### DP Effect

#### Displacement effect is the reason

Hulbert 2012 (Matthew Hulbert, writer for Forbes, July 5, 2012, "Why America Can Make or Break A New Global Gas World," Forbes, www.forbes.com/sites/matthewhulbert/2012/08/05/why-america-can-make-or-break-a-new-global-gas-world/print/)

With that in mind, we’ll start off by taking a brief look at the ‘climatic conditions’ that have made global gas convergence a serious debate, examining reduced OECD demand and meteoric unconventional gains in the US. That’s freed up vast swathes of LNG tankers from the Middle East that should have hit US ports to find their way to European hubs instead. European utilities contracted to expensive Russian pipeline gas have been bleeding customers and cash ever since, constantly being undercut by new market entrants using spot purchases to good effect over term prices. As a result, European wholesale hubs are seriously challenging Russo-German border prices, and as yet, no conclusive winner has emerged given conflicting ‘fundamentals’ in play. But this battle over pricing models isn’t just being waged in Europe; it increasingly divides Asia as well. To add the Pacific dimension, we then turn to China: Beijing has been notoriously stubborn signing oil-indexed contracts over the past two years, irrespective of the vendors involved. It’s put itself in a great pricing position as it has plenty of options to source its gas. Nobody is going to make a dud move signing up overpriced contracts with the prospect of new export giants emerging in the next five to ten years: Least of all, the Middle Kingdom.

### US-EU Resilient

#### Recent nominations

Stephens 1/10 (Philip Stephens, associate editor of the Financial Times, January 10, 2013, “US pivot gives Europe an opportunity,” Financial Times, http://www.ft.com/intl/cms/s/0/4d6b5e00-5b18-11e2-8d06-00144feab49a.html#axzz2IS9bD8cJ)

Mr Obama’s nominations of John Kerry to the state department and Chuck Hagel to the Pentagon would fill these two top posts with politicians that Europeans should clamour to do business with. They hail from a generation with Atlanticism in their blood: Americans whose worldview was shaped by the importance of the alliance in fighting the cold war.¶ They are staunch supporters of Nato and the EU. Mr Hagel chaired the Atlantic Council, the Washington think-tank committed to sustaining transatlantic ties. Both nominees are stalwarts of the Munich Conference on Security Policy.¶ There is more good news for those who feared that a continent engulfed in the eurozone crisis was doomed to geostrategic irrelevance. The White House wants to revive the long-stalled goal of a transatlantic free-trade area. Europe is a cause of much frustration, you hear US officials say (not least when the president has to meet three or four different “presidents” from Brussels), but it is still America’s staunchest ally and its most important economic partner. How better to reinvigorate the alliance (and generate much-needed economic growth) than a bonfire of the regulatory controls and bureaucratic infighting that still stymie trade and investment.¶ True, the new mood in Washington highlights a problem facing one European leader. This week an official from the US state department stated publicly what the president’s aides have been saying privately for some time: Prime Minister David Cameron is barmy to be talking about a referendum that could detach Britain from Europe. As far as the so-called special relationship goes, Atlanticism is not an alternative to Europeanism. One certain consequence of Brexit would be a weakening of Britain’s voice in Washington. Mr Cameron has now been put on notice that outside the EU, Britain would be on its own.

#### Obama appeal sets a relations floor

Stokes 2012 (Bruce Stokes, Director of Pew Global Economic Attitudes, Pew Research Center, November 8, 2012, “Transatlantic Relations in Obama’s Second Term ,” http://www.pewglobal.org/2012/11/08/an-agenda-for-obama-ii/)

Obama will continue the U.S. pivot toward Asia. Nevertheless, the European-American agenda will remain busy, with a number of issues that have to be properly managed to avoid alliance tensions. But with the re-election of Barack Obama, who is more popular across Europe than any other European leader and who most Europeans wanted to remain in the White House, there is no danger of a return of the transatlantic tensions that marked the Bush administration in the last decade.

### Impact Defense

#### Cyber-terrorism is drastically exaggerated – no major attack has happened and 99 percent of hackers couldn’t inflict serious damage

USIP (United States Institute for Peace) December 2004 “Cyberterrorism How Real Is the Threat?” Cyberterrorism

How Real Is the Threat?

Amid all the dire warnings and alarming statistics that the subject of cyberterrorism generates, it is important to remember one simple statistic: so far, there has been no recorded instance of a terrorist cyberattack on U.S. public facilities, transportation systems, nuclear power plants, power grids, or other key components of the national infrastructure. Cyberattacks are common, but they have not been conducted by terrorists and they have not sought to inflict the kind of damage that would qualify them as cyberterrorism. Technological expertise and use of the Internet do not constitute evidence of planning for a cyberattack. Joshua Green (“The Myth of Cyberterrorism,” Washington Monthly, November 2002) makes this point after reviewing the data retrieved from terrorists in Afghanistan: When U.S. troops recovered al Qaeda laptops in Afghanistan, officials were surprised to find its members more technologically adept than previously believed. They discovered structural and engineering software, electronic models of a dam, and information on computerized water systems, nuclear power plants, and U.S. and European stadiums. But nothing suggested they were planning cyberattacks, only that they were using the Internet to communicate and coordinate physical attacks. Neither al Qaeda nor any other terrorist organization appears to have tried to stage a serious cyberattack. For now, insiders or individual hackers are responsible for most attacks and intrusions and the hackers’ motives are not political. According to a report issued in 2002 by IBM Global Security Analysis Lab, 90 percent of hackers are amateurs with limited technical proficiency, 9 percent are more skilled at gaining unauthorized access but do not damage the files they read, and only 1 percent are highly skilled and intent on copying files or damaging programs and systems. Most hackers, it should be noted, try to expose security flaws in computer software, mainly in the operating systems produced by Microsoft. Their efforts in this direction have sometimes embarrassed corporations but have also been responsible for alerting the public and security professionals to serious security flaws. Moreover, although there are hackers with the ability to damage systems, disrupt e-commerce, and force websites offline, the vast majority of hackers do not have the necessary skills and knowledge. The ones who do, generally do not seek to wreak havoc. Douglas Thomas, a professor at the University of Southern California, spent seven years studying computer hackers in an effort to understand better who they are and what motivates them. Thomas interviewed hundreds of hackers and explored their “literature.” In testimony on July 24, 2002, before the House Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations, Thomas argued that “with the vast majority of hackers, I would say 99 percent of them, the risk [of cyberterrorism] is negligible for the simple reason that those hackers do not have the skill or ability to organize or execute an attack that would be anything more than a minor inconvenience.” His judgment was echoed in Assessing the Risks of Cyberterrorism, Cyber War, and Other Cyber Threats, a 2002 report for the Center for Strategic and International Studies, written by Jim Lewis, a sixteen-year veteran of the State and Commerce Departments. “The idea that hackers are going to bring the nation to its knees is too far-fetched a scenario to be taken seriously,” Lewis argued. “Nations are more robust than the early analysts of cyberterrorism and cyberwarfare give them credit for. Infrastructure systems [are] more flexible and responsive in restoring service than the early analysts realized, in part because they have to deal with failure on a routine basis.” Many computer security experts do not believe that it is possible to use the Internet to inflict death on a large scale. Some pointed out that the resilience of computer systems to attack is the result of significant investments of time, money, and expertise. As Green describes, nuclear weapons systems are protected by “air-gapping”: they are not connected to the Internet or to any open computer network and thus they cannot be accessed by intruders, terrorists, or hackers. Thus, for example, the Defense Department protects sensitive systems by isolating them from the Internet and even from the Pentagon’s own internal network. The CIA’s classified computers are also air-gapped, as is the FBI’s entire computer system.

### Moniz

#### Hearings soon

Volcovici 3/18 (Valerie Volcovici, “Republican puts hold on EPA nominee; hearing set for Moniz,” Reuters, http://www.reuters.com/article/2013/03/18/us-usa-senate-epa-doe-idUSBRE92H13D20130318)

Meanwhile, the Senate energy committee scheduled Moniz's hearing to lead the Department of Energy for April 9.¶ The Obama administration nominated Moniz, from the Massachusetts Institute of Technology, earlier this month to replace departing Energy Secretary Steven Chu.¶ Moniz, a former undersecretary of energy during the Clinton administration, has received a lukewarm reception from some environmental groups who raised concerns he was too supportive of shale gas and nuclear energy.¶ A Republican committee aide said Moniz will likely face questions about liquefied natural gas (LNG) exports.¶ The Energy Department is currently weighing the fate of more than a dozen projects looking to sell the country's surplus natural gas abroad.¶ A 2011 MIT study, chaired by Moniz, said the U.S. government should not place any barriers on gas exports or imports. But those skeptical of unlimited exports, including Senate energy committee chairman Ron Wyden, have raised concerns that exports could raise domestic gas prices and harm manufacturers.

#### Mo moniz mo problems

Nelson 3/26 (Robert Nelson, “Ernest Moniz And Fracking Drive Environmentalists Off Of The Rails,” Forbes, http://www.forbes.com/sites/realspin/2013/03/26/ernest-moniz-and-fracking-drive-environmentalists-off-of-the-rails/)

Many environmentalists are unhappy about President Barack Obama’s nomination of Ernest Moniz, a professor of physics and engineering at MIT, to be Secretary of Energy.

As Director of the MIT Energy Initiative, Moniz assembled an all-star cast of MIT physical and social scientists to produce a June 2011 report that pointed to natural gas as an abundant, low-cost energy source that could sustain much of the world’s energy needs over the next several decades while we transition to wind, solar, tidal, geothermal and other carbon-free energy sources. It would also offer large environmental benefits because gas emits few conventional pollutants, and only about half as much carbon dioxide as the main transitional alternative: continued coal burning.¶ Implicit in the MIT vision was an understanding that shale gas development, using the technology known as “fracking,” should and will occur on a global scale. While a few groups such as the Environmental Defense Fund have been supportive, this is unacceptable to many others in the environmental movement. So they are striking out to discredit Professor Moniz, his views, and the additional large body of academic research and practical experience proving the efficacy and safety of fracking.¶ In the environmentalist blogosphere, for example, the discussions of natural gas and fracking take on a decidedly hostile tone. “Fracking is madness, a sign of a society gone completely insane and bent on self-destruction,” one blogger wrote recently. Said another: “The more we learn about a gas-drilling practice called hydraulic fracturing—or ‘fracking’—the more we see it as a zenith of violence and disconnect” in our world.

#### Obama will have to endorse OCS drilling inevitably

Revkin 3/19 (Andrew C. Revkin, “A Closer Look at Obama’s Plan to Pay for Energy Research With Drilling Fees,” http://dotearth.blogs.nytimes.com/2013/03/19/a-closer-look-at-obamas-plan-to-pay-for-energy-research-with-drilling-fees/)

The tricky situation though is that each of the Republican proposals envision dedicating royalty revenues from expanded domestic production of oil and gas, including opening up new areas previously closed to production in the Outer Continental Shelf (OCS) and places like the Alaska National Wildlife Refuge (ANWR).¶ So both the CBO budget procedures and the GOP’s position on using royalties for an energy R&D trust fund means that if President Obama wants to secure truly bipartisan support for this new Energy Security Trust proposal and ensure it doesn’t increase the deficit, he’s ultimately going to have to offer a real trade: new oil and gas production areas for new revenues dedicated to clean energy R&D.¶ Unfortunately, Obama already agreed to open up new areas of the OCS for offshore oil and gas production in April 2010 — and he did so without demanding any concessions from the GOP regarding the use of revenues for advanced energy R&D. He’s unlikely to get any credit for his previous actions in any new negotiations with Republicans, and even if he did, CBO’s scoring would now take into account revenues from these areas in the budget baseline.¶ In short, the president missed a big chance to put this energy trust fund into action in 2010. To get another chance now, he’ll have to find some new carrot to entice GOP cooperation.¶ A rock and a hard place¶ Presumably the president already knows all of this. So perhaps this is simply his opening bid, and he’s fully prepared in the future to make this a real deficit neutral proposal by offering new areas for oil and gas production in exchange for support from Congressional Republicans. I don’t doubt that Senator Murkowski would demand something like that, and the House GOP most certainly would. So maybe, for once, President Obama hasn’t pre-capitulated and is saving his cards for the negotiating table. But it’s not clear.¶ Even if he can find a proposal palatable to the GOP, the idea may be doomed on his own side of the aisle. Given the current uproar over Canada’s tar sands and the Keystone XL pipeline as well as past pitched battles over expanded oil and gas production, I have a hard time imagining Congressional Democrats or their environmentalist supporters getting behind the idea of opening ANWR to oil and gas drilling.¶ So can President Obama find some new area in the OCS that is still closed to drilling which greens and Democrats will find palatable and will serve to entice a combative GOP to the table? Or will this Energy Security Trust end up stuck between a rock and a hard place?