### Perm do both

#### Links to politics – Only PRIOR court action solves

Garrett and Stutz, 2005

(Robert T. Garrett and Terrence Stutz, Dallas Morning News, "School finance now up to court Justices to decide if overhaul needed after bills fail in Legislature" lexis)

That could foreshadow the court's response to a chief argument by state attorneys – that the court should butt out and leave school finance to the Legislature. A court finding against the state would put the ball back in the hands of lawmakers, who have tended to put off dealing with problems in schools, prisons and mental health facilities until state or federal judges forced them to act. "It's the classic political response to problems they don't want to deal with," said Maurice Dyson, a school finance expert and assistant law professor at Southern Methodist University. "There is no better political cover than to have a court rule that something must be done, which allows politicians to say their hands are tied."

#### 1NC ward evidence- politically shielded from constituency, presidents don’t get any electoral blame.

#### The Harrison evidence is not qualified, not supported by evidence, and should not be evaluated; this is NOT an ethical challenge.

Harrison, 2007

(Lindsay Harrison, edebate, "Please post this email to edebate on my behalf" March 3, online)

It has come to my attention that teams are reading "evidence" from a debate ¶ blog that I ran last year when the high school topic was a legal one. I ¶ started the blog because, in judging debates on the topic, I was frustrated ¶ by what I saw as misunderstandings of the legal system by many in the debate ¶ community. I also was frustrated by a lack of creativity in devising ¶ arguments as a result of a lack of broad legal knowledge. I intended the ¶ blog both to educate and to generate new ideas for argumentation. I did NOT ¶ intend the blog to be used as evidence, especially not in college debates ¶ where I figured the community would recognize that none of my posts were ¶ peer-reviewed (or reviewed by anyone at all), none of my posts were backed ¶ up by specific research, and none of my posts would ever qualify as "legal ¶ scholarship." In fact, I am merely giving people ideas for arguments and I ¶ do not necessarily advocate any of the ideas as my own - I consider evidence ¶ to be taken out of context if it says, "debaters should argue that bush ¶ would get credit" and folks read only the part suggesting "bush would get ¶ credit," thereby attributing that idea to me.¶ When I found out that people were reading "Harrison 06" evidence from the ¶ blog as link cards on the court politics argument, I made an effort to end ¶ this. Whenever anyone read this evidence in front of me, I asked that they ¶ not do so in the future. I also posted something on the blog that I ¶ intended as a disclaimer for people not to read "evidence" from the blog.¶ I have been traveling internationally for several months and, upon my ¶ return, I found out that people have continued to read this evidence in ¶ debate rounds. Accordingly, I am now sending this to edebate in the hope ¶ that the community will recognize definitively that I do not want blog posts ¶ from my debate education blog to be read as "evidence" in rounds.¶ Please do not read evidence from my debate education blog in rounds. I ¶ consider it to be taken out of context. I hope that if people do read this ¶ evidence in rounds that judges will penalize those teams for reading ¶ evidence that the author considers out of context.

Shielding ev say political cover- doesn’t assume happening at same time- the garret and Stutz ev at the top says courts must act first so politicians can say their hands are tied

### Agent CP’s Good

Agent CP’s Good:

1 Education- Knowledge over plenary powers and modern legal challenges are key to understanding how energy policy comes about and how the U.S. government works.

2 Fairness- They have specific reasons why their actor is good we should be able to test out and generate offense against.

3 Ground- Some of the best topic literature is about why the court rule on energy issues federal preemption challenges- on a topic with only 1 real DA we need this offense. They get court clog, hollow hope, and judicial capital da’s to the cp

4 Predictable- tests USFG and almost all major energy think tanks discuss issues like how courts could rule on things like wind siting policies

Cp is functionally and textually competitive- changes agent and te

Lack of solvency advo specific to the aff is irrelevant- don’t’ label a voting issue

We’re the solvency advocates

We’re reading specific court case ev

### Solvency

Solves 100% of case- rules unconstitutional means can’t enforce

Court case now- spakovsky and loris- In ATP Oil & Gas Corporation v. U. S.,

Nope: Court just ensures the act has no force of law – it wouldn’t have to be enforced.

Anonymous Law Professor in 2k6

anon@anon.org, July 9, Prawfsblog, http://prawfsblawg.blogs.com/prawfsblawg/2006/07/are\_supreme\_cou.html

"He is proclaiming that though an Act of Congress was struck down by Congress, he would decide cases in the future as if that law was still on the books."

Well, \*isn't\* it? **A decision by the Supreme Court entails only that, in the case at hand, the Act of Congress has no legal force. It doesn't wipe the Act from the statute books. (Should Roe be overturned tomorrow, any as-yet-unrepealed prohibitions on abortion would still be valid law.)**

The real question is whether, if an individual Justice would be entitled to vote with a majority to overturn a previous decision, she should be entitled to vote to do so in dissent, or by concurring in a judgment. And unless you've got a very deep-seated prejudice against concurring opinions, I don't see why not.

#### Court action induces legislative change.

Devins, ‘92

(William and Mary Associate Poli Sci Prof, July, 80 Calif. L. Rev. 1027)

**Courts matter. They matter a lot.** Sometimes their orders set in motion market mechanisms which guarantee their effectiveness. n199 Sometimes the threat of judicial action prompts either settlement or **legislative initiative.** n200 **Their opinions influence legislative deliberations** n201 **and change the status quo**. n202 Occasionally, they trump agencies and interpose their normative views into the law. It may be that these influences sometimes result in unwise policy decisions and sometimes exceed the proper judicial role in our system of separated powers, but they are judicial influences nonetheless

A2: Perm do CP

Perm severs- the=whole USFG meriam websters

Severance permutations are a voting issue – They make the plan a moving target and allow the Aff to circumvent all neg ground by altering the plan’s meaning or text.

#### Courts can’t reduce—they rely on acquiescence.

Hanson et al, 2006

(Jon D. Hanson, professor at Harvard Law School; and Adam Benforado, Frank Knox Fellow at Cambridge University, "The drifters: Why the supreme court makes justices more liberal" January/February, online)

It would be a mistake to believe that the only situation that influences justices comes from within the Supreme Court building or individual judges’ limited spheres of interaction. The mechanisms designed to keep the judiciary independent of the other branches of government are necessarily incomplete, and there is good evidence that judges frequently interpret laws in ways that align with the particular policy desires of sitting members of Congress and the current president. This is not surprising given the forces that Congress and the president can bring to bear on the judiciary—including limiting or even stripping jurisdiction in certain areas, altering the size of federal courts, and instituting impeachment hearings. Just as important is the fact that the court cannot implement its orders without the acquiescence and assistance of other government actors. In addition, lower-court judges may be constrained by pressures not to be overruled by higher courts or the need to stake out particular positions in order to improve their chances of promotion within the judiciary.

#### Also, unenforceability.

Treanor and Sperling, 1993

(William Michael Treanor, Associate Professor of Law, Fordham University; and Gene B. Sperling, J.D., Yale Law School, Columbia Law Review, December, lexis)

Commentators have generally agreed with the overwhelming majority of courts that an overruling decision has the effect of automatically reviving statutes. For example, Erica Frohman Plave observed that revival was a necessary function of the limited scope of a judicial determination of unconstitutionality: "Such laws laws found unconstitutional are merely unenforceable until such time as they are found valid." n54 Professor Gerald Gunther has pronounced Attorney General Cummings's conclusion that Adkins "simply "suspended' enforcement" n55 of the District of Columbia minimum wage statute "persuasive," n56 and Professor Melville Nimmer similarly declared that "it seems clear that Attorney General Homer Cummings' opinion was correct." n57 Finally, Professor Oliver Field noted that a statute that has been found unconstitutional becomes enforceable when the case in which it was held unconstitutional is reversed because "a declaration of unconstitutionality does not operate as a repeal of a statute." n58 [\*1916]

#### ’reduce’ modifies ’restriction’ – means there must be legislative action

Hill and Hill 5

(Gerald, Executive Director of the California Governor’s Housing Commission, Practice law for more than four decades, Kathleen, M.A. in political psychology from California State University. She was also a Fellow in Public Affairs with the prestigious Coro Foundation) 2005 "restriction" <http://legal-dictionary.thefreedictionary.com/restriction>

restriction n. any limitation on activity, by statute, regulation or contract provision. In multi-unit real estate developments, condominium and cooperative housing projects, managed by homeowners’ associations or similar organizations are usually required by state law to impose restrictions on use. Thus, the restrictions are part of the "covenants, conditions and restrictions," intended to enhance the use of common facilities and property, recorded and incorporated into the title of each owner.

### DISAD

Collapse oil price- positive price signals lead to downward price, emp proven by bush price drop- Poruban ’12. Their ev just says it will be sold at prevailing price rather than at a discount- that’s about gas prices, not crud prices- our is specific to global oil market investors

#### The link is huge and unique—-no positive government signals for production now, but the plan reverses that—-causes immediate price crash—-and, high production rates are irrelevant without a government signal

Cross 12

Edward Cross is president of the Kansas Independent Oil and Gas Association "Obama has the power to put pressure on gas pricesBy Edward Cross" March 29 www.kansas.com/2012/03/29/2274545/obama-has-the-power-to-put-pressure.html

The U.S. cannot control the unrest in the Middle East, international supply disruptions or rising worldwide demand, but it can increase world supply of crude oil by developing more of our own ample oil resources. President Obama could announce his intent to change oil and gas tax and regulatory policies to encourage more domestic oil and natural gas production today, sending positive signals to the market and putting downward pressure on prices.¶ Increasing domestic oil and natural gas production helps secure our own energy future, create American jobs and provide billions more in revenue to the government.¶ If you recall, when President George W. Bush lifted the moratorium on the East and West Outer Continental Shelf in July 2008 – a time when the price of gasoline was nearly $4 a gallon – the 45-day price average for crude oil dropped $16 dollars per barrel, a 12 percent decline. While multiple factors affect crude price, this action and the resulting crude price decline demonstrated the clear link between anticipated supply and downward pressure on prices.¶ The Congressional Research Service released a study this month that says raising taxes on the oil and natural gas industry “will also raise the cost of exploration and production, with the possible result of higher consumer prices and more slowly increasing domestic production.”¶ Let’s take a look at the record: The Obama administration has eight federal departments and agencies contemplating new regulations or seeking to delay hydraulic fracturing, the technology critical for increasing oil and natural gas production. In addition, President Obama has proposed for the fourth year in a row the elimination of critical oil and natural gas tax provisions relied upon by small independent producers – the small businesses that account for 94 percent of the wells drilled in America.¶ Unfortunately, despite President Obama’s pledge that he wants an all-of-the-above energy strategy, his administration’s actions are out of step and appear to be about slowing oil and natural gas production, which sends the wrong signal to the energy markets: that supplies of domestic oil and natural gas could decline in the future.¶ U.S. oil production is the highest it has been in eight years largely because of private investments. President Obama’s policies have nothing to do with the rising American production.¶ I encourage President Obama to send a powerful signal today to the world crude oil markets that the U.S. is ready to lead in developing the domestic energy resources of oil and natural gas, the energy that is used to meet more than half of our energy demand and will continue to do so for decades despite advances in alternative fuels.¶ The question is not whether we will continue to use oil but whether we will use our own resources or import that oil. By responsibly developing our vast domestic resources, we can create American jobs, contribute to economic growth and send more money to federal and state governments.¶ President Obama has the power to encourage more domestic oil and natural gas. He can open new areas for responsible development. He has the power to propose tax policy that encourages more American oil and natural gas development. He can direct regulatory and oversight agencies to guard against any benchmark that tends to equate “good” or “better” regulation with “more” regulation.¶ I urge President Obama to do all of the above to immediately create downward pressure on crude prices to the benefit of consumers.

#### Market signal is key—-even if the plan doesn’t increase production for 10 years changing government signal causes prices to crash

Munro 12

Neil, Daily Caller, "Oil prices fall on rumor, but Obama insists nothing can be done" 3/17 dailycaller.com/2012/03/17/oil-prices-fall-on-rumor-but-obama-insists-nothing-can-be-done/2/

President Barack Obama repeatedly says there’s no magic wand to force down gas prices and salve the public’s increasing anger.¶ His spokesmen say there’s no magic wand, quick fix, or silver bullet.¶ But mere rumors quickly cut $2 off the $106 per-barrel Thursday morning,¶ The price fell because traders reacted to rumors that the White House was going to sell oil from the nation’s oil storehouse, the Strategic Petroleum Reserve.¶ The prospect of a sudden increase in supply, amid slack demand in a stalled economy, prompted a rush of oil trades which dropped the price by just over $2 in one hour.¶ The rumor was false, and prices lurched back up to $105 by the end of the Thursday, and $107 by the end of Friday.¶ But the rapid shifts in price shows how the supply of oil is so low that it is bumping against slack demand. That collision raises prices somewhat because oil-traders buy, sell, dump or hoard oil to make incremental profits whenever they predict a local or temporary shortage or surplus.¶ The mere rumor of a SPR sell-off dropped prices by $2, or 2 percent.¶ But there was a real sell-off in 2008 when prices fell by $9.26 during a announcement by President George W. Bush that he would push to open up new areas for oil exploration. That presidential promise of more oil yielded a 6.3 percent drop from the prevailing price of $136, even though that oil would not come online for 10 or 15 years.¶ Thursday’s temporary drop “tells us what the American Petroleum Institute has been saying for weeks — that the president can do something now that will put downward pressure on prices,” said Eric Wohlschlegel, API’s spokesman.¶ The price drop shows what could be accomplished if the president really wanted to increase supplies of U.S. oil energy, said Dan Kish, senior vice president at the Institute for Energy Research.¶ Obama’s claim “that there is nothing he can do about oil prices is pure unadulterated bullshit,” Kish said. “If he announced to forward markets that the United States was going to get serious about starting to produce its energy…. it would put down pressure on price, huge downward pressure,” he said.¶ “You’re not going to drop it to $50 a barrel, but you’d put a huge amount of downward pressure on it,” he said. The oil would not arrive for years, but many people would be immediately hired to help develop the oil fields, he said.¶ However, Obama is curbing oil supplies, and forcing up oil prices, to protect his business and political allies in the green-tech sector, Kish said.¶ Lower oil prices would ruin allies’ business plans, slam the bank balances of his venture capital donors, cut funding for the environmental groups and disrupt his crony capitalist networks, Kish said.¶ On March 15, Obama denounced his critics’ calls for a Bush-like action to increase the oil supply, even as he tried to take credit for work done by Bush, by state officials and by oil companies during the last several years.

#### Increasing energy production tanks Saudi Relations- they’re on the brink now

Hulbert 9-11

Matthew is on the Energy Beat for Forbes, “Saudi Oil Snub: Don’t take Riyadh for Granted Mr. President,” <http://www.forbes.com/sites/matthewhulbert/2012/09/11/saudi-oil-snub-dont-take-riyadh-for-granted-mr-president/>

Saudi Arabia has finally made an oil stand. President Obama was always going to ask Riyadh to put more oil onto global markets in the count-down to U.S. elections as a far simpler (and subtler) move than drawing on the Strategic Petroleum Reserve. He also expected them to say ‘yes’, that’s no problem Mr. President. Saudi opening the taps = plan A. IEA release = desperate plan B, only to be used if the markets have truly spun out of control. But the fact that Saudi Arabia has declined Washington’s latest request to keep things ‘simple’, underlines a growing tension between the two nations: Just as America has politically sensitive times when it still needs Saudi Arabia to open the taps, Riyadh is also going to be increasingly selective about what it does and when for the United States of America. In a brave new world of supposed ‘U.S. energy independence’, start taking Saudi for granted, and American politicians will soon learn how much this new world remains a figment of their vivid imaginations, rather than an operational reality of global oil supply.¶ Although Saudi Arabia was careful not to make any specific mention of the latest G7 communique in late August calling on producers to expand their production, you’d need to be geopolitically illiterate not to understand and read this as a direct retort. Riyadh’s position is that the 30% market rally since mid-June has nothing to do with supply-demand fundamentals, and everything to do with political mark-ups from the US elections and associated Iranian ‘containment’. Or as Ali Naimi (the long serving Saudi Oil Minister) politely put it, the current high price of oil “is simply not supported by market fundamentals” of supply and demand. If anything, ‘the market is well balanced, forward-cover remains within an acceptable range and inventories are more than adequate’.¶ A quick look at the numbers and Naimi has a point, especially when you consider OPEC has been producing well above quota over the past few months at 31.7mb/d. That’s roughly 2mb/d above projected demand, with Riyadh doing most of the heavy lifting, pumping in excess of 10mb/d from Saudi wells. High volumes and even higher prices are welcome news for OPEC and Russia right now, but they are also well aware of the risk of creating a large overhang post-November 2012. The political steam will inevitably evaporate from the oil market cappuccino, and the cartel hardly needs reminding that most demand forecasts are pretty bearish into 2013. Eurozone failure, Chinese frailties and U.S. debt levels loom large on the horizon: Downside corrections will come; the real question is how severe they’ll be setting a tolerable price floor. $90/b, 80/b, $70/b even $60/b – who knows.¶ But Mr. Obama’s request has nothing to do with mid to long term fundamentals of course, and everything to do with immediate market ‘realities’ counting down to 6th November. From the U.S. perspective, the cause of current price spikes from Iranian foibles isn’t what matters, it’s the effects. And right now, U.S. gas prices are $1 too high closing in on $4 a gallon to be going headlong into a Presidential election campaign. Saudi Arabia needs to step things up and get tankers heading full steam across the Atlantic.¶ Now, where the Saudi plot thickens is that Riyadh is by no means adverse to a $80-90/b price range in the short to medium term for its own ends. It’s saved up $500bn cash reserves to weather any cyclical storms. It doesn’t want to prompt systemic demand destruction from high prices, and more importantly, is happy to see Iran and Russia bleed in a lower price environment for Riyadh’s geopolitical gain. Cheaper prices should also wipe some unconventional plays off global balance sheets. That’s always a good idea for retaining secular OPEC market share, not to mention avoid killing the supply side goose that lays the cartels golden eggs.¶ So the fact that Saudi Arabia hasn’t responded to U.S. output requests is therefore all the more telling as a snub. It’s possible that if prices continue to rise towards November, Riyadh might still come to President Obama’s aide before the SPR card is played (the Saudi’s would still prefer to be calling the price shots rather than the IEA on this). But the key point is that Washington shouldn’t take this as a given. If Saudi Arabia opens the taps, it should be seen as political offering with reciprocal deference and support in DC, not merely as a political subset of State Department arrangements.¶ Any way you look at it, the U.S. has overplayed its hand far too soon on energy independence at a time when international supply side dynamics are remarkably fragile. Washington assumed whatever happened in the Persian Gulf wouldn’t affect the Gulf of Mexico – that’s not the case now, and it’s unlikely to be so over the next decade. America has literally created two totally divorced narratives of a world of global abundance vs. global scarcity. Given Mr. Obama’s electoral pleas to Saudi Arabia, it’s not too hard to work out which end of the spectrum we’re actually still at in finding ways of inching towards 100mb/d global production. But the ‘double whammy’ only really hits home when you parse Mr. Obama’s Saudi pleas with US ‘energy independence overdrive’ that’s reached whole new levels from Republicans and Democrats alike on the campaign trail. Sophistry at its best.¶ Admittedly, the independence line might win domestic votes, but it loses America international friends. OPEC – and especially Saudi Arabia – is painfully aware of the 22mb/d liquid potential North America holds over the next ten to fifteen years. They hardly need reminding of that when they’re being asked to dump more oil onto a well-supplied market for U.S. electoral gain. Just to rub it in, the unofficial architect of the Romney energy plan (Citigroup’s Ed Morse), noted in international media today that ‘the U.S. need no longer sacrifice a moral foreign policy based on human rights and democracy to secure co-operation from resource-rich despotic regimes’.¶ Such hyperbole is neither constructive nor wise. The best revolutions are always the silent ones. The louder America shouts about its energy revolution, the bumpier any transition from a world of perceived scarcity to one of ‘total abundance’ will be. Saudi Arabia will make sure of it. America should see this Saudi snub as a warning shot; take Riyadh for granted at your peril. You won’t like the price, or indeed political implication that holds when the dream of U.S. energy independence is rudely awoken by the nightmare of on-going global energy realities.

Key to saudi relations- Gonazel- its cornerstone issue

### AT Saudi Will Just Keep Prices High

#### Saudi Arabia can’t control prices

Haykel et al 12

Bernard Haykel is professor of Near Eastern Studies at Princeton University. Giacomo Luciani is an energy expert and Global Scholar at Princeton University. Eckart Woertz is a senior research scholar at Princeton University, APRIL 18, 2012, "How to Lower the Price of Oil", http://www.foreignpolicy.com/articles/2012/04/18/how\_to\_lower\_the\_price\_of\_oil?page=0,1

So, why do oil prices remain stubbornly high? Why does the market behave irrationally and not want to listen? The reason is simply that Saudi Arabia deliberately refrains from using the market power that it might command. This is the result of past experience, when Saudi Arabia's market share and revenues suffered as a result of OPEC's aggressive price setting policy that existed before 1985. In the years prior to that date, Saudi oil production collapsed from an all-time high of 10.3 million barrels per day to a minimum of 3.6 million, in the futile attempt to defend OPEC imposed prices. Ever since that experience, Saudi Arabia has refused to be tied to a rigid price target.¶ As a result, Saudi Arabia is a price takerß Marked 20:15 ß . Through press announcements and speeches, Saudi officials signal their intentions to international buyers and sellers and attempt to influence market sentiment, but the kingdom is not active as a seller on the open market. In practical terms, Saudi Arabia does not allow its oil to be traded, nor does it offer its oil without restrictions for resale. The kingdom only sells to final users -- that is, to refiners, who process the crude oil themselves. That means oil may be available, but will remain unsold if refiners do not have a demand for it.

#### **The accesses all impacts—-terrorism, econ, Iran, Middle Eastern war**

Cordesman ‘11

#### Oil dependence key to hegemony—-military power, credibility, and dollar primacy

Hulbert 12

Matthew Hulbert is senior fellow at the Clingendael International Energy Programme "America Will Deeply Regret Its Fixation On Energy Independence" 8/19/12 [www.forbes.com/sites/matthewhulbert/2012/08/19/why-america-will-deeply-regret-us-energy-independence/4/](http://www.forbes.com/sites/matthewhulbert/2012/08/19/why-america-will-deeply-regret-us-energy-independence/4/)

The US energy independence debate is getting very tetchy of late. Seasoned energy experts are trading cheap blows, principally for sitting on opposite sides of the fence. Nobody doubts that US energy will keep growing, but whether it ever amounts to full ‘independence’ is at best tenuous. More importantly, it spells total disaster for America’s role in the world. No global oil role, forget being a global hyper power. Those days will be gone. ¶ The allure of energy independence is a compelling story to tell. The US can shut up shop, source all its energy from home shores, never having to step foot outside the Americas to get its energy fix. The US will supposedly be able to boast 15 million barrels a day of liquids by 2020 from a raft of shale oil plays, with massive new oil plays feeding in from Canada in the North inching production up to around 22mb/d. Unconventional resources are expected to explode from Latin America in the South. Brazil, Argentina, Venezuela will all see rapid supply growth, with Mexico having nothing short of a second energy revolution. Boil the numbers down, the Americas sits on 6.4 trillion unconventional barrels vs. 1.2 trillion conventional barrels across the Middle East. The US will not only be the world’s largest single producer of crude; oil will flow from North to South across the America’s, not East to West across the globe. America can declare total energy independence, import dependency (already clipped to 45%) will be banished; the deficit will be fixed. Oil receipts will replenish the Federal Reserve, not OPEC states. Millions of hydrocarbon jobs will be created in the US to boot. American oil, for American consumers, at American (WTI) prices. Whatever’s left over could be the swing supply for the rest of world, dictating how much everyone pays for a barrel of oil. Epic stuff, no doubt.¶ Whether you believe all these numbers doesn’t really matter. Few US politicians (or analysts) pay much regard to depletion rates, cost uncertainties for viable extraction, local environmental risks, or contrasting production priorities across the Americas, not to mention the small fact that Asian NOCs have been making some of the main investments across North America. The fact that oil and gas only accounts for 1% of US GDP, is also rather conveniently overlooked. Energy independence is already being touted as a self-fulfilling prophecy playing out in real time today, not as a gradual process of increments and change. This not only flies in the face of global hydrocarbon fundamentals that will see OPEC market share become more concentrated than ever over the next decade, (50% or more), it’s already creating serious geopolitical gaps across international energy markets.¶ That’s deeply problematic, precisely because supply side dynamics are looking more fragile than they have for a very long time. America has not only gone ‘missing in action’ to underwrite global supplies, it’s contributing to the international malaise by putting perceived political interests ahead of global oil stability. This comes in two forms, ‘passive’ and ‘aggressive’ from Washington – both built on the single idea that the US can play a new geopolitical game thanks to energy independence beckoning just around the corner.¶ Independence: Passive And Active¶ Passive = Libya, where the US made it abundantly clear to Europe that Tripoli was not considered a vital national security interest for the US despite prices hitting $127/b. Britain and France were left picking up the pieces, with US firepower providing back-up support, rather than frontline artillery. The chances of that happening had the US not struck oil would have been unthinkable in the 2000s. Conversely, aggressive = Iran. The US has decided that chimerical nuclear containment is a higher priority than collateral impacts Iranian sanctions have had on global oil markets. The conclusions are now chillingly clear. The US will increasingly only act in its own perceived national security interests. As long as those interests went hand in hand with safeguarding international oil supplies, consumer state could all rest easy. But US energy independence has torn up the script: We’ve entered a brave new world where Washington is not only unwilling to cover supply gaps through military / political action (Libya), and if needs be, is willing to put narrow interests above and beyond oil market stability (Iran).¶ No one should blame, or bemoan the US for doing this. It’s entirely up to the US whichever path they chose to take. You could even argue it’s exactly what Washington should be doing to create serious foreign policy optionality: pick and choose whatever it does where, when, and how for the rest of the world to fall back on. All fair enough, but the downside risk this presents to Washington has already been captured in the ‘Kuwait Question’: Would the US take assertive action to secure some of the key producer states of the world, or would they now turn the cheek? We all know the US is no longer dependent on Middle East supplies; it hasn’t been for a long time given it sources less than 15% of its oil from the sand. But we also know that the decision to underwrite MENA supplies is nothing to do with US consumption – and everything to do with retaining a dominant global geopolitical role. Ensure that hydrocarbons globally flow to the East and West, and much else follows as the geo-economic and geo-political lynchpin of the world. Lose it, and you’ll be geopolitically downgraded quicker than credit analysts can get stuck into Greek debt. That’s before we consider where Gulf States decide to recycle their petrodollars in future. No security, no $? It’s certainly a question for the US to ponder – not only in terms of who they are going to sell their Treasuries to, but what currency oil is priced in. Hence the bottom line for the US; Middle East energy isn’t about oil for America, it’s ultimately about power. If the US wasn’t part of the Gulf energy game, it would hold zero sway with Saudi, no powers of persuasion over Iranian nukes, no say in the Arab Awakening, or how Gulf Monarchies handle critical succession problems in future. Let alone shaping vested interests to promote and extend US influence across the globe.

### Russia Impact

#### High oil prices key to Russia’s economy and political stability

RB 12

Russia Briefing is a magazine and daily news service about doing business in Russia. "Russia Could Face Political Flux if Oil Prices Sink" May 28 russia-briefing.com/news/russia-could-face-political-flux-if-oil-prices-sink.html/

“If energy prices plunge, Russia may suffer a worse recession than in 2009, which would swell anti-Putin sentiment and we will see the escalation of political violence and repression on one hand, and the worst economic crisis on the other,” said Dmitriev, a deputy economy minister of Russia from 2000 to 2004. “This may lead to Putin losing control and a chaotic political transformation.”¶ Brent, the grade that underpins prices for Russia’s Urals oil blend, may decline to US$80 a barrel if Greece leaves the currency union without triggering crises in other euro members or as low as US$60 if there is a “disorderly” breakup of the euro region, according to a Bank of America report dated May 17. Urals today traded at US$103.95, the lowest since last December.¶ As for nation’s gross domestic product, it may shrink to 2.1 percent, when inflation will speed up to 6.7 percent, according to the Sberbank’s Center of Macroeconomic Research. Bank of America Merrill Lynch predicts even higher inflation which might be as much as 7.6 percent.¶ “If the oil price will slump to US$80 per barrel, Russia may experience zero growth in GDP,” Julia ß Marked 20:16 ß Tseplyaeva, leading economist with BNP Paribas said to Russian business daily Vedomosti.¶ The study is being closely watched because Dmitriev’s center was the only major one to accurately predict early last year that support for the regime was plunging and that it would face a crisis as early as December’s parliamentary elections.¶ “A deteriorating global economy would threaten to wipe out capital that Russian investors and businesses moved to Europe in search of safety,” Dmitriev said, adding that there is already “large-scale capital flight from Russia, despite the economic recovery.”¶ In a worst-case scenario following a Greek exit from the euro area, Russia’s economy would contract 2.1 percent with the potential for US$95 billion in capital leaving the country in a year, Ksenia Yudaeva, chief economist at Moscow-based OAO Sberbank, the country’s biggest lender, said to Bloomberg.

#### Russian economic collapse causes a civil war that escalates and goes nuclear

David 99

[Steven David, political scientist, FOREIGN AFFAIRS, January/February 1999, p. <http://www.foreignaffairs.org/19990101faessay955/steven-r-david/saving-america-from-the-coming-civil-wars.html>]

If internal war does strike Russia, economic deterioration will be a prime cause. From 1989 to the present, the GDP has fallen by 50 percent. In a society where, ten years ago, unemployment scarcely existed, it reached 9.5 percent in 1997 with many economists declaring the true figure to be much higher. Twenty-two percent of Russians live below the official poverty line (earning less than $ 70 a month). Modern Russia can neither collect taxes (it gathers only half the revenue it is due) nor significantly cut spending. Reformers tout privatization as the country's cure-all, but in a land without well-defined property rights or contract law and where subsidies remain a way of life, the prospects for transition to an American-style capitalist economy look remote at best. As the massive devaluation of the ruble and the current political crisis show, Russia's condition is even worse than most analysts feared. If conditions get worse, even the stoic Russian people will soon run out of patience. A future conflict would quickly draw in Russia's military. In the Soviet days civilian rule kept the powerful armed forces in check. But with the Communist Party out of office, what little civilian control remains relies on an exceedingly fragile foundation -- personal friendships between government leaders and military commanders. Meanwhile, the morale of Russian soldiers has fallen to a dangerous low. Drastic cuts in spending mean inadequate pay, housing, and medical care. A new emphasis on domestic missions has created an ideological split between the old and new guard in the military leadership, increasing the risk that disgruntled generals may enter the political fray and feeding the resentment of soldiers who dislike being used as a national police force. Newly enhanced ties between military units and local authorities pose another danger. Soldiers grow ever more dependent on local governments for housing, food, and wages. Draftees serve closer to home, and new laws have increased local control over the armed forces. Were a conflict to emerge between a regional power and Moscow, it is not at all clear which side the military would support. Divining the military's allegiance is crucial, however, since the structure of the Russian Federation makes it virtually certain that regional conflicts will continue to erupt. Russia's 89 republics, krais, and oblasts grow ever more independent in a system that does little to keep them together. As the central government finds itself unable to force its will beyond Moscow (if even that far), power devolves to the periphery. With the economy collapsing, republics feel less and less incentive to pay taxes to Moscow when they receive so little in return. Three-quarters of them already have their own constitutions, nearly all of which make some claim to sovereignty. Strong ethnic bonds promoted by shortsighted Soviet policies may motivate non-Russians to secede from the Federation. Chechnya's successful revolt against Russian control inspired similar movements for autonomy and independence throughout the country. If these rebellions spread and Moscow responds with force, civil war is likely. Should Russia succumb to internal war, the consequences for the United States and Europe will be severe. A major power like Russia -- even though in decline -- does not suffer civil war quietly or alone. An embattled Russian Federation might provoke opportunistic attacks from enemies such as China. Massive flows of refugees would pour into central and western Europe. Armed struggles in Russia could easily spill into its neighbors. Damage from the fighting, particularly attacks on nuclear plants, would poison the environment of much of Europe and Asia. Within Russia, the consequences would be even worse. Just as the sheer brutality of the last Russian civil war laid the basis for the privations of Soviet communism, a second civil war might produce another horrific regime. Most alarming is the real possibility that the violent disintegration of Russia could lead to loss of control over its nuclear arsenal. No nuclear state has ever fallen victim to civil war, but even without a clear precedent the grim consequences can be foreseen. Russia retains some 20,000 nuclear weapons and the raw material for tens of thousands more, in scores of sites scattered throughout the country. So far, the government has managed to prevent the loss of any weapons or much material. If war erupts, however, Moscow's already weak grip on nuclear sites will slacken, making weapons and supplies available to a wide range of anti-American groups and states. Such dispersal of nuclear weapons represents the greatest physical threat America now faces. And it is hard to think of anything that would increase this threat more than the chaos that would follow a Russian civil war.