos following the demise of the Soviet Union. Already, strikes and protests are occurring among rank and file workers facing unemployment or non-payment of their salaries. Recent polling demonstrates that the once supreme popularity ratings of Putin and Medvedev are eroding rapidly. Beyond the political elites are the financial oligarchs, who have been forced to deleverage, even unloading their yachts and executive jets in a desperate attempt to raise cash. Should the Russian economy deteriorate to the point where economic collapse is not out of the question, the impact will go far beyond the obvious accelerant such an outcome would be for the Global Economic Crisis. There is a geopolitical dimension that is even more relevant then the economic context. Despite its economic vulnerabilities and perceived decline from superpower status, Russia remains one of only two nations on earth with a nuclear arsenal of sufficient scope and capability to destroy the world as we know it. For that reason, it is not only President Medvedev and Prime Minister Putin who will be lying awake at nights over the prospect that a national economic crisis can transform itself into a virulent and destabilizing social and political upheaval. It just may be possible that U.S. President Barack Obama’s national security team has already briefed him about the consequences of a major economic meltdown in Russia for the peace of the world. After all, the most recent national intelligence estimates put out by the U.S. intelligence community have already concluded that the Global Economic Crisis represents the greatest national security threat to the United States, due to its facilitating political instability in the world. During the years Boris Yeltsin ruled Russia, security forces responsible for guarding the nation’s nuclear arsenal went without pay for months at a time, leading to fears that desperate personnel would illicitly sell nuclear weapons to terrorist organizations. If the current economic crisis in Russia were to deteriorate much further, how secure would the Russian nuclear arsenal remain? It may be that the financial impact of the Global Economic Crisis is its least dangerous consequence.

# DA Politics (Jackson-Vanik)

## 1NC

**Obama push will secure repeal of Jackson-Vanik this month --- it’s key to relations**

**PTI, 9/9** (Press Trust of India, 9/9/2012, “US keen to end Cold War-era Russia trade curbs,” Factiva, JMP)

Washington, Sep 9 (PTI) The US Secretary of State Hillary Clinton has signalled that efforts are on to repeal a Cold War-era legislation within this month that restricts trade ties with Russia.

"To make sure our companies get to compete here in Russia, we are working closely with the United States Congress to terminate the application to Jackson-Vanik to Russia and grant Russian Permanent Normalized Trade Relations," Clinton said yesterday.

Clinton's comments regarding the so-called Jackson-Vanik amendment came as she addressed business leaders in the Russian port city of Vladivostok, where she is standing in for President Barack Obama at the head of the US delegation to the APEC Economic Leaders' Meeting.

"We hope that the Congress will pass on this important piece of legislation this month," CNN quoted her as saying.

The Jackson-Vanik amendment was passed in 1974 as a way of pressuring Russia to allow Soviet Jews to emigrate. With the collapse of the Soviet Union, that was no longer an issue, but legislators kept the amendment on the books to pressure Russia on other issues.

The US has waived it every year since 1994, but it still violates World Trade Organisation rules requiring members of the body to give one another permanent normal trade relations.

Russia finally entered the WTO this summer, raising the stakes for the United States to end a measure that critics warn could end up costing it business.

Clinton also discussed the Jackson-Vanik amendment with her Russian counterpart Sergei Lavrov over a working breakfast, State Department spokesperson Victoria Nuland said.

"She said that the Congress was going to start voting and that we have strongly pushed and been supportive, and we think that it's time for Jackson-Vanik to be repealed," Nuland said of Clinton.

The Obama administration had previously indicated its desire to lift the Jackson-Vanik amendment as part of its "reset" of Washington's relations with Moscow.

And in an editorial in The Wall Street Journal in June, Clinton argued that leaving the amendment in place could hurt American interests.

Ending Jackson-Vanik is not "a gift to Russia," Clinton wrote. "It is a smart, strategic investment in one of the fastest growing markets for U.S. goods and services." PTI AKJ AKJ

**Obama’s political capital is key -- needed to balance the fight within the agenda**

**Stokes, ‘11**

[Bruce Stokes January 26, 2011 An Agenda, If You Can Keep It <http://nationaljournal.com.proxy.library.emory.edu/member/daily/an-agenda-if-you-can-keep-it-20110126?mrefid=site_search>]

After years of relative quiescence, Congress actually has a trade agenda in 2011: possible votes on the Korea, Colombia, and Panama trade agreements, and on Russia’s application to join the World Trade Organization. Whether, when, how, and which elements of this agenda will be completed will largely depend on political calculations in the White House and on Capitol Hill. “The first question,” observed William Reinsch, president of the National Foreign Trade Council, “is, how many of these fights does the administration want to have?” At the top of the list will be the U.S.-Korea Free Trade Agreement, which President Obama made his own by arm-wrestling the South Koreans for fixes to benefit the American auto industry. Now, that it has the support of Ford and the United Auto Workers, most observers agree that the deal with South Korea has sufficient votes for passage. And Obama has said he wants Congress to act on it by June. But the business community also wants action on the Colombia and Panama agreements negotiated by the George W. Bush administration. “From our perspective,” said Calman Cohen, president of the Emergency Committee for American Trade, “they are like three children. We want them all to go forward.” Congressional GOP leaders agree. “I strongly believe that we should consider all three agreements in the next six months,” House Ways and Means Committee Chairman Dave Camp, R-Mich., said at a trade hearing this week. Objections to the Panama accord, based on tax and labor issues, seem to pose no major obstacles. Organized labor continues to highlight the murders of union organizers in Colombia and other labor-rights abuses there, but Ways and Means ranking member Sander Levin, D-Mich., a longtime critic of Colombia’s record on these issues, suggested in testimony this week that some accommodation might be possible. “I believe there is now an opportunity for the two governments to work together mutually to achieve real progress on the ground,” he said. Republican leaders in Congress have talked of voting on all three trade deals, possibly one right after the other, to facilitate the legislative calendar and, the administration suspects, to aggravate divisions among Democrats. Parliamentarians, meanwhile, will have to decide if fast-track negotiating authority still applies to the Colombia agreement. Because Congress failed to act on it when it was first submitted, the fast-track authority for the deal expired. This is not a problem in the House, where Republicans control the Rules Committee, but it is in the Senate, where fast-track is needed to facilitate a vote. Business lobbyists think that the Korea deal could move by itself before the August recess but that doing all three together will take considerably more time, contrary to Camp’s ambitions. Members of the business community are less sanguine about legislation blessing Russia’s application to join the WTO, where membership can be held up by any current member. Georgia has yet to give its assent to Russia’s application, which might make the need for U.S. action moot. To give Moscow the green light, Congress would have to accord Russia most-favored-nation trading status, thus granting it the lowest possible U.S. tariffs. That, in turn, requires waiving the Jackson-Vanik amendment to the 1974 trade act, effectively acknowledging that emigration from Russia is no longer a U.S. concern. Although Washington has no complaints about Russian emigration policy, Jackson-Vanik has long been seen as useful leverage over Moscow that many in Congress may be loath to relinquish. Capitol Hill staffers warn that passage of Russian WTO membership will be an uphill fight. Moscow has few champions in Congress, where Senate debate late last year over the New START deal demonstrated deep-seated suspicion among conservatives. Russia’s piracy of intellectual property and its past use of health and safety standards to bar the importation of U.S. poultry have also soured business interests. Buyers’ remorse over China’s admission to the WTO fuels congressional reluctance to make the same mistake twice. And Moscow’s past history of quixotic actions—cutting off gas to Ukraine, for example—makes advocates of WTO membership wary of going out on a limb only to have Moscow cut it off. Moscow is anxious to join the WTO, however, and membership is a key element in the administration’s “reset” of U.S.-Russia relations. Moreover, a Russia that is subject to international rules and dispute settlement might be better than a Russia operating outside the law. Ever since the financial crisis began in 2008, Russia has been one of the most frequent instigators of protectionist trade practices. WTO membership could help discipline such behavior. Veterans of past trade battles on Capitol Hill advise that the administration might have to give Congress something to vote for—some new oversight or restraint—to ease the pain of voting to waive Jackson-Vanik. When China was granted admission to the WTO, for example, Congress created a commission to report on Beijing’s human-rights record. After two years of relegating divisive trade issues to the back burner, in 2011 the administration now has a legislative trade agenda. The question is how much political capital it is willing to invest to get it through Congress. The White House can anticipate hand-to-hand combat in budget negotiations with Republicans over discretionary spending. Such conflict will unavoidably preoccupy administration strategists, who may want to husband their resources for more electorally attractive issues. Congress could accomplish a fair amount on trade this year, but doing so could be an uphill slog.

**Repeal is key to overall relations**

**Gvosdev, 12** --- on the faculty of the U.S. Naval War College (Nikolas, “The Realist Prism: Resetting the U.S.-Russia Reset,” 2/10/2012, http://www.worldpoliticsreview.com/articles/11441/the-realist-prism-resetting-the-u-s-russia-reset)

After a period of healthier ties following the much-heralded reset, U.S.-Russia relations appear to be deteriorating. Whether it was the war of words between U.S. Secretary of State Hillary Clinton and Russian Prime Minister Vladimir Putin last December over the flaws in the Russian Duma elections, or the harsh language used by U.N. Ambassador Susan Rice after Russia vetoed a draft Security Council resolution last week calling on Syrian President Bashar al-Assad to step down, the optimism engendered by the Obama administration's reset with Russia has dissipated.

Nor does the immediate future bode well for "resetting the reset." Putin is expected to reclaim the Russian presidency after next month’s election, and he has not forgotten or forgiven the Obama team's public relations effort back in 2009 to categorize President Dmitry Medvedev as the wave of the future and America's preferred interlocutor. At the same time, Putin and members of his immediate circle, who consistently expressed concerns about the "reset," feel that their doubts have been justified. In their narrative, Russia made many compromises to American preferences over the past few years, including relegating concerns about missile defense to a nonbinding preamble in the New START agreement; agreeing to much stronger sanctions on Iran and suspending a lucrative contract to provide Tehran with an advanced air defense system; and acquiescing to the U.N. Security Council resolution authorizing a no-fly zone for Libya. But these produced no real quid pro quos for Russian interests. Given the skepticism with which Putin is viewed in the U.S., not only by President Barack Obama but also by all the Republican challengers, there is little chance that, after March, there will be particularly warm and strong personal relations between the U.S. and Russian presidents.

But does this mean that the U.S.-Russia relationship is doomed to fall back to a more confrontational posture, as occurred in 2007 and 2008, when analysts were warning of a "new Cold War"? That depends on several factors.

The first is what happens in Russia in the aftermath of the Russian presidential elections. If there is evidence of widespread fraud, and if the government takes a hard line against the resulting protest movements, it will be very difficult for any U.S. administration to continue to deepen and broaden cooperation with Russia. That could change if Putin pursues a reform agenda. In a campaign op-ed in Kommersant that was reprinted in the Washington Post, he promised to restore direct elections of governors, increase local-self government and implement stringent new measures to combat corruption. If he is serious, it might take the steam out of the "White Revolution" and enable a U.S. administration to bank on "progress" being made. But the reality is that the political establishment in Washington is not prepared to extend to Russia the type of relationship the U.S. has with states like China or Saudi Arabia, where economic considerations routinely trump human rights concerns.

The second is how extensive Putin plans to shake up the Russian government. Many expect that after resuming the presidency, Putin is prepared to make significant personnel and policy changes. What is not clear is whether long-serving Foreign Minister Sergei Lavrov will continue as the primary steward of Russia's foreign relations, and whether outgoing President Medvedev will be asked to become prime minister or assume another role to allow some form of the tandem to continue. If Medvedev retains a good degree of influence, then some of the Obama-Medvedev partnership might be salvaged, and a new foreign minister could initiate a fresh start with his counterparts in Washington, leaving behind some of the baggage that has accumulated in the interactions between Clinton and Lavrov.

The third is whether some of the new foundations in the U.S.-Russia relationship have solidified to the point that they can help weather the current storms. In contrast to the situation in 2008, there are now some important institutional connections in place. The Northern Distribution Network could represent enough ballast -- both in terms of the income generated for Russia and the safe route it offers the U.S. and NATO for the war effort in Afghanistan and for egress once the drawdown begins in the coming year -- to help prevent the relationship from veering out of control. The partnership between Exxon and Rosneft to develop both the Russian Arctic and additional projects in North America creates another set of incentives to keep ties on a level basis, as does the immense potential of a fully realized partnership between Russian and American firms in the nuclear power industry. American car manufacturers have found Russia to be a booming export market, while the U.S. space program is now dependent on Russia to ferry astronauts and cargo to maintain America’s manned presence in space. In short, there are a growing number of interests that depend on the preservation of healthy U.S.-Russia relations for their own success. But it is not yet clear whether they have sufficient clout to outweigh the naysayers on both sides.

An upcoming decision-point could offer a good indication of what to expect. The World Trade Organization is expected to ratify Russia’s accession later this spring. However, American firms will not be able to take advantage of Russia's WTO membership as long as U.S. trade with Russia is still subject to the Cold War-era Jackson-Vanik amendment. Congress would first have to agree to "graduate" Russia from the terms of the legislation, but many members remain hesitant. An unofficial swap would see Russia given permanent normal trading relations status, but with new legislation applying "smart sanctions" against specific Russian individuals and entities accused of condoning human rights abuses, most notably in the death of Russian lawyer Sergei Magnitsky.

Whether this Solomonic compromise could work, however, remains to be seen. The Russian government has already responded very negatively to sanctions unilaterally imposed by the State Department and may be quite unwilling to accept such a compromise, even if it means graduating Russia from Jackson-Vanik. At the same time, there remains resistance within Congress to "giving up" one of its last remaining tools to pressure Russia on a whole range of issues, from chicken imports to religious freedom.

The fate of the Jackson-Vanik amendment, therefore, is the canary in the coal mine for U.S.-Russia relations. If a successful repeal is negotiated, it bodes well for regenerating the relationship. However, if Obama, like George W. Bush before him, is unable to secure Russia’s graduation, this could end up being a fatal blow to the whole idea of the reset.

**US-Russia relations are vital to preventing nuclear war and solving every global issue.**

**Allison & Blackwill, ‘11**

[Graham, director of the Belfer Center for Science and International Affairs at Harvard’s Kennedy School, former assistant secretary of defense in the Clinton administration, Robert D., Henry A. Kissinger senior fellow for U.S. foreign policy -- Council on Foreign Relations, served as U.S. ambassador to India and as deputy national security adviser for strategic planning in the Bush administration, both co-chairmen of the Task Force on Russia and U.S. National Interests, co-sponsored by the Belfer Center and the Center for the National Interest, 10-30-11 Politico, “10 reasons why Russia still matters,” <http://dyn.politico.com/printstory.cfm?uuid=161EF282-72F9-4D48-8B9C-C5B3396CA0E6>]

That central point is that Russia matters a great deal to a U.S. government seeking to defend and advance its national interests. Prime Minister Vladimir Putin’s decision to return next year as president makes it all the more critical for Washington to manage its relationship with Russia through coherent, realistic policies. No one denies that Russia is a dangerous, difficult, often disappointing state to do business with. We should not overlook its many human rights and legal failures. Nonetheless, Russia is a player whose choices affect our vital interests in nuclear security and energy. It is key to supplying 100,000 U.S. troops fighting in Afghanistan and preventing Iran from acquiring nuclear weapons. Ten realities require U.S. policymakers to advance our nation’s interests by engaging and working with Moscow. First, Russia remains the only nation that can erase the United States from the map in 30 minutes. As every president since John F. Kennedy has recognized, Russia’s cooperation is critical to averting nuclear war. Second, Russia is our most consequential partner in preventing nuclear terrorism. Through a combination of more than $11 billion in U.S. aid, provided through the Nunn-Lugar Cooperative Threat Reduction program, and impressive Russian professionalism, two decades after the collapse of the “evil empire,” not one nuclear weapon has been found loose. Third, Russia plays an essential role in preventing the proliferation of nuclear weapons and missile-delivery systems. As Washington seeks to stop Iran’s drive toward nuclear weapons, Russian choices to sell or withhold sensitive technologies are the difference between failure and the possibility of success. Fourth, Russian support in sharing intelligence and cooperating in operations remains essential to the U.S. war to destroy Al Qaeda and combat other transnational terrorist groups. Fifth, Russia provides a vital supply line to 100,000 U.S. troops fighting in Afghanistan. As U.S. relations with Pakistan have deteriorated, the Russian lifeline has grown ever more important and now accounts for half all daily deliveries. Sixth, Russia is the world’s largest oil producer and second largest gas producer.

Over the past decade, Russia has added more oil and gas exports to world energy markets than any other nation. Most major energy transport routes from Eurasia start in Russia or cross its nine time zones. As citizens of a country that imports two of every three of the 20 million barrels of oil that fuel U.S. cars daily, Americans feel Russia’s impact at our gas pumps. Seventh, Moscow is an important player in today’s international system. It is no accident that Russia is one of the five veto-wielding, permanent members of the U.N. Security Council, as well as a member of the G-8 and G-20. A Moscow more closely aligned with U.S. goals would be significant in the balance of power to shape an environment in which China can emerge as a global power without overturning the existing order. Eighth, Russia is the largest country on Earth by land area, abutting China on the East, Poland in the West and the United States across the Arctic. This territory provides transit corridors for supplies to global markets whose stability is vital to the U.S. economy. Ninth, Russia’s brainpower is reflected in the fact that it has won more Nobel Prizes for science than all of Asia, places first in most math competitions and dominates the world chess masters list. The only way U.S. astronauts can now travel to and from the International Space Station is to hitch a ride on Russian rockets. The co-founder of the most advanced digital company in the world, Google, is Russian-born Sergei Brin. Tenth, Russia’s potential as a spoiler is difficult to exaggerate. Consider what a Russian president intent on frustrating U.S. international objectives could do — from stopping the supply flow to Afghanistan to selling S-300 air defense missiles to Tehran to joining China in preventing U.N. Security Council resolutions. So next time you hear a policymaker dismissing Russia with rhetoric about “who cares?” ask them to identify nations that matter more to U.S. success, or failure, in advancing our national interests.

## Link – Generic

**New transportation funding is politically impossible**

**Puentes, 10** - senior fellow with the Brookings Institution’s Metropolitan Policy Program where he also directs the Program's Metropolitan Infrastructure Initiative (Robert, “Moving Past Gridlock: A Proposal for a Two‐Year Transportation Law,” <http://www.brookings.edu/~/media/research/files/papers/2010/12/14%20transportation%20puentes/1214_transportation_puentes.pdf>

Yet the nation’s surface transportation law is caught in political logjam. Despite an unusually rich three‐ year policy discussion and a draft reauthorization proposal from the House of Representatives, the prospects for the passage of a long term law in the near future are bleak. This is partly because of concerns about the size of the deficit, a deep philosophical difference between the parties on the proper role of government, and the unwillingness to increase the federal tax on gasoline—the primary source of revenue for the program. 2

## Link – HSR

**HSR politically partisan and causes backlash**

**The Economist 6 – 5** – 12 [“California's Failing Project Could Spell The End Of High-Speed Rail For The Whole Country” Jun 5, 2012 http://www.businessinsider.com/californias-failing-project-could-spell-the-end-of-high-speed-rail-for-the-whole-country-2012-6]

Its ambition has been scaled back and its projected costs have increased. Even voters have turned on it. A new survey by USC-Dornsife and the Los Angeles Times found that if given a second chance to vote on the 2008 $9 billion bond issue that is funding the early stages of the project, 59% of survey respondents would vote it down. Part of what's happened here is that high-speed rail, like almost everything promoted by President Barack Obama, has become an intensely partisan issue in America. Republican governors across the country have criticized high-speed projects and rejected federal money to fund rail development. Mr Obama, meanwhile, has redistributed the rejected money to states like California that are run by Democrats and are more receptive to high-speed rail. All this makes sense. Mr Obama made high-speed-rail funding a big part of his 2008 stimulus package, and political scientists generally believe that a president weighing in on an issue polarizes people's opinions about it. In California, 76% of Republicans now oppose the high-speed-rail project, compared to just 47% of Democrats. The other problem, of course, is that powerful local and regional interests are threatened by the high-speed-rail plans. Airlines, freight transporters and not-in-my-backyard activists all have problems with the project. High-speed rail's opponents smell blood and are not going to fall in line, and the train plan is many years from completion. Unless California's leaders are truly committed to pushing high-speed rail forward and spending political capital to do so, this plan is probably doomed. And when it comes to high-speed rail, as goes California, so goes the nation.