### 2AC---T General

#### We meet—Financial incentives for production include eliminating tariffs for the equipment used

RWI 8 Revenue Watch Institute is a non-profit policy institute and grantmaking organization that promotes the effective, transparent and accountable management of oil, gas and mineral resources for the public good, “Extractive Industries” http://archive-2011.revenuewatch.org/our-work/countries/indonesia/extractive-industries

As the only OPEC country that is a net importer of oil, Indonesia is strongly pushing the exploration and extraction of its remaining oil and gas reserves. The most recent financial incentives include eliminating tariffs for importing equipment used in oil, gas and geothermal production, such as drilling platforms, offshore production and undersea exploration facilities. This is in response to Indonesia's decreasing production despite untapped reserves. In 2007 production levels dropped to 899,000 b/d, down from 1.01 b/d in 2006 and the peak of 1.69 b/d in 1977.3

#### Counter-interpretation—energy production is extraction, conversion, and distribution—the aff meets conversion and distribution—also means we meet their definition of “on”

**Koplow 4** Doug Koplow is the founder of Earth Track in Cambridge, MA. He has worked on natural resource subsidy issues for 20 years, primarily in the energy sector "Subsidies to Energy Industries" Encyclopedia of Energy Vol 5 2004www.earthtrack.net/files/Energy%20Encyclopedia,%20wv.pdf

3. SUBSIDIES THROUGH THE FUEL CYCLE¶ Because no two fuel cycles are exactly the same, examining subsidies through the context of a generic fuel cycle is instructive in providing an overall framework from which to understand how common subsidization policies work. Subsidies are grouped into preproduction (e.g., R&D, resource location), production (e.g., extraction, conversion/generation, distribution, accident risks), consumption, postproduction (e.g., decommissioning, reclamation), and externalities (e.g., energy security, environmental, health and safety).¶ 3.1 Preproduction¶ Preproduction activities include research into new technologies, improving existing technologies, and market assessments to identify the location and quality of energy resources.¶ 3.1.1 Research and Development¶ R&D subsidies to energy are common worldwide, generally through government-funded research or tax breaks. Proponents of R&D subsidies argue that because a portion of the financial returns from successful innovations cannot be captured by the innovator, the private sector will spend less than is appropriate given the aggregate returns to society. Empirical data assembled by Margolis and Kammen supported this claim, suggesting average social returns on R&D of 50% versus private returns of only 20 to 30%.¶ However, the general concept masks several potential concerns regarding energy R&D. First, ideas near commercialization have much lower spillover than does basic research, making subsidies harder to justify. Second, politics is often an important factor in R&D choices, especially regarding how the research plans are structured and the support for follow-on funding for existing projects.¶ Allocation bias is also a concern. Historical data on energy R&D (Table III) demonstrate that R&D spending has heavily favored nuclear and fossil energy across many countries. Although efficiency, renewables, and conservation have captured a higher share of public funds during recent years, the overall support remains skewed to a degree that may well have influenced the relative competitiveness of energy technologies. Extensive public support for energy R&D may also reduce the incentive for firms to invest themselves. U.S. company spending on R&D for the petroleum refining and extraction sector was roughly one-third the multi-industry average during the 1956-1998 period based on survey data from the U.S. National Science Foundation. For the electric, gas, and sanitary services sector, the value was one-twentieth, albeit during the more limited 1995-1998 period.¶ 3.1.2 Resource Location¶ Governments frequently conduct surveys to identify the location and composition of energy resources. Although these have addressed wind or geothermal resources on occasion, they most often involve oil and gas. Plant siting is another area where public funds are used, primarily to assess risks from natural disasters such as earthquakes for large hydroelectric or nuclear installations. Survey information can be important to evaluate energy security risks and to support mineral leasing auctions, especially when bidders do not operate competitively. However, costs should be offset from lease sale revenues when evaluating the public return on these sales. Similarly, the costs of siting studies should be recovered from the beneficiary industries.¶ 3.2 Production¶ Energy production includes all stages from the point of resource location through distribution to the final consumers. Specific items examined here include resource extraction, resource conversion (including electricity), the various distribution links to bring the energy resource to the point of final use, and accident risks.¶ 3.2.1 Extraction of Energy Resources¶ General procedures for leasing access to energy minerals on public lands and more general subsidies for promoting energy extraction both are important areas to evaluate. Extraction-related subsidies are most common for oil and gas production, although they also support nuclear fission (due to uranium mining), geothermal, and coal.¶ 3.2.1.1 Accessing Publicly Owned Energy Resources Terms of access for energy minerals on public lands can be a source of enormous subsidies. In countries where leases or concessions are granted through graft rather than competitive bidding, wealth transfers worth billions of dollars can occur. Although there are not good statistics on the losses, the problem appears to be large. Oxfam America finds that states most dependent on oil tend to have very low Human Development Index (HDI) rankings. The HDI, developed by the UN Development Program, ranks states according to a combined measure of income, health, and education. Transparency International finds strong linkages between large mining and petroleum sectors as well as elevated levels of bribery and corruption. Low-cost access to energy minerals also tends to remove the incentive for careful management because profits can be had even with inefficient operation. Lease operation can also generate subsidies such as when self-reported royalties are calculated improperly. The Project on Government Oversight has documented state and federal court awards in excess of $10 billion in response to litigation in the United States over oil and gas royalty underpayments.¶ 3.2.1.2 Promoting Extraction Activities Policies to reduce the cost of extraction are widespread and often take the form of tax or loan subsidies or royalty concessions. They are found at both the national and state levels. Particular market niches may be targeted, from geographical (e.g., deep sea recovery of oil, timbering in a particular forest), to technological (e.g., tax breaks for more advanced oil drilling or coal gasification), to life cycle related (e.g., lower royalties on idle wells that are restarted). In some cases, baseline tax policy may be applied by firms in creative ways to generate large subsidies. U.S.-based multinationals receive a tax credit for foreign taxes paid to avoid double taxation of foreign income. Yet in many oil-producing regions with low or no corporate income taxes, foreign governments have reclassified royalty payments into corporate taxes, generating a tax write-off estimated by Koplow and Martin at between $0.5 billion and $1.1 billion annually.¶ However, many subsidies to extraction are not restricted to particular market niches. Percentage depletion allowances in the United States allow most firms mining oil, gas, uranium, or coal to deduct more costs from their taxable income than they have actually incurred. Accelerated write-offs of extraction-related investments are also common. For example, many multiyear costs in the U.S. oil and gas industry may be deducted immediately (ex-pensed) rather than over the useful lives of the investments. All of these special provisions tend to reduce the effective tax rate on benefiting energy industries. Data collected by the Energy Information Administration (EIA) suggest that the major U.S. energy firms paid federal taxes that were one-quarter to one-half the prevailing nominal rates between 1977 and 1995.¶ 3.2.2 Conversion ¶ Raw energy materials normally go through some conversion prior to consumption. Crude oil is refined into a wide range of specialized products such as gasoline and heating oil. Coal may be pulverized or cleaned prior to use. A combination of heat and machinery converts raw fuels (including wind and solar) into electricity. Common government supports to the conversion stage include capital subsidies, production tax credits or purchase requirements, and exemptions from appropriate protections for environmental quality, worker health, and accident risks. Because this third category affects multiple phases of the fuel cycle, it is addressed in a separate section.¶ 3.2.2.1 Capital Subsidies Subsidies to capital formation, usually through accelerated depreciation or investment tax credits, are common. Although applicable to multiple economic sectors, they are often of great benefit to energy producers. This is due both to their relative capital intensity and to provisions in the tax code that grant special accelerated depreciation schedules for energy-related assets. For example, in the United States, three sectors of relevance to energy—electric light and power, gas facilities, and mining, shafts, and wells—have allow- able depreciation schedules that are 28, 45, and 44% faster, respectively, than the actual economic depreciation of their assets according to data compiled by the U.S. Treasury. Capital subsidies are of greatest benefit to large-scale generation assets with long construction times (nuclear, hydro, and coal) and are of greatest detriment to energy resources that conserve capital (most prominently energy conservation).¶ 3.2.2.2 Tax Credits/Purchase Mandates A second class of subsidies to the conversion stage are tax credits or purchase mandates for certain types of energy. These subsidies occur at both the federal and the state/provincial levels and most often support emerging power sources such as solar, wind, and biomass-based electricity. Whereas many of the subsidies to conventional power sources are expen- sive regardless of whether the energy investments ultimately succeed, the tax credits and purchase mandates tend to be more efficient. For example, federal tax credits for wind energy in the United States cost taxpayers nothing unless a private investor is successful in getting a wind plant operating. If the plant goes offline, so too do the credits. Renewable portfolio standards (RPSs), a common form of purchase mandates adopted by many U.S. states, are even more efficient. In addition to providing no subsidy unless the power is delivered, RPSs often compete eligible power sources against each other, driving down the unit subsidy as technologies improve. Despite their benefits, these approaches have run into some political problems. Specifically, as the subsidies have grown, so too has lobbying pressure to expand the range of eligible sources. Federal tax credits now include poultry waste, a great benefit to the handful of very large chicken processors. At the state level, unsustainable biomass sources are sometimes included, as are waste-to-energy and landfill gas systems. Thus, although energy diversification goals are still being met, the supply is not necessarily renewable or particularly clean.¶ 3.2.3 Transportation and Distribution¶ Fuel cycles may involve multiple transportation steps, including movement of raw fuels to point of refining, refined fuels to the point of consumption, and movement of wastes to disposal sites. Relevant modes of transport include road, rail, water, pipelines, and transmission lines.

#### And a restriction of production is a government action that directly makes production and/or distribution expensive

LVM Institute 96, Ludwig Von Mises Institute Original Book by Ludwig Von Mises, Austrian Economist in 1940. Evidence is cut from fourth edition copyright Bettina B. Greaves, “Human Action” <http://mises.org/pdf/humanaction/pdf/ha_29.pdf>

We shall deal in this chapter with those measures which are directly and primarily intended to divert production (in the broadest meaning of the word, including commerce and transportation) from the ways it would take in the unhampered market economy. Each authoritarian interference with business diverts production, of course, from the lines it would take if it were only directed by the demand of the consumers as manifested on the market. The characteristic mark of restrictive interference with production is that the diversion of production is not merely an unavoidable and unintentional secondary effect, but precisely what the authority wants to bring about. Like any other act of intervention, such restrictive measures affect consumption also. But this again, in the case of the restrictive measures we are dealing with in this chapter, is not the primary end the authority aims at. The government wants to interfere with production. The fact that its measure influences the ways of consumption also is, from its point of view, either altogether contrary to its intentions or at least an unwelcome consequence with which it puts up because it is unavoidable and is considered as a minor evil when compared with the consequences of nonintervention.¶ Restriction of production means that the government either forbids or makes more difficult or more expensive the production, transportation, or distribution of definite articles, or the application of definite modes of production, transportation, or distribution. The authority thus eliminates some of the means available for the satisfaction of human wants. The effect of its interference is that people are prevented from using their knowledge and abilities, their labor and their material means of production in the way in which they would earn the highest returns and satisfy their needs as much as possible. Such interference makes people poorer and less satisfied.¶ This is the crux of the matter. All the subtlety and hair-splitting wasted in the effort to invalidate this fundamental thesis are vain. On the unhampered market there prevails an irresistible tendency to employ every factor of production for the best possible satisfaction [p. 744] of the most urgent needs of the consumers. If the government interferes with this process, it can only impair satisfaction; it can never improve it.¶ The correctness of this thesis has been proved in an excellent and irrefutable manner with regard to the historically most important class of government interference with production, the barriers to international trade. In this field the teaching of the classical economists, especially those of Ricardo, are final and settle the issue forever. All that a tariff can achieve is to divert production from those locations in which the output per unit of input is higher to locations in which it is lower. It does not increase production; it curtails it.

#### Prefer it

#### Predictable Limits—Best inclusive definition of energy production explicitly distinguishes it from other processes in the context of government action – limited direct government punitive actions mean they have no definition of production that we don’t limit further

#### Ground—Restrictions on what the neg thinks isn’t energy production mean the aff loses every time to the squo—also shifts the debate away from any debate about the functional increase of energy production

#### Good is good enough—our interpretation provides predictable limits and fair ground, satisfying the purpose of T as a voter.

### Competitiveness DA

#### Implementation of the panels turns the impact – resolves US competitiveness

**Fontevecchia 12** Agustino Forbes Staff “Tariffs on Chinese Solar Panels are killing American jobs” http://www.forbes.com/sites/afontevecchia/2012/06/08/tariffs-on-chinese-solar-panels-are-killing-american-jobs/2/

The irony is that becoming the world’s leading solar manufacturer is not a role the U.S. should seek to fill. In fact, it is widely accepted that [First Solar](http://www.forbes.com/companies/first-solar/), an American photovoltaic module producer, enjoys the lowest manufacturing costs in its industry.  The market that SolarWorld and Solyndra were fighting for is one of razor-thin margins, increasing automation, and commoditization.  In other words, it’s not where we can make a difference. On the other hand, companies like SolarCity, Sungevity, and Urban Green Energy are focusing on the actual implementation of solar and renewable energy technologies, rather than just the production of panels. In doing so, we are growing extremely fast, creating thousands of American jobs. These jobs, far outnumbering what would be created in manufacturing, cannot be outsourced. Furthermore, our companies scale globally, bringing proven business models overseas and increasing the presence of American companies as leaders in the worldwide renewable energy industry.

#### Rival manufacturers will lose out to China – US competition relies on cheap imports from China

**ASP 12** American Security Project, 8/28, “Enough Bickering: Let the Sun Shine on the Free Market” http://americansecurityproject.org/blog/2012/enough-bickering-let-the-sun-shine-on-the-free-market/

Second, this nitpicking on trade law is missing a larger point: that if the price of renewable technology decreases, that is good for American consumers. **Even if the Chinese are “dumping” solar panels,** [**it’s a good thing for the US**](http://americansecurityproject.org/blog/2012/blog/2012/solar-industrys-future-looks-bright/); Chinese companies lose money by selling cheap. Yes, rival U.S. manufacturers will lose jobs, but much like the smartphone wars, those jobs were headed to China the minute Deng Xiaoping unleashed its massive labor force.¶ **Comparative American expertise lies in design, finance and deployment, not production**. **Designed in the US, made in China, and deployed around the world should be the catchphrase of the emerging solar** and wind industries. China and the US would do well to worry less about protecting domestic markets and more about making clean energy cheap and available. And the demand is there. Recent studies by IMS Research have also shown that Americans are taking advantage of the low price of solar technology and are [on track to become the third largest market for photovoltaics in 2012](http://imsresearch.com/press-release/Americas_PV_Market_Grew_120_in_First_Half_of_2012_USA_to_Become_3rd_Largest_Market_in_2012). And it’s not just the U.S.; the annual growth of solar is up around the world (see chart).

#### Market solves

Salam 9, 12-28, Reihan, fellow at the New America Foundation, “America's New-Old Industrial Policy”, http://www.forbes.com/2009/12/27/corruption-capitalism-politics-us-opinions-columnists-reihan-salam.html

There are those who argue that we are locked in a "clean technology race," as though the fact that the Chinese government is pouring vast sums into technologies that may or may not work is a threat America's economic future. The idea of economic competition as a "race" is actually very instructive. It suggests that once the race is "won," Country X will maintain its advantage for many years to come. It's true that there are certain large, complex industrial products that lend themselves to oligopolies or even monopolies thanks to high barriers to entry or network effects. There is only room for so many manufacturers of jumbo jets, for example.¶ It's not clear, however, that this applies to a world defined by ubiquitous computing or nanoscale manufacturing, in which barriers to entry might prove far lower. We live in a world defined by what Columbia economist Jagdish Bhagwati calls "kaleidoscopic comparative advantage," in which **comparative advantage is ephemeral, firms are footloose and technologies diffuse quickly.** The United States federal government can spend vast sums to "encourage" a firm to locate a manufacturing plant in a politically useful spot. But if the subsidies made the difference, rest assured that the firm will come back in a few years to demand new bribes. Creating a level playing field for all entrepreneurs, and focusing on the basics like health and education, is a far less glamorous strategy that involves fewer ribbon-cutting ceremonies. But it works.¶ The sad fact is that **there are no shortcuts to growth-enhancing innovation.** A truly innovative economic system will always work in uneven, unpredictable ways that look very wasteful. It is always a safer bet to invest resources in existing techniques and product lines. But when you want to make path-breaking advances, you can't just check out the competition and adopt their best practices. **Instead, you have to make big bets on technologies that might fail.** And once one of these big bets pays off, you only have a short time **until it spreads to your competitors**. With a nod to Lewis Carroll's Alice in Wonderland, economists William Baumol, Robert Litan and Carl Schramm call this a Red Queen game, in which all players are forced to spend at least as much as their rivals in a never-ending economic arms race. While this isn't exactly pleasant for the titans of industry who play the game, it is the most reliable recipe for a flourishing market economy that spreads the proceeds of growth far and wide. Better still, it keeps them on their feet and **prevents them from focusing all of their efforts on gaming the political system.**

#### No impact to heg

Fettweis, 11 Christopher J. Fettweis, Department of Political Science, Tulane University, 9/26/11, Free Riding or Restraint? Examining European Grand Strategy, Comparative Strategy, 30:316–332, EBSCO

It is perhaps worth noting that there is no evidence to support a direct relationship between the relative level of U.S. activism and international stability. In fact, the limited data we do have suggest the opposite may be true. During the 1990s, the United States cut back on its defense spending fairly substantially. By 1998, the United States was spending $100 billion less on defense in real terms than it had in 1990.51 To internationalists, defense hawks and believers in hegemonic stability, this irresponsible “peace dividend” endangered both national and global security. “No serious analyst of American military capabilities,” argued Kristol and Kagan, “doubts that the defense budget has been cut much too far to meet America’s responsibilities to itself and to world peace.”52 On the other hand, if the pacific trends were not based upon U.S. hegemony but a strengthening norm against interstate war, one would not have expected an increase in global instability and violence. The verdict from the past two decades is fairly plain: The world grew more peaceful while the United States cut its forces. No state seemed to believe that its security was endangered by a less-capable United States military, or at least none took any action that would suggest such a belief. No militaries were enhanced to address power vacuums, no security dilemmas drove insecurity or arms races, and no regional balancing occurred once the stabilizing presence of the U.S. military was diminished. The rest of the world acted as if the threat of international war was not a pressing concern, despite the reduction in U.S. capabilities. Most of all, the United States and its allies were no less safe. The incidence and magnitude of global conflict declined while the United States cut its military spending under President Clinton, and kept declining as the Bush Administration ramped the spending back up. No complex statistical analysis should be necessary to reach the conclusion that the two are unrelated. Military spending figures by themselves are insufficient to disprove a connection between overall U.S. actions and international stability. Once again, one could presumably argue that spending is not the only or even the best indication of hegemony, and that it is instead U.S. foreign political and security commitments that maintain stability. Since neither was significantly altered during this period, instability should not have been expected. Alternately, advocates of hegemonic stability could believe that relative rather than absolute spending is decisive in bringing peace. Although the United States cut back on its spending during the 1990s, its relative advantage never wavered. However, even if it is true that either U.S. commitments or relative spending account for global pacific trends, then at the very least stability can evidently be maintained at drastically lower levels of both. In other words, even if one can be allowed to argue in the alternative for a moment and suppose that there is in fact a level of engagement below which the United States cannot drop without increasing international disorder, a rational grand strategist would still recommend cutting back on engagement and spending until that level is determined. Grand strategic decisions are never final; continual adjustments can and must be made as time goes on. Basic logic suggests that the United States ought to spend the minimum amount of its blood and treasure while seeking the maximum return on its investment. And if the current era of stability is as stable as many believe it to be, no increase in conflict would ever occur irrespective of U.S. spending, which would save untold trillions for an increasingly debt-ridden nation. It is also perhaps worth noting that if opposite trends had unfolded, if other states had reacted to news of cuts in U.S. defense spending with more aggressive or insecure behavior, then internationalists would surely argue that their expectations had been fulfilled. If increases in conflict would have been interpreted as proof of the wisdom of internationalist strategies, then logical consistency demands that the lack thereof should at least pose a problem. As it stands, the only evidence we have regarding the likely systemic reaction to a more restrained United States suggests that the current peaceful trends are unrelated to U.S. military spending. Evidently the rest of the world can operate quite effectively without the presence of a global policeman. Those who think otherwise base their view on faith alone.

#### Plan solves China relations

Wood 10 [Elisa Wood, US correspondent for Renewable Energy World magazine, “China & The US: Opportunity or Threat in the Green Revolution?” Dec 29 2010, http://www.renewableenergyworld.com/rea/news/article/2010/12/china-the-us]

The development of a large and technologically advanced clean energy industry is critical for both countries to successfully mitigate the effects of climate change, promote economic recovery, and compete in a globalised market,' said Locke.¶ Ultimately it would benefit both countries to put aside their differences and work together to accomplish a similar goal, he added, before saying: 'I am confident that these partnerships, especially in clean energy, will continue to strengthen over time and we will all be the better for it.'¶ Cooperation in the clean energy industry could be a starting point for further cooperation between the two countries, he continued, saying: 'The power sector is just one step on a ladder of cooperation that is needed to encourage other companies to work together, which could possibly influence the governments to work together as well.'¶ Many issues remain for the two countries to work out but the advantages of collaboration conspire to drive them together. Only time will tell if the two sumo players will continue to work together to develop the clean energy industry or if they will start wrestling instead, and sink the boat.

#### Solves the impact

Jia Qingguo, visiting fellow from CNAPS, '02 ("Impact of 9.11 on Sino-U.S. Relations", p. http://www.brookings-institute.org/dybdocroot/FP/cnaps/papers/2002\_qingguo.pdf)[JonW]

Finally, as the largest developing country and the strongest developed country, China and the U.S. have important roles to play in world affairs. Their cooperation is important and increasingly crucial for international efforts to cope with mounting challenges in maintaining international peace and stability, preventing proliferation of weapons of mass destruction and their delivering vehicles, promoting international economic development, environmental protection, combating international terrorism and other transnational crimes, strengthening international law and order, enhancing the capacity and effectiveness of international organizations, dealing with global and regional crises, etc. Both out of moral and practical considerations, China and the U.S. will find good reasons to engage in such cooperation.

#### Econ turns heg

Nina Hachigian**,** is a senior fellow at the Center for American Progress [“The False Promise of Primacy” **1-21-**10. <http://www.americanprogress.org/issues/2010/01/american_primacy.html> //gv

Kagan declines to mention domestic policy, yet rebuilding American strength is, at the end of the day, a task for us here at home. **Behind every great power is a great economy**. We can try to perpetuate our power and influence all we like, but if **our economy doesn’t begin to grow steadily again** in the years to come, all our scrimping will be for naught—we simply will **not be able to afford** the tools for an expansive foreign policy, not to mention rising living standards for future Americans. Growing American strength is not about rhetoric; it involves tough political choices. Getting politicians to prioritize long-term success over short-term gain is never easy.

#### Polysilicon key to semiconductor industries – US companies that produce the best silicon would be hit by China’s retaliation

**Koncept Analytics 12** Market Research Companies, Jan, “Global Polysilicon Market Report: 2011 Edition” http://www.researchmoz.us/global-polysilicon-market-report-2011-edition-report.html

Polysilicon has a major influence on its end markets - Semiconductor and Photovoltaic industry. Polysilicon is the substrate upon which primarily all semiconductors are manufactured. Polysilicon is an important component for silicon-based solar cells. Consumption of solar industry grew more than its traditional share of available polysilicon, thereby spreading concerns about potential polysilicon shortages in the mid 2000's. Consequently, ambitious capacity expansions were announced by established silicon suppliers. Global market for polysilicon has been growing rapidly resulting into an imbalance between demand and supply, with rigorous growth in its end markets especially in solar industry. All the major producers have begun thinking about enhancing their capacity by making strategies for polysilicon capacity addition. However, global polysilicon imbalance has been anticipated to shift from deficit to oversupply in the years ahead due to the addition of new polysilicion capacities. A lot of attention has been given to polysilicon availability, given the explosive growth of photovoltaics in recent years. Competition in polysilicon market is highly dependent on capacity. Established poly-silicon producers such as Hemlock, Wacker Chemie, Renewable Energy Corporation (REC), Monsanto Electronic Materials Company (MEMC), Tokyama and LDK Solar that produce top-quality silicon are the market leaders of the market.

#### Semiconductor industry key to hegemony

**Harada 10** Colonel Lawrence K., United States Army Reserve, “Semiconductor Technology and U.S. National Security”, U.S. Army War College Research Paper, 4/21, <http://www.dtic.mil/cgi-bin/GetTRDoc?AD=ADA526581> &Location=U2&doc=GetTRDoc.pdf

Semiconductor technologies that support U.S. national security also fuel the much larger worldwide economy. As a result, most semiconductor technologies for leading edge military applications arise from the commercial industry and not the military sector.20 The importance of semiconductor technology to U.S. national security cannot be understated. Largely ignored as the intelligence inside U.S. military weapon systems, semiconductor technologies ―provide the force multipliers that made the revolution in military affairs possible.‖21 In Joint Vision 2020, semiconductor technology is the implied driver of the military transformation that will enhance the capabilities and the ―revolution of joint command and control.‖ 22 As the U.S. military moves to a network-centric force, the demands for extremely fast microchips will increase. DOD’s Global Information Grid (GIG) requires high-speed connectivity, encryption, and decryption to support both weapon platforms and the soldier on the battlefield.23 The ability to sustain and even surpass these high-speed requirements rests with the U.S. semiconductor industry.

#### Gas volatility guts manufacturing

Stones 9—Director of Energy Risk, Dow Chemical Company (Edward, Testimony in front of the Senate Committee on Natural Resources and Energy, http://www.gpo.gov/fdsys/pkg/CHRG-111shrg54945/html/CHRG-111shrg54945.htm)

Natural gas will play a critical role in US climate policy. US manufacturing jobs are closely linked to natural gas price and price volatility. The policy choices Congress will make on natural gas are therefore critical to US manufacturers. Without industrial gas users, any disruption in supply or demand must be met by dramatic price changes.¶ Energy efficiency should become a national priority. Congress should enact legislation to create a sustainable energy supply based on all sources of domestic energy, including nuclear energy. Technology policy should create powerful incentives for clean energy technologies, such as CCS. A price on carbon, coupled with appropriate cost containment measures, would be a large and sufficient incentive to promote US natural gas demand, which is already growing even in the absence of a price on carbon.¶ There is no one silver bullet solution to our energy and climate problems. All Americans paid a high price for over-reliance on natural gas in the last ten years. Our country cannot afford to repeat thatmistake. This time we must fashion a comprehensive energy policy which addresses supply and demand realities, and environmental, security and economic goals to ensure energy costs in the US remain globally competitive and avoid economically devastating volatility.

### 2AC---Elections---Obama Good

#### Relations collapse inev

Hahn 2/28/12 [Gordon Hahn, Senior Associate at CSIS, interview with Russia Beyond the Headlines, “Putin 2.0: Insight from experts,” http://mobile.rbth.ru/articles/2012/02/28/putin\_20\_insight\_from\_experts\_14948.html]

RBTH: How will Russia's stance on Syria, American missile system in East Europe and Iranian nuclear program affect U.S.-Russia relations? ¶ GH: All three of these issues continue to be the deathknell for the ‘reset’. Each in its own way decreases stability around Russia’s borders and is therefore received as detrimental to Russian national security. Add to this the likelihood that a possible new U.S. administration would return to the policy of NATO expansion into the former Soviet space, and the spectre of a cold or even hot war between Russia and the U.S. begins to seem less than far-fetched. One concerning trend is the growing American concord with Sunni Arabs and Shiites and their allies who Russia tends to support.¶ RBTH: To what extent may Putin's presidency put at stake the achievements of the Russian-American reset?¶ GH: Putin’s reaction to U.S. and NATO policies regarding missile defense, NATO expansion, and intervention into Arab countries and perhaps Iran could spark an overreaction by the Kremlin and thereby doom the reset. It is unclear whether political social, and economic reforms can continue under conditions of a failed reset and declining Russia-West relations. Any repeat of the backtracking on Medvedev’s reforms that Putin’s first term-and-a-half saw with regard to the gains in democratization made under Yeltsin and Gorbachev will harshen the atmosphere even further.

#### Romney will work with Russia

Gasyuk 6/13 (Gasyuk, Rossiyskaya Gazeta’s Washington D.C. correspondent, “Romney keeps the gloves off”, http://rbth.ru/articles/2012/06/13/romney\_keeps\_the\_gloves\_off\_15854.html)

Given the sharp disagreements between the United States and Russia on Syria, which is now careening toward civil war, Republicans will harshly criticize every attempt by Obama to further emphasize any progress in bilateral relations. “Some realism regarding U.S.-Russia relations would be constructive for the White House if it wants to avoid Republican attacks,” Simes told Russia Now. But this doesn’t mean that presumptive GOP nominee Mitt Romney, if elected, will transform his public anti-Russian statements into political practice. “I believe that most likely Governor Romney believes in the statements he made, but that does not mean that in practice this rhetoric will be his guide for action,” Simes said. “Many statements from the GOP candidates including those on foreign affairs surely have to be taken in the context of the political and electoral reality in the U.S.,” Aron said. “It is not only possible, but highly probable,” that Mitt Romney’s views on Russia will evolve if he is elected, Simes said. American political history is rife with examples of strategic U-turns that begin the morning after the inauguration balls. When Dwight Eisenhower ran for president, his advisers—such as the famous John Foster Dulles—spoke of Harry Truman’s “cowardly” policy of containment of the Soviet Union and called for the speedy liberation of Eastern Europe. However President Eisenhower instead started the process of normalizing relations through personal meetings with Nikita Khrushchev in 1955 and 1959. President Richard Nixon was viewed as a leading anti-Communist, but it was Nixon who found the way toward detente. Nixon made the first-ever trip by an American president to then-Communist Russia in 1972, but also opened the door to dialogue with Communist China. No one should be too surprised that Mitt Romney, if elected, might rethink his position. When needed for supply routes, Russia is no longer America’s “number one geopolitical foe.” As a president, many observers believe he would take a more realistic approach to handling bilateral ties.

#### Romney will win---new, accurate swing state polls

Chambers 10/5 Dean, "Mitt Romney vs. Barack Obama: New poll numbers in three key swing states", 2012, www.examiner.com/article/mitt-romney-vs-barack-obama-new-poll-numbers-three-key-swing-states

New poll numbers released today by two different polling firms tell the story, that Mitt Romney will likely defeat President Obama in November. Rasmussen Reports, regarded by many as the most accurate polling firm in the business, released today new surveys of Florida, Ohio and Virginia. WeAskAmerica has also surveyed the same three state and released those results in this report.¶ The Rasmussen survey of Florida shows Mitt Romney leading Obama by a 49 to 47 percent margin with three percent undecided. The WeAskAmerica survey of Florida shows a similar Romney lead of 49 percent to 46 percent. Averaging these two polls and allocating three-quarters of the undecided voters to Romney (which is likely, they are undecided because they've already decided against voting for Obama) results in a projection of 52.38 percent for Romney and 47.63 percent for Obama in Florida if the election closed today.¶ The polls for Ohio tell a similar story. The WeAskAmerica survey of Ohio shows Romney leading 47 percent to 46 percent while the new Rasmussen survey of Ohio released today shows a 50 percent to 49 percent edge for Obama. Averaging these two polls and allocating three-quarters of the undecided voters to Romney results in a projection of 51.00 percent for Romney and 49.00 percent for Obama in Ohio if the election closed today.¶ Both the surveys of Virginia show Romney leading in that state. Rasmussen shows a 49 percent to 48 percent lead for Romney while the WeAskAmerica survey shows the race in Virginia at Romney 48 percent, Obama 45 percent. An average of these three results, along with the allocation of three-quarters of the undecided voters to Romney indicates he would win the state 52.25 percent to 47.75 percent if the election closed today.¶ The QStarNews poll of key swing states released yesterday shows Obama winning Ohio but Romney winning Virginia and Florida. That's survey's results were based on responses obtained before the debate between the two candidates held two nights ago.¶ Three three states are worth 60 electoral votes out of 538 but neither candidate is likely to win the election without winning at least two of the three of them. President Obama won all three in 2008 and seems likely to lose them this year. A candidate that wins all three of these states is all but assured of being elected. As it stands now, the lead in these polls for Mitt Romney indicates he will win all three of these states and get elected our next president in November.

#### Decline causes Russia lashout

Ockham Research, 8 - 11-18, 2008, “Economic Distress and Geopolitical Risks,” Seeking Alpha, online: http://seekingalpha.com/article/106562-economic-distress-and-geopolitical-risks

Russia, whose economy, stock markets and financial system have literally imploded over the past few months, could become increasingly problematic if faced with a protracted economic downturn. The increasingly authoritarian and aggressive Russian regime is already showing signs of anger projection. Its invasion of Georgia this summer and increasing willingness to confront the West reflect a desire to stoke the pride and anger of its people against foreign powers—particularly the United States. It is no accident that the Russians announced a willingness to deploy tactical missile systems to Kaliningrad the day after Barack Obama’s election in the U.S. This was a clear “shot across the bow” of the new administration and demonstrates Russian willingness to pursue a much more confrontational foreign policy going forward. Furthermore, the collapse in the price of oil augers poorly for Russia’s economy. The Russian budget reputedly needs oil at $70 per barrel or higher in order to be in balance. Russian foreign currency reserves, once huge, have been depleted massively over the past few months by ham-fisted attempts to arrest the slide in both markets and the financial system. Bristling with nuclear weapons and nursing an ego still badly bruised by the collapse of the Soviet Union and loss of superpower status, an impoverished and unstable Russia would be a dangerous thing to behold.

#### A harsh trade stance alienates voters

Michael A. Cohen 11 is a writer and senior fellow at the American Security Project, 10/14, “Panda Mugging” http://www.foreignpolicy.com/articles/2011/10/14/china\_republican\_policy\_panda\_mugging?page=0,0

But for all the bipartisan panda-mugging going on, it's unclear that the American people are buying it quite yet. According to a [recent poll by the Pew Research Center](http://www.people-press.org/2011/10/07/strong-on-defense-and-israel-tough-on-china/), when given an option of "getting tougher with China" or "building a stronger relationship," voters supported the latter by a 53-40 margin. Even though all but five members of the Senate Democratic caucus voted for this week's currency bill, only 32 percent of Democratic voters want to see a get-tough approach to China. In fact, the only group of Americans that Pew could find who were in favor of a get-tough stance with China were self-described Tea Party members.

#### Plan key to appease environmentalists

Higgins 12 (sean—washington examiner, “Are environmentalists embracing free trade?”, July 31, 2012, http://washingtonexaminer.com/are-environmentalists-embracing-free-trade/article/2503642#.UEUiBsFlQrM)

They're not quoting free market economists Friedrich Hayek or Milton Friedman yet, but some environmentalist voices are asking whether protectionist trade policies aren't undermining renewable energy. And the broader Green movement may be listening.¶ What has them concerned is that the escalating trade war over the China's cheap solar panels. Domestic manufacturers have pushed hard for tariffs on them, and the White House has agreed.¶ That threatens to put the brakes on solar panel installation in the United States, which has taken off in the last few years, thanks in large part to those same cheap imports.¶ "Tariffs on Chinese solar are bad for us all," warned Sierra Club blogger Garvin Jabusch in a May posting. The policy, he said, is making solar panels "much less affordable for U.S. consumers."¶ In a post last month on the environmental news website Grist.org, Terry Tamminen, former secretary of the California Environmental Protection Agency, wrote: "If China is subsidizing solar panels, let's thank them and ask them to do more."¶ Last week, Bill Waren, trade policy analyst for Friends of the Earth, concluded a lengthy blog post with this warning: "Trade complaints will not solve our problems; in fact, in the long run, they may undercut clean energy and low carbon policies globally."

#### They’re key

Bloomberg 11 Mark Drajem and Jim Efstathiou Jr. “Green Vote Cools Toward Obama Risking A Replay Of Gore-Nader,” Aug 30, http://www.bloomberg.com/news/2011-08-31/green-vote-cools-to-obama-over-pipeline-concerns.html

Democratic Vice President Al Gore paid a price in his 2000 presidential campaign for the splintering of environmentalists’ votes. Leaders of some groups, including in Florida, endorsed the independent candidacy of Ralph Nader instead.¶ Gore, who later won the Nobel Peace Prize for his advocacy of limits on greenhouse-gas emissions, lost Florida by 537 votes in the official tally, making Republican George W. Bush president. Nader garnered 97,488 votes in the state.¶ Nader predicted in April that Obama will win re-election, in part because “the liberal base has nowhere to go to send a message” this time. Still, apathy among voters sympathetic to environmentalist goals may prove costly to Obama, according to Doug Schoen, who was a strategist for President Bill Clinton.¶ “Obama won the election because the left, young people who are disproportionately environmentalists, came out in huge numbers,” Schoen said in an interview yesterday. “If he doesn’t have the kind of support he had from the left, from young people, from environmentalists, he is not going to be re- elected. It’s as simple as that.”

#### Tariff cuts thousands of jobs Obama supports

David Nicklaus 12, who is the business columnist for the [Post-Dispatch](http://www.stltoday.com/business), 6/3, “Solar Panel Tariff Could backfire on US” http://www.stltoday.com/business/columns/david-nicklaus/solar-panel-tariff-could-backfire-on-u-s/article\_eca6a6e4-ac01-11e1-9f82-0019bb30f31a.html

The Obama administration likes to promote renewable energy, and it likes to take a tough stance on trade with China. It may soon find that it can't do both.¶ Solar energy firms, in fact, say a recent Commerce Department trade ruling will eliminate thousands of the green jobs that President Barack Obama likes to talk about.¶ The department made a preliminary decision last month to impose a 31 percent tariff on solar panels imported from China. The punitive levy was sought by SolarWorld, a German company that makes solar panels in the U.S. and six other companies.

#### Jobs will determine the election

Silver 12 Nate is chief pollster for New York Times’ 538 election polling center. Regarded as top-level pollster based on distinct mathematical models. “Obama’s Magic Number May Be 150,000 Jobs Per Month,” Feb 3, http://www.nytimes.com/2012/02/04/business/economy/obamas-magic-number-may-be-150000-jobs-per-month.html

No economic indicator is a political holy grail. The American economy is a hard thing to measure, and initial estimates of economic performance are subject to significant revisions. Noneconomic matters — wars, candidates, scandals and so forth — matter, too.¶ But if you want to focus on a single economic indicator, job growth during the presidential election year has a lot going for it. The job-growth numbers do at least as well as any other economic number in predicting elections, and slightly better than some other commonly used metrics, like the gross domestic product.¶ So the news that the economy added 243,000 jobs last month was very good for President Obama. That pace is well above the minimum level — about 150,000 jobs — that he would seem to need to increase his chances of re-election.¶ Beyond the history, there are a lot of common-sense reasons to focus on the jobs numbers. They measure something tangible and important. They receive much attention from economists, investors, political campaigns and the news media, and therefore inform the public discussion. They are released every month after only a minimal lag. They are not subject to as much revision as some other economic numbers.¶ These qualitative factors are important because a sample size of 16 elections since World War II is insufficient for persuasive statistical evidence. But the statistical patterns are still striking.¶ In the three election years where the economy was actually shedding jobs, the incumbent party lost — badly in 1980 and in 2008, and in a close election in 1960. George H. W. Bush lost in 1992 when the rate of job growth was under 1 percent, below the rate of population growth.¶ On the flip side, in the election years when job growth was strongest — 1956, 1964, 1972, 1984, 1988 and 1996 — the incumbent party won the election fairly easily.¶ And in the three years in which growth was positive but modest — 1948, 2000 and 2004 — the races were close. A bit of common sense can explain these outliers. (Be wary of statistical analysis that substitutes data dredging for common sense.)¶ What about Mr. Obama?¶ If Mitt Romney is the Republican nominee, the outcome does not seem likely to be an outlier. Mr. Romney is, by most measures, a fairly average challenger — neither a bridge-building moderate like Eisenhower, nor someone far outside of the political mainstream like George McGovern.¶ Meanwhile, for now, Mr. Obama has no major scandals or foreign policy debacles.¶ An analysis based solely on the historical patterns would suggest that Mr. Obama would be the favorite if the economy created at least 107,000 jobs a month until the election. Basically, this would represent job creation at about the rate of population growth.¶ But Mr. Obama is not likely to get off quite so easily. Job creation was extremely poor during his first two years in office, and mediocre during the third year, which has weighed on his approval ratings. Slightly less than 50 percent of Americans approve of his performance, polls show.¶ That isn’t terrible — it’s in the range where Mr. Obama might be able to eke out a victory in the Electoral College — but it’s somewhat below average.¶ From 1948 through 2008, the average president had an approval rating of 52 percent on Feb. 1 of the election year, according to the Roper Center archives. If Mr. Obama has an approval rating of 52 percent by November, he will almost certainly win re-election. He will also be a favorite if he is at 50 percent, because some portions of voters do not express an opinion in such polls.¶ The surest way for Mr. Obama to improve his approval rating will be to create jobs at a rate that exceeds the rate of population growth. Taking into account population size and his approval rating, an analysis by The Times’s FiveThirtyEight blog produces a break-even number of 151,000 jobs a month.

### 2AC Water Add-On

#### Solar prices key to desalination—solves water shortages

Bradford 6 (Travis--Associate Professor of Practice in International and Public Affairs at Columbia University, “Solar Revolution: The Economic Transformation of the Global Energy Industry” MIT Press, Print.)

In addition, new and equally vital industries could benefit from access to globally distributed and inexpensive solar electricity. As discussed in chapter 3, declining water availability is one of the largest problems facing the developing world, proportionately larger in the drier and sunnier parts of the world. Few adequate solutions currently exist to provide additional water supplies as underground aquifers continue to be depleted and freshwater in lakes and rivers is increasingly diverted. The problem of water availability is made more difficult by the economics of water distribution. Water is heavy and, despite its vital nature, of relatively low economic value for its weight, making it economically prohibitive to transport over long distances, which is why most water solutions have involved local ground pumps as opposed to pipelines or trucking. The most promising (and in some cases only) solution that nations have employed to provide freshwater to islands and other remote locations has been desalination. Unfortunately, most of the cost of desalination, either via thermal distillation or reverse osmosis, is in the energy used during the desalination process, limiting its economic deployment around the world. PV can be used to power either thermal or reverse-osmosis desalination plants.' 8 Declining PV prices make these projects increasingly feasible, and the necessary sea water and solar power to run them are ubiquitous and often available in the same location. With more than half of the people in the world living within sixty miles of an ocean, PV can become a powerful tool to facilitate access to adequate water supply.'9 Increasingly cheap generation of solar electricity has the potential to provide affordable freshwater without any need for batteries, power lines, or fuel supplies-and can do so with modular systems ranging from small domestic to large industrial.

#### Water shortages will cause extinction

Barlow 8

National chairperson of The Council of Canadians. Co-founder of the Blue Planet Project. Chairs the board of Washington-based Food & Water Watch and is also an executive member of the San Francisco–based International Forum on Globalization and a Councillor with the Hamburg-based World Future Council. She is the recipient of eight honorary doctorates. Served as Senior Advisor on Water to the 63rd President of the United Nations General Assembly (Maude, “The Global Water Crisis and the Coming Battle for the Right to Water”, 25 February, http://www.fpif.org/articles/the\_global\_water\_crisis\_and\_the\_coming\_battle\_for\_the\_right\_to\_water)

 The three water crises – dwindling freshwater supplies, inequitable access to water and the corporate control of water – pose the greatest threat of our time to the planet and to our survival. Together with impending climate change from fossil fuel emissions, the water crises impose some life-or-death decisions on us all. Unless we collectively change our behavior, we are heading toward a world of deepening conflict and potential wars over the dwindling supplies of freshwater – between nations, between rich and poor, between the public and the private interest, between rural and urban populations, and between the competing needs of the natural world and industrialized humans. Water Is Becoming a Growing Source of Conflict Between Countries Around the world, more that 215 major rivers and 300 groundwater basins and aquifers are shared by two or more countries, creating tensions over ownership and use of the precious waters they contain. Growing shortages and unequal distribution of water are causing disagreements, sometimes violent, and becoming a security risk in many regions. Britain’s former defense secretary, John Reid, warns of coming “water wars.” In a public statement on the eve of a 2006 summit on climate change, Reid predicted that violence and political conflict would become more likely as watersheds turn to deserts, glaciers melt and water supplies are poisoned. He went so far as to say that the global water crisis was becoming a global security issue and that Britain’s armed forces should be prepared to tackle conflicts, including warfare, over dwindling water sources. “Such changes make the emergence of violent conflict more, rather than less, likely,” former British prime minister Tony Blair told The Independent. “The blunt truth is that the lack of water and agricultural land is a significant contributory factor to the tragic conflict we see unfolding in Darfur. We should see this as a warning sign.” The Independent gave several other examples of regions of potential conflict. These include Israel, Jordan and Palestine, who all rely on the Jordan River, which is controlled by Israel; Turkey and Syria, where Turkish plans to build dams on the Euphrates River brought the country to the brink of war with Syria in 1998, and where Syria now accuses Turkey of deliberately meddling with its water supply; China and India, where the Brahmaputra River has caused tension between the two countries in the past, and where China’s proposal to divert the river is re-igniting the divisions; Angola, Botswana and Namibia, where disputes over the Okavango water basin that have flared in the past are now threatening to re-ignite as Namibia is proposing to build a threehundred- kilometer pipeline that will drain the delta; Ethiopia and Egypt, where population growth is threatening conflict along the Nile; and Bangladesh and India, where flooding in the Ganges caused by melting glaciers in the Himalayas is wreaking havoc in Bangladesh, leading to a rise in illegal, and unpopular, migration to India.