**2nc Impact Overview**

**Nuclear war involving Russia is the biggest impact in the round they control the world’s largest nuclear arsenal –draw in of the u.s. ensures extinction**

**No other war compares**

Nick **Bostrum** March 200**2** faculty of philosophy at Oxford and winner of the esteemed Eugene Gannon Award, <http://marukuwato.multiply.com/journal/item/157>

A much greater existential risk emerged with the build-up of nuclear arsenals in the US and the USSR. An all-out nuclear war was a possibility with both a substantial probability and with consequences that might have been persistent enough to qualify as global and terminal. There was a real worry among those best acquainted with the information available at the time that a nuclear Armageddon would occur and that it might annihilate our species or permanently destroy human civilization.[4] Russia and the US retain large nuclear arsenals that could be used in a future confrontation, either accidentally or deliberately. There is also a risk that other states may one day build up large nuclear arsenals. Note however that a smaller nuclear exchange, between India and Pakistan for instance, is not an existential risk, since it would not destroy or thwart humankind’s potential permanently. Such a war might however be a local terminal risk for the cities most likely to be targeted. Unfortunately, we shall see that nuclear Armageddon and comet or asteroid strikes are mere preludes to the existential risks that we will encounter in the 21st century.

**Even if Russia doesn’t collapse, opportunistic aggression by China would escalate – causes extinction**

Alexander **Sharavin** 200**1** Director of the Institute for Military and Political Analysis, What the Papers Say, Oct 3)

Now, a few words about the third type of war. A real military threat to Russia from China has not merely been ignored; it has been denied by Russia's leaders and nearly all of the political forces. Let's see some statistic figures at first. The territory of Siberia and the Russian Far East comprises 12,765,900 square kilometers (75% of Russia's entire area), with a population of 40,553,900 people (28% of Russia's population). The territory of China is 9,597,000 square kilometers and its population is 1.265 billion (which is 29 times greater than the population of Siberia and the Russian Far East). **China's economy is** among the fastest-growing economies in the world. It remains socialistic in many aspects, i.e. extensive and highly expensive, **demanding more** and more **natural resources. China's** natural resources **are** rather **limited, whereas** the depths of Siberia and the **Russian Far East are almost inexhaustible**. Chinese propaganda has constantly been showing us skyscrapers in free trade zones in southeastern China. It should not be forgotten, however, that some 250 to 300 million people live there, i.e. at most a quarter of China's population. A billion Chinese people are still living in misery. For them, even the living standards of a backwater Russian town remain inaccessibly high. They have absolutely nothing to lose. There is every prerequisite for "the final throw to the north." The strength of the Chinese People's Liberation Army (CPLA) has been growing quicker than the Chinese economy. A decade ago the CPLA was equipped with inferior copies of Russian arms from late 1950s to the early 1960s. However, through its own efforts Russia has nearly managed to liquidate its most significant technological advantage. Thanks to our zeal, from antique MiG-21 fighters of the earliest modifications and S-75 air defense missile systems the Chinese antiaircraft defense forces have adopted Su-27 fighters and S-300 air defense missile systems. China's air defense forces have received Tor systems instead of anti-aircraft guns which could have been used during World War II. The shock air force of our "eastern brethren" will in the near future replace antique Tu-16 and Il-28 airplanes with Su-30 fighters, which are not yet available to the Russian Armed Forces! Russia may face the "wonderful" prospect of combating the Chinese army, which, if full mobilization is called, is comparable in size with Russia's entire population, which also has nuclear weapons (even tactical weapons become strategic if states have common borders) and would be absolutely insensitive to losses (even a loss of a few million of the servicemen would be acceptable for China). Such a war would be more horrible than the World War II. It would require from our state maximal tension, universal mobilization and complete accumulation of the army military hardware, up to the last tank or a plane, in a single direction (we would have to forget such "trifles" like Talebs and Basaev, but this does not guarantee success either). Massive nuclear strikes on basic military forces and cities of China would finally **be the only way out**, what would exhaust Russia's armament completely. We have not got another set of intercontinental ballistic missiles and submarine-based missiles, whereas the general forces would be extremely exhausted in the border combats. In the long run, even if the aggression would be stopped after the majority of the Chinese are killed, **our country would be absolutely unprotected against** the "Chechen" and the "Balkan" variants both, and even against the first frost of a possible **nuclear winter**.

**1NC/2NC Skolkovo**

**Oil revenue is key to Skolkovo development**

James **Melik** 7-4-20**12**; Reporter, Business Daily, BBC World Service; Russia moves to diversify economy with technology projects, <http://www.bbc.co.uk/news/business-18622834>

Twenty miles west of Moscow, a new technology race, rather like the space race of the 1960s, is opening up. In the area of farmland, **Russia is trying to build its own version of Silicon Valley** - the **Skolkovo** Innovation Centre. **It is part of the government initiative to divert the country away from its economic dependence on oil and gas and towards a new kind of industry.** It has been a key policy for Dmitry Medvedev, the man who was Russia's president until he was replaced by Vladimir Putin at the beginning of May 2012. The Skolkovo project is widely criticised in Russia and construction work has still not started in earnest more than two years after the proposals was announced. Another aim of this proposed technology drive is to keep clever Russians in the country, along with their money-making ideas, rather than them leaving because they are fed up with corruption and the weight of bureaucracy. Cash not credit Many of these technology companies are able to start up because of funds acquired from venture capitalists. But how do these venture capitalists decide who to back? "We look for proven business models that work abroad and we basically copy them and bring them to Russia," says Richard Creitzman at Fast Lane Ventures. "We find the ideas, we find the people, we find the funding," he says. "We give a management team the opportunity to start up a company, assisted with infrastructure, and let them try to build that company." **The Russian government is promoting technology and internet-based companies, and Mr Creitzman says the development at Skolkovo is a good example of using state money along with private funding.** The success of such ventures depends on Russians adapting to new ideas. "The use of the internet and e-commerce sites, buying things online, which is a normal thing to do in the West, is just starting here," Mr Creitzman says.n"People tend not to pay by credit cards, they tend to pay the courier that delivers the item. "There is less trust of credit cards, less trust of the goods, so the market isn't as developed here yet as it is in the West." Business as usual Looking ahead, with the new Vladimir Putin presidency, thoughts turn to what the business climate is going to be in the next few years. "We are not planning for any major changes," says Mr Creitzman. “Every couple of weeks there is an investment committee that sits down and goes through a range of ideas that are developed by the management, the shareholders and the business analysts," he says. He maintains that **the state has money, especially as the oil price is probably going to remain good in the medium-term - maybe three to five years.** "**Skolkovo** was created under President Medvedev's presidency. I don't think that is going to change. I think **that will continue to have support because it's for the good of the state to develop new businesses**," he says.

**Key to global cybersecurity – cooperation with multinational software companies ensures commercialization**

Gregory **Feifer** 11-14-20**10**; Sr. Correspondence for RFE/RL - Former Moscow Correspondent for NPR Russia's Silicon Valley Dreams May Threaten Cybersecurity

Still, cybersecurity experts say the U.S. record of cracking down against cybercrime is worse. Last month, Moscow police launched an investigation into a legendary spammer whose subsequent disappearance coincided with a drop in global spam levels of 20 percent. Legislator Markov agrees the authorities need to do more to tackle cybercrime. Along with the scientists who turned to hacking after their livelihoods all but vanished following the Soviet collapse, he blames the weakness of postcommunist institutions. "If you want to increase cybersecurity in the world," he says, "help [Russian Prime Minister Vladimir] Putin and [President] Medvedev." **That's precisely what Silicon Valley companies are doing.** Earlier this month, Microsoft said it would take part in developing Skolkovo in projects possibly worth tens of millions of dollars, after Cisco Systems agreed to invest $1 billion last summer.

**Skolkovo Good – Warming**

**Skolkovo solves warming – increases Russian efficiency and causes alt energy development**

**Reuters** 11-18-20**10** (Why Business is the Best Bet to Fix Russia's Climate Challenges, http://www.reuters.com/article/idUS314234179120101118?pageNumber=1 )

**Managers who want to lead on climate and energy should be looking carefully at Russia,** where President Dmitry Medvedev has decreed a 40 percent reduction in energy intensity over the next decade. The potential for scale is immense: **Russia is one of the most inefficient countries in the world, the third-highest emitter of greenhouse gase**s (GHG) -- both by traditional measures and in terms of exports for consumption **-- and its per capita emissions are on a path for the top spot by 2030. Yet Russia receives far less attention than its GHG-emitting peers**, **such as China and tropical rainforest countries**. Why is it overlooked? There are several reasons: Russia's list of sustainability challenges, from nuclear waste to governance, is long, so **climate change gets lost in the shuffle.** Commentators focus on Russia's struggling economy, asking things like whether "BRIC" really needs an "R," signaling that attention is better paid where business is growing more predictably. Furthermore, non-Russians are perplexed about operating in what seems like too foreign a place -- one that is European, Asian, and most of all, its own category altogether -- and so give it wide berth. Nonetheless, there are growing reasons for companies invested in Russia to proactively manage and reduce energy use in operations, by suppliers, and for customers. The first is that **Russia's climate challenge is one that business is uniquely,** and profitably**, good at solving: audacious inefficiency, stemming from outdated equipment and obsolete management practice**s. **Russia is the most energy-intensive (PDF) of the world's 10 largest countries**. Few, regardless of size, score higher, and many that do are Russia's neighbors**. Cost-effective efficiency measures could cut Russia's energy use by as much as 45 percent** (PDF), with prime opportunities in industry and manufacturing. One study has identified 60 measures representing more than $200 million in investments that can be made profitably. Second, the government is showing increased willingness to incentivize action. In 2008, Medvedev signed presidential decree No. 889, a commitment to cut energy intensity by 40 percent by 2020. Last year he committed Russia to growing its renewables portfolio from less than 1 percent to 4.5 percent in that period. Medvedev then developed Russia's first executive climate doctrine and began calling for action on climate change -- a reversal of Vladimir Putin's stance, symbolized by Putin's infamous quip that climate change would be beneficial because it would mean fewer fur coats. **Now an innovation center is under development near Skolkovo**, where companies such as Google and Intel are setting up research and development centers, similar to special business zones in China. In sum, **there has been a change in the terms of debate in Russia, with climate change being taken more seriously by the government and productivity now a priority**. **Another reason is that the drama of climate change is clearly unfolding in Russia, and so people are starting to appreciate the benefits of managing energy for sustainabil**ity. This summer, the hottest in 130 years, led to 27,000 wildfires and burning bogs, sending global wheat prices through the roof. **Meanwhile, global warming is melting the arctic, where the government is leading a high-profile exploration, turning the most iconic imagery of climate change into a point of local news. Climate change is increasingly seen as real and important, making conversations more natural**.

**Warming causes extinction**

**Sify** 20**10** – Sydney newspaper citing **Ove Hoegh-Guldberg, professor at University of Queensland and Director of the Global Change Institute, and John Bruno, associate professor of Marine Science at UNC** (Sify News, **“Could unbridled climate changes lead to human extinction?”,** <http://www.sify.com/news/could-unbridled-climate-changes-lead-to-human-extinction-news-international-kgtrOhdaahc.html>**, WEA)**

The findings of the comprehensive report: 'The impact of climate change on the world's marine ecosystems' emerged from a synthesis of recent research on the world's oceans, carried out by two of the world's leading marine scientists. One of the authors of the report is Ove Hoegh-Guldberg, professor at The University of Queensland and the director of its Global Change Institute (GCI). 'We may see sudden, unexpected changes that have serious ramifications for the overall well-being of humans, including the capacity of the planet to support people. This is further evidence that we are well on the way to the next great extinction event,' says Hoegh-Guldberg. 'The findings have enormous implications for mankind, particularly if the trend continues. The earth's ocean, which produces half of the oxygen we breathe and absorbs 30 per cent of human-generated carbon dioxide, is equivalent to its heart and lungs. This study shows worrying signs of ill-health. It's as if the earth has been smoking two packs of cigarettes a day!,' he added. 'We are entering a period in which the ocean services upon which humanity depends are undergoing massive change and in some cases beginning to fail', he added. The 'fundamental and comprehensive' changes to marine life identified in the report include rapidly warming and acidifying oceans, changes in water circulation and expansion of dead zones within the ocean depths. These are driving major changes in marine ecosystems: less abundant coral reefs, sea grasses and mangroves (important fish nurseries); fewer, smaller fish; a breakdown in food chains; changes in the distribution of marine life; and more frequent diseases and pests among marine organisms. Study co-author John F Bruno, associate professor in marine science at The University of North Carolina, says greenhouse gas emissions are modifying many physical and geochemical aspects of the planet's oceans, in ways 'unprecedented in nearly a million years'. 'This is causing fundamental and comprehensive changes to the way marine ecosystems function,' Bruno warned, according to a GCI release. These findings were published in Science

### 2NC Prices High

**Oil prices are high and stable –**

#### Expectations for OECD demand

AP 9-12-2012; Oil price falls on questions about global economy http://fuelfix.com/blog/2012/09/12/oil-prices-hover-above-93-a-barrel-in-asia/

Benchmark oil fell 16 cents Wednesday to end at $97.01 per barrel in New York. Brent crude, which is used to price international varieties of oil, gained 56 cents to $115.33 per barrel in London. A German court cleared a path for Europe to create a fund to help financially troubled countries. It is just one of several strategies being pursued to resolve Europe’s debt crisis. Oil prices briefly topped $98 per barrel after the ruling was announced. Those gains were erased after the U.S. government said crude inventories increased last week. Now, traders are looking ahead to Thursday when the Federal Reserve wraps up a two-day policy meeting. There is broad speculation that Chairman Ben Bernanke will unveil a bond-buying program or other steps designed to boost the U.S. economy. Since hitting a low of $77.69 per barrel in late June, oil has risen about $20 per barrel on expectations that the U.S., Europe and China will do more to help their economies.

#### Fear over insufficient supply and geopolitical risks

Stuart Burns 9-4-2012; Why Oil Prices Will Remain High <http://oilprice.com/Energy/Oil-Prices/Why-Oil-Prices-Will-Remain-High.html>

I don’t know about you, but in the absence of any dramatic news about Iran in the papers, and especially set against the general background of a weakening global economy, the relentless rise in gas prices each time I pull up at the pump has come as a bit of a shock. And before anyone leaves a comment about being a bit tight-fisted, let me tell you, here in the UK it costs me about $200 to fill up my tank — no small outlay. So if anyone else is wondering what’s going on, an Economist article makes depressing reading, because rather than report this as just another temporary Ayatollah-induced spike, the learned news mag reports that in spite of oil market indicators being bearish, oil prices are likely to stay above $100 per barrel for the rest of the year. Brent Crude Oil Price Source: The Economist Unfortunately, while the Economist gives credit to suggestions that on-going tension between Iran and the West are spooking the oil markets, it bizarrely spends much more time focusing on poor growth prospects in many developed economies, particularly Europe and China. The oil market is obviously delving deeply to find this speculation about a possible Israeli strike on Iran’s nuclear facilities, and retaliatory threats by Iran to block the Strait of Hormuz, because while the headlines were rife with just such possibilities nine months ago, there has been precious little of late. Still, be that as it may, and even though the world’s storage tanks are awash with oil, the little bit of news and the fear (not backed up by hard evidence from what I can see) that the loss of about 1 million barrels per day of embargoed exports from Iran cannot be made up by Saudi Arabia and Russia is enough to get oil investors running for the hills.

#### Rising over positive bond market indicators

PressTV 9-12-2012; Oil prices hit new high in global markets <http://www.presstv.ir/detail/2012/09/12/261156/global-oil-prices-hit-new-high/?utm_source=dlvr.it&utm_medium=twitter>

Oil prices in global markets have hit a new high as Brent crude rose above USD 115 per barrel after the US Federal Reserve announced a third round of bond buying. On Wednesday, London Brent crude for October delivery, due to expire on Thursday, increased 35 cents to settle at USD 115.75 per barrel, its highest record this week. Meanwhile, US crude for October delivery gained 3 cents to USD 97.20 a barrel.

### A2 Demand Declining

#### Long term demand is increasing – both OECD and developing countries are growing more than expected and prices are revising up for 2013

Financial Post 9-12-2012; Grant Smith, Bloomberg News, “IEA boosts oil demand forecast” http://business.financialpost.com/2012/09/12/iea-boosts-oil-demand-forecast/

The International Energy Agency boosted its global oil demand forecast for this year and next after consumption in the U.S., Brazil and Canada rose more in 2011 than previously estimated. The Paris-based adviser predicts that world oil consumption will increase by 800,000 barrels a day, or 0.9%, in both 2012 and 2013, reaching 90.6 million a day next year. That’s about 90,000 a day more than estimated last month. The agency said inventories have become “more comfortable,” and didn’t specify whether members should release emergency reserves to tame prices, a move discussed last month by leaders in the U.S., U.K. and France. “There have been some bullish signals on the demand side,” the agency said today in its monthly report. “On the other hand, concerns about the health of the global economy are also rising in the wake of bearish economic indicators” from the U.S., Europe and China. Brent crude rose 8% this year, trading at $115.76 a barrel Wednesday, amid concern that the dispute over Iran’s nuclear program may lead to a supply disruption. While the Group of Seven nations said on Aug. 28 it’s prepared to call on the agency to “ensure the market is fully and timely supplied,” IEA Executive Director Maria van der Hoeven said the same day that there is currently no “serious disruption of supply.” Relatively Tepid The agency said increases to its estimates stem from revisions to data for 2011. Global oil consumption will total 89.8-million barrels a day this year, reflecting “relatively tepid” growth, the IEA estimates. The Organization of Petroleum Exporting Countries, in its monthly report released yesterday, predicted that world oil demand will increase 800,000 barrels a day, or 0.9%, to 89.55 million a day in 2013. OPEC production increased by 45,000 barrels a day last month to 31.55 million, the IEA said. That’s about 450,000 a day more than required this quarter, and 950,000 a day more than the 30.6 million the group will need to supply in the next quarter. OPEC will meet to review output targets in Vienna on Dec. 12. The IEA kept annual forecasts for supplies from outside the organization unchanged. Non-OPEC producers, such as Brazil, Canada and Russia, will bolster output by 700,000 barrels a day to 53.9 million a day next year. Oil industry inventories in developed nations slipped below their five-year average in July, to 2.7 billion barrels, after increasing by about half the normal amount for the month, according to the agency. Still, that equates to about 58.3 days of consumption, or 0.6 days more than a year ago. “The OECD stock cushion actually looks more comfortable today when measured in days of forward cover than before the latest draws,” according to the report.

**2NC Internal Link Wall**

**High prices are key to the Russian economy –**

**--Stable foreign investor perception**

**RT** 4-3-20**12**; Russia Today, “Oil prices: The make or break of the Russian economy - World Bank” http://rt.com/business/news/world-bank-report-russia-543/

**Russia has to thank high oil prices for the better state of its economy**. A World Bank report says it has the edge over other emerging countries and the EU, but the rosy picture will become bleaker unless the country deals with a number of challenges. The growth rose from 3.8% year-on-year in the first half to 4.8% in the second half of 2011 and in September was 0.3% better than predicted in the previous Russian Economic Report. Restocking and growing consumptions were the most important growth drivers in 2011 after the sharp decline in 2009. **Private consumption was supported by growing employment, solid wage growth, lower inflation, and a strong rouble in the first half of the year.** Although the Russian economy returned to pre-crisis level by the end of 2011, the recovery from the crisis was slower than that in 1998. By comparison, GDP took 7 quarters to recover to pre-crisis level after 1998 crisis, yet twice as long after the 2008 crisis. However consumption held up better in 2008 than in 1998 partly due to stronger fiscal policy. Imports recovered faster in 2008. The capital investment showed slowest recovery in 2011. Overall investment reached 22% of GDP in the third quarter of 2011, some 4.4% of GDP below the pre-crisis level in the second quarter of 2008. **“It is going to be very important for the Russian government to make sure that investors want to put money in Russia**,” said Kaspar Richter, World Bank's Lead Economist and Country Sector Coordinator for Russia. “**Macroeconomic policy should emphasize stability; all buffers have to be rebuilt. So when the next crisis comes Russia is a good place to address this crisis”.** The lower inflation rate is among the major achievements of Russian economy, according to the World Bank. CPI inflation fell for 10 months in a row from 9.7% in April 2011 to 3.8% in February 2012, the lowest level since the early 1990s. Russia’s labor market improved in 2011, as unemployment was 6.5 % in July, and remained around this level through to the end of the year, according to the report. Though real income growth was 1.1% in 2011, the lowest rate in many years, real wages increased 4.2%, although only 2% for the public sector. **In 2011 the Russian budget turned in a surplus thanks to surging oil prices and moderate spending**. But the World Bank expects the budget to turn to a deficit in 2012 as spending on extra-budgetary funds and social policy is projected to jump from 5.8% of GDP in 2011 to 7.5% of GDP in 2013. World Bank also warns against increasing reliance on resources exports as oil and gas revenues grew to 10.4% of GDP from 7.6% in 2009. **“Even a moderate correction in the oil prices could reverse improvements on the revenue side achieved in 2011**,” experts say.

**--New spending commitments make higher prices necessary – lower prices risk a credit downgrade**

Andrew **Kramer** 3-16-20**12**; Moscow correspondent for the New York Times, Putin Needs Higher Oil Prices to Pay for Campaign Promises http://www.nytimes.com/2012/03/17/business/global/vladimir-putins-big-promises-need-fueling-by-high-oil-prices.html?\_r=1

**In all, the new commitments would add up to about $98 billion a year**, Citigroup estimates. The spillover from the Arab Spring and the specter of an Israeli attack on Iran’s nuclear development plants are propping up oil prices now. But over the long term, economic stagnation in Europe could help bring them down. **Even before the election, Russia’s government spending was up, helping reinforce Mr. Putin’s message that he was the best candidate to deliver prosperity and stability**. In January, the Russian military ministry, for example, doubled salaries in the nation’s million-person army. It was ostensibly a long-planned move. But coming just two months before the presidential vote, the political message was clear. Also smoothing the path for Mr. Putin’s victory was a national cap on utility rates that helped keep inflation at the lowest level in Russia’s post-Soviet history for January and February, at a 3.7 percent annual pace. “**Putin made large spending commitments**,” the Fitch rating agency said in a statement released the day after the election. “**The current high price of oil cushions Russia’s public finances**,” Fitch said. “**But in the absence of fiscal tightening that significantly cuts the non-oil and gas fiscal deficit, a severe and sustained drop in the oil price would have a damaging impact on the Russian economy and public finances and would likely lead to a downgrade” of the nation’s credit rating. As Mr. Putin’s spending promises started to be introduced in January, Fitch altered Russia’s outlook to stable, from positive.**

**--Stock market performance tracks oil prices**

Frank **Stocker** 7-6-20**11**, Die Weltm “IS RUSSIA REALLY SUCH A SOLID INVESTMENT?”, <http://www.worldcrunch.com/russia-really-such-solid-investment/3403>,

Even if a few innovative Internet companies have cropped up, like the Mail.ru e-mail service or the Yandex search engine, both of which are listed on the stock market, they are mostly active only in Russia and therefore remain small players. They don’t have what it takes to be an international success story; they couldn’t even begin to compete with companies like Google or Facebook. Russia‘s stock market will for the foreseeable future remain geared to oil and gas prices. That much is clear from the share prices on the Moscow exchange -- in dollars they **follow oil prices almost slavishly**. Let me rephrase: make that followed. Over the past few months, they’ve been a little lower than the price of oil. Definitely not a growth story.

**--Bond yields too**

**Bloomberg** 6-27-20**11**;, Jun 27, 2011, “Russia’s Ruble Declines to Four-Week Low Versus Dollar as Oil Price Slides”, http://www.bloomberg.com/news/2011-06-27/russia-s-ruble-declines-to-four-week-low-versus-dollar-as-oil-price-slides.html

The ruble slid to its weakest against the dollar in a month as oil, Russia’s chief export earner, dropped on speculation the International Energy Agency may release more of its stockpiles to steady prices. The ruble lost 0.6 percent to 28.33 per dollar at the 5 p.m. close in Moscow, the weakest since May 25. The Russian currency was down 0.2 percent at 40.2 per euro, leaving it 0.4 percent weaker at 33.6715 versus the central bank’s target dollar-euro basket, its lowest level in two months based on closing prices. The IEA will act again if needed after announcing its third release of emergency stockpiles since its creation in 1974 last week, aimed at stabilizing prices as the war in Libya chokes global crude supplies, Executive Director Nobuo Tanaka said in Beijing June 25. Crude for August delivery dropped as much as $1.34 a barrel today, and last traded down 1 percent at $90.22 a barrel. “**The oil and Russia relationship remains close**,” Chris Weafer, chief strategist and head of research for Russia at ING Groep NV in Moscow, wrote in an e-mailed note June 25. Oil prices “will again be one of the major factors determining Moscow’s bourses and the ruble,” he wrote. Crude prices slipped 15 percent in the three months after the IEA last released emergency supplies in September 2005. The agency released stockpiles after Hurricane Katrina knocked out 10 percent of U.S. refining capacity. Russian government dollar bonds due 2015 fell, pushing the yield up eight basis points to 2.996 percent. The country’s ruble Eurobond yielded two basis points more at 7.021 percent. Non-deliverable forwards, which allow companies to hedge against currency movements, show the ruble at 28.6088 per dollar in three months.

**--Equity markets and social spending depend on oil prices**

Owain **Bennallack** 3-3-20**11** – executive editor of Develop, “The one market you can buy on higher oil prices” <http://www.fool.co.uk/news/investing/2011/03/03/the-one-market-you-can-buy-on-higher-oil-prices.aspx>

Yes, we're talking about Russia. As Matthias Siller, Investment Manager at Baring Asset Manager explains: "There is generally a close relationship between the performance of the Russian equity market and the oil price, with Russia lagging slightly. In a stronger oil price environment, it is our belief that the Russian market will gain upward momentum." The following graph shows the relationship between the oil price and the Russian market very clearly: Source: Baring Asset Management / Datastream, as at 24 Feb 2011 You can clearly see that going on this prior trend, the Russian market could be about to shoot upwards. It's already started 2011 with a bang in comparison with most other emerging markets, which have wilted. More reasons to buy Russia We're not habitual graph followers at the Fool. But there are very strong reasons why Russia rises when the oil price does -- principally, that the country is a huge exporter of oil, and its markets are stuffed to overflowing with oil producers. In the short term at least, higher oil prices will massively boost their profitability. It's estimated that a $150 barrel of oil would increase Russian oil firm's operating profitability by an average of 60-80%. But Baring's Matthias Siller points to two other reasons to be optimistic about Russian equities in this climate: ■More taxes for the government: It's an election year in Russia, and incumbents flush with oil-fuelled tax receipts could well increase infrastructural and social security spending, to the benefit of banks, construction firms, property companies, and retailers. ■A boost to oil production: Russian oil companies badly need to upgrade their facilities to get more of their reserves to market. A higher oil price would give the Russian authorities leeway to introduce better tax incentives to encourage this, which could enable Russia's producers to increase their output and profits. The Russian market is on a P/E of just 10 and forecast to fall to around 7, so on the face of it this is pretty compelling opportunity.

**2nc Conditionality Good - short (0:30)**

**Our interpretation is that the negative gets three conditional world**

**Prefer it—**

**1. Offense**

**a. Neg Flex- key to let the neg shape their strategy- or else everyone would go 3-3**

**b. 2AC strategic thinking- thinking about what arguments to read is critical to developing, real world critical thinking**

**c. Education-breadth outweighs because it incentivizes out of round research**

**2. Defense**

**a. condo forces better 1ac writing, it forces preempts that solve time skew**

**b. dispo or unconditionally forces debates down to core generics with impact - that kills topic education**

**c. condo has diminishing returns every conditional world trades off with case arguments we get to make**

**d. Permutations check- each is conditional world -skews our strat too**

### Synthetic Trees 2NC

**Extend BBC News – designs of professional physicists and the professors of Physics at Columbia have concluded synthetic trees can be built, and each tree can sequester 80,000 tons of carbon underground. We incentivize 250,000 trees, which solves for all of the carbon dioxide in the United States.**

**Extend 1NC Pesochinsky evidence - Super chimneys solve global warming**

**a. Air Convection - The super-chimney will facilitate air convection by bringing masses of warm air at high altitude, resulting in the warm air coming out of the super-chimney exit. When the heat from the air radiates out it will be already at high altitude thus the amount of energy reabsorbed by the atmosphere will be less, because there will be a thinner layer of air for heat to travel through.**

**b. Cloud formation – super chimney creates massive amounts of clouds that reflect sunlight back into space – this decreases the temperature enough to solve warming**