### 1NC

#### Immigration reform will pass, but capital’s key

NYT 1/31 http://www.nytimes.com/2013/02/01/us/politics/senators-look-at-07-failure-for-lessons-on-immigration.html?\_r=0

As eight senators in a bipartisan group look ahead to a broad immigration overhaul, they are also looking back to 2006 and 2007 — the last time a major immigration measure was considered — as something of a reverse playbook. Lesson 1? “Make sure you get out there and define what you’re trying to do,” said former Senator Trent Lott, the Mississippi Republican who, in 2007, was the minority whip when his chamber’s immigration efforts imploded. “Don’t forget to pay attention to the message, and don’t let the media define what you’re trying to do.” It is a tip that Mr. Lott says he has communicated to the staff of Senator Marco Rubio, a Florida Republican involved in the current effort, and so far Mr. Rubio seems to be heeding the advice. In recent weeks, he has focused on conservative media powerhouses, tirelessly wooing influential voices on the right like Bill O’Reilly and Rush Limbaugh. “The outreach by Marco Rubio has been very positive,” Mr. Lott said. “He’s very good at explaining what he wants to do.” Getting out ahead by articulating their immigration principles, as the group did in a Monday news conference, is only one of the ways the senators hope to learn from the mistakes of the past. This time, they said, they are capitalizing on a promising political environment, using more conciliatory language, and trying to harness media outlets to their advantage. They also plan to move their legislation through the Judiciary Committee, a step not taken in 2007 and one that helped doom the bill, and are working more closely **with businesses and labor unions** to make sure the two can also reach a compromise. “Our timing is right,” said Richard J. Durbin of Illinois, the No. 2 Democrat in the Senate. “The election results are still fresh in the minds of my Republican colleagues and they don’t want to go through this again.” President George W. Bush said in 2009 that it was “a mistake” to have pushed for changes to Social Security, rather than immigration, immediately after the 2004 election. By the time he took on immigration late in his second term, he was a lame duck president, weakened by the war in Iraq and facing dissent within his party. “By his own admission, President Bush made a strategic error in not pushing the issue right after his re-election,” said Kevin Appleby, the director of migration policy at the United States Conference of Catholic Bishops. “President Obama is not making the same mistake. He still has a lot of political capital to spend.” In the wake of the 2012 presidential election, where Mr. Obama’s defeat of Mitt Romney came with the help of 71 percent of the Hispanic vote, **those on all sides** of the immigration effort believe the climate is ripe for another attempt. And, at least in the early stages, they are taking steps to reach across the aisle, even with the words they choose. “The most important lesson I took way from 2006 and 2007 is that people had no faith that there wouldn’t be future waves of illegal immigrants,” said Senator Charles E. Schumer, a Democrat of New York in the Senate’s bipartisan immigration group. To show that he is serious about an overhaul, he explained, he is especially conscious of the language he uses; Mr. Schumer now refers to “illegal immigrants,” a term preferred by the right and an acknowledgment that the 11 million illegal immigrants currently in the country did, in fact, break the law. In a similar linguistic concession, Mr. Rubio, during Monday’s immigration news conference, referred to the “undocumented” workers, a term generally preferred by Democrats and loathed by his party’s conservative wing. In 2007, in an attempt to save time and reach a deal, the Senate bypassed the Judiciary Committee and brought the legislation straight to the floor. At the time, the senators who drafted the bill tried to band together to vote down any amendments that changed the substance of their compromise, an agreement that broke down. Several controversial amendments, including one that then-Senator Obama supported, ultimately led to the bill’s collapse. “What we’re doing now is we’re going to put it through committee,” Mr. Schumer said. “When the bill gets through committee, it will be battle-tested and we will be prepared for the floor in a better way.” The group is also considering again trying to maintain **a large voting bloc**, to squash any amendments they believe could kill their bill. “I think we have to unless there’s something that we both agree to,” Senator John McCain, Republican of Arizona, said when asked about such a possibility at an immigration panel on Wednesday. “It’s going to be fragile, as these kinds of things are, and so we will have to take some tough votes in order to keep it intact.”

#### The plan is massively unpopular – backlash against reprocessing turns the entire case---destroys certainty necessary for private sector involvement and kills the credibility of the plan

Damon Kenul 10, Research Assistant at NYU Langone Medical Center, et al., 11/29/10, “Nuclear Fuel Reprocessing Future Prospects and Viability,” <http://humanities.uchicago.edu/orgs/institute/bigproblems/Team7-1210.pdf>

The differentiation in the U.S. and French nuclear industries was largely based on the government’s level of commitment over time. In the U.S., the government’s commitment to the industry was initially strong, but abated over time, while France’s government maintained a strong commitment over time. 55 The level of a government’s credible commitment to the nuclear energy industry and specifically nuclear reprocessing will play an important role in shaping the flow of capital into the technology. 56 As the industry is currently constructed, utilities are sensitive to licensing and construction costs, which may be difficult to predict based on a government’s ability to commit to the industry. Utilities must obtain construction licenses from regulatory bodies to build nuclear facilities. These investment decisions necessitate large sunk costs which must be incurred a number of years prior to operating the plant. The decision making process of the utility is ultimately influenced by uncertainty surrounding the regulatory process that can ease or complicate the process. This uncertainty increases the risk associated with these types of investments and disincentivizes investment in the technology. Therefore an “analysis of the differences in institutional environment attributes can further understanding of government’s credible commitment to the industry.” 57 In understanding the existing differentiation in the institutional environment for both the U.S. and France, it is possible to elucidate how these unique situations have created varying transaction costs for their respective industries. The U.S. efforts to exploit nuclear power commercially originated as a result of the Atomic Energy Act of 1954 and specifically the creation of the Atomic Energy Commission (AEC) 58 . In 1957, the Price-Anderson Act limited utilities’ liabilities regarding nuclear accidents and helped promulgate interest in the commercial use of nuclear energy. 59 This act served an important role in relaying the government’s credible commitment to the nuclear industry. Initially, the U.S. nuclear industry was subject to the interaction of three groups; the nuclear/electric industry, the AEC, and the Congressional Joint Committee on Atomic Energy (JCAE). 60 In this respect, polices regarding the nuclear industry were centralized and left to the discretion of the regulators and the regulated industries themselves. This political environment fostered the expansion of the nuclear industry and investment in the technology. However, control over commercial nuclear policy became highly fragmented: By the time the JCAE was officially disbanded in early 1977, more than a dozen committees in the House and Senate had gained some oversight over nuclear energy policy. Once the decentralization of authority had occurred, proposals to create a single House energy committee with concentrated authority were defeated. This proliferation of oversight is far more typical of the American political system than the centralized JCAE had been. 61 Further, during this period there was a significant rise in the number of anti-nuclear activists namely the Union of Concerned Scientist and the National Resource Defense Council. 62 These groups were able to utilize this fragmented political environment to undermine government commitment to the industry. The revived arrangement for nuclear industry oversight can be characterized by a subcommittee structure “open to competing interests, as well as vulnerable to changes in the composition of interest groups”. 63 Moreover, the nuclear industry was subject to an increased volume of rules and regulations as the anti-nuclear activist groups employed the independent judiciary branch for their interests. The change in the political structure confronting the nuclear industry undermined the feasibility of credible commitment of government toward the industry. Subsequently, this helped lead to the decline of the commercial nuclear industry in the U.S in addition to the Three Mile Island (TMI) accident. This situation contrasts the environment of the French nuclear industry. The American combination of fragmented power, little reliance on bureaucratic expertise, an independent judiciary, and opposing interest groups greatly undermines the ability of the U.S. government to credibly commit to the nuclear power industry. In France, despite substantial anti-nuclear interest groups, the impermeability of the institutional setup—no division of power, weak judiciary, and reliance on bureaucratic expertise— effectively prevents activists from influencing policy outcomes.64

#### Solves inevitable economic collapse

Ozimek 2-7 (Adam, Contributor, “Does An Aging Population Hurt The Economy?” Forbes, 2013, http://www.forbes.com/sites/modeledbehavior/2013/02/07/does-an-aging-population-hurt-the-economy/)

The economic benefit of immigration is in part about how big of a problem our aging population is. Immigrants are in general younger, and our best way to fight against a growing ratio of retirees to workers. But this raises the question of how big of a problem is this ratio and our aging population in general. While many are concerned about this, Dean Baker argues it is not a problem. He agrees that the ratio has increased and will continue to increase in the future as the population ages, but he argues that we haven’t seen any problems yet so we won’t see any later: We have already seen a sharp decline in the ratio of workers to retirees, yet even people who follow the economy and economic policy closely, like Klein, were apparently not even aware of this fact. Since this decline is never cited as factor causing our current economic problems, why would we think the comparatively mild decline in this ratio projected for future decades will be a large burden? Dean is wrong that the ratio of workers to retirees is not cited as a factor in the current economic problems. The most prominent example comes from newly appointed Council of Economic Advisors member James Stock and his co-author Mark Watson. In their paper “Disentangling the Channels of the 2007-2009 Recession” they specifically cite demographic trends as a cause of our slow recovery. The variable Stock and Watson ultimately cite is the decline in labor force participation, and they argue it is driven by the aging of the workforce and the overall distribution of workers by age. Dean may argue that this technically isn’t the dependency ratio, but that would be quibbling: changes in these two measures capture the same basic economic phenomenon of the aging population and a lower percentage of the population working. Not only has the aging population contributed to the slow recovery, Stock and Watson argue there is good reason to believe it will mean slow recoveries in the future too: The main conclusion from this demographic work is that, barring a new increase in female labor force participation or a significant increase in the growth rate of the population, these demographic factors point towards a further decline in trend growth of employment and hours in the coming decades. Applying this demographic view to recessions and recoveries suggests that the future recessions with historically typical cyclical behavior will have steeper declines and slower recoveries in output and employment. Furthermore, this is just the impact of the aging population on business cycles, there is also the very serious problem of how it will affect our finances. Dean knows that by increasing the workforce immigration improves Social Security’s finances. In 2006 he wrote that if future immigration was at 2001-2002 levels instead of at around 900,000 per year it would reduce the Social Security trust fund’s long-term shortfall by 12%. A shortfall means we will reduce benefits or pay for it in higher taxes, and either are going to result in lower welfare for someone.

#### Nuclear war

**Auslin 9** (Michael, Resident Scholar – American Enterprise Institute, and Desmond Lachman – Resident Fellow – American Enterprise Institute, “The Global Economy Unravels”, Forbes, 3-6, http://www.aei.org/article/100187)

What do these trends mean in the short and medium term? The Great Depression showed how social and global chaos followed hard on economic collapse. The mere fact that parliaments across the globe, from America to Japan, are unable to make responsible, economically sound recovery plans suggests that they do not know what to do and are simply hoping for the least disruption. Equally worrisome is the adoption of more statist economic programs around the globe, and the concurrent decline of trust in free-market systems. The threat of instability is a pressing concern. China, until last year the world's fastest growing economy, just reported that 20 million migrant laborers lost their jobs. Even in the flush times of recent years, China faced upward of 70,000 labor uprisings a year. A sustained downturn poses grave and possibly immediate threats to Chinese internal stability. The regime in Beijing may be faced with a choice of repressing its own people or diverting their energies outward, leading to conflict with China's neighbors. Russia, an oil state completely dependent on energy sales, has had to put down riots in its Far East as well as in downtown Moscow. Vladimir Putin's rule has been predicated on squeezing civil liberties while providing economic largesse. If that devil's bargain falls apart, then wide-scale repression inside Russia, along with a continuing threatening posture toward Russia's neighbors, is likely. Even apparently stable societies face increasing risk and the threat of internal or possibly external conflict. As Japan's exports have plummeted by nearly 50%, one-third of the country's prefectures have passed emergency economic stabilization plans. Hundreds of thousands of temporary employees hired during the first part of this decade are being laid off. Spain's unemployment rate is expected to climb to nearly 20% by the end of 2010; Spanish unions are already protesting the lack of jobs, and the specter of violence, as occurred in the 1980s, is haunting the country. Meanwhile, in Greece, workers have already taken to the streets. Europe as a whole will face dangerously increasing tensions between native citizens and immigrants, largely from poorer Muslim nations, who have increased the labor pool in the past several decades. Spain has absorbed five million immigrants since 1999, while nearly 9% of Germany's residents have foreign citizenship, including almost 2 million Turks. The xenophobic labor strikes in the U.K. do not bode well for the rest of Europe. A prolonged global downturn, let alone a collapse, would dramatically raise tensions inside these countries. Couple that with possible protectionist legislation in the United States, unresolved ethnic and territorial disputes in all regions of the globe and a loss of confidence that world leaders actually know what they are doing. The result may be a series of small explosions that coalesce into a big bang.

#### Econ collapse turns Russian war

Nyquist 5 (J.R., Author and Geopolitical Columnist – Financial Sense Online, "The Political Consequences of a Financial Crash," 2-4, http://www.financialsense.com/stormwatch/geo/pastanalysis/2005/0204.html)

Should the United States experience a severe economic contraction during the second term of President Bush, the American people will likely support politicians who advocate further restrictions and controls on our market economy – guaranteeing its strangulation and the steady pauperization of the country. In Congress today, Sen. Edward Kennedy supports nearly all the economic dogmas listed above. It is easy to see, therefore, that the coming economic contraction, due in part to a policy of massive credit expansion, will have serious political consequences for the Republican Party (to the benefit of the Democrats). Furthermore, an economic contraction will encourage the formation of anti-capitalist majorities and a turning away from the free market system. The danger here is not merely economic. The political left openly favors the collapse of America's strategic position abroad. The withdrawal of the United States from the Middle East, the Far East and Europe would catastrophically impact an international system that presently allows 6 billion people to live on the earth's surface in relative peace. Should anti-capitalist dogmas overwhelm the global market and trading system that evolved under American leadership, the planet's economy would contract and untold millions would die of starvation. Nationalistic totalitarianism, fueled by a politics of blame, would once again bring war to Asia and Europe. But this time the war would be waged with mass destruction weapons and the United States would be blamed because it is the center of global capitalism. Furthermore, if the anti-capitalist party gains power in Washington, we can expect to see policies of appeasement and unilateral disarmament enacted. American appeasement and disarmament, in this context, would be an admission of guilt before the court of world opinion. Russia and China, above all, would exploit this admission to justify aggressive wars, invasions and mass destruction attacks. A future financial crash, therefore, must be prevented at all costs. But we cannot do this. As one observer recently lamented, "We drank the poison and now we must die."

#### Sparks prolif

Freidberg 8 (Aaron, Professor of Politics and International Relations – Princeton University's Woodrow Wilson School, “The Dangers of a Diminished America”, Wall Street Journal, 10-21, http://online.wsj.com/article/SB122455074012352571.html?mod=googlenews\_wsj)

With the global financial system in serious trouble, is America's geostrategic dominance likely to diminish? If so, what would that mean? One immediate implication of the crisis that began on Wall Street and spread across the world is that the primary instruments of U.S. foreign policy will be crimped. The next president will face an entirely new and adverse fiscal position. Estimates of this year's federal budget deficit already show that it has jumped $237 billion from last year, to $407 billion. With families and businesses hurting, there will be calls for various and expensive domestic relief programs. In the face of this onrushing river of red ink, both Barack Obama and John McCain have been reluctant to lay out what portions of their programmatic wish list they might defer or delete. Only Joe Biden has suggested a possible reduction -- foreign aid. This would be one of the few popular cuts, but in budgetary terms it is a mere grain of sand. Still, Sen. Biden's comment hints at where we may be headed: toward a major reduction in America's world role, and perhaps even a new era of financially-induced isolationism. Pressures to cut defense spending, and to dodge the cost of waging two wars, already intense before this crisis, are likely to mount. Despite the success of the surge, the war in Iraq remains deeply unpopular. Precipitous withdrawal -- attractive to a sizable swath of the electorate before the financial implosion -- might well become even more popular with annual war bills running in the hundreds of billions. Protectionist sentiments are sure to grow stronger as jobs disappear in the coming slowdown. Even before our current woes, calls to save jobs by restricting imports had begun to gather support among many Democrats and some Republicans. In a prolonged recession, gale-force winds of protectionism will blow. Then there are the dolorous consequences of a potential collapse of the world's financial architecture. For decades now, Americans have enjoyed the advantages of being at the center of that system. The worldwide use of the dollar, and the stability of our economy, among other things, made it easier for us to run huge budget deficits, as we counted on foreigners to pick up the tab by buying dollar-denominated assets as a safe haven. Will this be possible in the future? Meanwhile, traditional foreign-policy challenges are multiplying. The threat from al Qaeda and Islamic terrorist affiliates has not been extinguished. Iran and North Korea are continuing on their bellicose paths, while Pakistan and Afghanistan are progressing smartly down the road to chaos. Russia's new militancy and China's seemingly relentless rise also give cause for concern. If America now tries to pull back from the world stage, it will leave a dangerous power vacuum. The stabilizing effects of our presence in Asia, our continuing commitment to Europe, and our position as defender of last resort for Middle East energy sources and supply lines could all be placed at risk. In such a scenario there are shades of the 1930s, when global trade and finance ground nearly to a halt, the peaceful democracies failed to cooperate, and aggressive powers led by the remorseless fanatics who rose up on the crest of economic disaster exploited their divisions. Today we run the risk that **rogue states may** choose to **become** ever more **reckless with** their **nuclear toys**, just at our moment of maximum vulnerability. The aftershocks of the financial crisis will almost certainly rock our principal strategic competitors even harder than they will rock us. The dramatic free fall of the Russian stock market has demonstrated the fragility of a state whose economic performance hinges on high oil prices, now driven down by the global slowdown. China is perhaps even more fragile, its economic growth depending heavily on foreign investment and access to foreign markets. Both will now be constricted, inflicting economic pain and perhaps even sparking unrest in a country where political legitimacy rests on progress in the long march to prosperity. None of this is good news if the authoritarian leaders of these countries seek to divert attention from internal travails with external adventures. As for our democratic friends, the present crisis comes when many European nations are struggling to deal with decades of anemic growth, sclerotic governance and an impending demographic crisis. Despite its past dynamism, Japan faces similar challenges. India is still in the early stages of its emergence as a world economic and geopolitical power. What does this all mean? There is no substitute for America on the world stage. The choice we have before us is between the potentially disastrous effects of disengagement and the stiff price tag of continued American leadership.

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#### Energy production excludes ANY conversion or transformation process – limited to extraction

Energici (provides business intelligence and decision support services to companies and investors active in the wind, solar, hydro, geothermal and bioenergy industries. Specializes in providing robust research, analysis and intelligence coverage of trends and developments) February 2012 “PRIMARY ENERGY PRODUCTION (MONTHLY)” http://www.energici.com/energy-profiles/by-country/europe-m-z/sweden/49-countries/north-america/usa/usa-geothermal/449-primary-energy-production

Definition : Primary Energy Production is the amount of energy converted from a primary energy source in its natural state, such as coal, gas, wind etc. that has not been subjected to any conversion or transformation process. The U.S. Energy Information Administration includes the following in U.S. primary energy production: coal production, waste coal supplied, and coal refuse recovery; crude oil and lease condensate production; natural gas plant liquids production; dry natural gas—excluding supplemental gaseous fuels—production; nuclear electricity net generation\*, conventional hydroelectricity\* (not hydro pumped storage), geothermal electricity\*, solar thermal and photovoltaic electricity\*, wind electricity\*, wood and wood-derived fuels consumption; biomass waste consumption and biofuels feedstock.

#### Violation – the plan affects only the secondary forms of energy production

#### That’s a voter –

#### First, Limits – Secondary production is an catch-all category – explodes the literature base

Kim Woodard (Research Assistant at the Resource Systems Institute of the East-West Center, Chairman and CEO of Javelin Investments) 1980 “The International Energy Relations of China” p. 457

Secondary energy production can most easily be defined as the conversion of one energy fuel to another. As such, it is a catch-all category that can be used to provide a cluster of statistical energy production series that do not easily fall into either primary production or energy consumption categories. The number and variety of secondary energy production statistics could be multiplied indefinitely by an ever sharper differentiation of substages in the flow of energy commodities through society. I have chosen co include just a few forms of secondary energy production in this analysis—coke production, thermal electric power generation, total electric power generation, total refined petroleum production, the differentiated production of petroleum fuels, plant use of energy in energy production, and the use of hydrocarbons in the production of petrochemical and fertilizer feedstocks. These were statistics that were available for the Chinese case or could be generated by inference from primary energy data and a few oversimplified assumptions. All the secondary energy production statistics presented in this section were generated by the computer and then rounded to a reasonable level of approximation. All the statistics presented for various forms of secondary energy production are general estimates, and none have been tested directly against whatever data exist in the Chinese press. Validation of the statistics would require separate in-depth analysis of each secondary energy production industry—a task far beyond the means of this book. These statistics, therefore, should be taken as a point of reference, not the final word.

#### Second, Precision - Separating primary and secondary forms of energy is key to overall energy policy – precision outweighs

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#### Text – The United States Supreme Court should issue a narrow ruling, holding that the restrictions on the use of reprocessing technology to recycle spent nuclear fuel for commercial nuclear power in the United States are an unconstitutional violation of Commerce Clause. We’ll clarify

#### Courts can rule on energy policy and causes full compliance

Simon 7 (Christopher A., Professor of Political Science and Director of the Master of Public Administration Program – University of Utah, *Alternative Energy: Political, Economic, and Social Feasibility*, Ed. Rowman and Littlefield Publishers, Google Books, p. 201-2)

The lack of a clear linkage between energy policy and the environment is evident in the cases above. However, the courts have shown an interest in the relationship between energy policy and a very broad understanding of social and economic justice. Grossman (2003) made this point fairly well in his delineation of the "three-pronged" test the Court has established to weigh environmental justice cases related to energy policy, outlined in Friends of the Earth v. Laidlaw Envtl. Services (TOC) 528 U.S. 167 (2000): The Court reiterated that "to satisfy Article Ill's standing requirements, a plaintiff must show (l) it has suffered an injury in fact that is (a) concrete and particularized and (b) actual or imminent, not conjectural or hypothetical; (2) the injury is fairly traceable to the challenged action of the defendant; and (3) it is likely, as opposed to merely speculative, that the injury will be redressed by a favorable decision." Grossman (2003) argued that **establishing standing can be accomplished**, particularly in regions that have experienced significant negative impacts resulting from global climate change. Writing before Hurricanes Katrina and Rita, Grossman anticipated that coastal regions will most likely be able to establish that consequences of global warming have negatively impacted local social and economic conditions. In essence, with standing established, Grossman argued that the current carbon-based energy paradigm can be challenged in terms not just related to economic equity as has been the case in recent years, but on the basic of social equity in terms of the global public health and other externalities that have reduced the potential for sustainable communities of the future. In neo-institutional terms, the Court has changed and continues to change the "rules of the game" (Buchanan 1991: 20) that govern and/or constrain the decision-making processes with its own branch of government as well as that of other branches of government existing at the national, state, and local levels. In terms of members' values, a movement of the judiciary toward the political Right will likely change the "rules of the game" in a different direction. With the appointment of Chief Justice John Roberts and Associate Justice Samuel Alito Jr., the Court appears firmly dominated by conservative judicial positivists and strict constructionists, which for the moment might make Grossman's point moot. Alternatively, a Left-leaning judiciary might produce quite different results.

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#### DOE will block natural gas exports – increased demand means exports hurt “public interest”

Ebinger et al 12 (Charles, Senior Fellow and Director of the Energy Security Initiative – Brookings, Kevin Massy, Assistant Director of the Energy Security Initiative – Brookings, and Govinda Avasarala, Senior Research Assistant in the Energy Security Initiative – Brookings, “Liquid Markets: Assessing the Case for U.S. Exports of Liquefied Natural Gas,” Brookings Institution, Policy Brief 12-01, http://www.brookings.edu/~/media/research/files/reports/2012/5/02%20lng%20exports%20ebinger/0502\_lng\_exports\_ebinger.pdf)

From the perspective of the U.S. federal government, the issue of implications is viewed in terms of “public interest.” Under existing legislation, exports of natural gas to countries with a free trade agreement (FTA) with the United States are, by law, deemed to be in the public interest and authorization is required to be given without modification or delay. Projects looking for authorization to export LNG to countries without an FTA, which account for roughly 96 percent of current global LNG demand, are required to be approved by the Secretary of Energy unless, after public hearing, the Department of Energy finds that such exports are not in the public interest. 80 Although the legal definition of “public interest” is not explicitly given in existing legislation, according to public statements by officials from the Department of Energy, “public interest” includes:

• Adequate domestic natural gas supply;

 • Domestic demand for natural gas proposed for export; Economic impacts of exports (on GDP, consumers, and industry); • U.S. energy security; • Job creation; • U.S. balance of trade; • International considerations; • Environmental considerations; • Consistency with DoE’s policy of promoting market competition through free negotiation of trade 81 The first two of these criteria were addressed in Part I. The remainder focus on the various domestic and international implications of U.S. LNG exports. domestic implications The domestic implications of U.S. LNG exports include their impact on natural gas prices, natural gas price volatility, jobs and competitiveness, and on overall energy security. Price of domestic natural Gas The domestic price impact of natural gas exports will be a significant factor in determining whether or not the United States should export LNG. While it is generally acknowledged that a domestic price increase will result from largescale LNG exports, the size of the price increase is the subject of debate, with a number of studies suggesting a range of possible outcomes. The important considerations when analyzing the results and conclusions of the various existing studies are the assumptions and models that are used when making price forecasts. Below are the results and methodologies of five major pricing studies done by the EIA and three consultancies: Deloitte, ICF International, and Navigant Consulting, which published two studies. 2012 Energy information Administration study In January 2012, the EIA published a study entitled “Effect of Increased Natural Gas Exports on Domestic Energy Markets.” 82 The study, conducted at the request of the Office of Fossil Energy of the Department of Energy, analyzed four different export scenarios across four different resource base or economic assumptions to project price responses to LNG exports. In addition to a “baseline” scenario, where no LNG is exported, the EIA model considered four different export scenarios: • A low export/slow growth scenario, where 6 bcf/day of LNG is exported, phased in at a rate of 1 bcf/day per year; • A low export/rapid growth scenario, where 6 bcf/day of LNG is exported, phased in at a rate of 3 bcf/day per year; • A high export/slow growth scenario, where 12 bcf/day of LNG is exported, phased in at a rate of 1 bcf/day per year; • A high export/rapid growth scenario, where 12 bcf/day of LNG is exported, phased in at a rate of 3 bcf/day per year Given the uncertainty over the actual size of the shale gas resource base and the future growth of the U.S. economy, each of these scenarios (both “baseline” and export) were applied to four alternate background cases: • A reference case, based on the EIA’s 2011 Annual Energy Outlook; • A low-shale estimated ultimate recovery (EUR) case, in which shale gas production from new, undrilled wells is 50 percent below the reference case scenario; • A high-shale EUR case, in which shale gas production from new, undrilled wells is 50 percent higher than the reference case; • A high economic growth case, in which U.S. GDP grows at 3.2 percent as opposed to the 2.7 percent assumed in the reference case. Given the range of assumptions, the range of results was unsurprisingly wide. The results range from a 9.6 percent increase (from $3.56 to $3.90/ mcf) in domestic natural gas prices in 2025 due to exports (in the case of high shale gas recovery, low export volumes and a slow rate of export growth) to a 32.5 percent increase (in the case of low shale gas recovery, high export volumes and a high rate of export growth). The percentage premium for domestic natural gas prices in 2025 for each scenario relative to the baseline scenario price estimate is detailed in table 3. In addition to the price premium for exporting natural gas that exists in each case, the EIA study projected a short-term spike in natural gas prices as a result of LNG exports. As figure 7 below illustrates, in 2015, the first year that LNG exports occur, domestic natural gas prices rise rapidly until total export capacity is reached. In the “lowrapid” scenario prices peak in 2016, after the 6 bcf/day of export capacity is built over 2 years; in the “high-slow” scenario, natural gas prices peak in 2026, after the 12 bcf/day of export capacity is built over 12 years. The immediate jump in price becomes more pronounced in the scenarios where LNG export capacity increases quickly. In the “low-rapid” scenario, the price of natural gas peaks at nearly 18 percent above the baseline case; in the “high-rapid” scenario, natural gas prices peak at 36 percent above the baseline case. This price impact is exacerbated in the Low Shale EUR and High Macroeconomic Growth cases, as LNG exports further tighten domestic natural gas markets. In the most extreme example, the high-rapid scenario for exports in a Low Shale EUR case, the price for natural gas peaks at more than 50 percent than the baseline case. 83 There are two factors that should be considered when interpreting the results of this price impact study. The first is the assumption regarding the rate at which LNG could be exported. The results of EIA’s analysis represent an extreme scenario for LNG exports. In the existing LNG market, it is particularly unlikely that either the “low-rapid” or the “high-rapid” scenarios would materialize. The former assumption stipulates that the United States would export 6 bcf/day of LNG by 2016. Given that, at the time of writing, only one facility has been approved to export 2.2 bcf/day to nonFTA countries starting in 2015, it is unlikely that another three plants would be approved and built in such a short time frame. 84 The latter scenario, that the United States would be exporting 12 bcf/ day of LNG by 2018, suggests that in the next several years, the United States would grow from exporting negligible volumes of LNG to having roughly one-third of the global LNG export capacity. Not only would this supply growth outpace growth in global LNG demand, but this capacity addition would also have to compete with roughly 11 bcf/day of Australian-origin LNG that is expected to hit the market around the same time. 85 The second issue is the model’s assumptions for incremental investment in natural gas production as a result of increased export capacity. The spike in price depicted in figure 7 occurs because investment from gas producers lags additional demand. In the model, producers respond to, rather than anticipate, additional demand. For this reason, prices peak once the export capacity is filled, before steadily decreasing. In reality, the expectation of future demand would likely induce gas producers to invest in additional production before incremental demand occurs. As a result, the increase in prices would likely begin earlier and peak at a lower level than suggested by the model. deloitte study An earlier study released in November 2011 from the Deloitte Center for Energy Solutions highlighted the producer-response in its model. In addition to finding that LNG exports would produce a smaller increase in gas prices than the EIA report suggests, the Deloitte study points out that “producers can develop more reserves in anticipation of demand growth, such as LNG exports. There will be ample notice and time in advance of the exports to make supplies available.” 86 Using a dynamic model, in which production increased in anticipation of new demand, the Deloitte study found that 6 bcf/day of exports of LNG would result in, on average, a 1.7 percent increase (from $7.09 to $7.21/MMBtu) in the price of natural gas between 2016 and 2035. Further, the Deloitte study noted that there would be regional variations to the increase in natural gas prices resulting from LNG exports. As most of the proposed liquefaction terminals are expected to be on the Gulf Coast, the price of Henry Hub gas, which is the key benchmark for natural gas from the Gulf Coast, will increase by $0.22/ MMBtu by 2035 as a result of U.S. LNG exports. This is more than double the price increase projected in regions further away from the LNG export terminals. In New York and Illinois, natural gas prices are projected to increase by less than $0.10/MMBtu. This is particularly important in the Northeast, which historically experiences some of the highest natural gas prices in the country, but will benefit from the development and consumption of natural gas from the nearby Marcellus shale play. other studies Three other studies of note have analyzed the price impacts of U.S. LNG exports. In August 2010, Navigant Consulting found that 2 bcf/day of LNG exports would cause a price increase of between 7 and 7.9 percent from 2015 to 2035 relative to a scenario with no gas exports. ICF International found in August 2011 that 6 bcf/day of exports would result in an 11 percent ($0.64/MMBtu) increase in natural gas prices over the same period. 87 More recently, Navigant released another study that analyzed the impact of two separate export scenarios. The first scenario modeled the impact of 3.6 bcf/day of LNG exports from three terminals in North America: Sabine Pass in Louisiana, Kitimat in British Columbia, and Coos Bay in Oregon. The second scenario modeled the impact of 6.6 bcf/day of LNG exports from the three aforementioned export projects and 2 bcf/day of added exports from the Gulf Coast and 1 bcf/day from Maryland. 88 This Navigant study found that 6.6 bcf/day of LNG exports would result in a 6 percent ($0.35/MMBtu) increase in natural gas prices from 2015 to 2035. As with the EIA and Deloitte studies, the results of both Navigant and ICF’s studies must be analyzed in the context of their respective methodologies and assumptions. Navigant’s first study uses a more static supply model, which, unlike dynamic supply models, does not fully take account of the effect that higher prices have on spurring additional production. As a result, it takes a conservative estimate of supply growth potential. The report acknowledges that the price outcomes modeled in its analysis “establish the upper range of impacts that exports […] might have on natural gas prices.” 89 This study also did not factor in the reemergence of the industrial sector as a major consumer of natural gas following the shale gas “revolution.” The study assumes that natural gas consumption by the industrial sector will decline by 0.3% per year to 2035. By contrast, the EIA model assumes that industrial sector demand will increase by roughly 1% per year over the same period. 90 The ICF study factors in various levels of production response from an increase in price. Under its 6 bcf/day export scenario, the price impact ranges from a $0.52/ MMBtu increase in a more responsive drilling activity scenario to a $0.75/MMBtu increase in a less responsive drilling activity scenario. which study is right? Given that these studies forecast natural gas prices two decades into the future, it is difficult to determine which study is most accurate. (table 4 shows a comparison of the price impact forecasts of the various models.) However, policymakers would benefit from having a better understanding of the results that are generated from each report. This includes choosing the most relevant results from each report. For instance, following the release of the EIA study, many commentators were quick to highlight that natural gas prices could increase by more than 50 percent as a result of LNG exports. However, this ignored the assumptions behind this number: it was based on the price of natural gas in one year under the most extreme assumptions of exports and domestic resource base. A more comprehensive analysis should include an assessment of the average price impact from 2015 to 2035. When distinguishing between the various studies, policymakers should identify which assumptions most resemble the existing natural gas market and its likely direction, and which models are most reflective of the complex nature of domestic and global natural gas trade. Assuming realistic volumes of natural gas exports as well as a reasonable supply response by natural gas producers are important considerations. It is important to note that the supply curves in the various studies reflect different interpretations of the economics of marginal production. The Power sector and industrial sector Part I indicated that the power-generation and industrial sectors would account for most of the demand for newly available natural gas resources. As shown above, LNG exports are likely to increase domestic prices of natural gas, suggesting negative consequences for these two competing sectors. In their analyses, both Deloitte and EIA found that the majority—63 percent, according to both studies—of the exported natural gas will come from new production as opposed to displaced consumption from other sectors. By contrast, between 17 and 38 percent of supply of natural gas for export would be met by reduced demand, as higher prices pushes some domestic consumers to use less gas. In the power generation and industrial sectors, the price impacts of LNG exports are likely to have modest impacts. In the power sector, natural gas has historically been used as a back up to coal and nuclear base-load generation. For such gas used at the margin, the increase in electricity prices as a result of LNG exports would be limited by its competitiveness relative to other fuels: as soon as it becomes more expensive than the alternative for back up generation, power producers will substitute away from gas. 91 According to ICF International, a $0.64/MMBtu increase in the price of natural gas would result in an electricity price increase of between $1.66 and $4.97/megawatt-hour (MWh), depending on how often gas is used as the marginal fuel for electricity. Deloitte estimates that the price increase of electricity would not be more than $1.65/MWh. 92 EIA estimates that electricity price impacts will be marginal as well (between $1.40/MWh and $2.90/MWh) except in the “highrapid” export scenario. 93 The EIA Annual Energy Outlook 2011 estimates that, without exporting LNG, the average price of electricity (across all fuels) in 2035 will be $92/MWh. 94 In the longer term, natural gas is itself likely to be used for more base-load generation. The rapid increase in shale gas production, coupled with the retirements of as much as 50 gigawatts (GW) of coal-fired electricity due to plant age or inability to adhere to possibly forthcoming EPA regulations is likely to increase the demand for natural gas in the power sector. According to some analysts, the near-term demand caused by the retirements of the oldest and least efficient coal-fired power plants could result in an additional natural gas demand of 2 bcf/day. 95 Given the lack of environmentally and economically viable alternatives, a moderate increase in gas prices is unlikely to result in a large move away from natural gas, although increased costs will be transferred to customers. Natural gas consumption in the power sector has been considered economic at prices much higher than those resulting from LNG exports in even the highest price-impact projections. Even prior to the shale gas “revolution,” when natural gas prices were high, natural gas demand was increasing in the power sector. The EIA Annual Energy Outlook 2005— published in a year when average well head prices were over $7/MMBTU—projected that natural gas demand in the electricity sector would increase by 70 percent between 2003 and 2015. 96 Unlike the power sector, which continued to build natural-gas fired generation during a period of increasing gas prices, the industrial sector was negatively affected by growing natural gas import dependence, high gas prices, and gas price volatility. Between 2000 and 2005, the price of natural gas increased by 99 percent and LNG imports more than doubled. 97 By 2005, the ratio of the price of oil to the price of natural gas was approximately 6:1, just below the 7:1 oil-to-gas price ratio at which U.S. petrochemical and plastics producers are globally competitive. 98 That same year Alan Greenspan, then-Chairman of the Federal Reserve, noted that because of natural gas price increases “the North American gas-using industry [was] in a weakened competitive position.” 99 Since then the price of natural gas has collapsed. In 2011, the oil-to-natural gas price ratio was more than 24:1. In 2012 it has been even higher. The decline in natural gas prices has galvanized the industrial sector. A joint study by PwC and the National Association for Manufacturers, an industry trade group, found that the development of shale gas could save manufacturers as much as $11.6 billion per year in feedstock costs through 2025. 100 New investments in petrochemical and plastics producing facilities are occurring throughout the East and Southeast, largely predicated on the availability of inexpensive natural gas. Opponents of LNG exports contend that such investments would be deterred in the future as a result of increases in the price of natural gas. However, the evidence suggests that the competitive advantage of U.S. industrial producers relative to its competitors in Western Europe and Asia is not likely to be affected significantly by the projected increase in natural gas prices resulting from LNG exports. As European and many Asian petrochemical producers use oil-based products such as naphtha and fuel oil as feedstock, U.S. companies are more likely to enjoy a significant cost advantage over their overseas competitors. Even a one-third decline in the estimated price of crude oil in 2035 would result in an oil-to-gas ratio of 14:1. 101 There is also the potential for increased exports to help industrial consumers. Ethane, a liquid byproduct of natural gas production at several U.S. gas plays, is the primary feedstock of ethylene, a petrochemical product used to create a wide variety of products. According to a study by the American Chemistry Council, an industry trade body, a 25 percent increase in ethane production would yield a $32.8 billion increase in U.S. chemical production. By providing another market for cheap dry gas, LNG exports will encourage additional production of natural gas liquids (NGL) that are produced in association with dry gas. According to the EIA, ethane production increased by nearly 30 percent between 2009 and 2011 as natural gas production from shale started to grow substantially. Ethane production is now at an alltime high, with more than one million barrels per day of ethane being produced. 102 Increased gas production for exports results in increased production of such natural gas liquids, in which case exports can be seen as providing a benefit to the petrochemical industry. natural gas price volatility A major concern among domestic end users of natural gas is the possibility of an increase in natural gas price volatility resulting from an increase in U.S. LNG exports. As figure 8 demonstrates, the price volatility experienced during the 2000s was the highest the domestic gas market has experienced in the past three decades. The volatility of the natural gas market in the 2000s was largely caused by a tight supply-demand balance. Natural gas demand increased substantially as the U.S. economy grew and natural gas was viewed as environmentally preferable to coal for power generation. This increase in demand coincided with a reduction in domestic supply and an increased reliance on imports. The recent surge in U.S. natural gas production has resulted in less market volatility since 2010. According to EIA, the standard deviation of the price of natural gas (a general statistical indicator of volatility) between 2010 and 2011 was one-third what it was during the 2000s. 103 Potential exports of U.S. LNG concerns some domestic consumers for two principal reasons: greater volatility in domestic natural gas prices; and exposure of domestic natural gas prices to higher international prices resulting in a convergence between low U.S. prices and high international prices. There is an insufficient amount of data and quantitative research on the relationship between do mestic natural gas price volatility and LNG exports. However, certain characteristics of the LNG market are likely to limit volatility. LNG is bound by technical constraints: it must be liquefied and then transported on dedicated tankers before arriving at terminals where a regasification facility must be installed. Liquefaction facilities have capacity limits to how much gas they can turn into LNG. If they are operating at or close-to full capacity, such facilities will have a relatively constant demand for natural gas, therefore an international price or supply shock would have little impact on domestic gas prices. Moreover, unlike oil trading, in which an exporter—theoretically—sells each marginal barrel of production to the highest bidder in the global market, the capacity limit on LNG production and export means that LNG exporters have an infrastructure-limited demand for natural gas leaving the rest of the natural gas for domestic consumption. As most LNG infrastructure facilities are built on a project finance basis and underpinned by long-term contracts, this demand can be anticipated by the market years in advance, reducing the likelihood of volatility. The macroeconomy and jobs The macroeconomic and job implications of LNG exports depend on two principal factors: the gains from trade from exploiting pricing differentials and inefficiencies of the global market; and the employment implications of those gains, higher domestic natural gas prices, and greater domestic natural gas production. The Department of Energy has commissioned a study on both the macroeconomic and employment implications of U.S. LNG exports, which will be released later this year. This study will provide a qualitative assessment of the implications of LNG exports to the U.S. economy and employment. LNG exports are likely to be a net benefit to the U.S. economy, although probably not a significant contributor in terms of total U.S. GDP. Exports of U.S. natural gas will take advantage of the benefits of the existing producer’s surplus resulting from the pricing differentials between the natural gas markets in the United States, Europe, and Asia. Contractual terms will determine how this surplus is shared between U.S. sellers and foreign buyers. 104 The benefit of this trade will likely outweigh the cost to domestic consumers of the increase in the price of natural gas as most of the natural gas demanded by exports will come from new natural gas production as opposed to displacing existing production from domestic consumers. On the other hand, LNG exports from the United States are likely to put marginal upward pressure on the relative value of the U.S. dollar. In March 2012, Citigroup released a report on North American hydrocarbon production that included a model of the macroeconomic impact of U.S. oil and gas exports. The Citi analysis found that oil and gas exports would cause a nearly two percent decline in the current account deficit by 2020, but that the exchange rate implications would be modest. By 2020, the U.S. dollar would appreciate by between 1.6 and 5.4 percent. 105 The implications of LNG exports on job creation are similarly difficult to quantify. Other than temporary construction jobs created by the need to build liquefaction capacity, pipelines, and other ancillary infrastructure, the operation of the liquefaction facility will likely provide little permanent employment benefit. As outlined in the section on price impacts above, as much of the gas for export will come from new production, rather than the displacement of consumption in other sectors, the negative economic, and therefore jobrelated, effects on those sectors is likely to be limited. Beyond the labor required for additional gas production to satisfy LNG exports, the net impact of LNG exports is likely to be minimal. Further upstream, the job potential may be greater. By increasing domestic natural gas production, employment from additional oil and gas producers will increase, as will the demand for manufacturers of equipment for oil and gas production, gathering, and transportation. domestic energy security Aside from the price impact of potential U.S. LNG exports, a major concern among opponents is that such exports would diminish U.S. “energy security”; that exports would deny the United States of a strategically important resource. The extent to which such concerns are **valid** depends on several factors, including the size of the domestic resource base, and the liquidity and functionality of global trade. As Part I of this report notes, geological evidence suggests that the volumes of LNG export under consideration would not materially affect the availability of natural gas for the domestic market. Twenty years of LNG exports at the rate of 6 bcf/day, phased in over the course of 6 years, would increase demand by approximately 38 tcf. As presented in Part I, four existing estimates of total technically recoverable shale gas resources range from 687 tcf to 1,842 tcf; therefore, exporting 6 bcf/day of LNG over the course of twenty years would consume between 2 and 5.5 percent of total shale gas resources. While the estimates for **shale gas reserves are uncertain**, in a scenario where reserves are perceived to be lower than expected, domestic natural gas prices would increase and exports would almost immediately become uneconomic. In the long-term, it is possible that U.S. prices and international prices will converge to the point at which they settle at similar levels. In that case, the United States would have more than adequate import capacity (through bi-directional import/export facilities) to import gas when economic. A further gas-related consideration with regard to energy security is the effects of increased production of associated natural gas with the increasing volumes of U.S. unconventional oil. As the primary energy-security concern for the United States related to oil, the application of fracking and horizontal drilling in oil production is reducing U.S. oil import dependence, while simultaneously producing substantial volumes of natural gas, which, given the relative economics of oil and gas, is effectively delivered at zero (or, in the case of producers who have to invest in equipment to manage flaring and venting, negative) cost. To the extent that associated gas from unconventional oil production is used for LNG export, it can be seen as a consequence of—rather than a threat to—increased U.S. energy security. international implications The international implications of LNG exports from the United States can be divided into pricing, geopolitics, and environment. international Pricing As discussed in Part I, the global LNG market is informally separated into three markets: North America, the Atlantic Basin (mostly Europe), and the Pacific Basin (including Japan, South Korea, Taiwan, China, and India). These markets are separated because of important technical differences that impact the pricing structure for LNG in each market. The North American natural gas market is competitive and prices are traded in a transparent and open market. The Atlantic Basin is dominated by European LNG consumers such as the United Kingdom, Spain, France, and Italy, and is a hybrid of a competitive U.K. market that was liberalized in the mid-1990s and a Continental European market that is dominated by oil-linked, take-or-pay contracts. In recent years, the U.K. hub, the National Balancing Point (NBP), has traded at a premium to the U.S. hub, the Henry Hub. The Pacific Basin is a more rigid market that depends heavily on oilindexed contracts that are more expensive than those used in the Atlantic Basin. While they have no central trading hub, the Pacific Basin consumers such as Japan and South Korea (which is implementing its recently-signed free-trade agreement with the United States) currently import LNG based on a pricing formula known informally as the Japan Crude Cocktail, the average price of custom-cleared oil imports into Tokyo. Many Pacific Basin contracts have a built-in price floor and price ceiling depending on the price of oil. 106 Without exporting any natural gas, the U.S. shale gas “revolution” has already had a positive impact on the liquidity of global LNG markets. Many LNG cargoes that were previously destined for gas-thirsty U.S. markets were diverted and served spot demand in both the Atlantic and Pacific Basins. The increased availability of LNG cargoes has helped create a looser LNG market for other consumers (see figure 9). This in turn has helped apply downward pressure to the terms of oillinked contracts resulting in the renegotiation of some contracts, particularly in Europe. Increased availability of LNG cargoes also accelerated a recent trend of increasing reliance of consumers on spot LNG markets. In 2010 short-term and spot contracts represented 19 percent of the total LNG market, up from only a fraction one decade earlier. 107 In this case, increasing demand for spot cargoes indicates that consumers are taking advantage of spot prices that are lower than oilindexed rates. LNG exports will help to sustain market liquidity in what looks to be an increasingly tight LNG market beyond 2015 (see figure 10). Should LNG exports from the United States continue to be permitted, they will add to roughly 10 bcf/day of LNG that is expected to emerge from Australia between 2015 and 2020. Nevertheless, given the projected growth in demand for natural gas in China and India and assuming that some of Japan’s nuclear capacity remains offline, demand for natural gas will outpace the incremental supply. This makes U.S. LNG even more valuable on the international market. Although it will be important to global LNG markets, it is unlikely that the emergence of the United States as an exporter of LNG will change the existing pricing structure overnight. Not only is the market still largely dependent on long-term contracts, the overwhelming majority of new liquefaction capacity emerging in the next decade (largely from Australia) has already been contracted for at oil-indexed rates. 108 The incremental LNG volumes supplied by the United States at floating Henry Hub rates will be small in comparison. But while U.S. LNG will not have a transformational impact, by establishing an alternate lower price for LNG derived through a different market mechanism, U.S. exports may be central in catalyzing future changes in LNG contract structure. As previously mentioned, this impact is already be ing felt in Europe. A number of German utilities have either renegotiated contracts or are seeking arbitration with natural gas suppliers in Norway and Russia. The Atlantic Basin will be a more immediate beneficiary of U.S. LNG exports than the Pacific Basin as many European contracts allow for periodic revisions to the oil-price linkage. 109 In the Pacific Basin this contractual arrangement is not as common and most consumers are tied to their respective oil-linkage formulae for the duration of the contract. 110 Despite the increasing demand following the Fukushima nuclear accident, however, Japanese LNG consumers are actively pursuing new arrangements for LNG contracts. 111 There are other limits to the extent of the impact that U.S. LNG will have on global markets. It is unlikely that many of the LNG export facilities under consideration will reach final investment decision. Instead, it is more probable that U.S. natural gas prices will have rebounded sufficiently to the point that exports are not commercially viable beyond a certain threshold. (figure 11 illustrates the estimated costs of delivering LNG to Japan in 2020.) This threshold, expected by many experts to be roughly 6 bcf/day by 2025, is modest in comparison to the roughly 11 bcf/day of Australian LNG export projects that have reached final investment decision and are expected to be online by 2020. Also, the impact of U.S. LNG exports could be limited by a number of external factors that will have a larger bearing on the future of global LNG prices. For instance, a decision by the Japanese government to phase-out nuclear power would significantly tighten global LNG markets and probably displace any benefit provided by U.S. LNG exports. Conversely, successful and rapid development of China’s shale gas reserves would limit the demand of one of the world’s fastest-growing natural gas consumers. However, to the extent that U.S. LNG exports can help bring about a more globalized pricing structure, they will have economic and geopolitical consequences. Geopolitics A large increase in U.S. LNG exports would have the potential to increase U.S. foreign policy interests in both the Atlantic and Pacific basins. Unlike oil, natural gas has traditionally been an infrastructure-constrained business, giving geographical proximity and political relations between producers and consumers a high level of importance. Issues of “pipeline politics” have been most directly visible in Europe, which relies on Russia for around a third of its gas. Previous disputes between Moscow and Ukraine over pricing have led to major gas shortages in several E.U. countries in the winters (when demand is highest) of both 2006 and 2009. Further disagreements between Moscow and Kiev over the terms of the existing bilateral gas deal have the potential to escalate again, with negative consequences for E.U. consumers. The risk of high reliance on Russian gas has been a principal driver of European energy policy in recent decades. Among central and eastern European states, particularly those formerly aligned with the Soviet Union such as Poland, Hungary, and the Czech Republic, the issue of reliance on imports of Russian gas is a primary energy security concern and has inspired energy policies aimed at diversification of fuel sources for power generation. From the U.S. perspective such Russian influence in the affairs of these democratic nations is an impediment to efforts at political and economic reform. The market power of Gazprom, Russia’s state-owned gas monopoly, is evident in these countries. Although they are closer to Russia than other consumers of Russian gas in Western Europe, many countries in Eastern and Central Europe pay higher contract prices for their imports, as they are more reliant on Russian gas as a proportion of their energy mixes. In the larger economies of Western Europe, which consume most of Russia’s exports, there are efforts to diversify their supply of natural gas. The E.U. has formally acknowledged the need to put in place mechanisms to increase supply diversity. These include market liberalization approaches such as rules mandating third-party access to pipeline infrastructure (from which Gazprom is demanding exemption), and commitments to complete a single market for electricity and gas by 2014, and to ensure that no member country is isolated from electricity and gas grids by 2015. 112 Despite these formal efforts, there are several factors retarding the E.U.’s push for a unified effort to reduce dependence on Russian gas. National interest has been given a higher priority than collective, coordinated E.U. energy policy: the gas cutoffs in 2006 and 2009 probably contributed to the acceptance of the Nord Stream project, which carries gas from Russia into Germany. Germany’s decision to phase out its fleet of nuclear reactors by 2022 will result in far higher reliance on natural gas for the E.U.’s biggest economy. The environmental imperative to reduce carbon emissions—codified in the E.U.’s goal of essentially decarbonizing its power sector by the middle of century—mean that natural gas is being viewed by many as the short-to medium fuel of choice in power generation. Finally, the prospects for European countries to replicate the unconventional gas “revolution” that has resulted in a glut of natural gas in the United States look uncertain. Several countries, including France and the U.K., have encountered stiff public opposition to the techniques used in unconventional gas production, while those countries, such as Poland and Hungary, that have moved ahead with unconventional-gas exploration have generally seen disappointing early results. Collectively, these factors suggest that the prospects for reduced European reliance on Russian gas appear dim. The one factor that has been working to the advantage of advocates of greater European gas diversity has been the increased liquidity of the global LNG market, discussed above. Russia’s dominant position in the European gas market is being eroded by the increased availability of LNG. Qatar’s massive expansion in LNG production in 2008, coupled with the rise in unconventional gas production in the United States as well as a drop in global energy demand due to the global recession, produced a global LNG glut that saw many cargoes intended for the U.S. market diverted into Europe. As mentioned previously, with an abundant source of alternative supply, some European consumers, mainly Gazprom’s closest partners, were able to renegotiate their oil-linked, takeor-pay contracts with Gazprom. As figure 10 illustrates, however, in the wake of the Fukushima natural disaster and nuclear accident in Japan and a return to growth in most industrialized economies, the LNG market is projected to tighten considerably in the short-term, potentially returning market power to Russia. However, there is a second, structural change to the global gas market that may have more lasting effects to Russia’s market power in the European gas market. LNG is one of the fastest growing segments of the energy sector. The growth of the LNG market, both through long-term contract and spot-market sales, is likely to put increasing pressure on incumbent pipeline gas suppliers. A significant addition of U.S. LNG exports will accelerate this trend. In addition to adding to the size of the market, U.S. LNG contracts are likely to be determined on a “floating” basis, with sales terms tied to the price of a U.S. benchmark such as Henry Hub, eroding the power of providers of long-term oil linked contract suppliers such as Russia. While U.S. LNG will not be a direct tool of U.S. foreign policy—the destination of U.S. LNG will be determined according to the terms of individual contracts, the spot-price-determined demand, and the LNG traders that purchase such contracts—the addition of a large, market-based producer will indirectly serve to increase gas supply diversity in Europe, thereby providing European consumers with increased flexibility and market power. Increased LNG exports will provide similar assistance to strategic U.S. allies in the Pacific Basin. By adding supply volumes to the global LNG market, the U.S. will help Japan, Korea, India, and other import-dependent countries in South and East Asia to meet their energy needs. The desire on the part of Pacific Basin countries for the U.S. to become a gas supplier to the region has been underlined by the efforts of the Japanese government, which has attempted to secure a free-trade agreement waiver from the United States to allow exports. As with oil price-linked Russian gas contracts in Eu- rope, U.S. LNG exports linked to a floating Henry Hub benchmark, have the potential to weaken the market power of incumbent LNG providers to Asia, increasing the negotiating power of consumers and decreasing the price. As U.S. foreign policy undergoes a “pivot to Asia,” the ability of the U.S. to provide a degree of increased energy security and pricing relief to LNG importers in the region will be an important economic and strategic asset. Beyond the basin-specific considerations of U.S. LNG exports, they would provide a source of predictable natural gas supply that is relatively free from unexpected production or shipping disruption. With Qatar representing roughly one-third of the global LNG market, a blockade or military intervention in the Strait of Hormuz or a direct attack on Qatar’s liquefaction facilities by Iran would inflict chaos on world energy markets. While the United States government will be unable to physically divert LNG cargoes to specific markets or strategic allies that are most affected (gas allocation will be made by the market players), additional volumes of LNG on the world market will benefit all consumers. international Environmental implications Proposed LNG exports from the United States have encountered domestic opposition on environmental grounds. As outlined in Part I, natural gas production causes greenhouse gas emissions in the upstream production process through leakages, venting, and flaring. The greenhouse gas footprint of shale gas production has been the subject of vigorous debate, with some studies suggesting that methane from the production process leads to shale gas having a higher global warming impact than that of other hydrocarbons including coal. While the methodology underlying such studies has been widely criticized, there is no doubt that leakage and venting of natural gas is a serious negative environmental consequence of natural gas production and transportation: EPA has estimated that worldwide leakages and venting volumes were 3,353.5 bcf in 2010. 113 By contrast, some advocates of U.S. exports of LNG maintain that they have the potential to bring global environmental benefits if they are used to displace more carbon-intensive fuels. According to the IEA, natural gas in general has the potential to reduce carbon dioxide emissions by 740 million tonnes in 2035, nearly half of which could be achieved by the displacement of coal in China’s power-generation portfolio. Natural gas—in the form of LNG—also has the potential to displace more carbon-intensive fuels in other major energy users, including across the EU and in Japan, which is being forced to burn more coal and oil-based fuels to make up for the nuclear generation capacity lost in the wake of the Fukushima disaster. In addition to its relatively lower carbon-dioxide footprint, natural gas produces lower emissions of pollutants such as sulfur dioxide nitrogen oxide and other particulates than coal and oil. Natural gas—both in the form of LNG and compressed natural gas—is also being viewed as a potential replacement for oil in the vehicle transportation fleet, with large carbon dioxide abatement potential. 114 However, as discussed in Part I, even the United States with its low gas prices is unlikely to see any significant move toward natural gas vehicles in the absence of government policies; the prospects for such vehicles entering the European or Asian markets, where gas is several times as expensive, are remote. On the other hand, additional volumes of natural gas in the global power generation fleet may also have longer-term detrimental consequences for carbon emissions. According to the IEA, by backing out nuclear and renewable energy generation, natural gas could add 320Mt of carbon dioxide by 2035. 115 Whether U.S. LNG exports contribute to reduced carbon dioxide emissions through the displacement of coal fired power generation or to the crowding out of renewable and nuclear energy in the global energy mix is something of a moot point. According to the IEA, global power generation is projected to exceed 27,000 terawatt hours per year by 2020. 116 Even assuming U.S. exports of 6 bcf/day (on the upper end of the range of expectations), zero losses due to transportation, regasification, and transmission, and a high natural gas power plant efficiency level of 60 percent, such volumes would account for just over one percent of total global power generation. 117 Therefore, although the domestic environmental impacts associated with shale gas extraction may, pending the outcome of further study, prove to be a cause for concern with respect to greenhouse gas emissions, the potential for U.S. LNG exports to make a meaningful impact on global emissions through changes to the global power generation mix is negligible. T his paper has attempted to answer two questions: Are U.S. LNG exports feasible? If so, what are the implications of U.S. LNG exports? **For exports to be feasible, several demand and supply-related conditions need to be met**. On the supply side, adequate resources must be available and their production must be sustainable over the long-term. The regulatory and policy environment will need to accommodate natural gas production to ensure that the resources are developed. The capacity and infrastructure required to enable exports must also be in place. This includes the adequacy of the pipeline and storage network, the availability of shipping capacity, and the availability of equipment for production and qualified engineers. On the demand side, LNG exports will compete with two main other domestic end uses for natural gas: the power-generation sector, and the industrial and petrochemical sector. According to most projections, the U.S. electricity sector will see an increased demand for natural gas as it seeks to comply with policies and regulations aimed at reducing carbon-dioxide emissions and pollutants from the power-generation fleet. Cheaper natural gas in the industrial sector has the potential to lower the cost of petrochemical production and to improve the competitiveness of a range of refining and manufacturing operations. Advocates of natural gas usage in the transportation fleet – particularly in heavy-duty vehicles (HDVs) – see it as a way to decrease the country’s dependence on oil, although absent major policy support, this sector is unlikely to represent a significant source of gas demand. For increased U.S. LNG exports to be feasible, they will also need to be competitive with supplies from other sources. The major demand centers that would import U.S. LNG would be Pacific Basin consumers (Japan, South Korea, and Taiwan, and increasingly China and India), and Atlantic Basin consumers, mostly in Europe. The supply and demand balance in the Atlantic and Pacific Basins and, therefore the feasibility for natural gas exports from the United States, depend heavily on the uncertain outlook for international unconventional natural gas production. Recent assessments in countries such as China, India, Ukraine, and Poland indicate that each country has significant domestic shale gas reserves. If these reserves are developed effectively—which is likely to be difficult in the short-term due to a lack of infrastructure, physical capacity, and human capacity—many of these countries would dramatically decrease their import dependence, with negative implications for existing and newcomer LNG exporters. Detailed analysis of the foregoing factors suggests that the exportation of liquefied natural gas from the United States is logistically feasible. Based on current knowledge, the domestic U.S. natural gas resource base is large enough to accommodate the potential increased demand for natural gas from the electricity sector, the industrial sector, the residential and commercial sectors, the transportation sector, and exporters of LNG. Other obstacles to production, including infrastructure, investment, environmental concerns, and human capacity, are likely to be surmountable. Moreover, the current and projected supply and demand fundamentals of the international LNG market are conducive to competitive U.S.-sourced LNG. While LNG exports may be practically feasible, they will be subject to approval by policy makers if they are to happen. In making a determination on the advisability of exports, the federal government will focus on the likely implications of LNG exports: i.e. whether LNG exports are in the “public interest.” The extent of the domestic implications is largely dependent upon the price impact of exports on domestic natural gas prices. While it is clear that domestic natural gas prices will increase if natural gas is exported, most existing analyses indicate that the implications of this price increase are likely to be modest.

#### Nuclear power puts downward pressure on natural gas prices – that makes exports politically viable

Perry 12 (Mark J., Scholar – AEI, Professor of Economics and Finance – University of Michigan, “Natural gas and nuclear power need to share the lead in power generation for the future,” American Enterprise Institute, 9-26, http://www.aei.org/article/natural-gas-and-nuclear-power-need-to-share-the-lead-in-power-generation-for-the-future/)

Recent advances in drilling technologies have unleashed a boom in domestic natural gas production. The United States may have more than 100 years' worth of gas reserves, and perhaps much more, including large untapped resources in Michigan. Policy makers are increasingly looking to natural gas as the locomotive of economic growth. A striking example is the increasing use of gas in electricity production. For the last several years, natural gas has accounted for more than 80% of new electric generating capacity in the United States. It now provides 32% of total electricity generation, up from 25% just two years ago, and its share could reach 50% by 2030. Natural gas, of course, has many virtues as a fuel. Its carbon content is less than half that of coal and it emits no mercury or other toxic particulates. But natural gas is needed for **much more than electricity generation**. In addition to residential and commercial heating, gas accounts for the bulk of the fuel used by the petrochemical industry. Manufacturing relies on the availability of cheap gas, and its use in transportation is increasing. Additionally, gas producers are **gearing up to export some of the gas to markets in Europe and Asia**, where gas costs up to five times more than it does in the United States. A dozen or more U.S. companies have applied for licenses to export liquefied natural gas from terminals, mainly on the Gulf of Mexico. Because of its multiple uses and rising popularity, the demand for natural gas is starting to increase, and its price could rise significantly. That is a real possibility, and would be consistent with its long history of price volatility. If we hope to maintain the security of our energy supply, we will need to expand the use of other energy sources, including nuclear power, which is also environmentally attractive and affordable. Although the capital cost of building a nuclear plant is high, the average price of nuclear-generated electricity is **lower than** power produced from **natural gas**. In 2011, the production cost of nuclear power was 2.19 cents per kilowatt-hour, compared to 4.51 cents for natural gas and 3.23 cents for coal. Today about 20% of America’s electricity comes from nuclear power. But demand for electricity is growing steadily and that trend will continue in the future. Without building new nuclear plants, pressure will build to use even more natural gas for electricity generation, making less available for manufacturing and transportation.

#### Natural gas demand is closely monitored – perception of the plan triggers the link

Burnes et al 12-7 (John, Lisa Epifani, Curt Moffatt, Janna Chesno, Partner – VanNess Feldman, “DOE Releases LNG Export Study and Requests Public Comment,” VanNess Feldman, 2012, http://www.vnf.com/news-alerts-778.html)

Exports of natural gas, including LNG, must be authorized by DOE’s Office of Fossil Energy. By statute, exports of LNG to FTA nations must be approved “without modification or delay”. By contrast, before approving an application to export LNG to non-FTA nations, DOE must determine that the export is and will remain in the “public interest”. DOE’s primary focus is upon the domestic need for the gas to be exported. In May 2011, DOE conditionally authorized Sabine Pass Liquefaction, LLC (Sabine Pass) to export LNG to non-FTA nations. The authorization was finalized in August 2012. This remains the only long-term DOE authorization to export LNG from the lower 48 states to non-FTA nations. In the Sabine Pass order, DOE determined that it had a continuing duty to protect the public interest, and announced that it would monitor gas supply/demand conditions in the United States and the world to ensure that the cumulative impacts of the exports authorized in the order and in future orders would not lead to a reduction in the supply of natural gas needed to meet essential domestic needs. DOE also provided notice that it would take any action in the future, including amending or even revoking export authorizations, as appropriate or necessary to protect the public interest.

#### Plan spurs Russian back-stopping and cartels- turns case

Hulbert, 12 – Johns Hopkins University energy policy professor

(Matthew, Central European University Public Policy department head (American graduate school based in Hungary), "Why America Can Make or Break A New Global Gas World," Forbes, 8-5-12, www.forbes.com/sites/matthewhulbert/2012/08/05/why-america-can-make-or-break-a-new-global-gas-world/print/, accessed 9-22-12, mss)

But it’s not all bad news for Russia. The first point is that most consumers (especially continental Europeans) are labouring under the illusion that spot markets mean cheap prices. What they miss, is that setting gas prices based on gas fundamentals has got nothing to do with being cheap – it’s purely about achieving a cost reflective price for whatever the markets (and fundamentals) suggest gas should be. Gas on gas competition might well have positive medium term effects on price given marginal costs of production are generally cheaper than oil. But there are never any guarantees. If anything, prices could initially be far more volatile than those associated with piped gas given the cyclical nature of the beast, not to mention adapting to new upstream investment regimes unable to fall back on the oil ‘certainties’ of old. But assuming these initial hurdles are jumped and gas markets are politically allowed to bed in, that’s where the real fun and games start. As much as consumers think they’ve taken the political sting out of gas producers tails, spot markets could actually give producers **far more leverage** to manipulate prices, either on a collective or bilateral basis. When you take a quick look at the map, it’s clear to see supply side dynamics are essentially oligopolistic in Europe, a position that Russia might decide to capitalise on. **The question is whether Russia would have the nerve** to go for it, or be able to take the ideological leap of faith needed to explore and exploit a potentially lucrative new world of gas benchmarks? **Much would depend on** pricing pressures involved and **how far convergence** has **got,** but **the lower prices go, the more compelling** prospect **supply side collusion would become**. Warning shots along such lines have been repeatedly fired by the GECF (even if often behind closed doors) with Russia, Algeria, Iran and Venezuela all wanting to recalibrate markets back towards producer interests. Obviously someone would have to shoulder initial opportunity costs and absorb likely free riding, enforce quotas and restrict new market entry at the fringe. They would also need to find a swing producer, that many have long thought would be Qatar, but actually, flags up a huge opportunity for Russia here. Instead of issuing empty threats to flood markets or decimate upstream investments, independent gas benchmarks might just provide Moscow with sufficient incentive to do what it should always have done: get to grips with the fact that US shale has made Russia a price taker in Europe (and Asia), **and start developing LNG** prospects **to reclaim control of global gas fundamentals**. Despite sitting on over **30% of global gas supplies**, Russian LNG production accounts for less than 5% of global share. Moscow has **let itself** become a fringe player in a global gas world. A ridiculous statement when you consider **Russia is the gas equivalent to Saudi Arabia** for oil. Developing Shtokman, Sakhalin and indeed Bazhenov and Achimov fields will undoubtedly put some people’s nose out of joint, but given Russia’s own unconventional reserves are estimated to be **ten times larger** than the whole of Europe, it still has the time (and potential) to **break anybody in the field** on volume to dictate long term prices. If global gas benchmarks are the way of the future, then we should at least be aware that Russia has the potential to play a pivotal role as the swing LNG producer of the world. The initial 62 million tonnes of LNG Shtokman and Sakhalin should hold, tells us as much.

#### Cartel kills global democracy

Cohen, 7 -- Heritage Russian and Eurasian studies senior research fellows (Ariel, "Gas OPEC: A Stealthy Cartel Emerges," 4-12-7, l/n, accessed 9-23-12, mss)

By 2010, LNG's share of the world's total gas consumption will double. Thus, price gouging through production quota manipulation may come faster than many experts expect if the GECF becomes a new OPEC and if consumer nations do not unite and flex their muscle. Moreover, Russia and Iran are interested in increasing their geopolitical leverage against the EU in areas which often have little to do with energy. Major gas producers share another characteristic. Qatar, Turkmenistan, Brunei, and Venezuela, to name just a few, have one feature in common: a **democracy deficit**. Just like OPEC, the gas cartel will be a **formidable global force** that can be used to **oppose**, challenge, **and** possibly **weaken** market-based democracies through high prices and wealth transfer. Such a cartel may cut deals with similarly undemocratic large-scale consumers, while forcing the West to pay full price.

#### Democracy solves extinction

Diamond 95

Larry Diamond, Hoover Institution, Stanford University, December, PROMOTING DEMOCRACY IN THE 1990S, 1995, p. http://www.carnegie.org//sub/pubs/deadly/diam\_rpt.html

Nuclear, chemical and biological weapons continue to proliferate. The very source of life on Earth, the global ecosystem, appears increasingly endangered. Most of these new and unconventional threats to security are associated with or aggravated by the weakness or absence of democracy, with its provisions for legality, accountability, popular sovereignty and openness. The experience of this century offers important lessons. Countries that govern themselves in a truly democratic fashion do not go to war with one another. They do not aggress against their neighbors to aggrandize themselves or glorify their leaders. Democratic governments do not ethnically "cleanse" their own populations, and they are much less likely to face ethnic insurgency. Democracies do not sponsor terrorism against one another. They do not build weapons of mass destruction to use on or to threaten one another. Democratic countries form more reliable, open, and enduring trading partnerships. In the long run they offer better and more stable climates for investment. They are more environmentally responsible because they must answer to their own citizens, who organize to protest the destruction of their environments.

### Russia

#### Russia and US ALREADY cooperating on nuclear energy

Fox News 12 (Russia and US discuss nuclear cooperation plans, 6-26, http://www.foxnews.com/world/2012/06/26/russia-and-us-discuss-nuclear-cooperation-plans/)

The U. S. deputy energy secretary says the United States and Russia are planning to enhance cooperation in nuclear reactor design, while maintaining joint efforts to prevent nuclear materials from falling into the wrong hands. Daniel Poneman said Tuesday after a nuclear energy security working group meeting between the two countries that both nations have developed a "strong partnership" in the field. Moscow and Washington have launched a joint effort to return fuel from Soviet- and U.S. nuclear reactors built overseas for reprocessing to reduce the danger of highly enriched uranium falling into the wrong hands. Russia's Rosatom nuclear agency chief Sergei Kiriyenko said it has already removed all highly enriched uranium fuel from Ukraine, and is now planning its retrieval from Uzbekistan and Vietnam.

#### Cooperation’s inevitable – your evidence is media hype

Tobey 10-19 (William, senior fellow at Harvard Kennedy School's Belfer Center for Science and International Affairs, “Boost Phase,” Foreign Policy, 2012, http://www.foreignpolicy.com/articles/2012/10/19/boost\_phase)

Last week, alarm bells rang as the first headlines ran about Moscow's "bombshell" decision not to renew the 1992 Cooperative Threat Reduction (CTR) Agreement underpinning efforts to improve nuclear security. Perhaps it was the context of chilling relations with Putin's Russia, including the crackdown on nongovernmental organizations and the eviction of the U.S. Agency for International Development, that evoked such angst. The claim that U.S.-Russian nuclear security cooperation is dead, however, is greatly exaggerated. The CTR Agreement was conceived and implemented in a very different time. The Soviet Union had disintegrated and Russia was financially supine. U.S. assistance was necessary to keep body and soul together for Russian nuclear weapons scientists, and to remove the temptation for them to sell their knowledge and wares to other nations or terrorists. In the absence of Soviet oppression, the Russian nuclear archipelago was a security nightmare, with fallen fences, crumbling buildings, poor procedures, and a demoralized (and all too often drunken) guard force. Championed by Senators Sam Nunn and Richard Lugar, and signed by President George H. W. Bush, the Cooperative Threat Reduction legislation created programs to detect, secure, and dispose of dangerous nuclear material in Russia and the former Soviet Union, as well as to facilitate the destruction of missiles and chemical weapons. Today, Russia is more prosperous and its nuclear weapons, materials, and facilities are much more secure. Work under the Bratislava Initiative, agreed to by Presidents George W. Bush and Vladimir Putin in 2005, essentially completed physical security upgrades at nuclear weapons facilities in Russia. Fissile material production reactors at Seversk and Zheleznogorsk were shut down and replaced with coal-fired plants. Hundreds of Russian ports, airports, and border crossings are now equipped with nuclear detection equipment. Over 400 metric tons of Russian highly enriched uranium has been down-blended to fuel reactors that now provide 10 percent of American electricity. Nuclear weapons in Kazakhstan, Ukraine, and Belarus have been removed to Russia, and the former Soviet nuclear test site at Degelen Mountain in Kazakhstan has been secured from scavengers. Moscow and Washington, among others, should be proud of these signal achievements. That Moscow would now seek a different agreement, based on equality, is not surprising, nor should it be alarming. The current CTR agreement will expire next year, but that does not mean that cooperation must or will end. Indeed, Russian Deputy Foreign Minister Sergei Ryabkov said last week, "We are interested in an equal, normal, mutually beneficial cooperation in the these subjects, including in cooperation in third countries, and we would like to have completed projects implemented in Russia in the framework of the so-called Global Partnership on weapons of mass destruction." The recent debacle at the U.S. Y-12 highly enriched uranium site shows that no country can be complacent about its nuclear security systems. Russia and the United States have a shared interest in ensuring that the best possible nuclear security measures are implemented worldwide. In Russia, more work remains to be done, including: sustaining the security improvements already in place with maintenance, training, and replacement of worn equipment, some of which is now almost 20 years old; implementing independent regulatory oversight of nuclear security; consolidating or closing dozens of redundant facilities holding weapons-grade nuclear material so that they can be more easily and economically protected; and disposing of some 34 metric tons of weapons-grade plutonium and additional highly enriched uranium. Together, the United States and Russia can address these problems, but they can also work improve security practices in third countries. They have established a de facto nuclear security standard through their actions to improve Russian facilities. And they could work to codify and describe this empirical knowledge to form guidelines to advise other nations. This joint project could be offered as a commitment for the 2014 Nuclear Security Summit and implemented through the Global Initiative to Combat Nuclear Terrorism, which Russia and the United States co-founded in 2006. The World Institute for Nuclear Security might also be a means to share their best practices. They might also work to address the dangers of nuclear terrorism detailed in a Joint Threat Assessment by Harvard's Belfer Center for Science and International Affairs and the Russian Academy of Science's U.S.A. Canada Institute. The United States and Russia have a rich agenda for future work to improve collective nuclear security. And both nations appear still to have the will to advance that agenda. Nunn-Lugar doesn't mark the end of these efforts, merely the end of a stage. Now, both nations need to complete a more modern agreement to govern their efforts. Such an agreement is in the interest and within the capabilities of both sides. It cannot be completed until after the U.S. elections, but both American political parties have strongly backed cooperative threat reduction. So next year, American and Russian negotiators should get on with it.

#### Syria, Libya, and Iran – Cold-War style relations are inevitable, energy’s irrelevant

LaFranchi 12 (Howard, Foreign Affairs Correspondent, “A cold-war chill? US-Russia relations falter over Libya and Syria,” Christian Science Monitor, 3-3, http://www.csmonitor.com/USA/Foreign-Policy/2012/0303/A-cold-war-chill-US-Russia-relations-falter-over-Libya-and-Syria)

Secretary of State Hillary Rodham Clinton doffed her diplomatic gloves after Russia vetoed a United Nations Security Council resolution on Syria. Calling the February veto "despicable," she laid at Moscow's feet the "murders" of Syrian "women, children, [and] brave young men." Not to be outdone, Russian Prime Minister Vladimir Putin railed against the United States for indulging its "bellicose itch" to get involved in other countries' internal affairs. And he vowed that Russia will thwart American designs in the Middle East. Whatever happened to the "reset," President Obama's ballyhooed reorientation of US-Russia relations to a more cooperative path focused on common interests? Russia would say Libya happened – the conflict where the West and the US in particular demonstrated a zeal for intervention that struck at Russia's sense of sovereignty and of what the UN should and shouldn't do. The US would say Syria happened – revealing Russia's revived obstructionist tendencies on the Security Council and demonstrating Russia's determination to protect an old ally at the expense of the Syrian people. Both countries might say that what happened is this: The common interests that the "reset" was meant to emphasize – arms control, counterterrorism, the global economy – have taken a back seat to awakened geopolitical rivalries and diverging international visions. Add to this the fact that Mr. Putin is expected to return to Russia's presidency in elections Sunday, bringing with him a blame-the-west perspective for explaining many of Russia's ills. The result is that stormy days lie ahead for US-Russia relations, many say. Progress on issues like missile defense and NATO-Russia relations is likely to remain stalled – and could suffer serious setbacks if the Syria and Iran crises deteriorate further. "I foresee a tough year for US-Russia relations," says Andrew Weiss, a former director for Russian affairs on the National Security Council under President Clinton who is now a Russia analyst at the RAND Corp. in Arlington, Va. With little prospect for advances, he adds, the Obama administration is likely to focus on preventing backsliding. "The emphasis will be on ensuring that these fast-moving conflicts don't put the remaining areas of cooperation at risk," he says. Others say the current frictions demonstrate how relations, despite the efforts of three administrations, have never overcome cold-war mistrusts to progress to a deeper level. "Under both Clinton and Bush, the US made it look like things were moving forward with Russia by focusing on things that were easier to do and that didn't require sacrifice from either side," says Paul Saunders, executive director of the Center for the National Interest in Washington "But in both cases, they ran out of ideas on how to work together before crossing a threshold in relations that would have allowed them to weather the differences that remained," he adds. "Now it looks like something similar might be happening under Obama." If anything, keeping the Washington-Moscow relationship on an even keel is likely to be even harder now, for two key reasons: the expected return of Mr. Putin's nationalist, Russia-can't-trust-the-West perspective to the country's helm; and the conflict in Syria, which will keep Russian-Western differences center stage and will make reaching a diplomatic solution to the Iran nuclear crisis all the more remote. Some add here the fact that russia is a major oil and gas exporter, and so it **does not share America's** keen **interest in keeping down energy prices**. The Obama administration, says Mr. Saunders, a foreign-policy realist, did US-Russia relations no favors by the way it handled last year's Libya Security Council resolution. Russia abstained from that vote, which allowed the resolution to go through. "The US and its allies went way beyond the scope of that resolution," he says, "ensuring the Russians will probably go a very long time before just abstaining on a resolution like the one on Libya." He adds, "There's a straight line from there to the votes [in October and February] on Syria" resolutions, which Russia vetoed. "And that line will probably extend to anything [the US and its allies] might try to do in the UN on Iran." Not everyone foresees an unchecked downward spiral in US-Russia relations, if only because each country will continue to need the other in pursuing some international priorities. In the coming months and years, the US will need Russia's cooperation on issues ranging from Afghanistan and North Korea to disarmament and nuclear nonproliferation, says Olga Oliker, a senior international security policy analyst at RAND. "We ignore Russia and downgrade it at our own peril," she says. But she also notes, "The areas where we cooperate are increasingly not going to be at the top of our priority list." Another factor in bilateral relations will be the US presidential elections later this year. Russia is likely to put off any major decisions with the US until it knows "who's going to be sitting across the table in 2013," says Mr. Weiss. That means cooperation on easier goals like Russia's expected entry into the World Trade Organization this summer and on security for the 2014 Winter Olympics in Sochi, for example, but nothing substantive on missile defense. One place to watch for clues on where the relationship is going will be the Group of Eight summit in Chicago in May, if as expected Mr. Obama and Putin use the gathering to hold a side summit. Expect the ambience to be "businesslike," Ms. Oliker says – devoid perhaps of the warmth that Obama and outgoing Russian President Dmitry Medvedev shared, but also free of the harsh rhetoric that the two countries have lobbed back and forth about Syria in recent weeks. Russia has "no interest in fighting a proxy war with the US" in Syria, she says, just as the US "has no interest in seeing this escalate."

#### Russian economy strong now – prefer predictive evidence

Nikolaev 10-22 (Sergey, co-founder and Chief Technology Officer at Ivinco, “Russian ruble to be stronger than ever next year?,” 2012, http://english.pravda.ru/russia/economics/22-10-2012/122532-russian\_ruble-0/)

Russia's Central Bank has been demonstrating significant moves in its financial policy. In early October, the Central Bank supported the Russian financial system with unprecedented amount of liquidity. In addition, sources do not rule out an opportunity for the Central Bank to purchase mortgage securities, as well as the infrastructure bonds. What will happen to the ruble? On October 2nd, the Central Bank deposited over 1.11 trillion rubles in commercial banks as part of refinancing operations, which corresponds to more than 42 billion dollars. Such amounts have never been deposited before in one single day. "Taking into consideration the fact that Russia's GDP is around $1.85 trillion, the transactions with liquidity account for 2% of annual GDP, produced by the whole country in a year," analyst of Kalita-Finance, Alexei Vyazovsky said. One of the main problems of the Russian economy is the high cost of credit. It makes corporations and banks go west and receive credits there. The artificial shortage of money, which the Central Bank of Russia maintains, has long been one of the main reasons for criticism of the institution, whose activities would be often defined as sharply contradictory to national interests. In addition, the Central Bank informed the media about the new ideas to form its assets through the purchase of Russian debt securities. As reported by Kommersant, "... the Bank of Russia considers investing in mortgage bonds ... The point of the idea is about the direct purchase of mortgage-backed securities by the Central Bank, which will allow banks to raise long-term funding from the regulator ...". The attention of the Central Bank to infrastructure bonds may become a much more important aspect. They can become a major source of long-term money in the Russian economy to finance large-scale projects. According to its long-standing practice, the Central Bank of Russia keeps about 90% of its assets a foreign currency. In this case, the only channel of the emission of rubles is the purchase of foreign currency, mainly dollars, which makes the Russian currency dependent on the sale of raw materials for exports, which leads to the appearance of large amounts of foreign currency earnings. If this state of affairs is not a form of colonial rule in its pure form, then one may speak about serious limitation of the fiscal sovereignty of the Russian Federation. This dependence leads to the fact that during the period of capital outflow, when it is the Central Bank that sells currency, the received rubles do not come back in the economy, which leads to another contraction of money supplies in the country. According to the Central Bank, the net outflow during the first nine months of this year reached nearly $57.9 billion. In the 4th quarter, Russian companies and banks will have to pay $41 billion of debt to Western creditors. The positive changes in the monetization of the Russian economy and the moves to refuse from the function of a privileged currency exchanger generate quite optimistic expectations. "This is a serious bid for the emergence of sovereign emission in the country, which will not be dependent on the price of oil, gas, metals and currency flows into Russia," says Alexey Vyazovsky. Deputy chairman of Russia's Central Bank Alexey Ulyukayev has recently said that the CB was planning to refuse from the currency band by 2015 with the transition to the policy of inflation targeting. According to Mr. Vyazovsky, this will increase the value of the interest rate of the Central Bank of the Russian Federation in the national economy. Once the Central Bank refuses from the exchange rate band and reduces the presence of the Central Bank in the foreign exchange market, the ruble exchange rate will fluctuate against the euro and the U.S. dollar stronger and freer than ever before. And most likely, the ruble will have a significant potential for strengthening. If all goes according to this scenario, analysts predict the strengthening of the Russian currency within two or three years to the level of 22-23 rubles per dollar. This will cause a blow to domestic producers, but in general, the Russian industry **will win by improving the investment climate**.

#### Russia nuclear exports are high –

Yurman 8-16 (Dan, energy consultant – Yurman and Associates, “Carving up Turkey’s nuclear energy market,” ANS Nuclear Café, 2012, http://ansnuclearcafe.org/category/russia/)

In May 2010, Turkey signed a contract with Rosatom to build Turkey’s first nuclear power site—4.8 Gwe of nuclear-powered electrical generating capacity at Akkuyu in Mersin on the country’s Mediterranean coast. The deal hinged on Russia’s financing and building four 1,200-MW VVER type reactors and operating them for 15 years, after which Rosatom expects to cash out to Turkish investors. The reactors are slated to be completed in 2019. Rosatom was the sole bidder on the Akkuyu project after three western consortiums withdrew from responding to the tender over roller coaster disputes about protection of intellectual property and guaranteed rates. For its part, after a long-tangled process, Turkey agreed to guarantee rates to the Russian plant. Now the Russians want to build the second and third nuclear power stations, but they have competition. There is another reason why Rosatom is not a slam dunk for the second and third power stations. The price has gone up on the first one.

#### Russia’s economy is resilient – oil, metals, and financial reserves

**Garrels 8** (Annie – a foreign correspondent for National Public Radio in the United States, “RUSSIAN ECONOMY STRONG DESPITE COMMODITY FALLOUT”, 9/20/08, <http://www.npr.org/templates/story/story.php?storyId=94647099>)

For the past six years**, Russia's economy has boomed in large part because of soaring prices for oil and metals.** Russia is strong in these areas ó too strong, though, for a balanced economy. Russian shares have bled almost 50 percent of their value since May, but many analysts say Russia still remains a resilient economy. And after the Georgia invasion and weeks of harsh, anti-western rhetoric, both Russian President Dmitri Medvedev and Prime Minister Vladimir Putin have tried to reassure foreign investors. When those commodities prices dropped, Russia's stock market was hit hard. "The question is if they fall significantly further," says James Fenkner with Red Star Assets in Moscow. Fenkner is one of the more cautious voices in Moscow, and other analysts like Roland Nash of Renaissance Capital look at other indicators, like direct foreign investment. "The level of foreign investment is twice the per capita of Brazil, **four times that of China**, and six times that of India this year," Nash says. "The market arguments for Russia are still very good and there is still a lot of money coming in." Too Dependent On Commodities The Russia government recognizes it is too dependent on commodities, and while their prices were high, it amassed **huge reserves as a cushion**. The country now has a balanced budget and financial analysts predict its economy will continue to grow at about six percent. Vladmir Tikhomirov, senior economist at Uralsib Financial Corporation, says this is enough to avoid a crisis, but it is not what the Kremlin hoped for. "It's not enough to make fundamental changes to the economic structures," Tikhomirov says. "Russia must have to be a more competitive and efficient economy." Moscow may now be the most expensive, glamorous city in the world, but the rest of the country lags behind. Tikhomirov says the Russia needs to improve basic infrastructure like roads as well as small and mid-size businesses. For this, Russia needs a stable global financial system

#### Econ decline won’t change Russia’s foreign policy or cause domestic unrest – empirically denied

Blackwill 9 (Robert Blackwill 2009; former associate dean of the Kennedy School of Government and Deputy Assistant to the President and Deputy National Security Advisor for Strategic Planning; RAND, "The Geopolitical Consequences of the World Economic Recession—A Caution", http://www.rand.org/pubs/occasional\_papers/2009/RAND\_OP275.pdf)

Now on to Russia. Again, fi ve years from today. Did the global recession and Russia’s present serious economic problems substantially modify Russian foreign policy? No. (President Obama is beginning his early July visit to Moscow as this paper goes to press; nothing fundamental will result from that visit). Did it produce a serious weakening of Vladimir Putin’s power and authority in Russia? No, as recent polls in Russia make clear. Did it reduce Russian worries and capacities to oppose NATO enlargement and defense measures eastward? No. Did it aff ect Russia’s willingness to accept much tougher sanctions against Iran? No. Russian Foreign Minister Lavrov has said there is no evidence that Iran intends to make a nuclear weapon.25 In sum, Russian foreign policy is today on a steady, consistent path that can be characterized as follows: to resurrect Russia’s standing as a great power; to reestablish Russian primary infl uence over the space of the former Soviet Union; to resist Western efforts to encroach on the space of the former Soviet Union; to revive Russia’s military might and power projection; to extend the reach of Russian diplomacy in Europe, Asia, and beyond; and to oppose American global primacy. For Moscow, these foreign policy first principles are here to stay, as they have existed in Russia for centuries. 26 None of these enduring objectives of Russian foreign policy are likely to be changed in any serious way by the economic crisis.

#### Give Russia war zero probability – politics, military superiority, and nuclear security

Graham 7 (Thomas, Russia in Global Affairs, "The dialectics of strength and weakness", http://eng.globalaffairs.ru/numbers/20/1129.html)

An astute historian of Russia, Martin Malia, wrote several years ago that “Russia has at different times been demonized or divinized by Western opinion less because of her real role in Europe than because of the fears and frustrations, or hopes and aspirations, generated within European society by its own domestic problems.” Such is the case today. To be sure, mounting Western concerns about Russia are a consequence of Russian policies that appear to undermine Western interests, but they are also a reflection of declining confidence in our own abilities and the efficacy of our own policies. Ironically, this growing fear and distrust of Russia come at a time when Russia is arguably less threatening to the West, and the United States in particular, than it has been at any time since the end of the Second World War. Russia does not champion a totalitarian ideology intent on our destruction, its military poses no threat to sweep across Europe, its economic growth depends on constructive commercial relations with Europe, and its strategic arsenal – while still capable of annihilating the United States – is under more reliable control than it has been in the past fifteen years and the threat of a strategic strike approaches zero probability. Political gridlock in key Western countries, however, precludes the creativity, risk-taking, and subtlety needed to advance our interests on issues over which we are at odds with Russia while laying the basis for more constructive long-term relations with Russia.

#### Their impact is irresponsible fearmongering – there is NO capacity for terrorists to acquire and execute a nuclear attack

Mueller and Stewart 12 [John Mueller is Senior Research Scientist at the Mershon Center for International Security Studies and Adjunct Professor in the Department of Political Science, both at Ohio State University, and Senior Fellow at the Cato Institute in Washington, D.C. Mark G. Stewart is Australian Research Council Professorial Fellow and Professor and Director at the Centre for Infrastructure Performance and Reliability at the University of Newcastle in Australia, “The Terrorism Delusion”, International Security, Vol. 37, No. 1 (Summer 2012), pp. 81–110, Chetan]

It seems increasingly likely that the official and popular reaction to the terrorist attacks of September 11, 2001, has been substantially deluded—massively disproportionate to the threat that al-Qaida has ever actually presented either as an international menace or as an inspiration or model to homegrown amateurs. Applying the extensive datasets on terrorism that have been generated over the last decades, we conclude that the chances of an American perishing at the hands of a terrorist at present rates is one in 3.5 million per year—well within the range of what risk analysts hold to be “acceptable risk.”40 Yet, despite the importance of responsibly communicating risk and despite the costs of irresponsible fearmongering, just about the only official who has ever openly put the threat presented by terrorism in some sort of context is New York’s Mayor Michael Bloomberg, who in 2007 pointed out that people should “get a life” and that they have a greater chance of being hit by lightning than of being a victim of terrorism—an observation that may be a bit off the mark but is roughly accurate.41 (It might be noted that, despite this unorthodox outburst, Bloomberg still managed to be re-elected two years later.) Indeed, much of the reaction to the September 11 attacks calls to mind Hans Christian Andersen’s fable of delusion, “The Emperor’s New Clothes,” in which con artists convince the emperor’s court that they can weave stuffs of the most beautiful colors and elaborate patterns from the delicate silk and purest gold thread they are given. These stuffs, they further convincingly explain, have the property of remaining invisible to anyone who is unusually stupid or unfit for office. The emperor finds this quite appealing because not only will he have splendid new clothes, but he will be able to discover which of his officials are unfit for their posts—or in today’s terms, have lost their effectiveness. His courtiers, then, have great professional incentive to proclaim the stuffs on the loom to be absolutely magnificent even while mentally justifying this conclusion with the equivalent of “absence of evidence is not evidence of absence.” Unlike the emperor’s new clothes, terrorism does of course exist. Much of the reaction to the threat, however, has a distinctly delusionary quality. In Carle’s view, for example, the CIA has been “spinning in self-referential circles” in which “our premises were flawed, our facts used to fit our premises, our premises determined, and our fears justified our operational actions, in a self-contained process that arrived at a conclusion dramatically at odds with the facts.” The process “projected evil actions where there was, more often, muddled indirect and unavoidable complicity, or not much at all.” These “delusional ratiocinations,” he further observes, “were all sincerely, ardently held to have constituted a rigorous, rational process to identify terrorist threats” in which “the avalanche of reporting confirms its validity by its quantity,” in which there is a tendency to “reject incongruous or contradictory facts as erroneous, because they do not conform to accepted reality,” and in which potential dissenters are not-so-subtly reminded of career dangers: “Say what you want at meetings. It’s your decision. But you are doing yourself no favors.”42 Consider in this context the alarming and profoundly imaginary estimates of U.S. intelligence agencies in the year after the September 11 attacks that the number of trained al-Qaida operatives in the United States was between 2,000 and 5,000.43 Terrorist cells, they told reporters, were “embedded in most U.S. cities with sizable Islamic communities,” usually in the “run-down sections,” and were “up and active” because electronic intercepts had found some of them to be “talking to each other.”44 Another account relayed the view of “experts” that Osama bin Laden was ready to unleash an “11,000 strong terrorist army” operating in more than sixty countries “controlled by a Mr. Big who is based in Europe,” but that intelligence had “no idea where thousands of these men are.”45 Similarly, FBI Director Robert Mueller assured the Senate Intelligence Committee on February 11, 2003, that, although his agency had yet to identify even one al-Qaida cell in the United States, “I remain very concerned about what we are not seeing,” a sentence rendered in bold lettering in his prepared text. Moreover, he claimed that such unidentified entities presented “the greatest threat,” had “developed a support infrastructure” in the country, and had achieved both the “ability” and the “intent” to inflict “signi ficant casualties in the US with little warning.”46 Over the course of time, such essentially delusionary thinking has been internalized and institutionalized in a great many ways. For example, an extrapolation of delusionary proportions is evident in the common observation that, because terrorists were able, mostly by thuggish means, to crash airplanes into buildings, they might therefore be able to construct a nuclear bomb. Brian Jenkins has run an internet search to discover how often variants of the term “al-Qaida” appeared within ten words of “nuclear.” There were only seven hits in 1999 and eleven in 2000, but the number soared to 1,742 in 2001 and to 2,931 in 2002.47 By 2008, Defense Secretary Robert Gates was assuring a congressional committee that what keeps every senior government leader awake at night is “the thought of a terrorist ending up with a weapon of mass destruction, especially nuclear.”48 Few of the sleepless, it seems, found much solace in the fact that an al-Qaida computer seized in Afghanistan in 2001 indicated that the group’s budget for research on weapons of mass destruction (almost all of it focused on primitive chemical weapons work) was $2,000 to $4,000.49 In the wake of the killing of Osama bin Laden, officials now have many more al-Qaida computers, and nothing in their content appears to suggest that the group had the time or inclination, let alone the money, to set up and staff a uranium-seizing operation, as well as a fancy, super-high-technology facility to fabricate a bomb. This is a process that requires trusting corrupted foreign collaborators and other criminals, obtaining and transporting highly guarded material, setting up a machine shop staffed with top scientists and technicians, and rolling the heavy, cumbersome, and untested finished product into position to be detonated by a skilled crew—all while attracting no attention from outsiders.50 If the miscreants in the American cases have been unable to create and set off even the simplest conventional bombs, it stands to reason that none of them were very close to creating, or having anything to do with, nuclear weapons—or for that matter biological, radiological, or chemical ones. In fact, with perhaps one exception, none seems to have even dreamed of the prospect; and the exception is José Padilla (case 2), who apparently mused at one point about creating a dirty bomb—a device that would disperse radiation—or even possibly an atomic one. His idea about isotope separation was to put uranium into a pail and then to make himself into a human centrifuge by swinging the pail around in great arcs.51 Even if a weapon were made abroad and then brought into the United States, its detonation would require individuals in-country with the capacity to receive and handle the complicated weapons and then to set them off. Thus far, the talent pool appears, to put mildly, very thin.

### Prolif

#### South Korea’s backing away from pyroprocessing

Yonhap, 3-8-2012, “U.S. unlikely to allow S. Korea to reprocess nuclear fuel,” http://english.yonhapnews.co.kr/national/2012/03/08/23/0301000000AEN20120308007100315F.HTML

The United States is unlikely to allow South Korea to adopt its indigenous technology aimed at reprocessing highly radioactive spent nuclear fuel in their negotiations to revise a bilateral nuclear accord, a senior Seoul diplomat involved in the talks said Thursday. The refusal by U.S. negotiators stemmed from a "deep-rooted distrust" of South Korea, which had once authorized a clandestine nuclear weapons program in the early 1970s under former president Park Jung-hee but shut it down under pressure from Washington, the diplomat said on the condition of anonymity. Rather than pressing the U.S. to allow South Korea to adopt the proliferation-resistant reprocessing technology, called "pyroprocessing," Seoul is focusing on revising the nuclear accord to make it easier to export nuclear power plants, the diplomat said.

#### South Korean pyroprocessing causes South Korean prolif and undermines US nonprolif efforts with Iran, North Korea, and Southeast Asia

Zachary Keck 12, Assistant Editor of The Diplomat, “Rough Waters? The State of the ROK-U.S. Alliance,” The Diplomat, 8-22-12, http://thediplomat.com/flashpoints-blog/2012/08/22/rough-waters-the-state-of-the-rok-u-s-alliance/

Washington’s concerns over South Korean’s nuclear ambitions have only been heightened by Seoul’s latest campaign to acquire indigenous enrichment and reprocessing facilities, which it is proscribed from doing under a nuclear pact it signed with Washington in 1974. In contrast, the U.S. has signed agreements recognizing Japan’s reprocessing and enrichment rights as well as India’s de facto reprocessing capability. Now, with the U.S. and South Korea renegotiating the 1974 nuclear pact that will expire in 2014, South Korea has demanded that Washington acquiesce to Seoul building enrichment and processing facilities. South Korea’s immediate interest in acquiring these capabilities is not nuclear weapons but rather further expanding its nuclear energy industry at home and abroad. Nonetheless, the U.S. has rejected South Korea’s request thus far, with President Obama’s top proliferation adviser, Garry Samore, telling South Korean reporters last month, “There is no danger that Korean industry will not be able to get access to low enriched uranium," Washington has a number of reasons to oppose South Korea’s request, many of which have nothing to do with Seoul. For instance, a key component of President Obama’s nuclear security agenda is the goal of securing all nuclear materials worldwide within four years. Allowing South Korea to begin producing its own fissile materials would run counter to this goal and undercut the administration’s important successes in reducing the number of countries that possess and produce these materials. Allowing South Korea to build these facilities would also undermine the current U.S.-led campaign to persuade Iran to abandon its own enrichment facilities. It would also adversely affect a number of U.S. objectives in the Asia-Pacific, including persuading Pyongyang to surrender its own nuclear program, according Japan a heightened status among U.S. allies, and keeping Southeast Asia’s budding nuclear energy programs on their current peaceful trajectories. Under the surface, however, Washington’s opposition is likely due in part to its uncertainty over South Korea’s long-term nuclear intentions. As noted above, South Korea already has a history of covertly seeking nuclear arms. That this took place before Seoul became a democracy is cold comfort to the U.S given that South Koreans have at times been overwhelming in favor of their country acquiring nuclear weapons. In other words, at a time when the region is undergoing sweeping changes, the U.S. is increasingly less confident that South Korea will continue to rely on Washington for its security indefinitely. Indeed, there are already a number of signs that Seoul is seeking greater autonomy. These come at a time when the U.S. will need South Korea more than ever in order to properly rebalance its forces in the region.

#### The plan shatters the norm against reprocessing – turns the advantage

Scott Sagan, poly sci prof @ Stanford, co-chair Global Nuclear Future Initiative, 4-18-2011, “The International Security Implications of U.S. Domestic Nuclear Power Decisions,” http://cybercemetery.unt.edu/archive/brc/20120621005012/http://brc.gov/sites/default/files/documents/sagan\_brc\_paper\_final.pdf

A similar phenomenon occurs when policy makers and scholars underestimate the international effect of the U.S. decision to abandon plutonium reprocessing in the 1970s. Skeptics claim that the fact that France and Japan, especially, went forward with their ambitious plutonium reprocessing efforts somehow demonstrates that U.S. efforts to constrain the global growth were a failure. But a more appropriate standard (but again more difficult to measure) for assessing our influence would estimate the number of states that would have developed plutonium reprocessing capabilities if the U.S. had not actively discouraged such fuel cycle activities after Jimmy Carter’s April 1997 order to cancel construction of commercial breeder reactors that employed a closed fuel cycle with plutonium reprocessing. The primary motivation behind the decision to postpone the development of this technology was a concern for the proliferation implications of the U.S. use of a closed fuel cycle. 17 The Carter administration reasoned that the decision to end reprocessing in the U.S. would have two effects: first, the U.S. could no longer act as an exporter of related technologies, limiting their availability; and second, it would create a normative change that would redefine the behavior of a responsible nuclear power state. Because we are estimating a counterfactual condition, it is not possible to measure definitively the effects of the Carter policy on the actual spread of reprocessing facilities around the world. Of the twenty-one countries that at some point in their history pursued plutonium reprocessing, ten have finished large-scale facilities and use them today: U.S., China, Israel, France, UK, India, Japan, Pakistan, Russia, and North Korea. 18 Algeria and the Czech Republic have a pilot-scale reprocessing plants, but have not moved towards further industrial development. 19 Nine countries abandoned their reprocessing programs: South Korea, Taiwan, Germany, Iraq, Italy, Argentina, Brazil, Belgium, and Yugoslavia. 20 The causes of these reversal decisions were complex, but in many of the cases U.S. diplomatic pressure was an important factor and that pressure was made more credible and acceptable because the U.S had given up **its own** civilian plutonium **reprocessing** programs. This “credibility” factor continues to be important today. South Korea is lobbying to renegotiate its agreements with the U.S. to be able to develop “pyro-processing,” a form of spent fuel reprocessing that supporters claim poses fewer proliferation risks than standard PUREX acqueous reprocessing. While this appears a challenge to the claim that the U.S. policy has had a positive influence, the very fact that the South Koreans are actively arguing that pyro-processing – unlike the PUREX process – does not separate out plutonium shows their awareness of the power of the norm against developing such technologies. While the U.S. government initially cooperated with South Korea on pyroprocessing research, Richard Stratford (Director of the Office of Nuclear Energy Affairs in the Bureau of Nonproliferation, U. S. Department of State) recently stated that the technology “moved to the point that the product is dangerous from a proliferation point of view,” and that the DOE now “states frankly and positively that pyro-processing is reprocessing.” The U.S. government position against pyro-processing in South Korea today is made more credible by the fact that the U.S. does not reprocess spend fuel for commercial purposes. 21

#### No widespread proliferation

Hymans 12 (Jacques, Associate Professor of International Relations – USC, North Korea's Lessons for (Not) Building an Atomic Bomb, Foreign Affairs, 4-16, www.foreignaffairs.com/articles/137408/jacques-e-c-hymans/north-koreas-lessons-for-not-building-an-atomic-bomb?page=show)

Washington's miscalculation is not just a product of the difficulties of seeing inside the Hermit Kingdom. It is also a result of the broader tendency to overestimate the pace of global proliferation. For decades, Very Serious People have predicted that strategic weapons are about to spread to every corner of the earth. **Such warnings have routinely proved wrong** - for instance, the intelligence assessments that led to the 2003 invasion of Iraq - but they continue to be issued. In reality, despite the diffusion of the relevant technology and the knowledge for building nuclear weapons, the world has been experiencing a great proliferation slowdown. Nuclear weapons programs around the world are taking much longer to get off the ground - and their failure rate is much higher - than they did during the first 25 years of the nuclear age. As I explain in my article "Botching the Bomb" in the upcoming issue of Foreign Affairs, the key reason for the great proliferation slowdown is the absence of strong cultures of scientific professionalism in most of the recent crop of would-be nuclear states, which in turn is a consequence of their poorly built political institutions. In such dysfunctional states, the quality of technical workmanship is low, there is little coordination across different technical teams, and technical mistakes lead not to productive learning but instead to finger-pointing and recrimination. **These problems are debilitating**, and **they cannot be fixed** simply by bringing in more imported parts through illicit supply networks. In short, as a struggling proliferator, North Korea has a lot of company.

#### Proliferators are not aggressive – they care about the economy and regime survival

Alagappa, 2008 (Muthiah – distinguished senior fellow at the East-West Center, The Long Shadow, p. 508-509)

Another major conclusion of this study is that although nuclear weapons could have destabilizing consequences in certain situations, on net they have **reinforced national security and** regional **stability** in Asia. It is possible to argue that fledgling and small nuclear arsenals would be more vulnerable to preventive attacks; that the related strategic compulsion for early use may lead to early launch postures and crisis situations; that limited war under nuclear conditions to alter or restore the political status quo can intensify tensions and carry the risk of escalation to major war; that inadequate command, control, and safety measures could result in accidents; and that nuclear facilities and material may be vulnerable to terrorist attacks. These are legitimate concerns, but thus far nuclear weapons have not undermined national security and regional stability in Asia. Instead, they have **ameliorated national security concerns**, strengthened the status quo, **increased deterrence dominance**, prevented the outbreak of major wars, and reinforced the regional trend to reduce the salience of force in international politics. Nor have nuclear weapons had the predicted domino effect. These consequences have strengthened regional security and stability that rest on multiple pillars. The grim scenarios associated with nuclear weapons in Asia frequently rely on worst-case political and military situations; often they are seen in isolation from the national priorities of regional states that **emphasize economic development** and modernization through participation in regional and global economies and the high priority accorded to stability in domestic and international affairs. The primary goal of regional states is **not** aggrandizement through **military aggression** but preservation of national integrity, state or regime survival, economic growth and prosperity, increase in national power and international influence, preservation or incremental change in the status quo, and the construction of regional and global orders in which they are subjects rather than objects. Seen in this broader perspective, nuclear weapons and more generally military force are of **greater relevance in the defense, deterrence, and assurance roles than offensive ones**. This does not imply that offensive use of force or military clashes will not occur; only that force is not the first option, that military clashes will be infrequent, and that when they do occur they will be limited in scope and intensity. Security interaction in Asia increasingly approximates behavior associated with defensive realism.

#### No risk of accidents – safety devices and conflict management prevent war

Mueller, 2009 (John – Woody Hayes chair of national security studies at Ohio State University, Atomic Obsession, p. 100-101)

It is a plausible argument that, all other things equal, if the number of nuclear weapons in existence increases, the likelihood one will go off by accident will also increase. In fact, all things haven't been equal. As nuclear weapons have increased in numbers and sophistication, **so have safety devices and procedures**. Precisely because the weapons are so dangerous, extraordinary efforts to keep them from going off by accident or by an unauthorized deliberate act have been instituted, and these measures have, so far, been effective: no one has been killed in a nuclear explosion since Nagasaki. Extrapolating further from disasters that have not occurred, many have been led to a concern that, triggered by a nuclear weapons accident, a war could somehow be started through an act of desperation or of consummate sloppiness. Before the invention of nuclear weapons, such possibilities were not perhaps of great concern, because no weapon or small set of weapons could do enough damage to be truly significant. Each nuclear weapon, however, is capable of destroying in an instant more people than have been killed in an average war, and the weapons continue to exist in the tens of thousands. However, even if a bomb, or a few bombs, were to go off, it does not necessarily follow that war would result. For that to happen, it is assumed, the accident would have to take place at a time of war-readiness, as during a crisis, when both sides are poised for action and when one side could perhaps be triggered – or panicked –into major action by an explosion mistakenly taken to be part of, or the prelude to, a full attack. This means that the unlikely happening –a nuclear accident – would have to coincide precisely with an event, a militarized international crisis, something that is **rare** to begin with, became more so as the cold war progressed, and has become even less likely since its demise. Furthermore, even if the accident takes place during a crisis, **it does not follow that escalation** or hasty response **is** inevitable, or even **very likely**. As Bernard Brodie points out, escalation scenarios essentially impute to both sides "a well-nigh limitless concern with saving face" and/or "a deal of ground-in automaticity of response and counterresponse." None of this was in evidence during the Cuban missile crisis when there were accidents galore. An American spy plane was shot down over Cuba, probably without authorization, and another accidentally went off course and flew threateningly over the Soviet Union. As if that weren’t enough, a Soviet military officer spying for the West sent a message, apparently on a whim, warning that the Soviets were about to attack.31 **None of these remarkable events triggered anything** in the way of precipitous response. They were duly evaluated and then ignored. Robert Jervis points out that "when critics talk of the impact of irrationality, they imply that all such deviations will be in the direction of emotional impulsiveness, of launching an attack, or of taking actions that are terribly risky. But irrationality could also lead a state to **passive acquiescence**." In moments of high stress and threat, people can be said to have three psychological alternatives: (1) to remain calm and rational, (2) to refuse to believe that the threat is imminent or significant, or to panic, lashing out frantically and incoherently at the threat. Generally, people react in one of the first two ways. In her classic study of disaster behavior, Martha Wolfenstein concludes, “The usual reaction is one of being unworried.” In addition, the historical record suggests that **wars simply do not begin by accident**. In his extensive survey of wars that have occurred since 1400, diplomat-historian Evan Luard concludes, "It is impossible to identify a single case in which it can be said that a war started accidentally; in which it was not, at the time the war broke out, the deliberate intention of at least one party that war should take place." Geoffrey Blainey, after similar study, very much agrees: although many have discussed "accidental" or "unintentional" wars, "it is difficult," he concludes, "to find a war which on investigation fits this description." Or, as Henry Kissinger has put it dryly, "Despite popular myths, large military units do not fight by accident."

# 2NC

### Russia Aggression – 2NC

#### Cartel causes Russian resurgence and collapses the global economy

Fang et al 12 (Songying Fang - Ph.D. Assistant Professor of Political Science Rice University. Amy Myers Jaffe - Fellow in Energy Studies JamesA. Baker III Institute for Public Policy Rice University. TedTemzelides, Ph.D., Prof of Economics. “New Alignments? The Geopolitics of Gas and Oil Cartels and the Changing Middle East,” January 2012, <http://www.bakerinstitute.org/publications/EF-pub-GasOilCartels-012312.pdf>)

Ill this study, we investigate three related questions raised by the above observations. First, what is the likelihood that Russia will be successful in creating new coalitions in energy markets in the near future? Russia’s aggressive use of its own energy exports as a tool of statecraft and diplomatic leverage in recent years **has reintroduced fears of an “energy weapon”** that could be wielded in international discourse. It has been argued that tightening energy markets could raise the benefits and possible chances of success for an energy exporting country that, alone or in combination with others, **is trying to wrest political concessions** by threatening to cut off energy supplies. Such an event would present a challenge for the international economy, and it could even lead to military conflict.2

#### Russian resurgence causes global nuclear war

Blank 9 – Dr. Stephen Blank , Research Professor of National Security Affairs at the Strategic Studies Institute of the U.S. Army War College, March 2009, “Russia And Arms Control: Are There Opportunities For The Obama Administration?,” online: http://www.strategicstudiesinstitute.army.mil/pdffiles/pub908.pdf

Proliferators or nuclear states like China and Russia can then deter regional or intercontinental attacks either by denial or by threat of retaliation.168 Given a multipolar world structure with little ideological rivalry among major powers, it is unlikely that they will go to war with each other. Rather, like Russia, they will strive for exclusive hegemony in their own “sphere of influence” and use nuclear instruments towards that end. However, wars may well break out between major powers and weaker “peripheral” states or between peripheral and semiperipheral states given their lack of domestic legitimacy, the absence of the means of crisis prevention, the visible absence of crisis management mechanisms, and their strategic calculation that asymmetric wars might give them the victory or respite they need.169 Simultaneously, The states of periphery and semiperiphery have far more opportunities for political maneuvering. Since war remains a political option, these states may find it convenient to exercise their military power as a means for achieving political objectives. Thus international crises may increase in number. This has two important implications for the use of WMD. First, they may be used deliberately to offer a decisive victory (or in Russia’s case, to achieve “intra-war escalation control”—author170) to the striker, or for defensive purposes when imbalances in military capabilities are significant; and second, crises increase the possibilities of inadvertent or accidental wars involving WMD.171 Obviously nuclear proliferators or states that are expanding their nuclear arsenals like Russia can exercise a great influence upon world politics if they chose to defy the prevailing consensus and use their weapons not as defensive weapons, as has been commonly thought, but as offensive weapons to threaten other states and deter nuclear powers. Their decision to go either for cooperative security and strengthened international military-political norms of action, or for individual national “egotism” will critically affect world politics. For, as Roberts observes, But if they drift away from those efforts [to bring about more cooperative security], the consequences could be profound. At the very least, the effective functioning of inherited mechanisms of world order, such as the special responsibility of the “great powers” in the management of the interstate system, especially problems of armed aggression, under the aegis of collective security, could be significantly impaired. Armed with the ability to defeat an intervention, or impose substantial costs in blood or money on an intervening force or the populaces of the nations marshaling that force, the newly empowered tier could bring an end to collective security operations, undermine the credibility of alliance commitments by the great powers, [undermine guarantees of extended deterrence by them to threatened nations and states] extend alliances of their own, and perhaps make wars of aggression on their neighbors or their own people.172

### Nuclear Power – 2NC

#### Nuclear power causes LNG exports – demand is rising especially from manufacturing, nuclear trades off and puts downward pressure on prices – makes exports viable – that’s Perry.

#### No turns – nuclear removes the floor under natural gas prices

ISA 12 (iStockAnalyst, “Weak Nuclear Power Output Should Support U.S. Natural Gas Prices,” 11-29, http://www.istockanalyst.com/finance/story/6165585/weak-nuclear-power-output-should-support-u-s-natural-gas-prices)

U.S. natural gas sold off sharply in recent days, driven mostly by warmer weather forecasts. Bloomberg: - Gas dropped as much as 3.8 percent as forecasters including MDA Weather Services predicted above-normal temperatures for most of the lower 48 states over the next 10 days. Unusually cold weather helped reduce a supply glut this month. The December contract expires today. "The weather is moderating so it's wearing a little bit on the market," said Tom Saal, senior vice president of energy trading at INTL Hencorp Futures LLC in Miami. "We've got an expiring contract today, that could be part of it." The declines however should be **limited due to reduced nuclear power generation**. A large number of nuclear plants have been down unexpectedly and it may take time to bring them online. US nuclear generation is materially below normal for this time of the year, which should provide a floor to natural gas prices.

#### Natural gas prices are rising BECAUSE nuclear power is declining – the plan reverses that

Prezioso 12 (Jeanine, “REFILE-Storm-closed US nuclear power plants may boost natgas use,” Reuters, 10-31, http://www.reuters.com/article/2012/10/31/sandy-natgas-demand-idUSL1E8LV3UF20121031)

As the U.S. Northeast begins its recovery from Hurricane Sandy and power is slowly restored, natural gas may be one market that benefits. The much-touted cleaner-burning fuel could be a replacement for nuclear power generation, which faces the highest level of outages since spring 2011. Massive flooding and electric grid outages from the storm caused three U.S. nuclear reactors totaling 2,800 megawatts (MWs) to shut. Those reactors and others that had already been offline could face longer inspections to check equipment following the storm. The United States last year initiated closer scrutiny of U.S. nuclear plants and their safety features following the earthquake, tsunami and subsequent flooding in Japan that caused a nuclear plant meltdown there. That lost nuclear power would likely be replaced incrementally with gas-fired electricity, **boosting demand for the fuel**. "If you reduce that demand, you could see a significant reliance on gas, especially in the east where coal generation isn't all that profitable anymore," said Eric Bickel, commodity analyst with Summit Energy in Louisville, Kentucky. Sandy hit during a month when many nuclear reactors were offline for scheduled maintenance anyway. But since March 2011, when the massive earthquake followed by a tsunami caused flooding and a meltdown at Tokyo Electric Power Co's Fukushima Daiichi nuclear plant, the world's nuclear power regulators have taken more precautions. "That's been an influential factor since that happened. You do have more stringent safety precautions now and you want to make sure everything is sound before you embark on putting them back online," said Bickel. SHORT TERM DEMAND LOSS On the flip side, Sandy has created a short-term vexing problem for an already oversupplied natural gas market: less immediate demand for the fuel and a short-term drop in prices until winter. The lack of power demand translates to a decrease in natural gas usage of about 1 billion cubic feet per day (bcfd), analysts said, which could generate about 5,000 MWs of electricity. At its peak, Sandy's fierce wind created tumultuous storm surges along the east coast that flooded power stations, caused transformers to explode and knocked out electricity to more than 8 million homes and businesses. The loss of that electricity usage may lessen demand for natural gas-generated power. Electric heat is not common in the Northeast, but gas heat for homes is. More than half of U.S. homes use gas as a heating fuel in winter, which is fast approaching, another factor that will increase demand.

#### Nuclear power crowds out natural gas demand – makes exports viable

Patel 12 (Simit – Metals and Energy Investor, “Cheap Natural Gas Won't Destroy The Nuclear Power Industry”, 4/12, http://seekingalpha.com/article/494121-cheap-natural-gas-won-t-destroy-the-nuclear-power-industry)

The other part of the equation here is nuclear power. How will nuclear power, which is also baseload and emission-free, be impacted by cheap natural gas? Certainly, I think cheap natural gas slows down the case for nuclear. It should still be noted, though, that because of the unrivalled energy density of nuclear power, it will ultimately **prove to be cheaper and more scalable** than any other energy source out there. Density is the primary consideration when evaluating the quality of energy sources, and nuclear remains king. Another consideration with natural gas is that while prices are currently cheap, **there is no guarantee that prices will stay this way**. With nuclear, prices are very predictable. The primary cost of nuclear power is an upfront fee, as the marginal fuel costs are very small. Natural gas prices have been very low before, and, in fact, they were low right after the Three Mile Island nuclear accident in 1979. The uncertainty of natural gas prices, and the fact that such prices will significantly impact energy prices derived from natural gas plants, make a strong case for diversifying into other energy sources. And with emissions regulations (for better or worse) becoming more common and with peak oil here, the case for diversification into nuclear remains strong. It should also be noted that demand for energy has been fairly constant over the past few years due to greater energy efficiency and a global depression borne out of a sovereign debt crisis - but such depressed demand is unlikely to remain. The U.S. Energy Information Administration (EIA) released a report in September of 2011 which projects that world energy use will increase 53% from 2008 to 2035. The report, International Energy Outlook 2011, says China and India will account for half of the projected increase. In this regard it is especially important to note that both China and India remain committed to nuclear power. Indeed, I think this is a simple guideline for investors in the nuclear power sector keep an eye out for. So long as China and India are interested in nuclear power, demand can go higher. The remarkably cheap prices for natural gas may slow down the nuclear renaissance, but it won't stop it. I believe that patient investors, those willing to wait up to a decade, will be rewarded accordingly. I did once believe that the end of the Megatons to Megawatts program could lead to a sharp and imminent rise in uranium prices for nuclear fuel. I'm a little less confident in that view, as I think cheap natural gas prices could make the situation less urgent and create some other options in the short-term. But as energy demand goes back up, and as the market as a whole continues to rise due to aggressive inflationary monetary policy from the world's central banks, natural gas prices will follow - and **the case for nuclear power will remain strong.**

### U – Prices Rising (UGA/NU)

#### New demand for NG makes price spike inevitable

Moors 1-24 (Dr. Kent, internationally recognized expert in oil and natural gas policy, risk assessment, and emerging market economic development, “Betting on the Coming Boom in Natural Gas Prices,” Money Morning, 2013, http://moneymorning.com/2013/01/24/betting-on-the-coming-boom-in-natural-gas-prices/)

There is also something else happening this morning. Natural gas prices are moving up. There is still some way to go before these prices reach the $4 plus level (still the perceived breakeven point for a number of producers). Still, after testing the low $3 range earlier in the month, the temperatures in the East are certainly bringing gas back into perspective. Natural gas usage remains sensitive to temperatures and weather conditions during the winter. Last year's unusually warm temperatures depressed gas prices more than usual. That was because the amount of gas extractions was much above anticipated levels. The combination of lower demand and higher supply translated into a downward price pressures. But we are in a different environment for gas production than we were a few years ago. Until 2005, the assumption was that the U.S. would need to import more liquefied natural gas (LNG) to compensate for accelerating declines in conventional domestic production. LNG overcomes the primary problem faced by natural gas users. Available supply is traditionally limited to where pipelines are running. LNG, on the other hand, cools gas to a liquid, allowing it to be transported by tankers almost anywhere by water, regasified at an import terminal, and then injected into the local pipeline network. By the middle of last decade, estimates of how much domestic gas need would have to be imported via LNG were as much as 15% and as soon as 2020. But the ability to exploit unconventional deposits (shale and tight gas, coal bed methane) has dramatically changed the equation. The Rise of U.S. Export Terminals Companies are retrofitting current import terminals to export LNG from the U.S., using shale gas excess volume as the feeder stock. Of course, that also provides an additional source of revenue for producers and processors... and added potential for investors. From a current level of zero, global estimates are putting the American component in LNG trade at 9-12% as early as 2020. This will be starting in earnest next year (2014) and there are huge markets waiting in both Asia and Europe. Europe is a straight shot from East Coast (Cove Point, MD) and Gulf States (Sabine Pass) locations. However, the Asian market remains the main LNG consumer. There, the 2014 completion of a project to deepen and widen the Panama Canal will allow LNG tankers to use the shortcut and open Asia to U.S. LNG sales. But LNG is not the only or even the major demand spike underway for gas. It's what's happening elsewhere that will be the real boon for investors. Power Plant Retirements Swell The U.S. will be retiring at least 90 GW of electricity generation by 2020, with an additional 20-30 GW likely because of new non-carbon emission limits. The **vast majority of this is coal-fired and is being replaced by gas as the fuel of choice**. For each 10 GW replaced, 1.2 billion cubic feet of gas will be required daily. If only half of the expected capacity replacement occurs, the additional requirements would eliminate three times the current gas surplus in the market. The LNG and power needs will buttress the demand side regardless of what Mother Nature chooses to do this winter. There are also increasing usages in other areas: As replacement for crude oil as raw material for petrochemical production, fertilizer and all manner of plastics and components; In broad industrial uses from normal energy requirements to the development of new chemical and related lines (this industrial use likely to be the lack to kick in after a recession); and, In the expansion of LNG and compressed natural gas (CNG) as a vehicle fuel (already underway in heavy trucks). All of this has prompted upward revisions in what had been still weak gas pricing estimates. Most analysts are putting the target at about a dollar above current prices (currently this morning about $3.53 per 1,000 cubic feet, or million BTUs, the NYMEX futures contract unit). My estimate puts natural gas prices at around $4.65. However, just about everybody is looking at new utilizations for gas increasing the price to about $6 by as early as 2015 or 2016.

#### Most studies underestimate demand – prices will go up

Squadron 1-12 (Bill, President – OurEnergyPolicy.Org, “Future Energy Consumption: Natural Gas Poised To Increase In Transportation?” Energy Collective, 2013, http://theenergycollective.com/billsquadron/169971/future-energy-consumption-natural-gas--transportation)

The recent projections for future energy consumption from Exxon Mobil’s report, “Outlook for Energy,” and the EIA’s “Annual Energy Outlook, 2013” essentially said the same thing concerning the potential for natural gas and its derivative methanol: Natural gas use now is only about 1 percent of the total fuel used in vehicles, and by 2040, it will only rise to 4 percent. This increase will take place in the trucking sector and liquefied natural gas (LNG). Owners of automobiles will not rush to natural gas, because of a lack of pumping stations and the low density of natural gas. Adam Sieminski, EIA administrator, said, “what really holds natural gas back is the infrastructure to refuel and how much energy you can put into a vehicle is limited.” However, both reports appear to underestimate the future demand for natural gas and methanol. For example, Exxon Mobil’s study does not reveal its assumptions concerning the price of gasoline versus natural gas. Both Exxon Mobil and EIA suggest that gasoline prices will peak in the next decade and begin to decline because of energy efficiency, CAFE standards and the increased use of alternative fuels, particularly powered by electricity. Neither explores in depth the impact of price differentials on efficiency. Yes, gasoline is denser and gets more miles per gallon gasoline equivalent (MPGe). But technology has reduced the differential and the price of gasoline remains comparatively high, which permits differences concerning density to be minimized considerably. Therefore, natural gas and its derivative methanol are likely to remain cheaper than gasoline and attract many cost conscious consumers.

### A2: We Meet

#### Here’s the brightline – extraction and explotation is topical, but the processing isn’t

IEA 7 (International Energy Agency, “Production,” 5-20, http://www.iea.org/interenerstat\_v2/definitions/results.asp?id=5&Type=Flows)

Latin American Energy Organization (OLADE)

Primary energy production covers all energy extracted, exploited, harvested, etc. which is considered to be of importance to the country, and of course that has been produced within the national territory. Secondary energy production refers to the amount of energy that is generated from primary energy processing and/or in transformation centers, within the country, before accounting for self–consumption. **If any part of the production is recycled to the same transformation center that it comes from, this should be deducted from production**. All secondary energy production should be accounted at the transformation center where each energy product is produced.

### 2NC Cards – Ground

#### Totally diverse, no ground

Lee 10

[Nathan R. Lee, WISE Intern and B.S.E. in Materials Science & Engineering from UPenn, Sustainability Of U.S. Nuclear Energy: Waste Management And The Question Of Reprocessing American Nuclear Society, 2010, <http://www.wise-intern.org/journal/2010/NathanLeeWISE2010.pdf>]

However, despite the fact that the United States is dependent on foreign sources of uranium, its close relationships with supplier states reduce the relevance of this argument. Finally, it is important to note that the economic ramifications of changing the fuel cycle are quite small compared to other parts of the nuclear energy industry. Capital, operations, and maintenance account for 80-90% of total generation costs, dwarfing the significance of fuel cycle economics. Although fuel cycle costs are not immaterial, they should not be the principal driving factor in a policy decision. 48

### Their card proves limts

. **The process includes ore mining, enrichment, fuel fabrication, waste management and disposal, and finally decontamination and decommissioning of facilities**.

### 2NC Cards – Precision

#### Second, Precision - Separating primary and secondary forms of energy is key to overall energy policy – precision outweighs

Sara Øvergaard (Senior Executive Officer in the Department on Energy Statistics at Statistics Norway) September 2008 “Issue paper: Definition of primary and secondary energy” <http://unstats.un.org/unsd/envaccounting/londongroup/meeting13/LG13_12a.pdf>

The ability to separate primary and secondary energy is important in energy statistics. The Energy Balance is set up to record the flow of new energy entering the system of national energy supply, its transformation and losses until end use. To avoid double counting, it is important to be able to separate new energy entering the system, (primary) and the energy that is transformed within the system (secondary). Internationally agreed definitions on primary and secondary energy are therefore important in order to compare Energy Balances. A consistent differentiation between primary and secondary energy is also useful in energy planning when developing long-range policies and for energy analysts who are concerned with broader energy or environmental issues, such as conversion losses, transmission losses, distribution, energy efficiency measures and carbon emissions from energy sources. When defining primary and secondary energy, it is important that the definition is operational and founded on the laws of physics. The definitions must be operational, meaning that it should be helpful for statisticians enabling them to make a clear and consistent division between primary and secondary energy based on information about the sources that the energy is embodied in and the processes that it has been part of. The definition of primary and secondary energy should be founded on physics, and not on the ability of statisticians to measure or record it. For example, in the OECD/IEA/Eurostat, Energy Statistics Manual2, the major difference between the Eurostat and the IEA Energy Balance format lies in the presentation of the production of primary and secondary fuels. Statisticians can for example due to measurement problems choose to assume that the actual mechanical energy taken from a hydro source is equal to the electric generated energy, but this should not influence the fact that hydro is a primary energy source, and that the electricity produced from this source is secondary energy.

### Plan Not Key – 1NC

#### Reprocessing study delays the impact for 10 years, sidesteps the alliance

**Horner, 12** editor of Arms Control Today, senior editor with the Platts Nuclear Group, which publishes Nucleonics Week, NuclearFuel, and Inside NRC, master's degree from Tufts University's Fletcher School of Law and Diplomacy and a bachelor's degree from Yale University (Daniel Horner, Arms Control Association, September 2012, “S. Korea, U.S. at Odds Over Nuclear Pact,” http://www.armscontrol.org/act/2012\_09/Sout-Korea-US-at-Odds-Over-Nuclear-Pact)//CC

The current U.S.-South Korean pact gives the United States a strong say in South Korean reprocessing of U.S.-origin fuel. Seoul wants the new agreement to give it a freer hand in activities such as pyroprocessing. In an attempt to sidestep the disagreement over pyroprocessing or at least prevent it from holding up renewal of the expiring accord, the two countries agreed to conduct a joint fuel-cycle study; work on it began last year. In an Aug. 20 e-mail to Arms Control Today, a State Department official said the purpose of the study is to “assess the technical and economic feasibility and nonproliferation aspects of spent fuel management options, including electrochemical recycling, otherwise known as pyroprocessing.” The study, which is slated to take 10 years, includes three phases, the official said. “Questions on how to proceed on spent fuel management options will be addressed once the study is completed,” the official said.

### Alt Causes – 1NC

#### Alt causes –

#### 1) Beef and oil imports

Cha and Kim 12 (Victor, Georgetown University/CSIS, and Ellen, CSIS, “US-Korea Relations: Challenges and Opportunities for the Next Administrations,” Comparative Connections, CSIS, September, http://csis.org/files/publication/1202qus\_korea.pdf)

The US-ROK alliance had fairly smooth sailing over the past few months partly because the US beef and Iran oil imports issues calmed down without causing any major hiccup in relations. A massive candlelight rally was held again in Seoul to press the Lee government to halt US beef imports and this made government officials in Seoul and Washington nervous. Yet, the rally did not gain any political momentum in South Korea, precipitating an anti-government movement as occurred in 2008. Although there were lingering concerns about the safety of US beef, the South Korean public remained vigilant about the politicization of the US beef issue again and largely stayed away from the rally. With the Obama administration’s announcement in June exempting South Korea from US sanctions, Seoul and Washington temporarily resolved the conflict over South Korea’s oil imports from Iran. South Korea decreased its oil imports from Iran by 30 percent in the first quarter as compared with the same period of last year. In July, imports of Iranian oil were completely suspended in South Korea as a result of the European Union’s ban on providing insurance to oil tankers carrying Iranian oil. There was a new development in August as the Iran government offered to transport oil using its own tankers and South Korea decided to **resume oil imports**. Although the resumption will not drastically increase South Korea’s oil imports from Iran enough to prevent South Korea from getting an extended sanction wavier from the US after the current one expires at the end of this year, this issue is **likely to re-emerge and continue to stand between South Korea and the US for a while**.

#### 2) Missile guidance tech – signals US heavy-handedness

Cha and Kim 12 (Victor, Georgetown University/CSIS, and Ellen, CSIS, “US-Korea Relations: Challenges and Opportunities for the Next Administrations,” Comparative Connections, CSIS, September, http://csis.org/files/publication/1202qus\_korea.pdf)

There are two important and unfinished negotiations in progress between Seoul and Washington. The first relates to the revision of the US-Korea missile guidelines and the other is the civil nuclear cooperation, also known as the 1-2-3 Agreement. Both are difficult negotiations and have the potential to become heavily politicized, particularly in Korea as politicians may react to perceived deadlocks as license to play the “sovereignty card,” claiming US heavy-handedness. US-Korea Relations September 2012 Although these negotiations have not drawn much public scrutiny in either country, they began to surface and to make major news headlines in South Korea this summer. In early 2011, the Obama and Lee administrations entered into negotiations on New Missile Guidelines (NMG). At the center of the issue are the range and payload size of South Korea’s ballistic missiles. The current agreement, which was reached in 1979 and revised in 2001, limits missile ranges to less than 300 km and payload size to less than 500 kg. The Lee administration has pushed hard for an extension of missile ranges to between 800-1,000 km and an increase of payload size to one ton. South Korea has consistently argued that the increased missile ranges would enhance conventional deterrence because it would allow the ROK to strike any part of North Korea from the south of the peninsula. Washington understands Seoul’s concerns, but does not believe that the mere acquisition of longer-range missiles will enhance deterrence. Moreover, it is concerned about regional reactions and possible escalation if the ROK starts to produce longer-range ballistic missiles. The Obama administration has preferred to discuss NMG guidelines within the context of the US-ROK alliance framework and has approached the negotiation as a way to boost alliance defense capabilities. Among other requirements, this has led the US to nudge South Korea in the direction of a regional missile defense network. South Korean officials pushed for an agreement throughout the summer, and hoped to use the US-ROK “2+2” meeting as an action-forcing event, but with little success. Meanwhile, politicians and experts in the South have started to call on their government to scrap the missile guidelines or set an expiration date, pointing to the fact that the guidelines are not a legally binding treaty between the US and the ROK. Several framed NMG as a sovereignty issue and insisted on South Korea’s right of self-defense. While this has not reached a “crisis” in the alliance, it is on track to becoming one. Rumors have it that the core of the talks is taking place between the two National Security Councils rather than through normal diplomatic channels. The departure of Blue House Senior Secretary Kim Tae-hyo over the botched intelligence agreement with Japan has not made the NMG talks any easier. Both governments are approaching the end of their presidencies, and are holding firm to hopes that the post-election administrations will take a more accommodating tone. Stay tuned.

### Relations Resilient – 1NC

#### Relations high and resilient

Kwon 12 (Michelle, Editorial Assistant of Law & Ethics – Georgetown Journal, “The Georgetown Journal's Guide to South Korea's Growing Prominence,” Georgetown Journal, 4-6, http://journal.georgetown.edu/2012/04/06/the-georgetown-journals-guide-to-south-koreas-growing-prominence-by-michelle-kwon/)

US-Korea relations have never been stronger. President Barack Obama recently described President Lee Myung-Bak as one of his closest partners among world leaders. This relationship between the two leaders has played a central part in catalyzing the deepening of US–Korean relations, especially in the midst of events that have transpired over the past year. The death of Kim Jong-Il reminded the world of the unpredictable and unstable environment in North Korea. While, the North Korean threat jeopardizes international stability, for South Korea it is a critical element in defense policy, fiscal stability, and foreign relations with countries such as the United States. However, the constant volatility of the North and South Korean relationship has only brought the United States and South Korea closer together as allies and economic partners. In this light, the successful conclusion of the Republic of Korea – United States Free Trade Agreement (KORUS) has not only guaranteed continual growth for Korea’s economy, but according to the Federation of Korean Industries, “will **upgrade the traditional alliance with the U.S. to a higher level**, and greatly help [Korea’s] enterprises advance into the US.” It is clear that the two countries, especially in the persons of their leaders, share a special relationship, and the passage of Korus indicates the economic ties between the two countries will **continue to grow**.

### 1NC Korean War

#### North Korea has become irrelevant – no war

Bandow 12/6 -- Senior Fellow at the Cato Institute, Senior Fellow in International Religious Persecution with the Institute on Religion and Public Policy, former Special Assistant to President Ronald Reagan (Doug, 2012, "Ignore North Korea's Temper Tantrums," http://nationalinterest.org/commentary/ignore-north-koreas-temper-tantrums-7813?page=show)

North Korea announced that it plans another rocket launch this month. The South Korean and U.S. governments rushed to denounce Pyongyang. In the future, both should ignore the so-called Democratic People’s Republic of Korea (DPRK). The DPRK’s possible motives are many: To reclaim its reputation soiled by the failed rocket launch in April. To pump up nationalistic feelings around the anniversary of “Dear Leader” Kim Jong-il’s death. To enhance the leadership credentials of “Great Successor” Kim Jong-un. To influence the upcoming presidential election in South Korea. To pressure Washington to offer a deal. State Department spokeswoman Victoria Nuland denounced the launch as “a highly provocative act that threatens peace and security in the region.” Seoul expressed “serious concern” and called the plan a “grave provocation.” But neither nation could do anything more than “consult” with other nations. One unnamed South Korean official admitted: “At the moment, we don’t have much tools or leverage to prevent them from making further provocations.” No doubt Pyongyang is pleased. It again has unsettled its leading adversaries. And it is in the news around the world. The allies should have responded with a collective yawn. After all, the plan is nothing new. The DPRK has been testing rockets and missiles for years. Moreover, the North routinely resorts to brinkmanship. The world looks no different after Kim regime’s announcement than before. Moreover, North Korea may be setting itself up for embarrassment. Its April launch was a grand failure, with the rocket disintegrating shortly after take-off. Rather than demonstrate the regime’s great power, the latest effort could reinforce Pyongyang’s image of irrelevance.

### Status Quo Solves – 2NC

#### Evaluate ev that assumes Obama’s reelection and Kerry’s nomination – both fix relations

**The Hindu**, **2/3**/2013 (Biden-Lavrov meet tries revival of ‘reset’, p. http://www.thehindu.com/news/international/russia-us-vow-to-mend-relations/article4375091.ece)

Newly-appointed U.S. Secretary of State John Kerry may visit Russia shortly as Moscow and Washington are trying to mend their strained relations. Russia’s Foreign Minister Sergei Lavrov announced Mr. Kerry’s visit after meeting U.S. Vice-President Joe Biden at an international conference in Munich on Saturday. “Biden confirmed to me that Kerry has received my invitation to visit Moscow and expects to make use of it soon,” Mr. Lavrov told Russian media aboard his plane from Munich to Moscow. Mr. Lavrov also said U.S. National Security Advisor Tom Donilon plans to visit Moscow shortly, “probably this month”. The visits will give the two sides an opportunity to ease tensions caused in recent months by disagreements over human rights and Syria. The U.S. enraged the Kremlin by passing a law in December that bars U.S. entry to Russians blamed for the death of lawyer Sergei Magnitsky and other human rights abuses. Russia retaliated imposing similar sanctions against Americans accused of violating human rights and banning the adoption of Russian children by Americans. The two countries have also been at odds over the conflict in Syria, with Russia strongly critical of U.S. support for armed rebels and Washington blaming Moscow for backing Syrian President Bashar Al-Assad. However, the meeting between Mr. Lavrov and Mr. Biden, the first high-level contact between Russia and the U.S. after President Barack Obama’s re-election, appeared to have revived the spirit of the ‘reset’, which the U.S. Vice-President had also proclaimed in Munich four years ago. Emerging from the meeting Mr. Lavrov said the two sides had agreed that differences and problems should be resolved on the basis of equality and respect for mutual interests.

### Alt Causes – 2NC

#### Syria, Libya, iran and cold war rhetoric – LaFranchi

It’s predictictive

#### U.S. won’t cooperate

New York Times, **2/1**/2013 (Another Reset with Russia in Obama’s Second Term, p. http://www.nytimes.com/2013/02/02/world/europe/another-reset-of-relations-with-russia-in-obamas-second-term.html?pagewanted=all&\_r=0)

The pullback — which may well be a topic of discussion when Mr. Biden meets with the Russian foreign minister, Sergey V. Lavrov, on the sidelines of the conference — is a response to months of intensifying political repression in Russia since Vladimir V. Putin returned to the presidency last May and a number of actions perceived by Washington as anti-American. Because American officials do not want to worsen the relationship and still hope for cooperation, they declined to publicly describe the plans. But within the administration it is taken for granted that the relationship with Russia is far less of a priority. “We have real differences, and we don’t hide them,” said Tony Blinken, who has served as Mr. Biden’s national security adviser and is now joining the president’s national security team. Briefing reporters before the Germany trip, Mr. Blinken said: “We have differences over human rights and democracy. We have differences over — in a number of areas that have been in the media in recent days and weeks.” The distancing began with the recent withdrawal by the United States from the “civil society working group,” one of 20 panels created in 2009 to carry out the reset between Moscow and Washington under an umbrella organization known as the Obama-Medvedev Commission. If that step was barely perceptible outside diplomatic circles, the strategy will soon become far more obvious. American officials say President Obama will decline an invitation — publicly trumpeted by Mr. Lavrov and the Russian news media — to visit Moscow on his own this spring. Instead, he will wait until September, when the G-20 conference of the world’s largest economies is scheduled to take place in St. Petersburg, Russia. And while Secretary of State John Kerry has yet to select his first overseas destination, officials said Russia had been ruled out. The main goal seems to be to send a message that the United States views much of its relationship with Russia as optional, and while pressing matters will continue to be handled on a transactional basis, Washington plans to continue criticizing Russia on human rights and other concerns. As for the anti-Americanism, the new approach might be described as shrug and snub. Nevertheless, Mr. Blinken said there was real potential to work through the differences. And American officials are clearly betting that Mr. Putin desires a prominent role on the world stage and will ultimately decide to re-engage. But the chances of that seem slim. Mr. Putin’s spokesman, Dmitri Peskov, warned that a pullback would be a shirking of American responsibility to work with Russia to maintain global stability. He said that Russia wanted to improve economic ties and build a stronger relationship, but that the United States must stay out of Russia’s affairs.

### This Advantage is Stupid

#### CX proves a massive double bind – either countries want to proliferate for national security and they don’t give a shit about the US or they’ll prolif anyway OR they were never going to prolif anyway and will listen to the US.

#### They solve prolif of

including France, Japan, the United Kingdom, Russia, India, and China

#### that’s their Rasp evidence

#### Their Miller ev proves no one gives a shit what the US says

In 1977, President Jimmy Carter ended reprocessing in the United States, citing proliferation risks and hoping other countries such as France and Great Britain would do likewise. They didn’t. ¶ They have continued to reprocess used fuel

#### Their Heisbourg ev

Furthermore, budding, resource-weak nuclear powers have a strong incentive to cover the cost of their investment by selling or bartering their nuclear-related assets, including delivery systems

#### A couple of distinctions why prolif leadership fails –

#### If they say costs, well, countries would never proliferate because it’s too expensive

### 2NC Prolif – No War

#### Their authors exaggerate

Farley 11, assistant professor at the Patterson School of Diplomacy and International Commerce at the University of Kentucky, (Robert, "Over the Horizon: Iran and the Nuclear Paradox," 11-16, [www.worldpoliticsreview.com/articles/10679/over-the-horizon-iran-and-the-nuclear-paradox](http://www.worldpoliticsreview.com/articles/10679/over-the-horizon-iran-and-the-nuclear-paradox))

But states and policymakers habitually overestimate the impact of nuclear weapons. This happens among both proliferators and anti-proliferators. Would-be proliferators seem to expect that possessing a nuclear weapon will confer “a seat at the table” as well as solve a host of minor and major foreign policy problems. Existing nuclear powers fear that new entrants will act unpredictably, destabilize regions and throw existing diplomatic arrangements into flux. These predictions almost invariably turn out wrong; nuclear weapons consistently fail to undo the existing power relationships of the international system. The North Korean example is instructive. In spite of the dire warnings about the dangers of a North Korean nuclear weapon, the region has weathered Pyongyang’s nuclear proliferation in altogether sound fashion. Though some might argue that nukes have “enabled” North Korea to engage in a variety of bad behaviors, that was already the case prior to its nuclear test. The crucial deterrent to U.S. or South Korean action continues to be North Korea’s conventional capabilities, as well as the incalculable costs of governing North Korea after a war. Moreover, despite the usual dire predictions of nonproliferation professionals, the North Korean nuclear program has yet to inspire Tokyo or Seoul to follow suit. The DPRK’s program represents a tremendous waste of resources and human capital for a poor state, and it may prove a problem if North Korea endures a messy collapse. Thus far, however, the effects of the arsenal have been minimal. Israel represents another case in which the benefits of nuclear weapons remain unclear. Although Israel adopted a policy of ambiguity about its nuclear program, most in the region understood that Israel possessed nuclear weapons by the late-1960s. These weapons did not deter Syria or Egypt from launching a large-scale conventional assault in 1973, however. Nor did they help the Israeli Defense Force compel acquiescence in Lebanon in 1982 or 2006. Nuclear weapons have not resolved the Palestinian question, and when it came to removing the Saddam Hussein regime in Iraq, Israel relied not on its nuclear arsenal but on the United States to do so -- through conventional means -- in 2003. Israeli nukes have thus far failed to intimidate the Iranians into freezing their nuclear program. Moreover, Israel has pursued a defense policy designed around the goal of maintaining superiority at every level of military escalation, from asymmetrical anti-terror efforts to high-intensity conventional combat. Thus, it is unclear whether the nuclear program has even saved Israel any money. The problem with nukes is that there are strong material and normative pressures against their use, not least because states that use nukes risk incurring nuclear retaliation. Part of the appeal of nuclear weapons is their bluntness, but for foreign policy objectives requiring a scalpel rather than a sledgehammer, they are useless. As a result, states with nuclear neighbors quickly find that they can engage in all manner of harassment and escalation without risking nuclear retaliation. The weapons themselves are often more expensive than the foreign policy objectives that they would be used to attain. Moreover, normative pressures do matter. Even “outlaw” nations recognize that the world views the use of nuclear -- not to mention chemical or biological -- weapons differently than other expressions of force. And almost without exception, even outlaw nations require the goodwill of at least some segments of the international community. Given all this, it is not at all surprising that many countries eschew nuclear programs, even when they could easily attain nuclear status. Setting aside the legal problems, nuclear programs tend to be expensive, and they provide relatively little in terms of foreign policy return on investment. Brazil, for example, does not need nuclear weapons to exercise influence in Latin America or deter its rivals. Turkey, like Germany, Japan and South Korea, decided a long time ago that the nuclear “problem” could be solved most efficiently through alignment with an existing nuclear power. Why do policymakers, analysts and journalists so consistently overrate the importance of nuclear weapons? The answer is that everyone has a strong incentive to lie about their importance. The Iranians will lie to the world about the extent of their program and to their people about the fruits of going nuclear. The various U.S. client states in the region will lie to Washington about how terrified they are of a nuclear Iran, warning of the need for “strategic re-evaluation,” while also using the Iranian menace as an excuse for brutality against their own populations. Nonproliferation advocates will lie about the terrors of unrestrained proliferation because they do not want anyone to shift focus to the manageability of a post-nuclear Iran. The United States will lie to everyone in order to reassure its clients and maintain the cohesion of the anti-Iran block. None of these lies are particularly dishonorable; they represent the normal course of diplomacy. But they are lies nevertheless, and serious analysts of foreign policy and international relations need to be wary of them. Nonproliferation is a good idea, if only because states should not waste tremendous resources on weapons of limited utility. Nuclear weapons also represent a genuine risk of accidents, especially for states that have not yet developed appropriately robust security precautions. Instability and collapse in nuclear states has been harrowing in the past and will undoubtedly be harrowing in the future. All of these threats should be taken seriously by policymakers. Unfortunately, as long as deception remains the rule in the practice of nuclear diplomacy, exaggerated alarmism will substitute for a realistic appraisal of the policy landscape.

# 1NR

### Impact – 2NC

#### Econ decline undermines the shift to nuclear – empirically proven

Birol 9 (Faith, Chief Economist @ International Energy Agency, "THE IMPACT OF THE FINANCIAL CRISIS ON ENERGY INVESTMENT," http://www.iata.org/whatwedo/Documents/economics/Birol\_Energy\_Investment.pdf)

Power-sector investment is expected to be severely affected by financing difficulties, as well as by weak¶ demand. We estimate that global electricity consumption could drop by as much as 3.5% in 2009 – the¶ first annual contraction since the end of the Second World War. Weak demand growth is reducing the ¶ immediate need for new capacity additions. At the same time, borrowing has become more difficult and¶ the cost of capital has risen markedly. If a recovery takes longer than expected, and energy prices remain¶ at depressed levels relative to recent peaks, we would expect to see a shift to coal- and gas-fired plants at¶ the expense of more capital-intensive options such as nuclear and renewables.

### Resiliency

#### No resilience – even Fed presidents concede the economy remains fragile

ForexLive 5/1/12 ("US Fed’s Lockhart, Evans See Fragile, Uncertain US Economy," http://www.forexlive.com/blog/2012/05/01/us-feds-lockhart-evans-see-fragile-uncertain-us-economy/)

But both Fed presidents depicted a U.S. economy that has worked its¶ way through stormy seas, but still faces daunting challenges.¶ Evans said the Fed is carefully watching how policymakers in¶ Congress and the White House navigate the coming fiscal cliff at the¶ end of the year in which the Bush era tax cuts are set to expire and¶ deep spending cuts are set to be implemented.¶ He said he hopes “calmer heads prevail” and that Congress and the¶ White House find a way to avoid allowing sharply contractionary fiscal¶ policies from going forward in 2013, but also develop a credible¶ framework to tackle future budget deficits.¶ Sharp and immediate fiscal tightening would provide a “very big¶ headwind” for an economy that is already struggling to find its footing¶ and resume stronger growth, Evans said.¶ And while long-term deficit reduction is critical, “we don’t have¶ to deal with it immediately.” Evans suggested a deficit reduction¶ framework that is agreed to now and implemented gradually and in the¶ medium-term would be optimal.¶ “At the moment we need more accommodation for the entire economy,”¶ Evans said, adding that all policymakers are “frustrated” by the¶ stubbornly high unemployment rate.¶ The Fed should continue to seek to reach its 2% inflation target,¶ but Evans said he also is very concerned that unemployment that is still¶ greater than 8% is “way too high.”¶ “I think we can get the economy coming back” without having to¶ tolerate a strongly inflationary policy, Evans said. And the U.S. is¶ still “pretty far away” from strong, robust economic growth.¶ Evans said he is “not optimistic” that Europe’s economy will¶ strengthen in the near term.¶ Lockhart also depicted an American economy that is struggling. He¶ said he sees a “certain amount of fragility” in the economy, but added¶ that it is “too early to tell” if the slowing will continue.

### A2: Relations Solve

#### Their evidence is a turns case argument for us – ……in a world of economic collapse we wouldn’t maintain those relations

**Rojansky and Collins, ’10** – an ex-US ambassador to the Russian Federation [James F. Collins – Director, Russia and Eurasia Program at the Carnegie Endowment and an ex-US ambassador to the Russian Federation, Matthew Rojansky – the deputy director of the Russia and Eurasia Program at the Carnegie Endowment, August 18, 2010, “Why Russia Matters”, http://www.foreignpolicy.com/articles/2010/08/18/why\_Russia\_matters,]

10. Russians buy U.S. goods. As the U.S. economy stops and starts its way out of recession, **most everyone agrees that boosting exports is a key component in the recovery**. And Russia is a big market. U.S. companies such as Boeing, International Paper, and John Deere have invested billions in Russian subsidiaries and joint ventures. In all, there are more than 1,000 U.S. companies doing business there today. They are in Russia not only to take advantage of the country's vast natural resources and highly skilled workers but also to meet the demand for American-branded goods. The Russian middle class wants consumer goods and the country's firms increasingly seek advanced U.S. equipment and machinery. Between 2004 and 2008, before the financial crisis hit, U.S.-Russia trade grew by more than 100 percent to over $36 billion annually, and although that figure dropped by a third in 2009, there is potential for an even better, more balanced trade relationship in the coming decade. In short, Russia is indispensible. As long as the United States participates in the global economy and has interests beyond its own borders, it will have no choice but to maintain relations with Russia. And good relations would be even better.

### Will Pass – 2NC

#### CIR will pass now --- multiple warrants --- that’s our 1NC NYT --- Obama’s got just enough PC to get it through at the top of the agenda --- using his leverage to get the gang of eight to build momentum for the bill

#### GOP’s on board BECAUSE OF political capital – top of the agenda

Dionne 2-6 (EJ, Columnist – Washington Post, “GOP Will Back Immigration Reform,” 2013, <http://www.goerie.com/article/20130206/OPINION09/302069992/EJ-Dionne%3A-GOP-will-back-immigration-reform>)

That's the comparison to keep in mind to understand the extraordinary transformation of Beltway politics on immigration reform. Until Obama was re-elected, party competition translated into Republican efforts to block virtually everything the president wanted to accomplish. On immigration, at least, the parties are now competing to share credit for doing something big. It's wonderful to behold. Republicans who always held views on immigration similar to the president's -- notably Sen. John McCain -- are now free to say so. Other Republicans who thought a hard line on the issue was a political winner have been forced by the electoral facts to change their minds. Democrats, aware of how important Latino votes are to their party's future, are determined to get immigration reform done. Nothing is certain in Washington, especially in the Republican-led House of Representatives, but the odds that we will finally fix a broken immigration system are very high. The behind-the-scenes wrangling over the choreography of last week's twin immigration announcements -- by a bipartisan group of senators and by the president in a speech in Nevada -- shows how strong the bias toward action has become. We've become so accustomed to the politics of obstruction that we forget there is still such a thing as legislative craftsmanship. The Jan. 25 proposal by eight senators of their ideas for reform was months in the making as Sens. Charles Schumer, D-N.Y., and Lindsey Graham, R-S.C., worked closely with their colleagues to prepare for this moment. But Obama felt compelled to make clear early on that immigration reform was one of his highest priorities. The Senate negotiators worried that if Obama got out front with positions more progressive than theirs, particularly on a speedier path to citizenship for illegal immigrants, he could foil their efforts to reach accord. This fear reflected the GOP's Obama-can't-win response to whatever he does. Until now, Republicans criticized him for not taking "leadership" in pushing for immigration reform. But as soon as he was ready to speak out, the GOP switched direction, warning that his leadership was the last thing they wanted -- and could get in the way of a compromise. Thus did House Speaker John Boehner use a spokesman to instruct Obama to be "careful not to drag the debate to the left and ultimately disrupt the difficult work that is ahead in the House and Senate." As it happened, by letting it be known that he planned to give an immigration speech, Obama sped up the timetable of the Senate group, said a House Democrat active on the issue, and even encouraged a small collection of House Republicans eager for reform to let it be known that they, too, were working toward compromise. Obama sought to thread the political needle by laying out his principles while holding off on proposing a bill of his own. He would send up legislation only "if Congress is unable to move forward in a timely fashion." A relieved Schumer, using words almost never heard in Washington, declared that the president "is handling this perfectly." There will be much posturing over the next several months. By going slightly to the progressive side of the senators, Obama may ease the way for Republicans to strike a deal since they will be able to claim they stayed to the president's right. Conservative supporters of reform, such as Sen. Marco Rubio of Florida, will keep saying critical things about the president to preserve their credibility with the right. And if Boehner is interested in reform, he, too, must play a delicate game of distancing himself from Obama to persuade his most conservative colleagues to acquiesce to a vote on a bill. But make no mistake: This is immigration reform's time. It was poignant to hear McCain state plainly and eloquently what he has always felt. "We have been too content for too long," he said, "to allow individuals to mow our lawn, serve our food, clean our homes and even watch our children, while not affording them any of the benefits that make our country so great." Thanks to an election, those words are no longer politically incorrect inside John McCain's party.

#### It has momentum, but PC is key

VOA 2-6 (Voice of America News, “Battle over Immigration Reform Gathers Steam,” 2013, <http://www.albanytribune.com/06022013-battle-over-immigration-reform-gathers-steam/>)

U.S. President Barack Obama is expected to make immigration reform a priority in his State of the Union Address. But already, talk of tackling this controversial issue is gaining momentum. There are an estimated 11-million illegal immigrants in the United States with more still hoping to cross the border. Claudia Hernandez came here as a child, and like many in her situation, she feels she belongs in the U.S. “I have been here more than half of my life, and I respect the United States. This is my country,” she said. Only days into his second term, President Obama began the push for change. “The time has come for common-sense, comprehensive immigration reform,” he stated. “The time is now.” Already, Congress has begun to hold hearings. And a bipartisan group of senators, including former Republican presidential candidate John McCain, is pushing ahead with a plan of its own. “We have been too content for too long to allow individuals to mow our lawn, serve us food, clean our homes and even watch our children while not affording them any of the benefits that make our country so great,” McCain said. The bi-partisan plan calls for tighter border controls as well as a path to citizenship, something President Obama insists upon. That worries Jim Gilchrist. He founded the Minuteman Project, a citizen’s group that helps guard the border. “If we are going to grant amnesty to 15 to 30-million people, who are here illegally now, we are going to be granting amnesty to 300 million,” he added. “Who will follow them over the next several decades.” Other activists and lawmakers say proposals to secure the borders don’t go far enough – even though the United States spends more money on immigration enforcement than on all other federal law enforcement activities combined. In the meantime, the pressure is on – both President Obama and Congress.

#### Immigration will pass – Obama’s pushing and it’s a top priority [also answers high tech inevitable]

Foley 2-7 (Elise, Reporter, “Obama on Immigration Reform: Politics Not Easy, But 'Now Is The Time',” Huffington Post, 2013, <http://www.huffingtonpost.com/2013/02/07/obama-immigration-reform_n_2638843.html>)

President Barack Obama reiterated to House Democrats on Thursday that he is relying on their support for comprehensive immigration reform, even if they fear the political ramifications. "I recognize that politics aren't always easy, there are regional variations," he said at a conference here for the House Democratic caucus. "I understand that in some places this may end up being a tough issue. But what I also know is that part of our strength is our youth and our dynamism, and our history of attracting talent from all around the world." Obama's immigration push hit full speed last week with a speech in Las Vegas, where he called for a pathway to citizenship for undocumented immigrants, more border security and better interior enforcement. A bipartisan group in the Senate dubbed the "gang of eight" released a similar framework for reform, but tied green cards to yet-to-be-determined border metrics to disallow immigrants granted provisional status from becoming legal permanent residents until those triggers were met. Obama applauded the work being done in Congress on immigration. "I am heartened to see Republicans and Democrats starting to be in a serious conversation about getting this done," he said. "Now is the time." The biggest fight on immigration reform will be over a pathway to citizenship. Many House Republicans have said they might support a middle ground that would allow undocumented immigrants to stay in the U.S., but not to become citizens. Only 10 percent of American voters support such a plan, while 56 percent believe the undocumented should be allowed to eventually become citizens, according to a Quinnipiac University poll released Thursday. Obama has reiterated repeatedly, both in public and in private meetings with advocates and members of Congress, that he will not accept a bill without a pathway to citizenship, although he did not get into the issue on Thursday. He acknowledged that the politics of the issue were difficult, as he did later when discussing the need for gun control. But, like Vice President Joe Biden the day before him, he encouraged Democrats to think of what's right first and their own political aspirations second. "As long as we keep in mind why we came here in the first place, as long as we think back to whatever inspired each of us to say, 'Maybe I can give something back, maybe I can make a difference, maybe my purpose here on earth is not just to think about what's in it for me,'" he said. "Thinking about what's in it for the broader community, my neighborhood, or my state, or my country. If we keep that in mind every single day, **I have no doubt that we will continue to make progress**."

**Vote count**

**Huffington Post 1/30** http://www.huffingtonpost.com/2013/01/30/john-mccain-chuck-schumer-immigration\_n\_2581387.html

Sens. Chuck Schumer (D-N.Y.) and John McCain (R-Ariz.) laid out more of their group's plans on Wednesday for immigration reform, including their optimistic goal of **80 votes** for a final bill in the Senate. Well, maybe. Speaking at a Politico Playbook breakfast, the two went on to admit they might be, as McCain said, a little "Pollyanna-ish." "Senator Schumer and I are presenting maybe too rosy a picture here today," he said. "It's going to be a tough slog. It's going to be a tough, tough fight." Schumer and McCain are part of an eight-member group -- dubbed the "gang of eight," although McCain said he dislikes the term -- that released a framework for immigration reform on Monday. Sens. Dick Durbin (D-Ill.), Bob Menendez (D-N.J.), Michael Bennet (D-Colo.), Lindsey Graham (R-S.C.), Marco Rubio (R-Fla.) and Jeff Flake (R-Ariz.) are the other members of the group. They plan to meet every Tuesday and Thursday until a bill is crafted, ideally within the next month or two, Schumer and McCain said. Their staffs will meet on Wednesdays to work out further details, and plan to meet later Wednesday with officials from the Department of Homeland Security to discuss border concerns. The group's plan would give a pathway to citizenship for undocumented immigrants, albeit a tough one. Undocumented immigrants already living in the United States could gain provisional status to stay in the country, but could not receive green cards until certain border security metrics are met. President Barack Obama's plan, which he laid out on Tuesday, does not include such a requirement. McCain said the border element is absolutely crucial. A number of lawmakers fear that immigration reform will give status to undocumented immigrants but not prevent a future surge, similar to the aftermath of a bill signed into law by Republican President Ronald Reagan in 1986. He and Schumer said they want an open legislative process on immigration reform, taking the bill through committee and then onto the floor with the ability for fellow senators to offer amendments. They said they don't expect to agree on all amendments, but want to stick broadly to their framework. That could help them win over a majority of Democrats and ideally a majority of Republicans as well, McCain said. Schumer said later that they will also "**educate" the House** of Representatives through that process. They plan to work with a bipartisan group in the House and the Congressional Hispanic Caucus on reform plans, they said. In part, McCain admitted it's good politics for Republicans. But he made a dire warning for Republicans if they take down immigration reform: the trend of the Latino vote toward Democrats will continue. "As you look at demographics in states like mine, that means that we will go from Republican to Democrat over time," he said. The process began after the November 2012 election, when GOP presidential nominee Mitt Romney won only a small percentage of the Hispanic vote, attributed by many to his hardline immigration stances during the Republican primary. Many members of the group had already worked together on reform. Schumer said Graham called him to say he wanted to restart the process. "**'The band is back**. Let's do immigration. And I've talked to John McCain and he wanted to get involved,'" Graham said, according to Schumer. "And my heart went pitter patter," he added.

**Compromises now**

**CNN 1/29** <http://www.cnn.com/2013/01/29/politics/immigration-plan-bipartisanship/index.html>

An immigration proposal crafted for months in secret by a **high-profile, bipartisan cadre** of senators is both a rare moment of simpatico in politics and a matter of political practicality. President Barack Obama, who won re-election with strong support from Latinos, the fastest-growing demographic, has called an overhaul of immigration a second-term priority. Meanwhile, Republicans who lost the Latino vote by large numbers, have **signaled** that mainstream members might be **willing to compromise on thorny** immigration issues. "There aren't a whole lot of other issues where Republicans think they need to compromise or Democrats think they need to compromise," said Clyde Wilcox, a government professor at Georgetown University. "There's two different ways this could be viewed this. It's either a **Kumbaya moment ... or both sides see that** on this particular issue there's a necessity for compromise." But the deal is far from done. The plan could face stiff opposition in the House of Representatives, where conservatives and tea party leaders have resisted any compromise that even hints at relief or amnesty for those already in the country illegally. House Republicans are also working on a plan of their own, seeking bipartisan support. And Obama is said to have drafted his own detailed plan, which could differ from the Senate proposal in key areas, including border security and a path to legality. The senators announced their plan a day before Obama speaks in Las Vegas on immigration, signaling a major push by both sides to focus on the contentious issue in the new Congress. Aides said the president's remarks on Tuesday will touch on the blueprint he's detailed in the past: improving border security, cracking down on employers who hire undocumented workers and creating a pathway to "earned" citizenship for undocumented immigrants. Those provisions align closely with what the eight senators laid out in a framework of their legislation, which CNN obtained Sunday. Possible compromise on immigration takes shape Obama previously came under criticism from Latino activists for failing to deliver on a 2008 campaign promise to make immigration reform a priority of his first term. Last year, as the campaign heated up, the Obama administration announced a halt to deportations of some young undocumented immigrants in a move that delighted the Latino community. Exit polls in November indicated Latino voters gave overwhelming support to Obama over GOP challenger Mitt Romney, who had advocated a policy that amounted to forcing undocumented immigrants to deport themselves. Since the election, mainstream Republican leaders and some conservatives such as Sen. Marco Rubio, a child of Cuban immigrants and a rising star in the party, have called for addressing the immigration issue instead of ceding the Latino vote to Democrats. "There is a **new**, I think, **appreciation** on **both sides** of the aisle -- including maybe more importantly on the Republican side of the aisle -- that we have to enact a comprehensive immigration reform bill," Sen. John McCain, R-Arizona, said Sunday.

### A2: Thumper – Gun Control

#### Obama won’t use PC to push gun control

Cain 2-5 (Michael, Writer, “Gun Control Legislation is Another Victim of Our Short Attention Span,” Policy Mic, 2013, <http://www.policymic.com/articles/24939/gun-control-legislation-is-another-victim-of-our-short-attention-span>)

There are too many guns in private hands in the U.S. to ever hope for a successful ban of private ownership — simple logistics — so don’t waste cycles trying to deny it. There’s also the matter of the Second Amendment. It’s conceivable that someone will sponsor a bill to repeal it, but before you get excited about it, take a look at what happens next. During all the debates, each side will flood the blogosphere with statistics, sometimes outrageous statistics, to defend their point of view. Recently the National Rifle Association (NRA) ran a TV ad claiming President Obama was being elitist for downplaying school security when his own children attended a school with armed security guards (exclusive of the Secret Service). The ad was pulled when it was revealed to be a complete fabrication. Wayne LaPierre knows how short our memories are and that if he does a poll in six months he’ll still find people who use his lies to support their position. The president knows these things, and he isn’t about to spend valuable political capital trying to rise against the tide. Within 60 days, nobody in Washington will be talking about gun control. They will have moved on to more pressing matters, confident they have presented a brave attempt which will placate their constituents until the next time. The trouble is there seems to always be a next time. Whether it’s guns, or earmarks, fiscal cliffs or sequestration, they talk and they kick the can down the road in hopes that voters will follow the time honored tradition of throwing up their hands in frustration. Face it, Washington doesn’t want to solve problems; Washington wants to solve re-election fears. They can’t get re-elected by solving problems, because every problem solved is inextricably attached to voters who disagree.

#### Obama pushing immigration – gun control not top

Pace and Werner 1-25 [Julie, Erica, AP writers, "White House, senators to start immigration push" Twin Cities Pioneer Press -- [www.twincities.com/national/ci\_22454002/white-house-senators-start-immigration-push](http://www.twincities.com/national/ci_22454002/white-house-senators-start-immigration-push)]

The president met privately Friday with the Congressional Hispanic Caucus to discuss his next steps on immigration. Among those in the meeting was Rep. Linda Sanchez, D-Calif., who said Obama told lawmakers "**immigration reform is his number one legislative priority**."¶ That could bump back the president's efforts to seek legislation enacting stricter gun laws, another issue he has vowed to make a top second-term priority.

#### Nothing for months

CBS 1-9 <http://www.cbsnews.com/8301-250_162-57562942/bidens-meetings-spotlight-gun-control-divide/>

But as the shock and sorrow over the Newtown, Conn., shooting fade, the tough fight facing the White House and gun-control backers is growing clearer.¶ Gun-rights advocates, including the powerful NRA, are digging in against tighter gun restrictions, conservative groups are launching pro-gun initiatives, and the Senate's top Republican has warned **it could be spring before Congress begins considering any gun legislation.**

#### Engaging the public on guns – NOT capital with congress

AP 1 – 15 [Obama Proposing Gun Limits, Faces Tough Obstacles, http://www.npr.org/templates/story/story.php?storyId=169390749]

White House officials signaled that Obama would seek to rally public support for the measures he puts forward, perhaps holding events around the country or relying on Organizing for America, his still-operational presidential campaign.

"The president's success in using this strategy, I think, is pretty notable," Carney said of Obama's efforts to engage the public in previous legislative fights. "He'll absolutely continue to engage with the American people on the policy proposals he's putting forward."

Still, **it's unclear how much political capital Obama will exert** in pressing for congressional action.

### A2: Winners Win – 2NC

**Winners lose – taking a hard line fails**

**Page 1-15** [Susan, Washington Bureau Chief, "How Obama can avoid the second-term curse" USA Today -- www.usatoday.com/story/news/politics/2013/01/14/obama-second-term-curse/1834765/]

2. **Pick a priority**¶ The president can do something in his second term, the veterans say, but not everything. **Fighting too many battles could mean winning none.**¶ Obama has said his major goals for his second term include enacting a comprehensive immigration bill and energy legislation, and he has added gun control to the list since the December shooting rampage at a Newtown, Conn., elementary school that left 26 children and educators dead. In the next few months, he also faces the need to raise the debt ceiling and deal with automatic spending cuts that are poised to take effect.¶ Some veterans say his list is unrealistically long. "It's still not clear to me what they really want to do," Perino says.¶ The hard line Obama has drawn with Republicans on the debt ceiling risks sapping his political capital and leaving scars that will make prevailing on the other issues more difficult, Fagen says. "If he spends this year fighting with Republicans on the debt ceiling and the fiscal cliff, yeah, (House Speaker) John Boehner may lose the hand on that," she says, but Obama "is the one who is going to be harmed the most long-term."¶ After carrying 49 states in his re-election, Reagan focused on overhauling the tax code, and succeeded. Bush also picked a clear second-term priority — adding private investment accounts to Social Security — only to see it crash in Congress. His next proposal, to overhaul immigration, also failed.¶ Bush told reporters after his re-election that he had "earned capital in the campaign, political capital, and now I intend to spend it." To his dismay, he apparently hadn't earned enough capital to push through such divisive proposals.¶ Obama made a similar point at his news conference Monday when asked about a pending showdown with Republicans over raising the debt ceiling. "They've got a particular view of what government should do and should be," he said. "And, you know, that view was rejected by the American people when it was debated during the presidential campaign."¶ **Obama needs to be realistic about not "misinterpreting the size of his victory**," Fagen says. "That is a recipe for having a very long and cantankerous legislative session with little accomplished."

\*\*\* GW Bush’s press secretary Dana Perino, Sara Taylor Fagen, political adviser in Bush's second term

**Winners don’t win in the second term – short timeframe, midterms, pc limited**

**Nicholas 1-27** [Peter, White House Correspondent, "Republicans Bristle at Obama's New Roster" Wall Street Journal -- online.wsj.com/article/SB10001424127887323644904578268232471085850.html]

Ken Duberstein, who served as chief of staff in Ronald Reagan's second term, said Mr. Obama might rethink his approach and find ways to compromise. "He has to do it if he is to accomplish his broad agenda," he said. "**You can't just do it by sticking your finger in people's eyes**."¶ Mr. Obama has four more years in office. But in practical terms, he needs to move quickly to advance his domestic agenda. A re-elected president has finite political capital and a compressed period to act before Congress is diverted by the midterm elections and then the next presidential election.

#### Obama thinks that pol cap is finite – he’ll back off controversial issues even if he’s winning

Kuttner 9 (Robert – , co-editor of The American Prospect and a senior fellow at Demos, author of "Obama's Challenge: America's Economic Crisis and the Power of a Transformative Presidency, 4/28/9, “Obama Has Amassed Enormous Political Capital, But He Doesn't Know What to Do with It,” [http://www.alternet.org/economy/138641/obama\_has\_amassed\_enormous\_political\_capital,\_but\_he\_doesn%27t\_know\_what\_to\_do\_with\_it/?page=entire](http://www.alternet.org/economy/138641/obama_has_amassed_enormous_political_capital%2C_but_he_doesn%27t_know_what_to_do_with_it/?page=entire))

We got a small taste of what a more radical break might feel like when Obama briefly signaled with the release of Bush's torture memos that he might be open to further investigation of the Bush's torture policy, but then backtracked and quickly asked the Democratic leadership to shut the idea down. Evidently, Obama's political self wrestled with his constitutional conscience, and won. Civil libertarians felt a huge letdown, but protest was surprisingly muted.

Thus the most important obstacle for seizing the moment to achieve enduring change: Barack Obama's conception of what it means to promote national unity. Obama repeatedly declared during the campaign that he would govern as a consensus builder. He wasn't lying. However, there are two ways of achieving consensus. One is to split the difference with your political enemies and the forces obstructing reform. The other is to use presidential leadership to transform the political center and alter the political dynamics. In his first hundred days, Obama has done a little of both, but he defaults to the politics of accommodation.

#### Winners win is wrong -- Obama votes neg

Jackie Calmes, NYTimes, 11/12/12, In Debt Talks, Obama Is Ready to Go Beyond Beltway, mobile.nytimes.com/2012/11/12/us/politics/legacy-at-stake-obama-plans-broader-push-for-budget-deal.xml

That story line, stoked by Republicans but shared by some Democrats, holds that Mr. Obama is too passive and deferential to Congress, a legislative naïf who does little to nurture personal relationships with potential allies - in short, not a particularly strong leader. Even as voters re-elected Mr. Obama, those who said in surveys afterward that strong leadership was the most important quality for a president overwhelmingly chose Mr. Romney.

George C. Edwards III, a leading scholar of the presidency at Texas A & M University who is currently teaching at Oxford University, dismissed such criticisms as shallow and generally wrong. Yet Mr. Edwards, whose book on Mr. Obama's presidency is titled "Overreach," said, "He didn't understand the limits of what he could do." "They thought they could continuously create opportunities and they would succeed, and then there would be more success and more success, and we'd build this advancing-tide theory of legislation," Mr. Edwards said. "And that was very naïve, very silly. Well, they've learned a lot, I think." "Effective leaders," he added, "exploit opportunities rather than create them." The budget showdown is an opportunity. But like many, it holds risks as well as potential rewards. "This election is the second chance to be what he promised in 2008, and that is to break the gridlock in Washington," said Kenneth M. Duberstein, a Reagan White House chief of staff, who voted for Mr. Obama in 2008 and later expressed disappointment. "But it seems like this is a replay of 2009 and 2010, when he had huge majorities in the House and Senate, rather than recognizing that 'we've got to figure out ways to work together and it's not just what I want.' " For now, at least, Republican lawmakers say they may be open to raising the tax bill for some earners. "We can increase revenue without increasing the tax rates on anybody in this country," said Representative Tom Price, Republican of Georgia and a leader of House conservatives, on "Fox News Sunday." "We can lower the rates, broaden the base, close the loopholes." The challenge for Mr. Obama is to use his postelection leverage to persuade Republicans - or to help Speaker John A. Boehner persuade Republicans - that a tax compromise is in their party's political interest since most Americans favor compromise and higher taxes on the wealthy to reduce annual deficits. Some of the business leaders the president will meet with on Wednesday are members of the new Fix the Debt coalition, which has raised about $40 million to urge lawmakers and their constituents to support a plan that combines spending cuts with new revenue. That session will follow Mr. Obama's meeting with labor leaders on Tuesday. His first trip outside Washington to engage the public will come after Thanksgiving, since Mr. Obama is scheduled to leave next weekend on a diplomatic trip to Asia. Travel plans are still sketchy, partly because his December calendar is full of the traditional holiday parties. Democrats said the White House's strategy of focusing both inside and outside of Washington was smart. "You want to avoid getting sucked into the Beltway inside-baseball games," said Joel Johnson, a former adviser in the Clinton White House and the Senate. "You can still work toward solutions, but make sure you get out of Washington while you are doing that." The president must use his leverage soon, some Democrats added, because it could quickly wane as Republicans look to the 2014 midterm elections, when the opposition typically takes seats from the president's party in Congress.

#### Controversial wins bleed momentum not build it.

**Politico**, 1/20/**2010** (Obama's first year: What went wrong, p. http://dyn.politico.com/printstory.cfm?uuid=4DF829C9-18FE-70B2-A8381A971FA3FFC9)

Obama believed that early success would be self-reinforcing, building a powerful momentum for bold government action. This belief was the essence of the White House’s theory of the “big bang” — that success in passing a big stimulus package would lead to success in passing health care, which in turn would clear the way for major cap-and-trade environmental legislation and “re-regulation” of the financial services sector — all in the first year. This proved to be a radical misreading of the dynamics of power. The massive cost of the stimulus package and industry bailouts — combined with the inconvenient fact that unemployment went up after their passage — meant that Obama spent the year bleeding momentum rather than steadily increasing public confidence in his larger governing vision. That vision was further obscured for many Americans by the smoke from the bitter and seemingly endless legislative battle on Capitol Hill over health care.

#### Wins don’t spill over – empirically proven

**Hertzberg**, 2/7/**2011** (Hendrik – senior editor and political essayist at the New Yorker, The New Yorker, p. http://www.newyorker.com/talk/comment/2011/02/07/110207taco\_talk\_hertzberg?printable=true)

Strong words. But now they are not even whispered. The climate bill, like hundreds of others less consequential, met its fate on the legislative terminal ward that is the United States Senate, where bleeding is still the treatment of choice. The bill died of complete organ failure, you might say. The contributing causes included the economic crisis, which made it easy to stoke fear; the power, money, and regional clout of sectors that benefit from the greenhouse-gas-producing status quo, especially the coal and oil industries; the Republican congressional leadership’s determination to forgo compromise in favor of a disciplined drive to block anything that might resemble a victory for Obama; the rise of the Tea Party right and the baleful influence of talk radio and Fox News; and, as always, the filibuster. But Obama and the White House cannot escape blame. They botched delicate negotiations in the Senate, were neglectful at key moments, and expended little of the courage, imagination, and resources they brought to health-care reform. Perhaps they calculated that winning health care would strengthen them for climate change, like Popeye after a helping of spinach. But the political effect, at least in its immediate manifestations, was more like Kryptonite.

### PC Key – 2NC

#### PC builds public support and generates bipartisanship [also answers gun control]

Bohn 2-4 (Kevin, CNN Senior Producer, “President to Push Immigration Reform on Tuesday,” 2013, <http://www.kcci.com/news/politics/President-to-push-immigration-reform-on-Tuesday/-/9356970/18402338/-/ppmassz/-/index.html>)

A day after pushing the administration's gun control proposals on the road in Minnesota, President Obama will sit down with groups to push for immigration reform Tuesday, White House officials said. The president will meet with leaders of labor unions, including AFL-CIO President Richard Trumka and and Eliseo Medina, Secretary-Treasurer of the Service Employees International Union, as well as representatives of progressive groups, like the NAACP and the Center for American Progress, and key immigration reform groups. Separately he will have a meeting in the afternoon with a dozen leading CEOs, including Goldman Sachs' Lloyd Blankfein, Yahoo's Marissa Mayer, Coca Cola's Muhtar Kent, Alcoa's Klaus Kleinfeld, Marriott's Arne Sorenson and Motorola's Greg Brown. The White House said the meeting will allow the president the opportunity to discuss how to get a bipartisan immigration reform bill passed this year and how it fits into his economic agenda. This latest outreach is part of the White House effort to help engage the public on its second agenda priorities of immigration and guns to build public support for the ideas and to help generate momentum for action in Congress.

### Executive Action

#### Obama is Velcro – he will always get the blame for executive action

Nicholas and Hook, 7-30-2010 (Peter and Janet, Tribune Washington Bureau, “Obama the Velcro President,” LA Times, http://articles.latimes.com/2010/jul/30/nation/la-na-velcro-presidency-20100730)

If Ronald Reagan was the classic Teflon president, Barack Obama is made of Velcro. Through two terms, Reagan eluded much of the responsibility for recession and foreign policy scandal. In less than two years, Obama has become ensnared in blame. Hoping to better insulate Obama, White House aides have sought to give other Cabinet officials a higher profile and additional public exposure. They are also crafting new ways to explain the president's policies to a skeptical public. But Obama remains the colossus of his administration — to a point where trouble anywhere in the world is often his to solve. The president is on the hook to repair the Gulf Coast oil spill disaster, stabilize Afghanistan, help fix Greece's ailing economy and do right by Shirley Sherrod, the Agriculture Department official fired as a result of a misleading fragment of videotape. What's not sticking to Obama is a legislative track record that his recent predecessors might envy. Political dividends from passage of a healthcare overhaul or a financial regulatory bill have been fleeting. Instead, voters are measuring his presidency by a more immediate yardstick: Is he creating enough jobs? So far the verdict is no, and that has taken a toll on Obama's approval ratings. Only 46% approve of Obama's job performance, compared with 47% who disapprove, according to Gallup's daily tracking poll. "I think the accomplishments are very significant, but I think most people would look at this and say, 'What was the plan for jobs?' " said Sen. Byron L. Dorgan (D-N.D.). "The agenda he's pushed here has been a very important agenda, but it hasn't translated into dinner table conversations." Reagan was able to glide past controversies with his popularity largely intact. He maintained his affable persona as a small-government advocate while seeming above the fray in his own administration. Reagan was untarnished by such calamities as the 1983 terrorist bombing of the Marines stationed in Beirut and scandals involving members of his administration. In the 1986 Iran-Contra affair, most of the blame fell on lieutenants. Obama lately has tried to rip off the Velcro veneer. In a revealing moment during the oil spill crisis, he reminded Americans that his powers aren't "limitless." He told residents in Grand Isle, La., that he is a flesh-and-blood president, not a comic-book superhero able to dive to the bottom of the sea and plug the hole. "I can't suck it up with a straw," he said. But as a candidate in 2008, he set sky-high expectations about what he could achieve and what government could accomplish. Clinching the Democratic nomination two years ago, Obama described the moment as an epic breakthrough when "we began to provide care for the sick and good jobs to the jobless" and "when the rise of the oceans began to slow and our planet began to heal." Those towering goals remain a long way off. And most people would have preferred to see Obama focus more narrowly on the "good jobs" part of the promise. A recent Gallup poll showed that 53% of the population rated unemployment and the economy as the nation's most important problem. By contrast, only 7% cited healthcare — a single-minded focus of the White House for a full year. At every turn, Obama makes the argument that he has improved lives in concrete ways. Without the steps he took, he says, the economy would be in worse shape and more people would be out of work. There's evidence to support that. Two economists, Mark Zandi and Alan Blinder, reported recently that without the stimulus and other measures, gross domestic product would be about 6.5% lower. Yet, Americans aren't apt to cheer when something bad doesn't materialize. Unemployment has been rising — from 7.7% when Obama took office, to 9.5%. Last month, more than 2 million homes in the U.S. were in various stages of foreclosure — up from 1.7 million when Obama was sworn in. "Folks just aren't in a mood to hand out gold stars when unemployment is hovering around 10%," said Paul Begala, a Democratic pundit. Insulating the president from bad news has proved impossible. Other White Houses have tried doing so with more success. Reagan's Cabinet officials often took the blame, shielding the boss. But the Obama administration is about one man. Obama is the White House's chief spokesman, policy pitchman, fundraiser and negotiator. No Cabinet secretary has emerged as an adequate surrogate. Treasury Secretary Timothy F. Geithner is seen as a tepid public speaker; Energy Secretary Steven Chu is prone to long, wonky digressions and has rarely gone before the cameras during an oil spill crisis that he is working to end. So, more falls to Obama, reinforcing the Velcro effect: Everything sticks to him. He has opined on virtually everything in the hundreds of public statements he has made: nuclear arms treaties, basketball star LeBron James' career plans; Chelsea Clinton's wedding.

### Reprocessing – 2NC

#### Reprocessing is highly unpopular – it’s perceived as being too expensive and costs associated with it means congress doesn’t want to implement it

#### Reprocessing is politically contentious – saps capital

Damon Kenul 10, Research Assistant at NYU Langone Medical Center, et al., 11/29/10, “Nuclear Fuel Reprocessing Future Prospects and Viability,” <http://humanities.uchicago.edu/orgs/institute/bigproblems/Team7-1210.pdf>

Of these options, we believe that the fifth has the most promise. Nuclear reprocessing is too environmentally hazardous and expensive given current technological constraints and uranium prices, although this could change in the near future with scientific improvements. Increasing government support of advancements in reprocessing in the U.S. would encourage growth and investment in this technology. Therefore, continued government commitment to researching pyroprocessing and other advanced fuel cycle technologies is vital to the nuclear industry, especially if we envision this technology maturing internationally. As unsustainable as our current nuclear waste disposal strategies are, we believe in the current political climate, commercial reprocessing in the United States are not a viable option due to high environmental and technological costs, as well as having significant nuclear proliferation threats. However, in order for the U.S. to employ pyroprocessing in the future, the government must begin now to incentivize the technology for firms and investors. As uranium prices are expected to increase in the future, as well as an increasing concern regarding the management of nuclear waste worldwide, reprocessing may become a promising solution provided investments are made to address current challenges in the field

### General – No Link Turns\*\*\*

#### Obama can’t win on energy – only risk of a link

Eisler 12 Matthew is a Researcher @ the Chemical Heritage Foundation. “Science, Silver Buckshot, and ‘All of The Above’” April 2, http://scienceprogress.org/2012/04/science-silver-buckshot-and-%E2%80%9Call-of-the-above%E2%80%9D/

Conservatives take President Obama’s rhetoric at face value. Progressives see the president as disingenuous. No doubt White House planners regard delaying the trans-border section of the Keystone XL pipeline and approving the Gulf of Mexico portion as a stroke of savvy realpolitik, but one has to wonder whether Democratic-leaning voters really are as gullible as this scheme implies. And as for the president’s claims that gasoline prices are determined by forces beyond the government’s control (speculation and unrest in the Middle East), it is probably not beyond the capacity of even the mildly educated to understand that the administration has shown little appetite to reregulate Wall Street and has done its part to inflate the fear premium through confrontational policies in the Persian Gulf. Committed both to alternative energy (but not in a rational, comprehensive way) and cheap fossil fuels (but not in ways benefiting American motorists in an election year), President **Obama has accrued** no political capital **from his energy policy from either the left or the right** by the end of his first term.¶ The president long ago lost the legislative capacity for bold action in practically every field, including energy, but because the GOP’s slate of presidential candidates is so extraordinarily weak in 2012, he may not need it to get re-elected. At least, that is the conventional wisdom in Democratic circles. Should President Obama win a second term, Congress is likely to be **even more hostile** than in his first term, as in the Clinton years. And as in the Clinton years, that will probably mean four more years of inaction and increased resort to cant.