# T

### 1nc

#### Financial incentives must disburse federal funds for energy production—mandates and regulations are indirect incentive—that crushes limits

#### Webb 93 (Sessional lecture – Faculty of Law @ University of Ottawa, ’93 (Kernaghan, 31 Alta. L. Rev. 501)

One of the obstacles to intelligent discussion of this topic is the tremendous potential for confusion about what is meant by several of the key terms involved. In the hopes of contributing to the development of a consistent and precise vocabulary applying to this important but understudied area of regulatory activity, various terms are defined below. In this paper, "financial incentives" are taken to mean **disbursements18** **of** **public** **funds** or contingent commitments to individuals and organizations, intended to encourage, support or induce certain behaviours in accordance with express public policy objectives. They take the form of **grants, contributions**, repayable contributions, **loans, loan guarantees and** insurance, subsidies, procurement contracts and **tax expenditures.19** Needless to say, the ability of government to achieve desired behaviour may vary with the type of incentive in use: up-front disbursements of funds (such as with contributions and procurement contracts) may put government in a better position to dictate the terms upon which assistance is provided than contingent disbursements such as loan guarantees and insurance. In some cases, the incentive aspects of the funding come from the conditions attached to use of the monies.20 In others, the mere existence of a program providing financial assistance for a particular activity (eg. low interest loans for a nuclear power plant, or a pulp mill) may be taken as government approval of that activity, and in that sense, an incentive to encourage that type of activity has been created.21 Given the wide variety of incentive types, it will not be possible in a paper of this length to provide anything more than a cursory discussion of some of the main incentives used.22 And, needless to say, the comments made herein concerning accountability apply to differing degrees depending upon the type of incentive under consideration. By limiting the definition of financial incentives to initiatives where public funds are either disbursed or contingently committed, a large number of regulatory programs with incentive effects which exist, but in which no money is forthcoming,23 are excluded from direct examination in this paper. Such programs might be referred to as indirect incentives. Through elimination of indirect incentives from the scope of discussion, the definition of the incentive instrument becomes both more manageable and more particular. Nevertheless, it is possible that much of the approach taken here may be usefully applied to these types of indirect incentives as well.24 Also excluded from discussion here are social assistance programs such as welfare and ad hoc industry bailout initiatives because such programs are not designed primarily to encourage behaviours in furtherance of specific public policy objectives. In effect, these programs are assistance, but they are not incentives.

#### For is a term of exclusion – requiring direct action upon

US CUSTOMS COURT 39 AMERICAN COLORTYPE CO. v. UNITED STATES C. D. 107, Protest 912094-G against the decision of the collector of customs at the port of New York UNITED STATES CUSTOMS COURT, THIRD DIVISION 2 Cust. Ct. 132; 1939 Cust. Ct. LEXIS 35 The same reasons used by the appellate court may be adopted in construing the language of the statute herein involved. If the words "for industrial use" mean no more than the words "articles of utility," there could be no reason for inserting the additional words "for industrial use" in the paragraph. Therefore, it must be held that the [\*135] new language "for industrial use" was intended to have a different meaning from the words "articles of utility," as construed in the case of Progressive Fine Arts Co. v. United States, [\*\*8] supra. Webster's New International Dictionary defines the word "industrial" as follows: Industrial. 1. Relating to industry or labor as an economic factor, or to a branch or the branches of industry; of the nature of, or constituting, an industry or industries \* \* \* . The transferring of the scenes on an oil painting to a printed copy is a branch of industry under the definition above quoted. Some of the meanings of the preposition "for" signify intent, as shown by the following definition in the same dictionary: For. 2. Indicating the end with reference to which anything is, acts, serves, or is done; as: a. As a preparation for; with the object of; in order to be, become, or act as; conducive to. \* \* \*. d. Intending, or in order, to go to or in the direction of. Therefore, the words "articles for industrial use" in paragraph 1807 imply that Congress intended to exclude from that provision articles either purchased or imported with the intention to use the same in industry for manufacturing purposes.

#### Contextually Feed in tariffs are indirect and distinct from financial incentives – prefer this evidence because it is comparative

Joanna **Lewis and** Ryan **Wiser** – Gtown STIA Prof / LAWRENCE BERKELEY NATIONAL LABORATORY – November 20**05**, Fostering a Renewable Energy Technology Industry: An International Comparison of Wind Industry Policy Support Mechanisms, <http://eetd.lbl.gov/ea/emp/reports/59116.pdf>

Policy measures to support wind industry development can be grouped into two categories: direct and indirect measures. Direct measures refer to policies that specifically target local wind manufacturing industry development, while indirect measures are policies that support wind power utilization in general and therefore indirectly create an environment suitable for a local wind manufacturing industry (by creating sizable, stable markets for wind power). The discussion that follows covers both of these types of measures, and is a summary of the more detailed country case studies provided in Lewis and Wiser (2005). **4.1. Direct Support Mechanisms** Policies that directly support local wind turbine or components manufacturers can be crucial in countries where barriers to entry are high and competition with international leaders is difficult. A variety of policy options exist to directly support local wind power technology manufacturing, and several policy options have proven effective, as demonstrated in a number of countries (Table 4). These various policy mechanisms do not all target the same goal; some provide blanket support for both international and domestic companies to manufacture locally, while others provide differential support to domestically-owned wind turbine or components manufacturers. Most countries have employed a mix of the following policy tools. 13 Table 4. Policy Measures to Support Wind Power, Country Comparison Direct Policies Primary Countries Where Implemented Local content requirements Spain, China, Brazil, Canadian provinces Financial and tax incentives Canada, Australia, China, US states, Spain, China, Germany, Denmark Favorable customs duties Denmark, Germany, Australia, India, China Export credit assistance Denmark, Germany Quality certification Denmark, Germany, USA, Japan, India, China Research and development All countries to varying degrees; notable programs in Denmark, Germany, US, Netherlands Local Content Requirements The most direct way to promote the development of a local wind manufacturing industry is by requiring the use of locally manufactured technology in domestic wind turbine projects. A common form of this policy mandates a certain percentage of local content for wind turbine systems installed in some or all projects within a country. Such policies force wind companies interested in selling to a domestic market to look for ways to shift their manufacturing base to that country or to outsource components used in their turbines to domestic companies. Unless the mandate is specifically targeted to domestically owned companies, it will have the blanket effect of encouraging local manufacturing regardless of company nationality. Local content requirements are currently being used in the wind markets of Spain, Canada, Brazil and China. Spanish government agencies have long mandated the incorporation of local content in wind turbines installed on Spanish soil; the creation of Gamesa in 1995 can be traced in part to these policies. Even today, local content requirements are still being demanded by several of Spain’s autonomous regional governments that “see local wealth in the wind”—in Navarra alone, it is estimated that its 700 MW of wind power has created 4000 jobs (WPM, October 2004:45). Other regions, including Castile and Leon, Galicia and Valencia, insist on local assembly and manufacture of turbines and components before granting development concessions (WPM, October 2004:6). The Spanish government has clearly played a pro-active role in kickstarting a domestic wind industry, and the success of Gamesa and other manufacturers is very likely related to these policies. At least one provincial government in Canada—Quebec—is pursuing aggressive local content requirements in conjunction with wind farms developed in its region. In May 2003, Hydro-Quebec issued a call for tenders for 1000 MW of wind for delivery between 2006 and 2012 which included a local content requirement; this 1000 MW call was twice the size initially planned by the utility, but it was doubled by the Quebec government with the hope of contributing to the economic revival of the Gaspe Peninsula (WPM, May 2003:35; WPM, April 2004:41). The government also insisted that Quebec’s wind power development support the creation of a true provincial industry that included local manufacturing and job creation by requiring that 40% of the total cost of the first 200 MW be spent in the region—a proportion that rises to 50% for the next 100 MW and 60% for the remaining 700 MW (WPM, May 2003:35; April 2004:41). In addition, the government stipulated that the turbine nacelles be assembled in the region, and that project developers include in their project bidding documents a statement from a turbine manufacturer guaranteeing that it will set up assembly facilities in the region (WPM, May 2003:35). GE was selected to provide the turbines for a total of 990 MW of proposed projects 14 upon its agreement to meet a 60% local content requirement, and is currently establishing three manufacturing facilities in Canada (WPM, June 2005:36). In October 2005, another call for tenders was released, this time for 2000 MW to be installed between 2009-2013. This call requires that 30% of the cost of the equipment must be spent in the Gaspe region and 60% of the entire project costs must be spent within Quebec Province (Hydro-Quebec, 2005). The Brazilian government has also pursued policies governing wind farm development that include stringent local content requirements, primarily through the recent Proinfa legislation (the Incentive Program for Alternative Electric Generation Sources) that offers fixed-price electricity purchase contracts to selected wind projects. Starting in January 2005, the Proinfa legislation requires 60% of the total cost of wind plant goods and services to be sourced in Brazil; only companies that can prove their ability to meet these targets can take part in the project selection process. In addition, from 2007 onwards, this percentage increases to 90% (Cavaliero and DaSilva, 2005). China has also been using local content requirements in a variety of policy forms. China’s 1997 “Ride the Wind Program” established two Sino-foreign joint venture enterprises to domestically manufacture wind turbines; the turbines manufactured by these enterprises under technology transfer arrangements started with a 20 percent local content requirement and a goal of an increase to 80 percent as learning on the Chinese side progressed (Lew, 2000). China’s recent large government wind tenders, referred to as wind concessions, have a local content requirement that has been increased to 70% from an initial 50% requirement when the concession program began in 2003. Local content is also required to obtain approval of most other wind projects in the country, with the requirement recently increased from 40% to 70%. Local content requirements require a large market size in order to lure foreign firms to undertake the significant investments required in local manufacturing. If the market is not sufficiently sizable or stable, or if the local content requirements are too stringent, then the advantages of attracting local manufacturing may be offset by the higher cost of wind equipment that results. Some concerns of this nature have already been raised in Brazil, where only one wind turbine manufacturer appears currently able to meet the local content requirements. The potential negative impact of local content requirements on turbine costs has also been raised in Canada and China. These experiences suggest that local content requirements can work, but should generally be applied in a gradual, staged fashion and only in markets with sufficient market potential. Financial and Tax Incentives Preference for local content and local manufacturing can also be encouraged without being mandated through the use of both financial and tax incentives. Financial incentives may include awarding developers that select turbines made locally with low-interest loans for project financing, or providing financial subsidies to wind power generated with locally-made turbines. Tax incentives can be used to encourage local companies to get involved in the wind industry through, for example, tax credits or deductions for investments in wind power technology manufacturing or research and development. Alternatively, a reduction in sales, value-added-tax (VAT), or income tax for buyers or sellers of domestic wind turbine technology (or production) can increase the competitiveness of domestic manufacturers. In addition, a tax deduction could be permitted for labor costs within the local wind industry. Tax or financial incentives can also be applied to certain company types, such as joint ventures between foreign and local companies, in 15 order to promote international cooperation and technology transfer in the wind industry, and to specifically encourage some local ownership of wind turbine manufacturing facilities. Germany’s 100MW/250MW program provided a 10-year federal generation subsidy for projects that helped to raise the technical standard of German wind technology, and over twothirds of the total project funding for this subsidy went to projects using German-built turbines (Johnson and Jacobsson, 2003). Regional support for German industrial efforts with a bias towards local wind manufacturers have been reported as well (Connor, 2004). A further German policy that may have preferentially supported German turbine technology was the large-scale provision of “soft” loans (loans that are available significantly below market rates) for German wind energy projects. Canada has implemented a tax credit on wages paid out to local labor forces in an attempt to encourage large wind turbine manufacturers to shift jobs to Canada. To provide a further incentive for local manufacturing, a Quebec provincial government program also offers a 40% tax credit on labor costs to wind industries located in the region, and a tax exemption for the entire manufacturing sector through 2010 (WPM, June 2003:40). Spain’s production tax credit on windpowered electricity (supplemented by incentives offered in at least one province) is granted only to turbines that meet local content requirements (WPM, February 2001:20). In India, the excise duty is exempted for parts used in the manufacture of electric generators (Rajsekhar et al., 1999). Australia (at the national and provincial levels), China, and a number of US states have also employed a variety of different tax incentives to encourage localization of wind manufacturing. China provides a reduced VAT on joint venture wind companies to encourage technology transfer (NREL, 2004). China has also used financial incentives to promote domestic wind industry development since its 1997 “Ride the Wind Program,” which allocated new technology funds to two government-facilitated joint venture enterprises to domestically manufacture wind turbines. The Danish Government’s Wind Turbine Guarantee also offered long-term financing of large projects using Danish-made turbines and guaranteed the loans for those projects, significantly reducing the risk involved in selecting Danish turbines for a wind plant. Favorable Customs Duties Another way to create incentives for local manufacturing is through the manipulation of customs duties to favor the import of turbine components over the import of entire turbines. This creates a favorable market for firms (regardless of ownership structure) trying to manufacture or assemble wind turbines domestically by allowing them to pay a lower customs duty to import components than companies that are importing full, foreign-manufactured turbines. Customs duties that support local turbine manufacturing by favoring the import of components over full turbines have been used in Denmark, Germany, Australia, India, and China (Rajsekhar et al., 1999; Liu et al., 2002). This type of policy may be challenged in the future, however, as it could be seen to create a trade barrier and therefore be illegal for WTO member countries to use against other member countries. Export Credit Assistance Governments can support the expansion of domestic wind power industries operating in overseas markets through export credit assistance, thereby providing differential support to locally-owned manufacturers. Though such assistance may also come under WTO’s fire, export assistance can be in the form of low-interest loans or “tied-aid” given from the country where the turbine manufacturer is based to countries purchasing technology from that country. Export credit 16 assistance or development aid loans tied to the use of domestic wind power technology have been used by many countries, but most extensively by Germany and Denmark, encouraging the dissemination of Danish and German technology, particularly in the developing world. For example, the Danish International Development Agency (DANIDA) has offered direct grants and project development loans to qualified importing countries for use of Danish turbines. Quality Certification A fundamental way to promote the quality and credibility of an emerging wind power company’s turbines is through participation in a certification and testing program that meets international standards. There are currently several international standards for wind turbines in use, the most common being the Danish approval system and ISO 9000 certification. Standards help to build consumer confidence in an otherwise unfamiliar product, help with differentiation between superior and inferior products and, if internationally recognizable, are often vital to success in a global market. Denmark was the first country to promote aggressive quality certification and standardization programs in wind turbine technology and is still a world leader in this field; quality certification and standardization programs have since been used in Denmark, Germany, Japan, India, the USA, and elsewhere, and are under development in China. They were particularly valuable to Denmark in the early era of industry development when they essentially mandated the use of Danish-manufactured turbines, since stringent regulations on turbines that could be installed in Denmark made it very difficult for outside manufacturers to enter the market. Research and Development (R&D) Many studies have shown that sustained public research support for wind turbines can be crucial to the success of a domestic wind industry, and such efforts can and typically do differentially support locally owned companies. R&D has often been found to be most effective when there is some degree of coordination between private wind companies and public institutions like national laboratories and universities (Sawin, 2001; Kamp, 2002). For wind turbine technology, demonstration and commercialization programs in particular can play a crucial role in testing the performance and reliability of new domestic wind technology before those turbines go into commercial production. R&D funding has been allocated to wind turbine technology development by every country mentioned in this paper, with the success of R&D programs for wind technology seemingly more related to how the funding was directed than the total quantity of funding. Although the US has put more money into wind power R&D than any other country, for example, an early emphasis on multi-megawatt turbines and funding directed into the aerospace industry are thought (in retrospect) to have rendered US funding less effective in the early years of industry development than the Danish program (the same has been said about early German and Dutch R&D programs). Denmark’s R&D budget, although smaller in magnitude than some other countries, is thought to have been allocated more effectively among smaller wind companies developing varied sizes and designs of turbines in the initial years of industry development (Sawin, 2001; Kamp, 2002). 17 **4.2. Indirect Support Mechanisms** Earlier we demonstrated that success in a domestic market may be an essential foundation for success in the international marketplace, and that fundamental to growing a domestic wind manufacturing industry is a stable and sizable domestic market for wind power. Achieving a sizable, stable local market requires aggressive implementation of wind power support policies. The policies discussed below aim to create a demand for wind power at the domestic level. Feed-in Tariffs Feed-in tariffs, or fixed prices for wind power set to encourage development (Lauber, 2004; Rowlands, 2005; Sijm, 2002; Cerveny and Resch, 1998), have historically offered the most successful foundation for domestic wind manufacturing, as they can most directly provide a stable and profitable market in which to develop wind projects. The level of tariff and its design characteristics vary among countries. If well designed, including a long term reach and sufficient profit margin, feed-in tariffs have been shown to be extremely valuable in creating a signal of future market stability to wind farm investors and firms looking to invest in long-term wind technology innovation (Sawin, 2001; Hvelplund, 2001). As discussed earlier, Germany, Denmark and Spain have been the most successful countries at creating sizable, stable markets for wind power; all three of these countries also have a history of stable and profitable feed-in tariff policies to promote wind power development. The early US wind industry was also supported by a feed-in tariff in the state of California, though this policy was not stable for a lengthy period. Among the twelve countries emphasized in this paper, the Netherlands, Japan, Brazil, and some of the Indian and Chinese provinces have also experimented with feed-in tariffs, with varying levels of success.

7

#### C. Prefer our interpretation

#### 1. Limits - Broad definitions could include 40 different mechanisms

Moran, 86 **-** non-resident fellow at the Center for Global Development and holds the Marcus Wallenberg Chair at the School of Foreign Service at Georgetown University(Theodore, Investing in Development: New Roles for Private Capital?, p. 29 - googlebooks) Guisinger finds that if “incentives” are broadly defined to include tariffs and trade controls along with tax holidays, subsidized loans, cash grants, and other fiscal measures, they comprise more than forty separate kinds of measures. Moreover, the author emphasizes, the value of an incentive package is just one of several means that governments use to lure foreign investors. Other methods—for example, promotional activities (advertising, representative offices) and subsidized government services—also influence investors’ location decisions. The author points out that empirical research so far has been unable to distinguish the relative importance of fundamental economic factors and of government policies in decisions concerning the location of foreign investment—let alone to determine the effectiveness of individual government instruments.

#### 2. Ground – They do not spend federal money, this eliminates key ground on spending, politics, and trade-off debates – it also allows them to have highly specific evidence about their mechanism – they acquire additional solvency.

#### D. Topicality is a voting issue – if it were not the affirmative could run the same case year after year or unbeatable truths like sexual discrimination is harmful.

# Oil

### 1nc

#### New energy policy freaks out Saudi --- they’ll flood the market in response to the plan and crash oil prices

HULBERT ’12 - Lead Analyst at European Energy Review; Senior Research Fellow, Netherlands Institute for International Relations; Senior Research Fellow at the Center for Security Studies (Hulbert, Matthew. “OPEC's Pending Bloodbath”. June 10, 2012. http://www.forbes.com/sites/matthewhulbert/2012/06/10/opecs-pending-bloodbath/)

That’s unlikely to happen, precisely because Riyadh can bring further pricing pressures to bear **if it wants to get its way** in the cartel. The Kingdom’s policy space has admittedly tightened over the past couple of years, but they remain **the only producer capable of significantly increasing or reducing production at will**. Initial tanker data from Europe suggests Riyadh may have started reigning in production that was running around 6% over OPEC quota. It’s also raised July benchmarks for Arab Light grades in Asia. But Iran, Venezuela, Nigeria, Angola and Algeria will want restraint to come far faster and far deeper to firm prices. The line being spun from the ‘free lunch’ brigade is that storage should easily cover any Iranian spikes when EU sanctions come into full effect 1st July, while OPEC quotas should be pared down to 29.5mb/d (or less). Cheap words from petro-hawks, not least because they’ll all continue to cheat on quotas to squeeze out every last drop they have. Riyadh knows that of course; hawks want a price floor to be set at $100/b to sustain political regimes, but to do so entirely at Saudi expense. Russia is no different outside the cartel: free riding 101. Saudi Arabia (and its GCC partners) might be willing to play ball given ongoing concerns from the Arab Awakening, but with some budgetary tweaks and counter-cyclical cash to burn, they could all easily survive at $85/b making Iran et al sweat. Tehran might decide to rip up formal quotas as it did in June 2011, but that would be a costly mistake. If the Saudis let prices fall, political outages across smaller producer states could help to set a floor for them anyway. Iran would have no say in the matter. Given such ‘pricing perils’, Saudi Arabia holds all the aces to settle institutional issues, not to mention giving the global economy more breathing space (and Washington greater leeway over Iranian sanctions). But the real reason to let prices fall a little further isn’t just to make very clear to OPEC states where the ultimate volume and pricing power rests, but to fight Riyadh’s **bigger battle** over the next decade: **Retaining** 40% of **OPEC market share in the midst of supposedly huge non-OPEC supply growth**. It didn’t go unnoticed that despite Saudi production averaging 31 year highs and prices hitting $128/b in March 2012, the forward curve for 2018 was trading at $30/b discounts relative to spot. You’d think with the cartel maxed out and proximate demand side problems looking bleak, five year curves would be exactly the other way, in sharp contango (i.e. far above prompt prices) once the global economy and demand side fundamentals were fixed. The fact they weren’t is principally because the market thinks vast swathes of unconventional production will come online, not just in North America where production is back above 6mb/d, but in Canada, Brazil and even Arctic extremes. At $100/b that was a fair bet to place, but once benchmark prices drop back to two figures, the 6.4 trillion barrels of unconventional reserves sitting in the Americas look a far less certain prospect. Canadian tar distinctly sticky; Brazilian pre-salt horribly deep; Russian Arctic plays simply impossible. So when OPEC meets in Vienna expect Saudi Arabia to call the shots. The new Secretary General will either be a Saudi national, or a compromise candidate Riyadh can live with. Quotas will stay close to 30mb/d with minor reductions possible. Thinly veiled threats of sustained (or increased) production will be made if Iran doesn’t play ball. Yet the long term price point to watch isn’t just one that keeps OPEC in business and Riyadh in control, but where the al-Saud can maintain secular market share. Letting prices **informally slide** to $85-90/b **might be the** kind of warning shot **Riyadh wants** to send to scrub unconventional plays off global balance sheets. Its OPEC colleagues will see that as sailing far too close to the political wind, but a Saudi bloodbath now, might be just the medicine OPEC requires to sustain its long term health, not unless the cartel is absolutely determined to keep pricing itself out of existence.

#### Oil prices are key to Russian military modernization

BENNETT ‘12 – MA from the University of Chicago; Emory University School of Law (John T. “Oil Prices Fueling Russia's Disruption of U.S. Foreign Policy”. April 04, 2012. http://www.usnews.com/news/articles/2012/04/03/oil-prices-fueling-russias-disruption-of-us-foreign-policy)

Russia's return to the fore as a check against America's global whims has escalated in recent months, as Russian Prime Minister Vladimir Putin was elected as President, and is setting his agenda for a third term. U.S.-Russian relations returned to the front pages last week after Obama urged outgoing Russian President Dmitry Medvedev to "give me space" on several issues, including a European missile defense shield that Moscow opposes. Likely GOP presidential nominee Mitt Romney soon after called Russia America's "top geopolitical enemy." "Putin still aspires for Russia to be a superpower," says Steven Pifer, a former U.S. ambassador to Ukraine. "There are only two ways for Russia to achieve that: nuclear weapons, and oil and natural gas sales." The price of a barrel of oil was nearly $105 at midday Tuesday, steadily climbing from a 52-week low of $76.35 per barrel in October. Oil prices began to rise in late 2010, peaking at $113 per barrel in May 2011, before dipping last summer and then rising again. Russia is the world's second-largest oil exporter at 5 million barrels a day, and its the ninth-leading natural gas exporter at 38.2 billion cubic meters a year, according to the CIA World Factbook. Russia rakes in nearly $500 billion annually in exports, with the CIA listing petroleum and natural gas as its top two commodities. Frances Burwell, vice president of the Atlantic Council, says Russia's oil revenues "give it a comfort zone" from which its leaders feel they have the global cache to make things tough for Washington. Burwell says she "places more weight" for Russia's recent global muscularity on "Putin's re-emergence." The Russian once-and-soon-again president "clearly sees playing the national card as the strong guy internationally benefits him," she says. But, make no mistake, bloated national coffers from high oil and gas prices underwrite Putin's muscle-flexing, experts say. Putin made a number of big domestic promises during the presidential race, including plans to usher in sweeping pension and wage hikes. He also put forth "a rather ambitious military modernization program," Pifer says. "If oil prices remain high, he might be able to do all of those things," Pifer says. "If prices come down, however, Putin will have some very tough decisions to make at home ... between guns versus butter." **Should** oil and gas **prices tumble, experts say Putin would** likely **pick butter**. "In 2007 when oil was doing well, Putin [as president] could have modernized the Russian military," says Pifer. Instead, Putin made a number of economic moves, such as the creation of a rainy day fund that was used during the recent global financial crisis," Pifer notes. What's more, Putin returns to power with his sharp eyes locked on his opposition, which is composed of the country's urban, middle-class populations. Experts agree that Putin would be hard-pressed to break his pension and wage promises in favor of a few more missiles. But even an economically weaker Russia would likely pick its spots to block Washington's desires.

#### Impact is Russian nuclear preemption—modernization key to lower nuclear reliance and Russian threat perception

RENZ AND THORNTON 12 – lectures on international security in the Faculty of Social Sciences, University of Nottingham (Bettina., Rod. “Russian Military Modernization Cause, Course, and Consequences” Problems of Post-Communism Volume 59, Number 1 / January / February 2012. P 52-54)

The perceived weakness of this triad means that the Kremlin was pleased with the START agreement of March 2010. The treaty limits favor Moscow in that it does not have to cut any of its own nuclear warheads or delivery systems—the numbers of ICBMs and warheads in its own triad are actually below the negotiated caps. Only the United States has had to bring its numbers down.58 Normally, in the arranging of such international security treaties, negotiating from a position of military weakness—as Russia was—is not conducive to the ability to drive a hard bargain. Moscow has been lucky, however, in that Washington seems not to be too interested in the shape of Russia’s current and future nuclear arsenal. Rather, in terms of perceived security threats, Washington has its eye more on the terrorist ball than on the Russian one. Additionally, under START, Russia does not have to reduce the number of its tactical nuclear weapons. It has more of these than the United States. These are prized and important assets to Moscow, and they have become even more prized and important as Russia’s conventional military has become weaker. They are seen more and more as the fallback option if Russia one day faces some sort of defeat in a conventional conflict—against the likes of Georgia or China. In the largest Russian military exercise held since the end of the cold war—conducted recently in the Russian Far East—**tactical nuclear weapons** (i.e., mines) **were** notionally “**exploded**” as part of the exercise play.59 This fact alone seems to confirm that **Russia’s conventional** military **weakness** has **led to a reduction in its nuclear-use threshold**. Conclusion The current modernization in the Russian military is long overdue. Because it is long overdue, it has to be completed in a rushed, haphazard fashion and against a backdrop of a military–industrial complex unable to fulfill its role in the process. Traditionally, military modernization is not achieved lightly, given the bureaucratic inertia and cultural norms that are always present. When, as in the current situation in Russia, such barriers to change are aided and abetted by any number of additional problems (not to mention the rampant corruption that is endemic across all levels of Russian state institutions, including the military), then it must be expected that Russia’s armed forces will be striving for some time to become truly “modern.”60 In essence, what should have been accomplished as an evolution over many years, and should have begun during the Yeltsin era, is now being attempted as a revolution in the post–Georgian war era. As with any revolutionary change, a good deal of disruption and disaffection has been created. Moreover, the current Russian military is a weakened military. The psychology of the tsarist/Soviet/Russian military has always been that numbers counted, that mass would prevail. Numbers inspired confidence, and numbers could deter. But the current Russian military is losing numbers while not making up for them by creating smaller, more professional forces equipped with the requisite technologies. Quality is not replacing quantity. The military is in a state of flux. Russian **politicians and military** **figures** both now **lack** a genuine **confidence in the armed forces’** ability to deter. This can have two consequences. Either Russia takes large steps to avoid the possibility of military confrontation by stressing diplomatic solutions to possible threat scenarios (as the tsarist government did in 1914), or it goes the opposite way, fearing that if any state is threatening military action against Russia then the hair trigger comes into operation (Israeli-style). That is, the mentality of the first, preemptive strike becomes paramount—taking advantage of surprise—and using what assets Russia now has. The alternative is to take the risk of waiting to be attacked and maybe “losing.” What is clear is that, with its armed forces currently weakened by the process of change, the sense of vulnerability generated has led Russia, in classic confirmation of the security dilemma concept, to magnify the threats it faces, or thinks it faces. Conscious of its vulnerability to threats, real or imagined, Moscow may begin to look more and more toward the inflexible tool of its tactical nuclear weapons as its principal defense mechanism. While no one really supposes that such weapons will be used in any confrontation with the West, the same cannot be said of any possible conflict with the Chinese. Ironically, Beijing’s military still relies on mass. The best modern military counter to mass is to employ either PGMs or tactical nuclear weapons. The Russian military has hardly any of the former but plenty of the latter. Hair triggers and tactical nuclear weapons are not comfortable bedfellows.

### China

#### High oil prices are key to Chinese nuclear investment

JIAO ’11 – China Daily Staff Writer (Jiao, Wu. “Govt eyes nuclear energy as oil price rises”. March 11, 2011. http://www.chinadaily.com.cn/china/2011npc/2011-03/11/content\_12152749.htm)

A senior energy official has warned the government to be "fully aware" of the risk of imported inflation as spreading uncertainty in the oil-rich Middle East and North Africa keeps driving up the global oil price. Zhang Guobao, former chief of the National Energy Administration, also urged the government **to speed up** the **r**esearch **and** **d**evelopment **of** alternative energy, especially **nuclear energy**, **to reduce** heavy **dependency on** **the** global **oil** **market**. Talking with China Daily on the sidelines of the two sessions, Zhang, now vice-director of the Subcommittee of Economy under the CPPCC National Committee, said the recent unrest in Libya would not directly affect China's oil imports, as oil from the North African country only accounts for 3 percent of China's annual oil imports, standing at around 240 million tons in 2010. Zhang also said that the division of power in Sudan is also unlikely to have a major impact on China's oil production there as China had made preparations for the split and enjoys good relations with both the north and the south. However, as an alarming 55 percent of China's annual oil demand has to be supplied from overseas, Zhang warned that the surging global oil price would definitely increase imported inflationary pressures on China. The Chinese government has been increasingly concerned by inflation since the consumer price index (CPI) rose to a record 28-month high of 5.1 percent in November. Asian stock markets fell on Thursday in the face of higher oil prices as fighting in Libya intensified, fuelling worries that mounting inflationary pressure could bite into global growth. US crude reached $107 a barrel earlier this week due to the turmoil in Middle East and North Africa, which now produce 35 percent of total world oil output and offer rare high-quality crude oil. In China, the surging oil price has led to price rises for downstream products and some bulk products, including coal. Zhang, the former top energy official said that nuclear power is one of the best sources of alternative energy. The US, with a far smaller population, has 104 nuclear reactors, while China only has 13, according to Zhang. Nuclear energy accounted for only about 0.8 percent of all primary energy sources last year. Zhang Huazhu, former director of the China Atomic Energy Authority, who is also a member of CPPCC National Committee, agreed with Zhang Guobao. "China should accelerate innovation in nuclear power technology to realize its energy-saving and emission-reduction commitment to the international community, and to face the challenge of climate change," said Zhang Huazhu. Zhang Guobao said the government will invest more in the development of nuclear power technology and in the training of specialized workers.

#### Key to overall US-Chinese relations

LYMAN ET AL ‘9 – Board of Directors, Program on Energy and Environment; Atlantic Council of the US (Lyman, John. “United States-China Cooperation On Nuclear Power”. March 6, 2009. Pdf)

The time for debate about the winners and losers in the supply of energy is over. Nuclear energy is needed more than ever as a non-carbon emitting source of electric supply and it can play a role in providing a secure, sustainable, affordable energy supply. The bottom line is that both the U.S. and China need a diversified energy production platform and technology portfolio, including a vibrant nuclear industry. Given the necessity of using all the forms of energy at our disposal while transitioning to a de-carbonized portfolio relying increasingly on renewables, integrated solutions are needed. Recognizing that this is not an either-or world, cooperation on nuclear energy can lead to **expanded cooperation** on other energy programs such as clean coal technology and renewable energy R&D. As the scientists and engineers begin to work together on nuclear programs, both will find ways to start other joint efforts. Together the U.S. and China have the ability to set the standards for world’s upcoming climate negotiations. With 2 billion people in the world suffering from a lack of energy and facing increasing shortages of adequate water supplies, developed countries are in a position to spread the benefits of electricity around the globe. To do this, every available source of electric supply must be deployed, and the U.S. and China, who will have the world’s two largest nuclear power programs in approximately 20 years, and who may also be the world’s top two economies, will be able to lead the way. This Dialogue provided a very good information base and an excellent platform to help the U.S. and China to work together to bring the benefits of nuclear energy to our nations and to the others in this world suffering from a lack of the basics for life. The U.S. and China are the world’s largest energy consumers—and the world’s two largest emitters of greenhouse gasses. Both countries must increase their use of nuclear power to help meet energy demands in a carbon-constrained environment. Relevant government agencies and key stakeholders must educate their publics about the parameters involved in producing a diverse energy supply in order to understand the worth of sacrifices that will be needed. Cooperation between the U.S. and China will be mutually beneficial. It is to the U.S.’s benefit that China designs and operates a safe nuclear power program. China is a significant market for the U.S. nuclear industry and provides an opportunity to maintain its manufacturing capabilities until its first new U.S. orders get underway. U.S. industry presence in China also increases relationships and communications **thus improving U.S. security**. The unprecedented transfer of nuclear technology to the Chinese will, in turn, help them develop clean sources of electricity sorely needed to address the fast growing needs of its economy and public. As Chinese capabilities grow, the nuclear supply chain is reinforced, supporting further opportunities for U.S. companies to expand reactor sales abroad. American and Chinese companies together can take advantage of their mutual competitive edges in technology and geography to expand into new markets. Cooperation and leadership are key and complimentary components in the U.S.’s and China’s efforts to ensure nuclear power’s contribution to meeting energy demand. **Cooperation on technology** development, **human resources, security and safety will form** **the basis for** their **leadership** on the world stage. Their combined actions will matter greatly in providing a quality environment with adequate energy supplies. **The world is watching!**

### Warming

#### Decreasing prices crushes the alternative energy transition and causes climate change

HUAG ’11 - Former Director at the International Energy Agency; educated at Harvard; chairs the Advisory Group on Energy of the EC and is Senior Research Advisor at the Oxford Institute of Energy Studies (Huag, Marianne. “Clean energy and international oil”. November 1, 2011. http://oxrep.oxfordjournals.org/content/27/1/92.abstract)

Developing and commercializing clean energy is one of the basic strategies to combat climate change. It involves the near total decarbonization of the power sector, the use of renewables and low-carbon fuels for heating and cooling, and last, but not least, the increasing substitution of oil in the transport sector. Hybrid, battery electric, and fuel-cell cars fuelled by clean power or hydrogen, together with sustainable biofuels and natural gas/CNG, are considered the most likely technologies that will reduce oil demand Such fundamental transformation of the energy sector evolves over time through coevolution of technologies, markets, institutions, and societal values. Despite the absence of a global price or tax for carbon, governments of the major economies worldwide are putting in place the building blocks for a transition to a low-carbon economy. The present emphasis is on support for RD&D and market diffusion for a wide range of technologies in different stages of technological maturity and provision of associated infrastructure. Policies, institutional support, industrial capacities, and renewable resource base vary widely among countries. We know that 10–20 years are needed to introduce the diversity of technologies and policy approaches that should be helpful during this formative stage of the transition to address different public concerns in different countries and search for best solutions in both a country-speciﬁc and a global context. Which energy mix of clean energy will evolve is highly uncertain. However, the broad based RD&D and infrastructure investments and commercial scaling up of clean technologies should narrow choices and reduce costs of substitutes for oil within the next 10–15 years and choices for new low-carbon vehicles in 20 years. In this evolving process of technology selections and industrial and policy engagement, the role of emerging economies as major investors in clean technology and cost-competitive producers will become crucial. What are the chances that the transformative dynamic towards clean energy is derailed again? A span of 10–20 years is a long time to introduce competitive choices for clean electricity, sustainable biofuels, clean hydrogen, alternative power trains, and the necessary infrastructure. Unforeseen and unforeseeable events will happen over such an extensive time span. Chernobyl changed the growth of nuclear power, decisively, Fukushima is jolting the nuclear renaissance, and a meteorite hit may invalidate the climate change threat for a century or more. However, the probability that a clean energy transition will unfold is very high. First, RD&D and niche market support has unleashed a wave of scientiﬁc interest and technological creativity to explore clean-fuel and end-use alternatives in all scientiﬁcally advanced countries. The assumption that competitive backstop technologies for oil will be ready to be scaled up within the 10–20-year period is not only plausible but very likely. Second, the institutional and policy support in favour of clean energy, while highly fragmented and imperfect, is creating vibrant industries with increasing competitive pressure for all technologies, and sustainability as an overarching core value. In brief, the trend to slowing oil demand growth appears irreversible in the absence of a ‘black swan event’. Can international oil inﬂuence the trend through price or quantity strategies, now, before the decline is imminent? **Experience** **shows** that, indeed, consistently **cheap oil will slow** both substitution and the development of alternatives. Theoretically, the world’s low-cost oil producers have the capacity to increase output and ﬂood the market for an extended period of time at low prices, as Sinn with his Green Paradox postulates. Such a major oil price drop could be passed on to the consumers. But governments and societies committed to clean energy could also take such an opportunity to internalize the cost of carbon and energy security, keep consumer petroleum product prices relatively stable, and incentivize the clean energy transition without large ﬁscal outlays. Low-cost producers would gain market share, but would not slow the substitution process. As a corollary, a quantitative strategy to limit crude oil output is likely to increase the expectation of scarcity and oil prices. Renewed oil price hikes would strengthen the commitment of governments to develop alternatives to oil and consumers’ willingness to pay for alternatives and help accelerate market readiness and market opportunities of backstop technologies for oil.

### Trends Uniqueness – 2NC Wall

#### (A) Saudi will stabilize ----– future predictive evidence and empirical examples prove that recent price changes are just matching supply and demand

WSJ 2/7/13 http://online.wsj.com/article/SB10001424127887323951904578290202298829438.html

Gulf members of the Organization of the Petroleum Exporting Countries, including top oil exporter Saudi Arabia, aren't inclined to increase their production--even though oil prices have soared well above the $100-a-barrel price the group sees as ideal, Gulf OPEC officials said. Brent crude prices Thursday rose slightly compared to the previous session, but earlier in the day rose to $117.83 a barrel, their highest level in more than four months. Prices for contracts on both sides of the Atlantic have rallied since the new year began, though the rise has been most pronounced in Brent. News that OPEC member Iran has rejected the notion of direct talks with the United States over its nuclear ambitions has caused some investors to worry about oil supply from the region, underpinning the price rise. Yet some other OPEC members from the Gulf region shrugged off the rise in crude prices. "Saudi Arabia and other Gulf producers are not worried about the recent price hikes," a senior Gulf OPEC official said. "The Gulf stands ready to supply their customers with what they need and stabilize the crude markets, but at the moment there is no call for action." Saudi Arabia kept its crude output steady around 9 million barrels a day in January for the second straight month, a Gulf official with knowledge of the country's oil policy said. The kingdom's production reached 9.05 million barrels a day in January, compared with 9.025 million barrels per day in December, while its supplies to the market rose to 9.26 million barrels a day in January from 9.15 million a month earlier. "Don't get me wrong; we would like oil prices to stabilize around $100 a barrel, as high prices could slow down economic growth, but a price rise for a couple of days is not a call for worry," another Gulf OPEC official said Thursday. "The supply/demand situation has not changed, there are no fundamental reasons behind the price rise, so we are not going to do anything for now." In late January, OPEC Secretary General Abdalla Salem el-Badri said, "At present, we believe the market is well balanced," adding that the organization expected the market "to remain well supplied to meet oil-demand growth" for the rest of the year.

#### (B) The market is under control ----– we’re just seeing the same patterns from 08

GRAEBER ’12 Senior Journalist; extensively with UPI (Graeber, Daniel. “Will 2012 Play Out Like 2008 for Oil Markets?”. June 26, 2012. http://www.cnbc.com/id/47960423)

In July 2008, oil prices moved close to $150 per barrel. By December of that year, roughly $100 was off the price as the global economy began to sink. Nearly **four years later**, and **not much has changed**. Most political statements are still couched in promises of employment prospects and last week, the Dow Industrials lost two percent of its value. That suggests there's not much in the markets to give investors any sense of optimism. The US economy is sluggish, China's is slowing down and reports of a dismal European economy have resonated to the point of redundancy. Last week, forecasts of Tropical Storm Debby pushed crude oil to higher territory as some international oil companies shut production as a precautionary measure. By Monday, however, those gains had proved short-lived. By mid-day, most markets were sinking quickly on concerns that Spain may be the latest candidate to freeze the European economy. That sent bank stocks spiraling and erased any gains made in oil. Most analysts had said sentiment in the oil market is, at best, dismal. There is seemingly plenty of oil available in the markets, which may in part explain prices. In the U.S., crude oil production is so prolific that the country lacks the infrastructure to do much with it. Globally, the Saudis may even consider **constraining markets in an effort to keep oil prices** under control. Much of the oil glut may be temporary protection against the series of sanctions set to go into force against Iran, however. That suggests there will likely be no major long-term impacts from the shortage of Iranian crude despite a few jitters the first week of July. Investors say hope is long gone from conversations about European recovery. It's hard to say if dismantling the Eurozone would ease some of the restrictions. Recent commentary suggests that's not the case. Domestic protectionism rarely works in an international market either. **OPEC**, in its monthly report for June, **suggested** markets look an awful lot like they did in December 2008. The cartel, however, said it saw some resiliency in the US economy. With retail gasoline prices in the United States moving close to $3 per gallon, some benefits could come as economically depressed Americans take to the road for summer holiday. By the time OPEC pens its next report, U.S. and European sanctions against Iran will be two weeks old. The story of the Great Recession isn't over but it's been a **steady** story **long enough** to suggest that as much as negativity lingers, there's still at least talk of hope.

### Link

Investment in alternative energy causes OPEC to flood the market.

William Kole, 9/8/2007. Associated Press Writer. “Despite rising prices, OPEC appears to be in no rush to raise its output targets,” NWI Times, <http://nwitimes.com/articles/2007/09/08/business/business/doc7e79bb33cb7ec6f28625734f00723bfd.txt>.

If you remember what happened in the 1970's (look it up if you don't) you will find the biggest fear OPEC has. It is that oil prices will go up and stay high long enough to fuel investment into conservation and alternative energy sources to the point that a critical mass is reached and the need for their oil is greatly diminished or replaced by other energy sources they don't control. That's exactly what started happening in the 1970's and it took OPEC opening up the tap to make oil cheap again over a decade to reverse the trends. The result was that interest in conservation and alternative energy waned and investments dried up in the face of cheap oil again. We are once again nearing that point and you can expect to see OPEC flood the market again if they see us getting serious with conservation and alternative energy sources that compete with, or worse yet, actually replace demand for their oil. OPEC walks the fine line between price and demand and wants to keep us hooked up to their oil like a bunch of junkies on drugs while making as much money as possible.

#### Disad comes faster than solvency – speculators will crush oil prices immediately

LOTT ’12 – Ph.D. in economics from UCLA (Lott, John. “Yes, government policies could help bring down the price of gas – today”. March 13, 2012. http://www.foxnews.com/opinion/2012/03/13/yes-government-policies-could-help-bring-down-price-gas-today/)

Still government policies can help lower gas prices **today**. Democrats and even some conservatives claim that there is nothing that can be done immediately to reduce oil prices. After all, they argue, even if the go ahead were given today to drill for more oil, it would take years before we would actually see it. But lower future prices do lower current prices. Just as speculators save oil for future consumption if they think that prices will rise, **lower future prices mean** that **they won't keep their inventories**, and selling them off now will lower today's prices. Thus, President Obama's bans on drilling raise prices in the future, but also raise them now. The US is only a relatively small part of a worldwide market for oil, but relatively inelastic demand for oil even small changes in quantity can produce significant changes in prices. Despite all the subsidies for so-called “green energy,” what is being produced there doesn’t come close to offsetting the energy lost from this oil production.

#### Perception is key—every change in the U.S. market is watched

ROBERTS 2004 (Paul, Journalist, The End of Oil, p. 95.)

Within the oil world, **no decision** of any significance is made without reference to the U.S. market, nor is anything left to chance. Indeed, the oil players watch the American oil market as attentively as palace physicians once attended the royal bowels: **every hour of every day**, every oil state and company in the world keeps an **unblinking watch** on the United States and strains to find a sign of **anything** — from a shift in energy policy to a trend toward smaller cars to an unusually mild winter — that might affect the colossal U.S. consumption. For this reason, the most important day of the week for oil traders anywhere in the world is Wednesday, when the U.S. Department of Energy releases its weekly figures on American oil use, and when, as one analyst puts it, “the market makes up its mind whether to be bearish or bullish.”

### Link Uniqueness – US Demand High – 2NC Wall

#### Demand for Saudi oil high – assumes all their squo solves arguments [also in A2 Production Increasing]

KRAUSS ’12 – Business correspondent for NYT (Krauss, Clifford. “U.S. Reliance on Oil From Saudi Arabia Is Growing Again”. August 16, 2012. http://www.nytimes.com/2012/08/17/business/energy-environment/us-reliance-on-saudi-oil-is-growing-again.html?pagewanted=all)

The United States is increasing its dependence on oil from Saudi Arabia, raising its imports from the kingdom by more than 20 percent this year, even as fears of military conflict in the tinderbox Persian Gulf region grow. The increase in Saudi oil exports to the United States began slowly last summer and has picked up pace this year. Until then, the United States had decreased its dependence on foreign oil and from the Gulf in particular. This reversal is driven in part by the battle over Iran’s nuclear program. The United States tightened sanctions that hampered Iran’s ability to sell crude, the lifeline of its troubled economy, and Saudi Arabia agreed to increase production to help guarantee that the price did not skyrocket. While prices have remained relatively stable, and Tehran’s treasury has been squeezed, the United States is left increasingly vulnerable to a region in turmoil. The jump in Saudi oil production has been welcomed by Washington and European governments, but Saudi society faces its own challenges, with the recent deaths of senior members of the royal family and sectarian strife in the eastern part of the country, making the stability of Saudi energy and political policies uncertain. The United States has had a **political alliance** with the Saudi leadership that has lasted for decades, one that has become even more pivotal to Washington during the turmoil of the Arab spring and rising hostilities with Iran over that nation’s nuclear program. (Saudi Arabia and Iran are bitter regional rivals.) The development underscores how difficult it is for the United States to lower its dependence on foreign oil — **especially the heavy grades** of crude that Saudi Arabia exports — **even as domestic oil production is soaring**. It is a development that has alarmed conservative and liberal foreign policy experts alike, especially with oil prices and Mideast tensions rising in recent weeks. “At a time when there is a rising chance of either a nuclear Iran or an Israeli strike on Iran’s nuclear facilities, we should be trying to reduce our reliance on oil going through the Strait of Hormuz and not increasing it,” said Michael Makovsky, a former Defense Department official who worked on Middle East issues in the George W. Bush administration. Senior Iranian officials have repeatedly threatened to close the Strait of Hormuz, the narrow neck through which most Gulf oil is shipped, and the Iranian navy has held maneuvers to back up the threats. Most analysts say it is doubtful the Iranians would take such an extreme measure because that would block exports vital to the country’s economy, but the United States Navy has been preparing for such a contingency. Many oil experts say that the increasing dependency is probably going to last only a couple of years, or until more Canadian and Gulf of Mexico production comes on line. “Until we have the ability to access more Canadian heavy oil through improved infrastructure, the vulnerability will remain,” said David L. Goldwyn, former State Department coordinator for international energy affairs in the Obama administration. “The potential for an obstruction of the Strait of Hormuz therefore poses a physical threat to U.S. supply as well as a potential price shock on a global level.” Obama administration officials said they were not overly worried for several reasons. In the event of a crisis, the United States could always dip into strategic petroleum reserves; domestic production continues to climb; and Gulf of Mexico refineries could be adjusted to use higher-quality, sweeter crude oil imported from other countries. “There are going to be tensions in the Middle East whether that oil is going to the United States or going to somewhere else,” said Adam Sieminski, administrator of the Energy Department’s Energy Information Administration. “And if oil prices go up because of a problem in the Middle East, that causes a problem for the world in general and not one that is specific to the United States.” In the United States, several oil refining companies have found it **necessary to buy *more crude* from Saudi** Arabia and Kuwait to make up for declining production from Mexico and Venezuela, insufficient pipeline connections between the United States and Canadian oil sands fields, and the fallout from the 2010 BP disaster, which led to a yearlong drilling moratorium in the Gulf of Mexico. “As refiners, we buy from wherever the supply is readily available and where we can get the best price,” said Bill Day, a spokesman for Valero Energy, the largest domestic refiner.

### Impact Libya

#### High oil prices are key to Libyan stability

ACHY ‘12 - a nonresident scholar at the Carnegie Middle East Center in Beirut. He is an economist with expertise in development and institutional economics, as well as trade and labor, with a focus on the Middle East and North Africa (Achy, Lahcen. “Libya’s Economy: On Path to Recovery but Facing Hard Challenges”. May 1, 2012. http://carnegieendowment.org/2012/05/01/libya-s-economy-on-path-to-recovery-but-facing-hard-challenges/apm9)

The Libyan oil minister recently announced that oil production is approaching pre-war levels. The oil sector is the backbone of the Libyan economy, so such a statement is of high importance. **It accounts for 70 percent of GDP,** over **95 percent of exports, and 90 percent of** government **revenue**. With the current level of oil production and high prices on international markets, **the Libyan economy is expected to recover this year**. Yet, to ensure long-term stability, Libya must move away from its dependence on oil toward a diversified economy led by a competitive private sector. The Libyan economy paid a heavy price to topple the regime of Muammar Qaddafi, a toll that far exceeds the losses incurred by both Tunisia and Egypt. Indeed, the year 2011 brought a 60 percent contraction in Libya’s GDP, following months of almost total interruption of oil production and exports. Government revenue fell, while the budget deficit reached a record 40 percent of GDP and a supply shortage led to an inflation rate of nearly 20 percent. The UN Security Council resolution to freeze the Libyan central bank’s assets and the growing amount of bad debt in the country has resulted in a severe lack of liquidity. Libya’s neighborhood has also felt the effects of the armed conflict to overthrow Qaddafi. Many Tunisians and Egyptians that had worked in Libya returned home, thus depriving their families of remittances and swelling the ranks of the unemployed in their home countries. A 70 percent increase in GDP and a current account surplus of 11 percent of GDP are expected in 2012. Prices are projected to go down by 10 percent after the resumption of imports and market supply to normal level. Still, the budget deficit is expected to represent 7 percent of GDP due to a generous increase in civil servants’ wages in March of last year—an attempt by the Qaddafi regime to end popular discontent. The amount budgeted for wages now represents 20 percent of GDP, which is double the level in 2010. Egypt and Tunisia are in need of external funding, which may eventually lead them to accept costly or conditional loans; Libya with foreign reserve assets amounting to $174 billion and almost no foreign debt to repay can set its priorities and design its policies without any external pressure. But Libya’s strengths, along with burgeoning oil revenue, may become weaknesses if the government fails to restore security and stability throughout the country. This is why Libya’s current government must manage the transition to democracy according to a set timetable and build strong, efficient, and yet accountable institutions that will allow Libya to meet the major challenges its economy is facing

#### Libyan war sparks World War III

Lendman, 7-6-11

[Stephen, Libya - Flashpoint for World Conflict, http://www.rense.com/general94/libya.htm]

  On July 3, Peter Dale Scott told Progressive Radio News Hour listeners what he fears most. He repeated it in a July 4 email, citing a Paul Joseph Watson Infowars.com article, accessed through the following link:

http://www.infowars.com/report-ground-invasion-of-libya-within-two-weeks

Using information from DEBKAfile, a Jerusalem-based intelligence site with close Mossad ties (providing commentary and analysis on regional terrorism, intelligence, security, military and political affairs), he discussed a frightening prospect. More on it below. Founded in June 2000, DEBKA calls itself independent, "pioneer(ing) intensive news coverage and analysis of global (Islamic, not Israeli, US, or other Western) terror before it hits" front pages. Calling its reports "not infallible," Scott said its information deserves attention because some past predictions proved true. Specifically, he cited their June 25, 2003 story that "The Americans are secretly building two giant intelligence facilities in Iraq at a cost of some half a billion dollars." Doing so and more makes it "seem that America is now indeed acting as recklessly and idiotically as Britain and France did in the (1956) Suez crisis...." On air and in his email, Scott wondered whether "Washington failed to take into account the reaction of Russia and China (the way Britain in 1956 insanely" didn't bank on America's response at the time). "Or is (America) counting on its (nuclear superiority) to deal with any problems in that area." Disturbingly, top US officials include extremists who think brute force solutions work best, even high risk ones like nuclear war or simultaneously waging too many conventional ones. Scott told Progressive Radio News Hour listeners that he's warned for months about Libya being a flashpoint for escalated general war, similar to how WW I began. Global Research founder/editor Michel Chossudovsky has similar concerns, including in his new E-book titled, "Towards a World War III Scenario," calling today's world "at a critical crossroads." Citing two major incidents, Japan's Fukushima disaster and imperial war on Libya, he called "(t)hese two seemingly unrelated events....of crucial importance in understanding both the nuclear issue as well as the ongoing US-NATO sponsored war." Fukushima's implications and fallout go largely unexplained. In fact, except for occasional misreporting, America's media now entirely ignore them, including warnings from Helen Caldicott and others that every commercial reactor is a ticking time bomb "atomic bomb factory." Moreover, Chossudovsky said "(n)uclear energy is not a civilian economic activity. It is an appendage of the nuclear weapons industry which is controlled by the so-called defense contractors." In fact, secret "atomic-bomb research facilities (are) hidden inside Japan's civilian nuclear power plants," and perhaps also in America's. It may not have been coincidence that Libya's war was launched within days of Fukushima's disaster. It's now dramatically escalated as part of America's broader Middle East/North Africa/Central Asia conflict, **encroaching recklessly close to China and Russia's borders**. Their concerns, in fact, may trigger counter-responses that **could dangerously spin** things out of control. In fact, the war Obama won't call war potentially could trigger a "World War III scenario." It worries Chossudovsky, Scott and others enough to highlight it on air and in print. It's repeated in this article, citing another recent one discussing Barbara Tuchman's 1962 book, "The Guns of August," on how WW I began and its early weeks. Once started, it escalated out of control disastrously, involving dozens of countries directly and indirectly. Moreover, before it ended, over 20 million died, at least that many more were wounded, and a generation of young men were erased before nuclear and today's other mass destruction weapons and technologies existed. Over a half century ago, it worried Einstein enough to say: "I know not with what weapons World War III will be fought, but World War IV will be fought with sticks and stones" if civilizations survive to do it. Given the possibility of Libya triggering escalated general or global war, that scenario today is real, especially in light of a "1996 plan to bomb Libya using tacticalnuclear weapons." It was shelved at that time, but never eliminated as a possibility against any nation. In fact, the Bush administration claimed the preemptive right to use nuclear weapons, including against non-nuclear states, based on alleged national security concerns.Obama recklessly maintains the same policy even though America hasn't had an enemy since Japan surrendered in August 1945. Nonetheless, the prospect of escalating war with nuclear or other mass destruction weapons suggests frightening possibilities, including a potential WW III scenario. It's no less implausible now than WW I seemed in early 1914. Worry most perhaps about what's least expected, especially to refocus angry millions (suffering from global economic crisis misery) on something greater. It's worked many times before, notably post-9/11, escalating one war into multiple ones and counting. Given America's out-of-control belligerence, perhaps ad infinitum wars will proliferate until America destroys planet earth to liberate it in a mushroom-shaped cloud. It's possible given alarming reports like Watson's July 4 Infowars one linked above.

# CP

### 1nc

#### The 50 state governments should:

* establish a uniform Renewable Portfolio Standard requiring that twenty percent of electricity produced comes from renewable sources.
* establish a feed-in tariff that creates long-term purchase contracts for new qualifying facilities that use wind and solar power for energy production to ensure a reasonable rate of return.

#### States can do feed-in tariffs

[**Sawin**](http://www.sciencedirect.com.monstera.cc.columbia.edu:2048/science?_ob=ArticleURL&_udi=B6VSS-4NJP9CG-1&_user=18704&_coverDate=05%2F31%2F2007&_alid=772549448&_rdoc=27&_fmt=high&_orig=search&_cdi=6270&_sort=d&_docanchor=&view=c&_ct=67&_acct=C000002018&_version=1&_urlVersion=0&_userid=18704&md5=27e009d5980baf378f87e6ae10344e08#bvt2) **7** – Director of the Energy and Climate Change Program at the Worldwatch Institute, an independent org in D.C.

(Janet L.“If the Shoe FITs: Using Feed next term-in previous term Tariffsnext term to Meet U.S. Renewable Electricity Targets” The Electricity Journal, Volume 20, Issue 4, May 2007, Pages 73-86)

A second possibility is that states (or utilities) could use fixed-price tariffs to contract for utility-scale renewable energy generators, as suggested in California. Long-term contracts for bundled RECs and electricity are already in use in several regulated states, and have emerged in Texas as well. Further, NYSERDA procures RECs for large-scale generators through long-term contracts in New York State, and Connecticut's Project 100 Initiative offers 10-year, long-term contracts for up to 100 MW of renewable energy projects. Currently, all of these long-term contracts must be competed for or negotiated, rather than awarded automatically. Nevertheless, it is possible that states with existing long-term contracting could shift to more transparent and standard long-term contracts similar to feed-in tariffs.

#### The CP codifies status quo RPS trends to integrate coordinate with other states – it will rapidly spur renewable integration

**Byrne, 7** –Center for Energy and Environmental Policy (John, “American policy conflict in the greenhouse: Divergent trends in federal, regional, state, and local green energy and climate change policy” Energy Policy Volume 35, Issue 9, September 2007, science direct)

In addition to the creation of voluntary investments in renewables, a number of states have mandated that utilities supply a baseline amount of green power to their customers. Known as Renewable Portfolio Standards (RPS), these policies establish renewable energy procurement quotas for utilities according to a schedule typically running for 10–15 years. As of February 2007, 23 states and the District of Columbia have enacted renewable portfolio standards, while another fourteen states are considering RPS regulation (Fig. 3). No two RPS laws are alike and some policy regimes have performed better than others (van der Linden et al., 2005 N.H. van der Linden, M.A. Uyterlinde, C. Vrolijk, L.J. Nilsson, J. Khan and K. Åstrand et al., Review of International Experience with Renewable Energy Obligation Support Mechanisms, Energy research Centre of the Netherlands, Petten, Netherlands (2005).van der Linden et al., 2005). Generally speaking, however, there is a distinct trend towards stronger RPS policies and regional market integration. Only two states have voluntary standards—Illinois and Vermont—and both are now considering RPS mandates (DSIRE, 2007).Most states with RPS policies in place for three or more years have strengthened their laws, accelerated compliance schedules, or proposed new targets (Rickerson, 2005). For example, in 2006 New Jersey accelerated its compliance schedule and increased its target to 20% by 2020 (DSIRE, 2007). Utilities in Wisconsin over-complied with the initial 2.2% by 2012 goal, and in 2006 the state increased its target to 10% by 2015 (Governor's Task Force, 2004). California has accelerated its RPS schedule partly because one utility, Southern California Edison, is already close to the 20% requirement with 17.7% of its supply derived from renewable energy (California Public Utilities Commission, 2006). As a result, the state has revised its RPS schedule from 20% by 2017 to 20% by 2010 (Doughman et al., 2004).While Texas initially accounted for most of the renewable MW capacity installed in RPS markets (Petersik, 2004), renewable energy installations are now becoming more widely distributed as new and strengthened RPS regimes have appeared across the American landscape. The Union of Concerned Scientists (2006a) projects over 44,900 MW of new renewable capacity will be added to the grid by 2020 to satisfy current RPS mandates (see also Byrne et al., 2005b).Another sign of the growing maturity and momentum of state RPS policies is the trend toward regional coordination and integration. In order to encourage supply diversity, almost every state RPS policy in the US permits its utilities to procure renewable resources from neighboring states. As a result, markets for tradable renewable energy credits (RECs)5 have emerged to facilitate compliance in Connecticut, Delaware, Maine, Maryland, Massachusetts, New Jersey, Texas and Washington, DC. The existence of a solar PV “carve out” requirement in New Jersey's RPS has created solar-specific REC prices above $200/megawatt-hour (MWh) (Holt and Bird, 2005, p. 2; Evolution Markets LLC, 2006), and similar requirements in Pennsylvania, New York and Washington, DC could drive solar PV market growth region wide. To support these markets, regional authorities have established credit-tracking systems in the Northeast, Mid-Atlantic, and Texas. Similar systems are also under development for the states of the West and the upper Midwest (Porter and Chen, 2004; Wingate and Lehman, 2003 M. Wingate and M. Lehman, The Current Status of Renewable Energy Certificate Tracking Systems in North America, Center for Resource Solutions, San Francisco, CA (2003) (Prepared for the Commission for Environmental Cooperation).Wingate and Lehman, 2003). These systems facilitate RPS compliance and encourage non-RPS states to develop resources for participation in regional RPS markets. To date, RPS has proven to be the most successful tool used by states in the US to realize rapid development of renewable energy options.

#### The combination solves best – allow states to set their rates effectively above the avoided cost

**Yaffe, 10** - member of Van Ness Feldman and resident in the Washington, DC, ofﬁce. He provides regulatory, contract, business, and dispute resolution counseling to participants in the market-oriented electric utility and natural gas industries“Are State Renewable Feed-in Tariff Initiatives Truly Throttled by Federal Statutes after the FERC California Decision?” Electricity Journal, October, Science Direct)

Moreover, states should think creatively about how to deﬁne avoided costs of utilities purchasing energy from QF/FIT-qualifying generators. For instance, those states that have adopted RPS requirements may well be able to defend setting the PURPA 210 avoided cost at the average cost of a new renewable resource rather than conventional generation because the RPS requires that the marginal capacity or energy come from renewable resources. Similarly, to the extent that forthcoming regulations from the U.S. Environmental Protection Agency to curb greenhouse gas emissions under the federal Clean Air Act impose new costs on conventional generation, such costs may well be factored into the avoided cost calculation.

# Politics

### Impact

#### Comprehensive reform is key to food security

**ACIR ‘7** (December 4, 2007 THE AGRICULTURE COALITION FOR IMMIGRATION REFORM

Dear Member of Congress: The Agriculture Coalition for Immigration Reform (ACIR) is deeply concerned with pending immigration enforcement legislation known as the ‘Secure America Through Verification and Enforcement Act of 2007' or ‘SAVE Act’ (H.R.4088 and S.2368). While these bills seek to address the worthy goal of stricter immigration law enforcement, they fail to take a comprehensive approach to solving the immigration problem. History shows that a one dimensional approach to the nation’s immigration problem is doomed to fail. Enforcement alone, without providing a viable means to obtain a legal workforce to sustain economic growth is a formula for disaster. Agriculture best illustrates this point. Agricultural industries that need considerable labor in order to function include the fruit and vegetable, dairy and livestock, nursery, greenhouse, and Christmas tree sectors. Localized labor shortages have resulted in actual crop loss in various parts of the country. More broadly, producers are making decisions to scale back production, limit expansion, and leave many critical tasks unfulfilled. Continued labor shortages could force more producers to shift production out of the U.S., thus stressing already taxed food and import safety systems. Farm lenders are becoming increasingly concerned about the stability of affected industries. This problem is aggravated by the nearly universal acknowledgement that the current H-2A agricultural guest worker program does not work. Based on government statistics and other evidence, roughly 80 percent of the farm labor force in the United States is foreign born, and a significant majority of that labor force is believed to be improperly authorized. The bills’ imposition of mandatory electronic employment eligibility verification will screen out the farm labor force without providing access to legal workers. Careful study of farm labor force demographics and trends indicates that there is not a replacement domestic workforce available to fill these jobs. This feature alone will result in chaos unless combined with labor-stabilizing reforms. Continued failure by Congress to act to address this situation in a comprehensive fashion is placing in jeopardy U.S. food security and global competitiveness. Furthermore, congressional inaction threatens the livelihoods of millions of Americans whose jobs exist because laborintensive agricultural production is occurring in America. If production is forced to move, most of the upstream and downstream jobs will disappear as well. The Coalition cannot defend of the broken status quo. We support well-managed borders and a rational legal system. We have worked for years to develop popular bipartisan legislation that would stabilize the existing experienced farm workforce and provide an orderly transition to wider reliance on a legal agricultural worker program that provides a fair balance of employer and employee rights and protections. We respectfully urge you to oppose S.2368, H.R.4088, or any other bills that would impose employment-based immigration enforcement in isolation from equally important reforms that would provide for a stable and legal farm labor force.

#### Food insecurity sparks World War 3

**Calvin ’98** (William, Theoretical Neurophysiologist – U Washington, Atlantic Monthly, January, Vol 281, No. 1, p. 47-64)

The population-crash scenario is surely the most appalling. Plummeting crop yields would cause some powerful countries to try to take over their neighbors or distant lands -- if only because their armies, unpaid and lacking food, would go marauding, both at home and across the borders. The better-organized countries would attempt to use their armies, before they fell apart entirely, to take over countries with significant remaining resources, driving out or starving their inhabitants if not using modern weapons to accomplish the same end: eliminating competitors for the remaining food. This would be a worldwide problem -- and could lead to a Third World War -- but Europe's vulnerability is particularly easy to analyze. The last abrupt cooling, the Younger Dryas, drastically altered Europe's climate as far east as Ukraine. Present-day Europe has more than 650 million people. It has excellent soils, and largely grows its own food. It could no longer do so if it lost the extra warming from the North Atlantic.

#### Probability- History proves food shortages are the most likely cause of extinction

**Brown ’11** (from World on the Edge: How to Prevent Environmental and Economic Collapse, by Lester R. Brown © 2011 Earth Policy Institute

For the Mayans, it was deforestation and soil erosion. As more and more land was cleared for farming to support the expanding empire, soil erosion undermined the productivity of their tropical soils. A team of scientists from the National Aeronautics and Space Administration has noted that the extensive land clearing by the Mayans likely also altered the regional climate, reducing rainfall. In effect, the scientists suggest, it was the convergence of several environmental trends, some reinforcing others, that led to the food shortages that brought down the Mayan civilization. 26 Although we live in a highly urbanized, technologically advanced society, we are as dependent on the earth’s natural support systems as the Sumerians and Mayans were. If we continue with business as usual, civilizational collapse is no longer a matter of whether but when. We now have an economy that is destroying its natural support systems, one that has put us on a decline and collapse path. We are dangerously close to the edge. Peter Goldmark, former Rockefeller Foundation president, puts it well: “**The death of our civilization is no longer a theory** or an academic possibility; it is the road we’re on.” 2 **Judging by the archeological records of earlier civilizations, more often than not food shortages appear to have precipitated their decline and collapse**. Given the advances of modern agriculture, I had long rejected the idea that food could be the weak link in our twenty-first century civilization. **Today I think not only that it could be the weak link but that it is the weak link.**

**Magnitude- food shortages mean extinction**

**Takacs ‘96** (David, The Idea Of Diversity: Philosophies Of Paradise, 1996, p. 200-1.)

So biodiversity keeps the world running. It has value and of itself, as well as for us. Raven, Erwin, and Wilson oblige us to think about the value of biodiversity for our own lives. The Ehrlichs’ rivet-popper trope makes this same point; by eliminating rivets, we play Russian roulette with global ecology and human futures: “It is likely that destruction of the rich complex of species in the Amazon basin could trigger rapid changes in global climate patterns. Agriculture remains heavily dependent on stable climate, and human beings remain heavily dependent on food. By the end of the century the extinction of perhaps a million species in the Amazon basin could have entrained famines in which a billion human beings perished. And if our species is very unlucky, the famines could lead to a thermonuclear war, which could extinguish civilization.” Elsewhere Ehrlich uses different particulars with no less drama: What then will happen if the current decimation of organic diversity continues? Crop yields will be more difficult to maintain in the face of climatic change, soil erosion , loss of dependable water supplies, decline of pollinators, and ever more serious assaults by pests. Conversion of productive land to wasteland will accelerate; deserts will continue their seemingly inexorable expansion. Air pollution will increase, and local climates will become harsher. Humanity will have to forgo many of the direct economic benefits it might have withdrawn from Earth's well­stocked genetic library. It might, for example, miss out on a cure for cancer; but that will make little difference. As ecosystem services falter, mortality from respiratory and epidemic disease, natural disasters, and especially famine will lower life expectancies to the point where can­cer (largely a disease of the elderly) will be unimportant. Humanity will bring upon itself consequences depressingly similar to those expected from a nuclear winter. Barring a nuclear conflict, it appears that civilization will disappear some time before the end of the next century - not with a bang but a whimper.

#### US agriculture is the key internal link – not inevitable and we solve alt causes

**Bidinotto ’10** (How to Cultivate a Food Crisis December/29/10 How to Cultivate a Food Crisis by Robert James Bidinotto

As any shopper knows, food prices this past year have been rising faster than the overall rate of inflation. “Fears of a global food crisis swept the world’s commodity markets as prices for staples such as corn, rice and wheat spiraled after the U.S. government warned of ‘dramatically’ lower supplies,” the Financial Times reported in early October. “There is growing concern among countries about continuing volatility and uncertainty in food markets,” said World Bank president Robert Zoellick later that month. “These concerns have been compounded by recent increases in grain prices.” **Confronting this looming food-supply crisis is the American farmer. His productivity is such that the United States is the world’s largest agricultural exporter**, with $108.7 billion in farm products shipped abroad in 2010. **Helping him increase the supply of agricultural products is the key to addressing both rising food prices and global shortages**. His productivity is also critical to our country’s broader economic recovery.

#### US food shortages cause protectionism

**Pollan ‘8** (BOOKS ARTICLESAPPEARANCESMEDIA PRESS KITNEWSRESOURCES TODAY’S LINK Farmer in Chief By Michael Pollan The New York Times Magazine, October 12, 2008

The impact of the American food system on the rest of the world will have implications for your foreign and trade policies as well. In the past several months more than 30 nations have experienced food riots, and so far one government has fallen. Should high grain prices persist and shortages develop, you can expect to see the pendulum shift decisively away from free trade, at least in food. Nations that opened their markets to the global flood of cheap grain (under pressure from previous administrations as well as the World Bank and the I.M.F.) lost so many farmers that they now find their ability to feed their own populations hinges on decisions made in Washington (like your predecessor’s precipitous embrace of biofuels) and on Wall Street. They will now rush to rebuild their own agricultural sectors and then seek to protect them by erecting trade barriers. Expect to hear the phrases “food sovereignty” and “food security” on the lips of every foreign leader you meet. Not only the Doha round, but the whole cause of free trade in agriculture is probably dead, the casualty of a cheap food policy that a scant two years ago seemed like a boon for everyone. It is one of the larger paradoxes of our time that the very same food policies that have contributed to overnutrition in the first world are now contributing to undernutrition in the third. But it turns out that too much food can be nearly as big a problem as too little — a lesson we should keep in mind as we set about designing a new approach to food policy.

#### Protectionism causes extinction

**Miller and Elwood ’88** (Miller and Elwood, 1988 International Society for Individual Liberty , <http://www.free-market.net/resources/lit/free-trade-protectionism.html>, gender modified

TRADE WARS: BOTH SIDES LOSE When the government of Country "A" puts up trade barriers against the goods of Country "B", the government of Country "B" will naturally retaliate by erecting trade barriers against the goods of Country "A". The result? A trade war in which both sides lose. But all too often a depressed economy is not the only negative outcome of a trade war . . . WHEN GOODS DON'T CROSS BORDERS, ARMIES OFTEN DO **History is not lacking in examples of cold trade wars escalating into hot shooting wars**: Europe suffered from almost non-stop wars during the 17th and 18th centuries, when restrictive trade policy (mercantilism) was the rule; rival governments fought each other to expand their empires and to exploit captive markets. British tariffs provoked the American colonists to revolution, and later the Northern-dominated US government imposed restrictions on Southern cotton exports - a major factor leading to the American Civil War. In the late 19th Century, after a half century of general free trade (which brought a half-century of peace), short-sighted politicians throughout Europe again began erecting trade barriers. Hostilities built up until they eventually exploded into World War I. In 1930, facing only a mild recession, US President Hoover ignored warning pleas in a petition by 1028 prominent economists and signed the notorious Smoot-Hawley Act, which raised some tariffs to 100% levels. Within a year, over 25 other governments had retaliated by passing similar laws. The result? **World trade came to a grinding halt, and the entire world was plunged into the "Great Depression**" for the rest of the decade. **The depression in turn led to World War II**. THE #1 DANGER TO WORLD PEACE The world enjoyed its greatest economic growth during the relatively free trade period of 1945-1970, a period that also **saw no major wars**. **Yet we again see trade barriers being raised around the world by short-sighted politicians. Will the world again end up in a shooting war as a result of these economically-deranged policies? Can we afford to allow this to happen in the nuclear age**? "What generates **war** is the economic philosophy of nationalism: embargoes, trade and foreign exchange controls, monetary devaluation, etc. The philosophy of protectionism is a philosophy of war." Ludwig von Mises THE SOLUTION: FREE TRADE A century and a half ago French economist and statesman Frederic Bastiat presented the practical case for free trade: "It is always beneficial," he said, "for a nation to specialize in what it can produce best and then trade with others to acquire goods at costs lower than it would take to produce them at home." In the 20th century, journalist Frank Chodorov made a similar observation: "Society thrives on trade simply because trade makes specialization possible, and specialization increases output, and increased output reduces the cost in toil for the satisfactions men live by. That being so, the market place is a most humane institution." WHAT CAN YOU DO? Silence gives consent, and there should be no consent to the current waves of restrictive trade or capital control legislation being passed. If you agree that free trade is an essential ingredient in maintaining world peace, and that it is important to your future, we suggest that you inform the political leaders in your country of your concern regarding their interference with free trade. Send them a copy of this pamphlet. We also suggest that you write letters to editors in the media and send this pamphlet to them. Discuss this issue with your friends and warn them of the danger of current "protectionist" trends. Check on how the issue is being taught in the schools. Widespread public understanding of this issue, followed by citizen action, is the only solution. Free trade is too important an issue to leave in the hands of politicians. "For thousands of years, the tireless effort of productive men and women has been spent trying to reduce the distance between communities of the world by reducing the costs of commerce and trade. "Over the same span of history, the slothful and incompetent protectionist has endlessly sought to erect barriers in order to prohibit competition - thus, effectively moving communities farther apart. When trade is cut off entirely, the real producers may as well be on different planets. The protectionist represents the worst in humanity: fear of change, fear of challenge, and the jealous envy of genius. The protectionist is not against the use of every kind of force, even warfare, to crush his rival. **If [hu]mankind is to survive**, then these primeval fears must be defeated."

### Turns Case

#### DA turns the case – immigration reform is key STEM – that solves Chinese immigrants

Weihua ’13

(Chen, “US immigration reform a challenge for China”, China Daily, 2-8-2013)

The proposed immigration reform, which has sparked a heated debate across the United States, has not only raised hopes for the 11 million illegal immigrants in the country, it has also thrilled Chinese students now studying in American colleges and universities.¶ According to the proposals put forward by some Democrat and Republican senators as well as President Barack Obama, the US will offer more work visas and green cards to high-level professionals and foreign students with advanced degrees, especially STEM students, that is, those in the fields of science, technology, engineering and mathematics.¶ Washington has been tightening its immigration policy since the Sept 11, 2001, terrorist attacks on the World Trade Center, making it more difficult for foreign professionals and students to find jobs and live in the US. But the policy has been criticized by many and described by New York Mayor Michael Bloomberg as "national suicide".

#### Turns China

**Koehn and Yin 02**

[Peter H. Koehn and Xiao-Huang Yin, “The expanding roles of Chinese Americans in U.S.-China relations: transnational networks and trans-Pacific interactions”, M.E. Sharpe, pg. 16, 2002]

By their peripatetic mode of living, what the returnees have accomplished is not a simple reverse flow of technology, managerial experience, or entrepreneurial spirit. It also is more than a better-late-than-never attempt to redress the old truism that emigrant societies suffer “brain drain” because they give away their best and brightest to the societies that take them in. What has been achieved is the constant recharging of personal networks across different economies and institutional cultures, the cross-pollination of ideas and ways of doing things, and the gaining of up-to-date knowledge of local conditions—markets, science, politics, pop culture, latest fashions and so forth. AnnaLee Saxenian, who has carefuly studied these “new immigrant entrepreneurs” in the Silicon Valley, argues that by making such trans-Pacific linkages, they have created a “brain circulation” that energizes both technological advancement and marketing growth. These linkages are particularly useful for a global entrepreneurship that requires instant information across vast distances, sensitivity to different cultural and national norms and practices, the renewal of old friendships, and the making of new ones. These transnationalists serve as facilitators as well as managers. Those working strictly on high technology are not just teachers dispensing state-of-the-art science; they also learn from their co-workers who come from different schools and institutional frameworks. In the end, the interplay of ideas helps to advance their final products. There is no better illustration of the critical roles that the returnees and other Chinese immigrants have played than their contribution to high-tech industries in the Silicon Valley of California. Between 1980 and 1999, ethnic Chinese, almost all first-generation immigrants, founded 17 percent of the 11,443 high-tech firms of Silicon Valley—including some 40 publicly traded firms such as Jerry Yang’s Yahoo! Inc. A survey conducted in 1990 on the ethnicity and immigration status of all the scientists and engineers working in the Valley found that 32 percent were immigrants and that the ethnic Chinese among them alone made up one-third, or 11 percent of the entire professional workforce. Most of this group had originally come from Taiwan in the 1980s as students seeking graduate degrees in science or engineering. When some of the more experienced among them joined the returnees in the early 1990s, they were attracted by the prospect of building partnerships with local firms, setting up new production lines and R&D facilities, and establishing new business relations in order to sell their U.S.-designed products. These Valley entrepreneurs typically mobilized venture capital through their connections in Taiwan, Hong Kong, and parts of Southeast Asia. Although much of their investment has been handled informally and through individual partnerships, it is safe to conclude that the total to date is in the billion-dollar range.

#### Turns Warming

**Herman and Smith, 10** (Richard T. Herman is the founder of Richard T. Herman & Associates, an immigration and business law firm in Cleveland, Ohio which serves a global clientele in over 10 languages. He is the co-founder of a chapter of TiE, a global network of entrepreneurs started in 1992 in Silicon Valley. He has appeared on National Public Radio, FOX News, and various affiliates of NBC, CBS, and ABC. He has also been quoted in such publications as *USA Today*,*InformationWeek, PCWorld, ComputerWorld, CIO, Site Selection*and *National Lawyers Weekly,* Robert L. Smith is a veteran journalist who covers international cultures and immigration issues for the *Cleveland Plain Dealer*, Ohio’s largest newspaper. Bob grew up in Cleveland, where he lives with his wife, Cleveland Orchestra violinist Chul-In Park, and their two children, Jae, 5, and Sun-Hee, 3. He has written extensively about immigration issues and has interviewed people at all points of the immigrant experience, from undocumented field workers to hugely successful entrepreneurs, Parts of this paper were excerpted from the book “[Immigrant Inc.: Why Immigrant Entrepreneurs are Driving the New Economy (and how they will save the American worker)](http://www.immigrantinc.com/)” (John Wiley & Sons, 2009) by Richard T. Herman & Robert L. Smith.  Available wherever books are sold, “Why Immigrants Can Drive the Green Economy,” Immigation Policy Center, <http://immigrationpolicy.org/perspectives/why-immigrants-can-drive-green-economy>)

Raymond Spencer, an Australian-born entrepreneur based in Chicago, has a window on the future—and a gusto for investing after founding a high-technology consulting company that sold for more than $1 billion in 2006. “I have investments in maybe 10 start-ups, all of which fall within a broad umbrella of a ‘green’ theme,” he said. “And it’s interesting, the vast majority are either led by immigrants or have key technical people who are immigrants.” It should come as no surprise that immigrants will help drive the green revolution. America’s young scientists and engineers, especially the ones drawn to emerging industries like alternative energy, tend to speak with an accent. The 2000 Census found that immigrants, while accounting for 12 percent of the population, made up nearly half of the all scientists and engineers with doctorate degrees. Their importance will only grow. Nearly 70 percent of the men and women who entered the fields of science and engineering from 1995 to 2006 were immigrants. Yet, the connection between immigration and the development and commercialization of alternative energy technology is rarely discussed. Policymakers envision millions of new jobs as the nation pursues renewable energy sources, like wind and solar power, and builds a smart grid to tap it. But Dan Arvizu, the leading expert on solar power and the director of the National Renewable Energy Laboratory of the U.S. Department of Energy in Golden, Colorado, warns that much of the clean-technology talent lies overseas, in nations that began pursuing alternative energy sources decades ago. Expanding our own clean-tech industry will **require** working closely with foreign nations and foreign-born scientists, he said. Immigration restrictions are making collaboration difficult. His lab’s efforts to work with a Chinese energy lab, for example, were stalled due to U.S. immigration barriers. “We can’t get researchers over here,” Arvizu, the son of a once-undocumented immigrant from Mexico, said in an interview in March 2009, his voice tinged with dismay. “It makes no sense to me. We need a much more enlightened approach.” Dr. Zhao Gang, the Vice Director of the Renewable Energy and New Energy International Cooperation Planning Office of the Ministry of Science and Technology in China, says that America needs that enlightenment fast. “The Chinese government continues to impress upon the Obama administration that immigration restrictions are creating major impediments to U.S.-China collaboration on clean energy development,” he said during a recent speech in Cleveland. So what’s the problem? Some of it can be attributed to national security restrictions that impede international collaboration on clean energy. But Arvizu places greater weight on immigration barriers, suggesting that national secrecy is less important in the fast-paced world of green-tech development. “We are innovating so fast here, what we do today is often outdated tomorrow. Finding solutions to alternative energy is a complex, global problem that requires global teamwork,” he said. We need an immigration system that prioritizes the attraction and retention of scarce, high-end talent needed to invent and commercialize alternative energy technology and other emerging technologies. One idea we floated by Arvizu was a new immigrant “Energy Scientist Visa,” providing fast-track green cards for Ph.D.s with the most promising energy research, as reviewed by a panel of top U.S. scientists. Arvizu enthusiastically responded, “Wow, that’s a brilliant idea.” As the recent submission of the Startup Visa Act bill suggests, there’s really no shortage of good ideas of leveraging immigration to jumpstart the economy. The challenge is getting the American people to understand that high-skill immigration creates jobs, that the current system is broken, and that action is required now. Suffering an Antiquated System [▲](http://immigrationpolicy.org/perspectives/why-immigrants-can-drive-green-economy#up) While unlimited H1-B visas are available to foreign workers at U.S. government and university research labs, the antiquated **green-card system creates a disincentive for immigrant researchers** who seek a more permanent stay and status in the U.S. Anyone coming to America from a foreign land experiences the U.S. immigration system. They seldom forget the experience. This vast bureaucracy, with tentacles reaching into myriad federal agencies, wields enormous power over the lives of people trying to follow its directives. Federal immigration authorities decide if a persecuted family can escape Congo, if a prospective college student from Germany will start the school year on time in Cleveland, or if a Honduran family separated for years will be reunited in Miami. U.S. immigration law dictates who can enter America and how long they can stay. Congress can enact new immigration policies as it deems fit—and it did so in 1986 and in 1990. But the foundation of the system remains the Federal Immigration and Nationality Acts of 1965 and 1952. The 1965 act diversified America by opening immigration to new parts of the world, but it also levied restrictions that soon become dated and counterproductive. In a manufacturing era, the act made family reunification an overarching goal, while paying relatively little attention to the migration of highly skilled workers. In fact, it imposed rigid nationality quotas on skilled immigrants. The result, critics say, is a dinosaur of a system ill-equipped to deal with the demands of a fast-changing, global economy. [CONTINUED] “Our immigration laws discriminate pretty heavily against highly talented scientists and engineers who want to come to this country and be part of our technological establishment,” Federal Reserve Chairman Ben Bernanke told a Congressional panel in May 2009. Of particular concern to employers and economists are two sets of quotas: one that limits the number of visas available to skilled workers, and another that limits the visas available to a nationality. The U.S. Citizenship and Immigration Service (USCIS) issues about 1 million green cards per year. Also known as immigrant visas, green cards bestow permanent residency, or the right to live and work permanently in America. A green card puts one on the path to citizenship. In a typical year, the vast majority of green cards go to people sponsored by a family member already here. There is no limit to the numbers of green cards that can be issued to the spouses, parents, and unmarried children of naturalized U.S. citizens. America accepts far fewer people whose main reason for coming is to practice a profession, to pursue science, or to start a company—even if that person possesses extraordinary ability. The government is restricted by law to issuing 140,000 employment or skill-based green cards each year to applicants and their immediate family members. That’s about 15 percent of the immigrant visa pool. A chunk of green cards are set aside for religious workers and wealthy investors, so the United States actually offers 120,000 employment-based green cards each year. Within the employment visa categories, known as EB visas, are several subcategories that acknowledge skill levels. For example, 40,000 visas are designated for persons of extraordinary ability—outstanding professors, researchers, and multinational executives. Another 40,000 visas are designated for professionals with advanced academic degrees whose work will serve U.S. national interests. And another 10,000 visas are available for wealthy people who commit to investing in a U.S. enterprise and creating jobs. So, out of 1 million green cards issued in an average year, 90,000, or about 9 percent, are reserved for persons with advanced degrees, exceptional skills, or capital to create jobs. Put another way, about 9 percent of immigrant visas are reserved for high-skill immigrants—the people driving the New Economy. It’s a scant amount in the context of a U.S. labor force of 154 million people. Should those exceptional immigrants hail from a nation whose workers are in high demand—for example, India and China—they face delays imposed by a nationality quota system. The 1965 immigration law sets per-country limits on employment visas. People from any one nation cannot use more than 7 percent of the visas available that year. This means that workers from large sending countries are forced to wait, sometimes more than 8 years, because their visa allotment has been “oversubscribed” by their fellow citizens. The 7 percent quota applies equally to every nation on Earth, regardless of its size or the potential number of immigrants it sends to America. For example, Malawi, which has a population of 10.5 million people, is allocated the same amount of employment visas as India, which has a population of over 1 billion. In any given year, only 5,600 green cards are reserved for Indians with advanced academic degrees or extraordinary ability, the same number available to nationals of Malawi. Congress has sought to circumvent the quotas and respond to industry demands—especially in high technology—with guest worker visas like the H1-B, a source of some controversy. The H-1B is a temporary visa for a professional offered a job by a U.S. company that agrees to pay the prevailing market wage. Only 65,000 regular H-1B visas are available each year, a quota set in the early 1990s and temporarily increased to 195,000 from 2001 to 2003. Many employers say the cap is set too low to meet their needs, especially as they seek to staff engineering and software positions. Some lawmakers would like to help them with a higher quota. These skilled immigrants often come to America as students, then go to work in growing industries. A 2008 study by the National Foundation for American Policy found that for each worker hired on an H-1B visa, at least five new jobs were created. But many labor groups argue that the cap is already set too high. Only a bachelor’s degree is required to qualify for this visa, and critics charge the H-1B visas crowd skilled Americans out of the workplace, suppress wages, and make it easier for employers to outsource jobs to low-cost countries like India. Even immigrant advocates criticize the H-1B as a second-class visa that produces an anxious life. Tied to their employers, the guest workers cannot switch jobs unless their new employer is willing to sponsor their visa, and their spouses are not allowed to work. The three-year visa can be renewed once. But after six years, the visa holder must go home unless he or she is able to get a green-card sponsor. The national-origin quotas, coupled with a limit of 90,000 immigrant visas reserved for highly skilled professionals or investors, helps to explain why so many talented immigrants—many of them H-1B visa holders—wait in vain for permission to live and work in America. Many are now leaving the U.S., or simply not coming to study or work on an H1B. After revealing the high-skill visa backlog in 2007, Vivek Wadhwa and his researchers at Duke University began to examine the impact. With the support of the Kauffman Foundation, they surveyed about 1,200 Chinese and Indian professionals who had studied or worked in America and returned home. The returnees were an impressive bunch, overwhelmingly young, smart, and ambitious, as described in the March 2009 report, “America’s Loss is the World’s Gain.” Nearly 90 percent held master’s or doctorate degrees. Many said they expected to start their own companies. Homesickness was common among the immigrants who went back, and many expressed frustration with the U.S. immigration system. But even more said the home country suddenly offered good jobs and bright career prospects. That is the new reality that demands a response, Wadhwa argues. Foreign-born mathematicians, engineers, and chemists can now find world-class companies in Bangalore, Beijing, Tel Aviv, Seoul, and Singapore. With high-tech opportunities blossoming elsewhere, and anti-immigrant attitudes hardening in America, Wadhwa said his adopted homeland faces a crisis. “The United States is no longer the only place where talented people can put their skills to work,” he writes. “It can no longer expect them to endure the indignities and inefficiencies of an indifferent immigration system, and it must now actively compete to attract these people with good jobs, security and other amenities.” The competition is heating up. In an earlier study, Wadhwa pointed out that most high-skilled immigrants obtained their primary education before coming to America, meaning that the United States inherited the benefits of schooling that was paid for elsewhere. Some countries are looking to recoup that investment and attract their diasporas back home. Alberta, Canada, sensing an opportunity to snatch talent from America, is sending recruiting teams to U.S. cities to lure disgruntled foreign professional workers on temporary H-1B visas. The province is offering expedited permanent-residency cards and quicker pathways to entrepreneurship. Many researchers believe these immigrant-attraction strategies will show results. “The reality of the global economy is that employers and their capital will follow the talent—wherever that talent is permitted to work and flourish,” Stuart Anderson, executive director of the National Foundation for American Policy, wrote in 2007. “While members of Congress often talk about ‘protecting’ American jobs, those who persist in pursuing restriction on hiring skilled foreign nationals unfortunately are inhibiting creation and innovation in the United States.” In 2007, Microsoft opened up a research and development facility in Vancouver, Canada, just over the border from its Seattle headquarters. Microsoft defended its decision by citing U.S. immigration restrictions on high-skilled talent. Perhaps no country understands better the role of foreign talent in creating jobs for its people than Singapore. In July 2008, Singapore’s Prime Minister, Lee Hsien Loong, declared that Singapore must be open to foreign talent to achieve a “critical mass” for innovation and entrepreneurship. Even with the global recession in full swing, Singapore Deputy Prime Minister Wong Kan Seng announced that restricting the entry of high-skill immigrants would be “short sighted” and “could ultimately lead to more job losses for Singaporeans.” America loses more than innovation if newly minted graduates go elsewhere; it loses tax dollars. A 2009 report by the respected Technology Policy Institute found that immigration restrictions cost billions in lost opportunity, taxes, and wages. The institute concluded that legislation considered by Congress to loosen green-card and H-1B visa restrictions could reduce the federal deficit on the order of $100 billion across 10 years. In short, fantastic opportunities are being lost as high-skill immigrants are steered elsewhere. We need to polish our welcome. For starters, Wadhwa argues, the United States could reduce the huge backlog of visa requests simply by making more visas available to skilled immigrants and by accelerating the processing times. His is one voice in a growing chorus that hopes to wrest the spotlight from illegal immigration and illuminate the larger wave, its potential, and the consequences of inaction. But the academic studies, while critically important, do not seem to cut through the noise and connect with the American people. The American people are not demanding high-skill immigration reform. They don’t see it as a job-creation opportunity. The word “immigrant” almost automatically summons an angry response that immigrants “take jobs.” Something else is needed. Time for a New Narrative [▲](http://immigrationpolicy.org/perspectives/why-immigrants-can-drive-green-economy#up) Stories connect us to each other. Drawing from the same well of human aspiration, triumph and failure, our personal stories create an emotional bond that transforms strangers into familiar faces. As America once again struggles with the question of whether and how to welcome the immigrant stranger, the telling of new immigrant stories is needed to help heal the chasm between “us” and “them,” and between our personal immigrant past and our nation’s immigrant present and future. During this Great Recession, with unemployment near 10%, the immigration narrative also needs to offer hope for Americans—hope that tomorrow will be better. Hope today comes in the form of good old American jobs. We have been told that maybe 4 million blue and white-collar jobs may be created by advances in alternative energy technology, and that wind, solar, thermal, and other sources of energy will move us closer to energy independence, greater national security and a healthier planet. But so far, we haven’t been that interested in asking the question, “who will create and commercialize this new green technology? Much like the role that immigrants played, in partnership with American-born colleagues, in the information technology revolution and the elevation of Silicon Valley to almost mythical status, immigrants are now emerging as **key** drivers of America’s quest for world-class clean energy technology. A glance at recent research on the contributions of immigrants supports the expectation that immigrants are helping to lead the green economy and other emerging industries: Immigrants are nearly twice as likely as native-born Americans to start a business. Immigrants are filing patents at twice the rate of the American-born. Immigrants founded more than half of the high-tech companies in Silicon Valley. Immigrants are much more likely to earn an advanced degree than the native-born. (Continued……. (Feel Free to ask for the deleted text) Throughout Michigan and the Midwest, civic and union leaders cheered the made-in-America strategy. U.S. Senator Debbie Stabenow of Michigan told the national media that a company founded by immigrants was moving the country in the right direction. “We need a twenty-first century manufacturing strategy in this country,” she said. “Companies like A1234 are not only creating quality, good-paying jobs in Michigan, but are insuring that we do not move from a dependence on foreign oil to a dependence on foreign technology.” John Dingell, a member of Congress from Michigan, called the A123-Chrysler partnership momentous on two levels. “The future of this country is dependent upon addressing two vital challenges—stopping the spread of global warming, and creating the next generation of manufacturing jobs here in the United States,” he said. “This project gets us closer to achieving both of those goals.”

### UQ

#### CIR pass – top Democrats.

Reuters 2-3. ["Reid predicts Congress will pass immigration legislation" -- news.yahoo.com/reid-predicts-u-congress-pass-immigration-legislation-172812947.html]

The top Senate Democrat on Sunday predicted that Congress will pass and send to President Barack Obama legislation overhauling the U.S. immigration system, saying "things are looking really good."¶ Obama last week expressed hope Congress can get a deal done on immigration, possibly in the first half of the year.¶ The president is proposing to give the roughly 11 million U.S. illegal immigrants - most of whom are Hispanics - a pathway to citizenship, a step that many Republicans have long fought.¶ Obama's fellow Democrats control the Senate, but Republicans control the House of Representatives.¶ Appearing on the ABC program "This Week," Senate Majority Leader Harry Reid was asked whether immigration legislation can win House passage.¶ "Well, it's certainly going to pass the Senate. And it would be a bad day for our country and a bad day for the Republican Party if they continue standing in the way of this. So the answer is yes," Reid said.¶ Obama choose Reid's home state of Nevada, with a sizable Hispanic population, as the site for a major speech last Tuesday pushing Congress to pass an immigration bill.¶ Hispanic voters were crucial in helping Obama beat Republican nominee Mitt Romney - who advocated "self-deportation" of illegal immigrants - in Nevada in November.¶ "It has to get done," Reid said of immigration legislation.¶ "It's really easy to write principles. To write legislation is much harder. And once we write the legislation, then you have to get it passed. But I think things are looking really good," Reid added.¶ After years on the back burner, immigration reform has suddenly looked possible as Republicans, chastened by the fact that more than 70 percent of Hispanic voters backed Obama in the November election, appear more willing to accept an overhaul.

#### PC shapes uq

Des Moines Register 1-22-13. www.desmoinesregister.com/article/20130122/OPINION03/301220049/0/NEWS/?odyssey=nav%7Chead&nclick\_check=1

Taken as an agenda for his second term, Monday’s inaugural address included references to immigration, climate change, gay rights, voting rights and safe schools. Achieving those things will require the president mounting his bully pulpit to put heat on Congress to pass comprehensive immigration reform, protections for the rights of gays and lesbians, gun control, environmental regulation and expansion of renewable forms of energy.¶ President Obama again demonstrated his gift of oratory on Monday. He delivered a well-crafted inaugural address with inspiring themes woven throughout and a call to action for our generation to achieve the ideals of previous generations.¶ But Obama should have learned in his first term that it is not enough to state lofty goals in great speeches. It takes hard work, perseverance and tough-mindedness to deal with members of Congress who may not want him to succeed.

#### Urgency

Seldin 2-6. [Jeff, journalist, "Battle for US immigration reform gathers steam" Voice of America -- www.voanews.com/content/battle-for-us-immigration-reform-moves-on-ahead-of-state-of-the-union/1598101.html]

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

#### Obama has the upper hand now.

Reuters 2-4-13. www.reuters.com/article/2013/02/04/us-usa-immigration-idUSBRE9130V620130204

Obama is expected to use his February 12 State of the Union speech to Congress - a major annual address by the president in which he lays out his legislative priorities for the year - to keep the heat on Republicans, who appear more willing to accept an immigration overhaul after they were chastened by Latino voters' rejection in the November election.¶ But differences have emerged since Obama and a bipartisan Senate working "group of eight" rolled out their proposals last week aimed at the biggest U.S. immigration revamp in decades.¶ Obama wants to give America's 11 million illegal immigrants a clear process to achieve citizenship, including payment of fines, criminal background checks and going to the "back of the line" behind legal applicants. He has vowed to introduce his own bill if Congress fails to act in a timely fashion.¶ But top Republicans want to defer citizenship until the county's borders are deemed more secure - a linkage that Obama and most of his fellow Democrats would find hard to accept.¶ Obama's aides are confident the president has enough leverage to avoid giving ground - not least because they believe that if the reform effort fails in Congress, voters are more likely to blame the Republicans and they would suffer in the 2014 midterm congressional elections.

#### Spending PC now – that’s key

Benen 2-6. [Steve, political writer, "Defining the 'extremes' in the immigration debate" MSNBC -- maddowblog.msnbc.com/\_news/2013/02/06/16868677-defining-the-extremes-in-the-immigration-debate]

At the surface, there's ample reason for optimism on comprehensive immigration reform. President Obama is investing considerable political capital into the issue; the public strongly supports the reform efforts; a bipartisan bill is already progressing in the Senate; and every Republican strategist and consultant is warning the party not to further alienate the fastest-growing voting constituency in the country.

#### GOP coming on board now

Merrills and Coffey 2-4. [Andrew, Justin, lawyers @ Ogletree Deakins, "Post-election immigration reform - What's at issue?" Lexology -- www.lexology.com/library/detail.aspx?g=fec318c5-d79a-4a70-8b8d-3ed17e59f65d]

The prospect of comprehensive immigration reform appears to be gaining momentum. On January 28, a bipartisan group of eight senators announced a broad proposal for immigration reform. Meanwhile, a similar bipartisan effort is underway in the House and, as this issue was going to press, it was expected that President Obama would announce his proposal for comprehensive immigration reform.¶ The Senate Proposal¶ The Senate proposal has four basic elements: (1) a path to legalization for illegal immigrants; (2) increased border security; (3) increased employer verification requirements; and (4) increased employment-based immigration. Illegal immigrants would pay monetary penalties to legalize but would not be eligible for permanent resident status until other enforcement-related measures are in place (such as increased border security).¶ The proposal would also increase certain types of employment-based immigration and allow individuals who have an advanced degree in science, technology, engineering, or mathematics from a U.S. university to obtain permanent resident status. The proposal includes increased fines and criminal penalties for employers that knowingly employ unauthorized workers.¶ Highlights of the proposal include:¶ Increased border security (additional unmanned drones, surveillance equipment, and border agents);¶ Entry-exit system to monitor visa overstays;¶ A commission to provide a recommendation as to whether increased border security measures have been completed;¶ A government registry for illegal immigrants who must pass background checks, pay fines, and back taxes in order to obtain temporary legal status (when increased border security measures are completed they can apply for permanent resident status behind others who have already applied);¶ A quicker path to legalization for foreign nationals that were brought to the United States as children;¶ A reduction in the immigrant visa backlogs for both family-based and employment-based immigration;¶ Permanent resident status for individuals who have an advanced degree in science, technology, engineering, or mathematics from U.S. universities;¶ Electronic verification of employment authorization and identity for new hires;¶ Increased fines and criminal penalties for employers that knowingly employ unauthorized workers;¶ Increased employment-based immigration where it can be demonstrated that employment of a foreign national would not displace U.S. workers;¶ Creation of an agricultural worker program;¶ Increased or decreased immigration for lower-skilled workers as needed depending on economic conditions; and¶ Permanent resident status for long-term employees who have contributed to the community and to the workplace.¶ Reaction from the White House¶ Initial reaction from the White House to the Senate’s proposal has been positive; and with a similar bipartisan effort underway in the House, the prospect of comprehensive immigration reform seems a possibility. President Obama has made comprehensive immigration reform a priority, referencing the idea in recent speeches including his inaugural address.¶ With approximately 70 percent of Latinos voting for Obama in the past election, Republicans appear to have become more receptive to a comprehensive overhaul of immigration laws. Latinos accounted for approximately 11 percent of the electorate in 2012 (up from eight percent in 2008) and this community has been especially important in key swing states, such as Florida, Colorado, Nevada, and New Mexico. More than two-thirds of exit polls were in favor of comprehensive immigration reform.¶ The perception is that Republicans have alienated the Latino community, the fastest-growing demographic group in the country, on the immigration issue. Immigration policy, largely overlooked during President Obama’s first term, has now re-emerged as a key issue as Republicans scurry to rebound from their election performance, motivated by the need to repair the electoral damage through comprehensive immigration reform.¶ The fact that Latinos cast significantly fewer votes for Mitt Romney than they had for previous Republican presidential candidates has led to an ostensible shift in the GOP’s position on immigration, forcing Republicans to reconsider their opposition to reform. In fact, following the election, many Republican Congressional Leaders (including House Speaker John Boehner), well aware of the election results, the polls, and demographic trends, have stepped forward to show support for comprehensive immigration reform.

### Bill/TOA Now

#### Top of agenda – bill’s coming now

Murphy 2-6. [Sandra, reporter, "Hopes for Irish in US as Obama puts citizenship first" Irish Daily Mail -- lexis]

'This policy package proposes to add visas to the system to clear out backlog and update the family system.¶ 'Without respect of nationality - nobody gets a different set of rules because of where they come from… it's about equity.¶ 'It is to incorporate folks from all over the world.' Her comments came as the Tánaiste announced he will hold a series of discussions with key US senators to push for comprehensive reform.¶ The need for a resolution of the situation would be raised in ongoing contacts with the US Administration and Congress, Eamon Gilmore said in a written reply to TDs.¶ 'The prospects for such reform have advanced in the wake of President Obama's re-election.' He said he raised the issue with former secretary of state, Hillary Clinton, on December 6. The Taoiseach also mentioned the matter when he spoke with President Obama on his re-election and wrote to him last month to thank him for the priority being attached by the US administration to the issue, he noted.¶ Ms Muñoz confirmed that Obama was keen to overhaul immigration laws within the first year of his term.¶ 'It is hoped that a bill could be introduced within the next month or six weeks - and he expects the debate to be moving in the Senate this spring.' Insisting the reforms were a top priority for President Obama's second term, she said they wanted a path to citizenship for undocumented immigrants.

### Thumpers

#### Obama has priced in the rest of his agenda and will get immigration done – a new contentious topic ruins his strategy

Zeleny 1-24. [Jeff, NYT political correspondent, “For Obama, am ambitious agenda faces ticking clock” IHT -- lexis]

The State of the Union address that Mr. Obama will deliver to Congress on Feb. 12 will offer the most definitive road map yet for how the White House will set priorities in his second term as well as how it intends to **avoid becoming mired in a heated debate over one contentious topic** to the detriment of the full agenda. ''There's no doubt you want to get off to a strong start, and we've got a pretty big dance card,'' said David Plouffe, a senior adviser to Mr. Obama who is leaving the White House this week. He ticked through a list of agenda items that included guns, immigration and fiscal issues, but he disputed the suggestion that one item would overtake the others. **''We clearly have this moment where we can get immigration done**,'' Mr. **Plouffe added**. ''If we don't get it done, then shame on us. We've got to seize this opportunity.''

#### Not spending pc on guns

Cain 2-5. [Michael, staff writer, "Gun Control Legislation is Another Victim of Our Short Attention Span" Policy Mic -- www.policymic.com/articles/24939/why-we-won-t-ever-see-a-real-gun-ban-in-america]

The president knows these things, and he isn’t about to spend valuable political capital trying to rise against the tide. Within 60 days, nobody in Washington will be talking about gun control. They will have moved on to more pressing matters, confident they have presented a brave attempt which will placate their constituents until the next time.

**No epa REGS THUMPER**

National Journal 12-31-12. www.nationaljournal.com/blogs/influencealley/2012/12/five-sleeper-issues-washington-could-face-in-2013-31

EPA’S CLIMATE CHANGE RULES FOR EXISTING POLLUTERS The Environmental Protection Agency set off a political firestorm in 2012 when it rolled out the first-ever regulations to rein in global warming emissions from industrial polluters, such as coal-fired power plants. The practical effect of those rules was muted, however: they only affected new facilities – not existing ones. Obama saved the big regulatory whammy for after the election: in the second term, the EPA is expected to roll out climate rules for existing industrial polluters – a move representing the most aggressive executive action Obama can take on global warming. That rule will require polluting industries to change the way they do business now – possibly leading to higher costs and facility shut-downs. The administration has given no indication on the timing, although it’s not likely to come until the economy shows more steady gains.

Wind PTC will only amplify the link

The Wall Street Journal 1/1/13 (“Renewable Energy Tax Breaks Pass Despite Headwind”) http://online.wsj.com/article/SB10001424127887323635504578215790054677734.html

The package of tax provisions gives relief to renewable energy companies, from manufacturers building wind turbines in Iowa to refiners developing facilities to make fuel from wood in Mississippi. The wind tax credit in particular had been the subject of intense lobbying in recent weeks, with opponents saying that at a time of high budget deficits, the subsidy was too expensive. [Exelon](http://online.wsj.com/public/quotes/main.html?type=djn&symbol=EXC) Corp., [EXC +0.77%](http://online.wsj.com/public/quotes/main.html?type=djn&symbol=EXC?mod=inlineTicker) one of the largest U.S. utilities and a major wind-farm operator, broke ranks with wind promoters and lobbied not to extend the credit, saying the subsidy distorted electricity prices and made the company less likely to add new generating capacity. The cost of extending the wind-energy credit, which is worth 2.2 cents for every kilowatt-hour of electricity generated by a wind farm, was estimated at $12 billion over 10 years by the Joint Committee on Taxation.

### Link

#### No political support for FITs -

Stokes 13 (Leah C., Department of Urban Studies and Planning, Massachusetts Institute of Technology, “The Politics of Renewable Energy Policies: The Case of Feed-in-Tariffs in Ontario Canada”) Energy Policy

However, there are also clear drawbacks associated with using FIT policies, many of which are political. First, governments have historically struggled with subsides for energy technologies, with prominent examples including the Synthetic Fuels Corporation and the Public Utility Regulatory Policies Act (Cudahy, 1995; Lesser and Su, 2008). Policymaking is difﬁcult, particularly when interest groups lobby for speciﬁc policy designs and price schedules. Early FITs seemed to set the price too low, leading to an increase in the tariff over time, rather than the decrease we would expect under innovation (International Energy Agency, 2008). This may occur because governments promoting a new policy are interested in seeing short-term success, and therefore favor an initially higher price (Stokes and Lee, 2012). Second, there is increasing evidence of political risk associated with FIT policies. Cost escalation can undermine public support for the policies (Frondel et al., 2008; Couture et al., 2010). In addition, FITs have a transparent cost structure opening them up to criticisms compared to other more opaque energy subsidies, for example those that come through tax breaks. While international support for renewable energy was $88 billion in 2011, fossil fuel subsidies were nearly 6 times at large, at $523 billion (International Energy Agency (IEA), 2012). As this suggests, FIT policies are typically small compared to other energy subsidies, however they are highly visible and may be disproportionately targeted

#### Nedler also says they bypass Congress – that’s a new link that short-circuits winners win

McGarity, 12 -- Endowed Chair in Administrative Law, University of Texas School of Law

[Thomas, May 2012, ARTICLE: ADMINISTRATIVE LAW AS BLOOD SPORT: POLICY EROSION IN A HIGHLY PARTISAN AGE, 61 Duke L.J. 1671]

The interchange-fee rulemaking experience illustrates how stakeholders in high-stakes rulemakings have begun going **beyond the conventional responses** to rulemaking initiatives by adopting a new toolbox of strategies better suited to the **deeply divided** political economy. If the players on one side of the policy debate perceive that they are unlikely to prevail in the administrative arena, they will move the implementation game to another arena - **the White House**, **a congressional hearing**, a political fundraising dinner, a think-tank white paper, talk-radio programs, **attack advertising**, telephone solicitation and "push polls," or Internet blogs. Many of these new venues were amply used in the battle that accompanied the interchange-fee rulemaking. In addition, although lawyers for the stakeholders employ the careful language of administrative law in arenas in which that language is expected, spokespersons and allies also employ the heated rhetoric of modern political discourse in arenas in which that language is more likely to succeed. This Part probes these, among other, contours of blood-sport rulemaking.

**FITS too controversial- viewed as tax increases**

**Carus, 12** -- Guardian environmental reporter

[Felicity, "Bill Clinton: fan of solar feed-in-tariffs thinks we should “get” the clean energy tattoo," PV Tech, 8-21-12, www.pv-tech.org/editors\_blog/bill\_clinton\_fan\_of\_solar\_feed\_in\_tariffs\_thinks\_we\_should\_get\_the\_clean\_en, accessed 12-31-12, mss]

Feed-in-tariffs are a controversial subject in the US where the energy industry likes to pretend that free market economics applies to this sector. You might expect clean energy antagonists to baulk: "Let the government set the price for electricity — are you crazy? Let the market decide." But **even** clean energy **protagonists are divided** about the true value of FiTs in sustainable markets: "Set the mandated rate too high and we'll have a Spanish boom and bust scenario on our hands. We don't want that." Set it too low, and nobody will want to invest. Palo Alto's Clean Local Energy Accessible Now (CLEAN) programme still has its full 4MW of capacity available and has extended its deadline. Added to which, tariffs also **sound** a bit **like** the dreaded ‘T’ word — taxes. So attempts to introduce them at the distributed commercial level have required a creative rebranding to the dramatically under-descriptive CLEAN programmes designed by the Clean Coalition.

#### FITs lead to utility and fossil fuel lobby backlash

Lynch, 12 -- Salem Financial CEO, Principal Solar, Inc advisor

[J. Peter, 35 years as a Wall Street security analyst, "Why Not? The Case for an American Feed-In Tariff," 10-10-12, www.slideshare.net/rborry/why-not-the-case-for-an-american-feedin-tariff, accessed 2-7-13, mss]

Opposition to FITs: Opposition is Talk, FITs are Fact The number one opponent to FITs is the local electric utility. These utilities argue that FITs work contrary to the market, but most utilities are not driven by the “market” -- they are monopolies, and monopolies, by definition, do not respond to market forces. Positive results in a developed country like Germany show that FITs are far more market-oriented than monopolies. Furthermore, **powerful contributors**, such as utilities and fossil fuel companies, do not want infringement on their businesses, and will **oppose efforts** to kick-start an industry that will compete against them. But, there is no economically valid opposition to FIT’s if the primary consideration is the welfare of the country and the long-term health of the planet.

#### Plan undermines political capital

Dorsi, 12 -- Phillips & Cohen LLP fellow

[Michael, "Clean Energy Pricing and Federalism: Legal Obstacles and Options for Feed-in Tariffs," Environs: Environmental Law & Policy Journal, 35 Environs Envtl. L. & Pol'y J. 173, Spring 2012, l/n, accessed 2-7-13, mss]

Although potentially challenging in the current Congress, establishing legislative authorization for a feed-in tariff could resolve most of the issues presented in this Article. A federally regulated feed-in tariff may be **politically infeasible**, and would be undesirable because of the variety of state and regional systems where it would need to apply. The need to take into account regional differences within a federal feed-in tariff scheme only adds to the political challenge. Additionally, since state commissions control the administrative infrastructure that implemented avoided cost rates for QFs under PURPA, state commissions could serve well again for feed-in tariffs. A simple legislative option to authorize feed-in tariffs would be to amend PURPA to permit states to set rates above avoided cost for particular units. Federal permission for state regulation carries the strongest defenses against court challenges because it waives the dormant Commerce Clause while displacing any federal preemption. Additionally, because the activity ultimately rests with the state, it does not risk a commandeering challenge. Such legislation would also render moot any utility's opportunity to challenge FERC's decision. If the federal government sought to direct state policy rather than to simply permit states to act, the federal government is limited, but has two primary options. First, the federal government could condition the grant of reasonably related funds to states on implementation of feed-in tariffs. The Court upheld this type of fiscal federalism with regard to highway funds and drinking age laws in South Dakota v. Dole. n125 Given current political conditions, such a policy seems politically challenging. A second option would be a cooperative federalism arrangement similar to the Clean Air Act. n126 Such an arrangement escapes the commandeering challenge by providing a backstop of federal [\*197] implementation should a state elect to not act. n127 Cooperative federalism in the model of the Clean Air Act, which codifies state plans in federal statutes, would also provide the opportunity to seek enforcement in federal courts. n128 However, in those instances where a state does not act, this policy would have the same faults as a federal feed-in tariff. What the federal government cannot do is require states to adopt feed-in tariffs. Given the recent treatment of FERC v. Mississippi, it is unlikely that the Supreme Court would even permit Congress to require that states consider establishing feed-in tariffs. Advocates should not pin their hopes for renewable energy policy on the federal government. Congress, rather than exploring these policies, has recently discussed the possible relaxation or abolition of efficiency standards in order to ensure that customers can continue to purchase incandescent light bulbs. n129 At the same time, states have expanded their support for renewable energy. For example, in April 2011, California Governor Jerry Brown signed new legislation requiring California utilities to obtain a third of their energy from renewable sources. n130 Given the greater promise of state-level commitment to environmental policy, it is worth exploring the options for states to act if the federal government stands still.

### Public Popularity

#### Even if popularity helps, capital is key to finish it

Brownstein 2-4. [Ronald, Editorial Director, "Bush's immigration failure offers Obama a lesson" National Journal -- www.nationaljournal.com/thenextamerica/immigration/bush-s-immigration-failure-offers-obama-a-lesson-20130204]

Already many of the same dynamics are developing, with President Obama stamping immigration reform as a top priority, a bipartisan Senate coalition reassembling, a broad outside alliance of support groups coalescing—and most House Republicans rejecting anything that hints at “amnesty” for illegal immigrants. Yet the contrasts between now and 2006, particularly in the political climate, are also significant. Understanding both the similarities and the differences will be critical for reform advocates if they are to avoid replicating the disappointment they suffered under Bush.¶ Presidential interest was then, as it is now, critical in elevating immigration reform. Since his days as Texas governor, Bush had courted Hispanics, and—even during the 2000 GOP presidential primary campaign—he strikingly defended illegal immigrants as “moms and dads” trying to make a better life for their children. Together with his political “architect,” Karl Rove, Bush saw comprehensive reform that coupled a path to citizenship with tougher enforcement as an opportunity to consolidate the beachhead that allowed him to capture more than 40 percent of Hispanic voters in his 2004 reelection.¶ But Bush largely looked away when Republicans who controlled the House channeled that impulse in a very different direction. In December 2005, they passed an enforcement-only bill drafted by Judiciary Committee Chairman Jim Sensenbrenner of Wisconsin, that, for the first time, designated all undocumented immigrants as felons. (Previously, illegal presence in the U.S. had been a civil, not criminal, violation.)¶ Initially, debate in the GOP-controlled Senate drifted. Majority Leader Bill Frist, considering a 2008 presidential bid, pushed his own enforcement-only bill. But amid the backdrop of huge public rallies against Sensenbrenner’s proposal, Sen. Arlen Specter unexpectedly joined with three other Republicans and all eight Judiciary Committee Democrats in late March to approve a comprehensive plan, including a path to citizenship, that followed a blueprint negotiated by Sens. Edward Kennedy and John McCain.¶ When broader Senate agreement teetered over the terms of legalization, Republican Sens. Chuck Hagel and Mel Martinez devised a compromise that divided illegal immigrants into three categories, requiring those here less than two years to leave but allowing those with deeper roots to eventually earn citizenship by paying fines and learning English. After Bush finally delivered a national address on immigration, a bill embodying that plan cleared the Senate with 62 votes, including support from 23 Republicans.¶ House Republicans immediately signaled their disinterest by refusing to appoint a conference committee and instead scheduled hearings in border communities to highlight security lapses. “Border security reigned supreme,” recalls Ron Bonjean, the communications director for then-Speaker Dennis Hastert. “I remember being in a meeting with … the leadership where pollsters came in and said border security was the key to our reelection.”¶ Even in 2006, something like the Senate plan likely could have attracted 218 votes in the House—but not a majority of Republicans. Faced with a collision between his two political imperatives—courting Hispanics and mobilizing conservatives—Bush blinked, allowing House leaders to replace the Senate bill with enforcement-only legislation, which he signed that fall. These choices began the GOP’s slide among Hispanics that continues unabated: Hispanic support for Republican House candidates plummeted from 44 percent in 2004 to just 29 percent in 2006, presaging Mitt Romney’s disastrous 27 percent showing among those voters in 2012.¶ That slippage is one of the two most important differences in the political environment around immigration between 2006 and today. Back then, as Bonjean notes, hardly any House Republicans argued that the GOP needed to pass a plan attractive to minorities. But many GOP leaders now see that as self-preservation. “The political imperative has shifted the tectonic plates,” says Frank Sharry, a key player in the 2006 debate who remains central as executive director of America’s Voice, which backs full citizenship for immigrants. “Immigration was viewed as a wedge issue for Republicans in 2006. Now it’s viewed as a wedge issue for Democrats.”¶ The “Gang of Eight” proposal released this week makes it likely that, as in 2006, the Senate will eventually pass a bipartisan immigration bill. Once again, there are probably 218 House votes for such a plan, but not a majority of the majority Republicans. That raises another key difference from 2006: Hastert faced little pressure to consider the Senate bill, because Bush bit his tongue when the speaker buried it. If House Republicans shelve another bipartisan Senate plan in 2013, they should expect much more public heat, because Obama won’t be as deferential.

# China

### China

#### Multilateral warming action will make binding CO2 cuts

**Friedman 10/10** (Lisa Friedman, NYT, “Nations Heading to Durban Climate Talks Remain Deeply Divided”, <http://www.nytimes.com/cwire/2011/10/10/10climatewire-nations-heading-to-durban-climate-talks-remai-1993.html>, October 10, 2011, LEQ)

U.N. climate chief Christiana Figueres lauded a climate change meeting in Panama as "good progress" this weekend, even as environmental activists warned that the world's only structure for curbing greenhouse gas emissions appears about to crumble. More News From ClimateWire The next time diplomats meet, it will be in Durban, South Africa, in December for the year's final climate change summit. There, countries must finally decide what they have put off for several years: the future of the Kyoto Protocol. "South Africa is the tipping point in terms of the future of the climate regime," said Tasneem Essop, international climate policy advocate for the World Wildlife Fund in South Africa. The 1997 treaty requires carbon emission cuts from industrialized countries, and the first phase of the agreement ends in 2012. Developing countries are adamant that a second commitment period is non-negotiable. Moreover, they insist any follow-up should closely hew to the original agreement: Wealthy countries must agree unilaterally to cut steeper emissions, and poorer ones would cut carbon voluntarily after financial assistance from the rich. "Much as some rich countries like to repeat that discussing scenarios that they oppose is not 'realistic' or 'practical,' they must recognize that there is no point in insisting on a solution outside of the Kyoto Protocol when 132 parties have strongly declared that they can only accept a second commitment period as a meaningful outcome," Jorge Argüello of Argentina, speaking for the G-77 group of developing countries, said in a statement. Does Kyoto treaty end or not? Japan, Canada and the Russian Federation have made it equally clear that such an agreement is a pipe dream. No new treaty is possible, they say, unless all major economies -- including the United States and China -- agree to the same legal terms. Positioning itself in the middle is the European Union, which has left the door open to a second commitment period. Under a proposal the European Union has been floating, it would agree to a second phase only if it were linked to a solid agreement detailing out how and when other countries' pledges would be placed into a legally binding agreement.

#### Turn – CO2 restrictions cause methane leaks – Net increase in warming

**Wiener ‘1** (Wiener, Environmental Law Professor at Duke, 1 (Jonathan, “RESPONDING TO THE GLOBAL WARMING PROBLEM: Something Borrowed for Something Blue: Legal Transplants and the Evolution of Global Environmental Law,” Ecology Law Quarterly, 27 Ecology L.Q. 1295)

First, DOJ argued that the comprehensive approach is environmentally superior. Piecemeal approaches ignore important sources of the problem and thus neglect important opportunities to solve it. Moreover, piecemeal policies tend to be self-defeating because efforts to solve one aspect of a problem intensify other, neglected aspects. n95 The history of non-comprehensive pollution control in the United States provided much of the national experience on which the proposal for the comprehensive approach to climate change was drawn. U.S. environmental stat-utes focus on one medium at a time: separate laws for air, water, and land. Re-strictions on one medium induced disposal into other media. n96 Like squeezing one end of a balloon, this approach shifted the problems elsewhere and delayed the attainment of the primary goal - a clean and safe [\*1322] environment. An integrated approach would control pollution more comprehensively and effec-tively. n97 In the climate context, DOJ argued that focusing solely on energy-sector CO<2> would induce perverse shifts in GHG emissions. For example, controlling energy-sector CO<2> alone would invite fuel switching from coal to natural gas, because burning coal emits about twice as much CO<2> per unit of energy produced as does natural gas. But natural gas is almost pure methane (CH<4>), and methane is roughly 20 times more potent per mass than is CO<2> at causing global warm-ing. n98 Hence, as little as a 6 percent rate of fugitive methane emissions from natural gas systems would be enough to fully offset the CO<2>-related benefits of this fuel switching. n99 In the U.S., natural gas systems rarely lose more than 2 percent of their methane. In Europe, however, the methane leakage rate has been much higher, often exceeding 6 percent. The problem was particularly bad in Russia, which would likely be the principal supplier of natural gas used to replace European coal. Thus, a CO<2>-only policy in Europe could actually yield a net increase in the contribution to global warming. n100 Moreover, CO<2> in the atmosphere enhances plant growth. n101 Thus for any given level of global warming prevention, this plant fertilization effect may offer an additional reason to reduce CO<2> [\*1323] emissions less than other GHG emissions. Of course, for significant climate protection efforts, both CO<2> and methane emissions would need to be reduced to some degree. A related but distinct point is that burning fossil fuel emits not only CO<2>, which warms the planet, but also particulate matter, which tends to cool the planet. As a result, reducing fossil fuel combustion could have a smaller net impact on future warming, at least in the short term before the particulates precipitate out of the atmosphere and the CO<2> persists, than would controls on other GHGs such as methane from natural gas leaks. n102 If ecological damage is more sensitive to the rate of warming than to the ultimate equilibrium warming, these short-term influences on

#### Turn – Binding cuts cause global protectionism

**Competitive Enterprise Institute** 12-2-**97** (“Kyoto Media Advisory,” http://www.cei.org/gencon/003,02747.cfm)

Still, policy does have implications. To sanction anti-energy use policies anywhere will have ramifications everywhere. If Kyoto leads to further energy restrictions in the U.S. the world will notice the impacts of declining economic and technological progress. Kyoto is all too likely to produce what CEI President Fred Smith terms "a baby step on the escalator to oblivion." Even such initial economic costs would likely exacerbate already troubling protectionist tendencies in the U.S. and elsewhere. Any effort by the U.S. to use the Kyoto Treaty to curtail energy would mobilize the business community into arguing for treaty enforcement via trade sanctions. David Montgomery, an economist with Charles River Associates, discussed this protectionist risk at the Competitive Enterprise Institute’s Costs of Kyoto conference. He noted that the pressures and the tools for enforcing climate treaty measures will be trade -- not environmentally -- driven. Few outside the environmental establishment believes that trade wars will prove beneficial. In a world of "differentiated" compliance, the Byrd-Hagel resolution may well evolve into a new force for protectionism.

#### The impact is global nuclear war

Panitchpakdi, 4 – Secretary-General of the UN Conference on Trade and Development (Supachai, “American Leadership and the World Trade Organization: What is the Alternative?” 2/26/2004, http://www.wto.org/english/news\_e/spsp\_e/spsp22\_e.htm)

The second point is that strengthening the world trading system is essential to America's wider global objectives. Fighting terrorism, reducing poverty, improving health, integrating China and other countries in the global economy — all of these issues are linked, in one way or another, to world trade. This is not to say that trade is the answer to all America's economic concerns; only that meaningful solutions are inconceivable without it. The world trading system is the linchpin of today's global order — underpinning its security as well as its prosperity. A successful WTO is an example of how multilateralism can work. Conversely, if it weakens or fails, much else could fail with it. This is something which the US — at the epicentre of a more interdependent world — cannot afford to ignore. These priorities must continue to guide US policy — as they have done since the Second World War. America has been the main driving force behind eight rounds of multilateral trade negotiations, including the successful conclusion of the Uruguay Round and the creation of the WTO. The US — together with the EU — was instrumental in launching the latest Doha Round two years ago. Likewise, the recent initiative, spearheaded by Ambassador Zoellick, to re-energize the negotiations and move them towards a successful conclusion is yet another example of how essential the US is to the multilateral process — signalling that the US remains committed to further liberalization, that the Round is moving, and that other countries have a tangible reason to get on board. The reality is this: when the US leads the system can move forward; when it withdraws, the system drifts. The fact that US leadership is essential, does not mean it is easy. As WTO rules have expanded, so too has as the complexity of the issues the WTO deals with — everything from agriculture and accounting, to tariffs and telecommunication. The WTO is also exerting huge gravitational pull on countries to join — and participate actively — in the system. The WTO now has 146 Members — up from just 23 in 1947 — and this could easily rise to 170 or more within a decade. Emerging powers like China, Brazil, and India rightly demand a greater say in an institution in which they have a growing stake. So too do a rising number of voices outside the system as well. More and more people recognize that the WTO matters. More non-state actors — businesses, unions, environmentalists, development NGOs — want the multilateral system to reflect their causes and concerns. A decade ago, few people had even heard of the GATT. Today the WTO is front page news. A more visible WTO has inevitably become a more politicized WTO. The sound and fury surrounding the WTO's recent Ministerial Meeting in Cancun — let alone Seattle — underline how challenging managing the WTO can be. But these challenges can be exaggerated. They exist precisely because so many countries have embraced a common vision. Countries the world over have turned to open trade — and a rules-based system — as the key to their growth and development. They agreed to the Doha Round because they believed their interests lay in freer trade, stronger rules, a more effective WTO. Even in Cancun the great debate was whether the multilateral trading system was moving fast and far enough — not whether it should be rolled back. Indeed, it is critically important that we draw the right conclusions from Cancun — which are only now becoming clearer. The disappointment was that ministers were unable to reach agreement. The achievement was that they exposed the risks of failure, highlighted the need for North-South collaboration, and — after a period of introspection — acknowledged the inescapable logic of negotiation. Cancun showed that, if the challenges have increased, it is because the stakes are higher. The bigger challenge to American leadership comes from inside — not outside — the United States. In America's current debate about trade, jobs and globalization we have heard a lot about the costs of liberalization. We need to hear more about the opportunities. We need to be reminded of the advantages of America's openness and its trade with the world — about the economic growth tied to exports; the inflation-fighting role of imports, the innovative stimulus of global competition. We need to explain that freer trade works precisely because it involves positive change — better products, better job opportunities, better ways of doing things, better standards of living. While it is true that change can be threatening for people and societies, it is equally true that the vulnerable are not helped by resisting change — by putting up barriers and shutting out competition. They are helped by training, education, new and better opportunities that — with the right support policies — can flow from a globalized economy. The fact is that for every job in the US threatened by imports there is a growing number of high-paid, high skill jobs created by exports. Exports supported 7 million workers a decade ago; that number is approaching around 12 million today. And these new jobs — in aerospace, finance, information technology — pay 10 per cent more than the average American wage. We especially need to inject some clarity — and facts — into the current debate over the outsourcing of services jobs. Over the next decade, the US is projected to create an average of more than 2 million new services jobs a year — compared to roughly 200,000 services jobs that will be outsourced. I am well aware that this issue is the source of much anxiety in America today. Many Americans worry about the potential job losses that might arise from foreign competition in services sectors. But it’s worth remembering that concerns about the impact of foreign competition are not new. Many of the reservations people are expressing today are echoes of what we heard in the 1970s and 1980s. But people at that time didn’t fully appreciate the power of American ingenuity. Remarkable advances in technology and productivity laid the foundation for unprecedented job creation in the 1990s and there is no reason to doubt that this country, which has shown time and again such remarkable potential for competing in the global economy, will not soon embark again on such a burst of job-creation. America's openness to service-sector trade — combined with the high skills of its workforce — will lead to more growth, stronger industries, and a shift towards higher value-added, higher-paying employment. Conversely, closing the door to service trade is a strategy for killing jobs, not saving them. Americans have never run from a challenge and have never been defeatist in the face of strong competition. Part of this challenge is to create the conditions for global growth and job creation here and around the world. I believe Americans realize what is at stake. The process of opening to global trade can be disruptive, but they recognize that the US economy cannot grow and prosper any other way. They recognize the importance of finding global solutions to shared global problems. Besides, what is the alternative to the WTO? Some argue that the world's only superpower need not be tied down by the constraints of the multilateral system. They claim that US sovereignty is compromised by international rules, and that multilateral institutions limit rather than expand US influence. Americans should be deeply sceptical about these claims. Almost none of the trade issues facing the US today are any easier to solve unilaterally, bilaterally or regionally. The reality is probably just the opposite. What sense does it make — for example — to negotiate e-commerce rules bilaterally? Who would be interested in disciplining agricultural subsidies in a regional agreement but not globally? How can bilateral deals — even dozens of them — come close to matching the economic impact of agreeing to global free trade among 146 countries? Bilateral and regional deals can sometimes be a complement to the multilateral system, but they can never be a substitute. There is a bigger danger. By treating some countries preferentially, bilateral and regional deals exclude others — fragmenting global trade and distorting the world economy. Instead of liberalizing trade — and widening growth — they carve it up. Worse, they have a domino effect: bilateral deals inevitably beget more bilateral deals, as countries left outside are forced to seek their own preferential arrangements, or risk further marginalization. This is precisely what we see happening today. There are already over two hundred bilateral and regional agreements in existence, and each month we hear of a new or expanded deal. There is a basic contradiction in the assumption that bilateral approaches serve to strengthen the multilateral, rules-based system. Even when intended to spur free trade, they can ultimately risk undermining it. This is in no one's interest, least of all the United States. America led in the creation of the multilateral system after 1945 precisely to avoid a return to hostile blocs — blocs that had done so much to fuel interwar instability and conflict. America's vision, in the words of Cordell Hull, was that “enduring peace and the welfare of nations was indissolubly connected with the friendliness, fairness and freedom of world trade”. Trade would bind nations together, making another war unthinkable. Non-discriminatory rules would prevent a return to preferential deals and closed alliances. A network of multilateral initiatives and organizations — the Marshal Plan, the IMF, the World Bank, and the GATT, now the WTO — would provide the institutional bedrock for the international rule of law, not power. Underpinning all this was the idea that freedom — free trade, free democracies, the free exchange of ideas — was essential to peace and prosperity, a more just world. It is a vision that has emerged pre-eminent a half century later. Trade has expanded twenty-fold since 1950. Millions in Asia, Latin America, and Africa are being lifted out of poverty, and millions more have new hope for the future. All the great powers — the US, Europe, Japan, India, China and soon Russia — are part of a rules-based multilateral trading system, greatly increasing the chances for world prosperity and peace. There is a growing realization that — in our interdependent world — sovereignty is constrained, not by multilateral rules, but by the absence of rules. All of these were America’s objectives. The US needs to be both clearer about the magnitude of what it has achieved, and more realistic about what it is trying to — and can — accomplish. Multilateralism can be slow, messy, and tortuous. But it is also indispensable to managing an increasingly integrated global economy. Multilateralism is based on the belief that all countries — even powerful countries like the United States — are made stronger and more secure through international co-operation and rules, and by working to strengthen one another from within a system, not outside of it. Multilateralism's greatest ideal is the ideal of negotiation, compromise, consensus, not coercion. As Churchill said of democracy, it is the worst possible system except for all the others. I do not believe America's long-term economic interests have changed. Nor do I believe that America's vision for a just international order has become blurred. If anything, the American vision has been sharpened since the terrorist attacks on New York and Washington; sharpened by the realization that there is now a new struggle globally between the forces of openness and modernity, and the forces of separatism and reaction. More than ever, America's interests lie in an open world economy resting on the foundation of a strong, rules-based multilateral system. More and more, America's growth and security are tied to the growth and security of the world economy as a whole. American leadership today is more — not less — important to our increasingly interconnected planet. A recent successful, and much needed, example is the multilateral agreement on intellectual property rights and access to medicines for poor countries, in which the US played a pivotal role. It would be a tragic mistake if the Doha Round, which offers the world a once-in-a-generation opportunity to eliminate trade distortions, to strengthen trade rules, and open markets across the world, were allowed to founder. We need courage and the collective political will to ensure a balanced and equitable outcome. What is the alternative? It is a fragmented world, with greater conflict and uncertainty. A world of the past, not the future — one that America turned away from after 1945, and that we should reject just as decisively today. America must lead. The multilateral trading system is too important to fail. The world depends on it. So does America.

#### Turn – Binding cuts decimate hegemony and readiness

**Carlucci**, Former Secretary of Defense & Chair of the Carlyle Group, 5-18-**98** (Frank, “Making military sense out of Kyoto,” Washington Times)

Prior to the 1997 Kyoto meeting on global climate change, Defense Secretary William Cohen issued this stern warning: "America's national security requires that its military forces remain ready. While global climate change may be a serious threat to the nation's long-term interests, there are other threats we must not forget. We must not sacrifice our national security to achieve reductions in greenhouse gas emissions." Regrettably, the administration has failed to heed that warning from its own top defense official and agreed to a climate treaty that fails to spell out the impact on the U.S. military. While Congress initially raised questions about the economic impact of the accord, there is growing concern in the Senate, which must ratify the treaty, about agreeing to a treaty that imposes unprecedented restraint on military action and training. By agreeing to restrict greenhouse gas emissions, and leaving the accord's impact on military operations ambiguous, the administration has effectively hamstrung the Defense Department's ability to protect national security interests and invited mischief by foes who can now use the accord to press for U.S. military cutbacks. Here's how: Under the Kyoto accord, the administration has committed to reduce greenhouse gas emissions to essentially 1979 levels. The U.S. government is the nation's largest energy user, and the Pentagon is the largest energy user within the government. By signing the treaty, the administration has agreed to scale back fuel use by the U.S. military - a dangerous commitment that could have a disastrous impact on force readiness. The Pentagon itself warned that a 10 percent reduction in Army fuel use would "downgrade readiness and require up to six additional weeks to prepare and deploy. Strategic deployment schedules would be missed, placing operations at risk." A similar reduction by the Air Force "would result in the loss of over 210,000 flying hours per year" and a Navy cutback "would cut some 2,000 steaming days per year for deployed ships, causing cancellation of both bilateral and multilateral exercises." The Committee to Preserve American Security and Sovereignty - a concerned group of former U.S. foreign policy advisers -strongly urges the administration to clarify the impact of the treaty on U.S. force readiness and preparation. Thus far, there has been a troubling lack of clarity and candor on the administration's part over what it committed the Pentagon to in Kyoto. For example, the Kyoto accord fails to explain what U.S. military operations would count toward U.S. greenhouse gas limits. Operations conducted or sanctioned by the U.N. are not included within a country's greenhouse gas limits. However, the administration has seemingly failed to take into consideration the possibility that the U.S. might be forced to act alone to protect our national security. In recent congressional testimony, Deputy Undersecretary for Environmental Security Sherri Goodman said that unilateral operations are "quite rare." True, but certainly the U.S. must have the capability to engage in unilateral operations without environmental issues posing an obstacle to deployment. Miss Goodman stated military operations such as Panama and Grenada would be exempt. What she fails to remember is that the Panama operation was denounced by the chairman of the Senate Foreign Relations Committee as a "unilateral" operation - opening up the possibility it would not be exempt from fuel-limitation restrictions included in the Kyoto accord. There is also significant concern about the impact the treaty will have on domestic military operations, training, facilities and nontactical vehicles. The administration believes it won a key victory by avoiding language in the protocol on these issues. But without clarifying language specifically exempting domestic operations from U.S. greenhouse limits, the administration has opened the door to international criticism that the United States is not living up to its Kyoto commitments. Had Kyoto been in effect in 1990, critics would have certainly demanded that the Panama operation count toward our greenhouse gas limit - a controversy an administration doesn't need in the middle of a military conflict. Deputy Secretary Goodman raised expectations that fuel used in domestic military operations would be included within U.S. greenhouse limits when she testified in March that the Pentagon does not "seek special treatment." She said the Defense Department "can and should reduce its greenhouse gas emissions in the same way the rest of the nation will be called to do." Of particular concern is that the treaty will open the door for hostile nations to seek to hamper U.S. military operations. It is conceivable that every movement made by the Army, Navy, Air Force, Marines and Coast Guard will become subject to controversy over whether the operations are in violation of the Kyoto accord. That would be a diplomatic and military nightmare. Before Kyoto's dangerous principles go into effect, it is crucial for the administration to dispel concerns about military readiness issues by clarifying its impact on the Pentagon. Such a clarification must detail how the treaty will affect military training, readiness and operations. Regardless of how the administration interprets the treaty; the Senate must demand a blanket exemption for all military operations. Our national security deserves no less. In 1992, then-Sen. Al Gore called global climate change the "most serious threat we have ever faced." COMPASS respectfully, but vigorously, disagrees. While environmental issues must be addressed, the U.S. cannot afford to drop its military shield today because of an unproven environmental threat that may loom in the 22nd Century.

#### Deterrence key to prevent global nuclear war

Khalilzad, Rand Corporation 95 (Zalmay Khalilzad, Spring 1995. RAND Corporation. “Losing the Moment?” The Washington Quarterly 18.2, Lexis.)

Under the third option, the United States would seek to retain global leadership and to preclude the rise of a global rival or a return to multipolarity for the indefinite future. On balance, this is the best long-term guiding principle and vision. Such a vision is desirable not as an end in itself, but because a world in which the United States exercises leadership would have tremendous advantages. First, the global environment would be more open and more receptive to American values -- democracy, free markets, and the rule of law. Second, such a world would have a better chance of dealing cooperatively with the world's major problems, such as nuclear proliferation, threats of regional hegemony by renegade states, and low-level conflicts. Finally, U.S. leadership would help preclude the rise of another hostile global rival, enabling the United States and the world to avoid another global cold or hot war and all the attendant dangers, including a global nuclear exchange. U.S. leadership would therefore be more conducive to global stability than a bipolar or a multipolar balance of power system.

#### No China-Russia war

Spears, chief foreign policy writer – Brooks Foreign Policy Review, 5/1/’9

(Collin, <http://brooksreview.wordpress.com/2009/05/01/leery-bear-rising-dragon-life-along-the-sino-russian-border/>)

Although China is facing water shortages and will need inordinate amounts of resources to keep its economy growing, there is no evidence the Chinese government is purposefully moving “settler populations” into Russia to prepare for impending annexation of the Far East or Siberia. In addition, China has shown no interest in territorial expansion since the Qing Dynasty. For the last decade, China’s primary interest has been to secure a stable border to its West and North, where it can gain access to energy supplies and expand its political and economic reach into East and Southeast Asia. Any move at colonization by China could result in a very destruction war that could become nuclear. In fact**,** Russia’s vast nuclear deterrent is its security guarantee for the region, as China has proved to be a rational actor.

#### Empirics prove it won’t escalate

Chicago Tribune, 10/15/04

China and Russia settled the last of their decades-old border disputes Thursday during a visit to Beijing by President Vladimir Putin, signing an agreement fixing their 2,700-mile-long border for the first time. The struggle over border areas resulted in violent clashes in the 1960s and 1970s, when strained Sino-Soviet relations were at their most acrimonious, feeding fears abroad that the conflict could erupt into nuclear war. Beijing and Moscow had reached agreements on individual border sections as relations warmed in the past decade. But a stretch of river and islands along China's northeastern border with Russia's Far East had remained in dispute.

#### The CCP is will survive no matter what

Epstein 10 (Gady, Beijing Bureau Chief for Forbes, “The Chinese Communist Party Is Like God,” Forbes, 5-21, <http://www.forbes.com/2010/05/21/china-communist-party-god-book-opinions-contributors-beijing-dispatch_2.html>, EMM)

BEIJING -- A common parlor game in the China-watching crowd used to be debating how long the Communist Party could hold on to power. A number of bets on the party's demise were made a decade ago that can't be called until they expire in 2020 or 2030, but today those bets look silly. Few would bet against the party now without getting lottery-like odds. How did that come to be? How has China's ruling party become a seemingly durable authoritarian regime? Why, two decades after a period of uncertainty and upheaval, do the people seem satisfied enough to acquiesce to being ruled by the party? A fascinating and ambitious nonfiction book helps answer the how, and a clever Chinese dystopian novel seeks to answer the why. Together they pull back the curtain on one of the most intriguing characters of our time, the Communist Party of China. In his revealing new book The Party, author Richard McGregor, who covered China for London's Financial Times, lays bare the secretive machinery of the party, how it operates far more pervasively in public life and commerce than many suspect. A powerful symbol of this hidden reach of the party is the secure internal network of "red machines," phones that sit on the desks of some 300 of the nation's most elite officials. Even more interesting is on whose desks you'll find those phones: not only members of the Politburo, but also the chief executives of 50 of the nation's biggest companies. Paranoid conspiracy theorists on China will have plenty to feast on in McGregor's accounts of the failed deals of Chinalco and Unocal. (Though you're not really paranoid if Beijing really is calling the shots for their big resources companies.) "The Party is like God," a professor from People's University in Beijing tells McGregor. "He is everywhere. You just can't see him." (Read an essay adapted from The Partyhere.) The Party is not simply an account of how the party succeeds in ruling through its mechanisms of autocracy. The party's Achilles' heel--its lack of any independent check on its power--undermines at every turn its efforts to police corruption, vet its members, reform its bureaucracy and respond to crises. The maneuvering required to conduct a high-level corruption investigation sounds like it is out of a mafia movie. Taking down a Politburo member, former Shanghai Party Secretary Chen Liangyu, required a side deal to keep hands off of the family of former General Secretary Jiang Zemin, whose consent for the takedown was required because he was the reigning kingpin of the Shanghai faction, despite the fact that he no longer held any official leadership posts. The party's apparatus of control dominated every stage of decision-making in the disastrous Sanlu milk powder scandal, from covering up melamine contamination that poisoned thousands of babies to censoring media coverage that could have saved lives to blocking legal action that could have given families some measure of justice and deterred future corporate misbehavior. At every stage where some check or balance might exist in a democratic system, the one-party system failed its people. But, as McGregor notes, the party does succeed at its main task, protecting itself. In exchange for acquiescence to autocratic rule, the party delivers on the economy and largely stays out of people's private lives. And as Chan Koon Chung writes in his novel The Fat Years, the people indeed acquiesce.

#### No lashout- CCP would fear retaliation AND even if the order was issues the PLA would not obey

Gilley 5 (Bruce, Professor of International Affairs @ New School University and Former Contributing Editor @ the Far Eastern Economic Review, “China’s Democratic Future,” mss)

More ominous as a piece of "last ditchism" would be an attack on Taiwan. U.S. officials and many overseas democrats believe that there is a significant chance of an attack on Taiwan if the CCP is embattled at home. Indeed, China's strategic journals make frequent reference to this contingency: "The need for military preparations against Taiwan is all the more pressing in light of China's growing social tensions and unstable factors which some people, including the U.S. might take advantage of under the flag of 'humanism' to paralyze the Chinese government," one wrote. Such a move would allow the government to impose martial law on the country as part of war preparations, making the crushing of protest easier. It would also offer the possibility, if successful, of CCP survival through enhanced nationalist legitimacy. Yet the risks, even to a dying regime, may be too high. An unprovoked attack on Taiwan would almost certainly bring the U.S. and its allies to the island's rescue. Those forces would not stop at Taiwan but might march on Beijing and oust the CCP, or attempt to do so through stiff sanctions, calling it a threat to regional and world peace. Such an attack might also face the opposition of the peoples of Fujian, who would be expected to provide logistical support and possibly bear the worst burdens of war. They, like much of coastal China, look to Taiwan for investment and culture and have a close affinity with the island. As a result, there are doubts about whether such a plan could be put into action. A failed war would prompt a Taiwan declaration of independence and a further backlash against the CCP at home, just as the May Fourth students of 1919 berated the Republican government for weakness in the face of foreign powers. Failed wars brought down authoritarian regimes in Greece and Portugal in 1974 and in Argentina in 1983. Even if CCP leaders wanted war, it is unlikely that the PLA would oblige. Top officers would see the disastrous implications of attacking Taiwan. Military caution would also guard against the even wilder scenario of the use of nuclear weapons against Japan or the U. S. At the height of the Tiananmen protests it appears there was consideration given to the use of nuclear weapons in case the battle to suppress the protestors drew in outside Countries .41 But even then, the threats did not appear to gain even minimal support. In an atmosphere in which the military is thinking about its future, the resort to nuclear confrontation would not make sense.

#### Economic recovery in China now –

Reuters 2/8/13 (“China Trade, Loan Surge Boosts Economy, Inflation Lurks”) http://www.reuters.com/article/2013/02/08/us-china-economy-idUSBRE91702T20130208

China's exports and imports surged and new lending soared in January as the first hard data of the year signaled not only a solid recovery in domestic and overseas demand, but also the risk that inflationary pressures are building. Exports grew 25 percent from a year earlier versus a forecast of 17 percent in a Reuters poll. Imports surged 28.8 percent to comfortably beat a consensus call of 23.3 percent and the resulting $29.2 billion trade surplus topped a market expectation of $22 billion. New lending by China's [banks](http://www.reuters.com/sectors/industries/overview?industryCode=128&lc=int_mb_1001) in January beat expectations at 1.07 trillion[yuan](http://www.reuters.com/subjects/yuan?lc=int_mb_1001) ($172 billion) and more than doubled from December. Total social financing - a broad measure of liquidity in the [economy](http://www.reuters.com/finance/economy?lc=int_mb_1001) - leapt to 2.54 trillion yuan, well ahead of December's 1.63 trillion yuan. Economists were cautious about reading too much into one month's data undeniably distorted by the timing of Lunar New Year holidays, which fall in February this year but were in January in 2012. Still, the consensus view suggested an economic recovery that started in late 2012 was strengthening. "Overall this says there is no need to worry about the strength of China's recovery," Sun Junwei, [China](http://www.reuters.com/places/china) economist at HSBC in Beijing, told Reuters. "These were very strong numbers, particularly total social financing. This means to me that beyond the rebound in bank lending there is strong demand for credit in the [economy](http://www.reuters.com/finance/economy?lc=int_mb_1001)," Sun said, predicting upside surprises to data ahead.

#### Too many alt causes to China’s exporting crisis – Eurozone an other US solar restrictions

Epoch Times 2/7/13 (Barbara Gay, Staff Writer, “Chinese Provinces Reduce Export Targets for 2013”)

Jiangsu’s foreign trade with its major export markets—the European Union (EU), United States, and Japan—accounts for 50 percent of its yearly trade volume, but “the three markets are suffering from a slow economy,” according to the Economic Information Daily, citing Ma Minglong, the director of Jiangsu Business Hall. Solar panels, shipping, information technology, and textiles account for roughly half of the exports in Jiangsu, but because of U.S. and EU anti-dumping and anti-subsidy actions, solar panel exports from Jiangsu decreased by 5 percent. Zhejiang Province achieved an export growth rate of 3.8 percent in 2012, lower than the national average of 4.1 percent. Although Zhejiang has not released its target for 2013, experts predict it will also be reduced. “Zhejiang’s decrease in export growth is the result of several factors, most notably the EU debt crisis, since the EU is a comparatively large market for Zhejiang,” Zhang Handong, Director of Zhejiang International Economic and Trade Research Center, told Economic Information Daily.

#### China is increasing domestic demand to make up for the glut – proves the status quo solves the advantage

Xinhua News 2/6/13 (“Hazy But Hopeful Outlook for China’s Solar Industry”) http://english.peopledaily.com.cn/90778/8122946.html

However, a variety of PV trade investigations were initiated against China in 2012,plaguing an industry that has seen its profit margins squeezed by significantovercapacity. Orders for Chinese PV equipment slumped 80 percent in 2012 from a year ago,according to the China PV industry Alliance. As much as 90 percent of Chinesepolysilicon makers halted production and 80 percent of solar panel producers shutdown or sharply reduced output, it said. To offset shrinking overseas demand, the Chinese government has stepped up supportive measures since last fall to reshape the oversupplied sector and reorient it towards the vastly untapped domestic market. The incentives include encouraging mergers and restructuring in the industry, boosting distributed solar power generation and paving the way for a more market-oriented on-grid solar electricity pricing scheme. The policies will surely be a boon for the cash-strapped solar industry, said XuChongqing, an energy expert at the Shandong Academy of Sciences. "They will help compensate PV companies' lost share in the foreign market," Xu said.Big companies will have more time to adjust their business models and enhanceresearch and development, while outdated capacity will be phased out throughmergers. "Uncompetitive players may begin to exit the market this year," said Liu Jianli, marketingdirector of the Shandong Linuo Power Group. Spurred by the government's support policies, the sector is expected to register asteady growth rate of 10 percent in 2013. Other business insiders agreed that the industry may begin to show signs of recovery in 2013. However, uncertainties related to a trade investigation in the EU may cast ashadow over the rally.

#### Schiavo and Guerin evidence is merely descriptive about European feed-in-tariffs, doesn’t address the host of other complications between US and China in terms of inport/export, your evidence is written in the context of the WTO dispute

#### Alt causes to social unrest in China – urbanization

The Wall Street Journal 2/8/13 (“China’s Urbanization Risk: Magnified Unrest”) http://blogs.wsj.com/chinarealtime/2013/02/08/chinas-urbanization-risk-magnified-unrest/

China’s new leaders seem to be placing their hopes for economic growth on urbanization. They see an upsurge in demand for a whole range of services – from housing to schooling and health care as the rural population is increasingly pulled into the urban economy. But high urbanization has its costs, argues a new report from Beijing Anbound Information, a private think tank that advises a number of local governments around China. Chief among those costs, the report says, is the magnification of social problems – and in a country with a considerable amount of social friction, that certainly is something to consider. Anbound contends that once urbanization reaches 50%, the potential for social unrest rises considerably. China has already crossed that line, having reached 51.27% at the end of 2011, according to data from the National Bureau of Statistics. “An urbanization rate of 50% is correlated with rising social risks in urban areas,” Anbound said. “It is a significant level.”

#### Chinese economic decline inevitable

Charles Recknagel, The Atlantic, 11/15/12, China's Power Transition: Massive Challenges for a Massive Economy, www.theatlantic.com/international/archive/2012/11/chinas-power-transition-massive-challenges-for-a-massive-economy/265320/

But today the economic news from China is less upbeat. The government announced this month that the growth rate slowed to 7.6 percent in the third quarter of 2012 -- the lowest rate since the global financial crisis that began in 2008. Beijing has set its target for GDP growth this year at just 7.5 percent, after years of an 8 percent goal that it often exceeded. Many experts say the biggest economic problem China faces now is the very nature of its state-driven economic system. That system worked well when global demand for Chinese-manufactured products was high but it now looks unbalanced when the global economy is weak. Duncan Innes Ker, a China expert at the London-based Economics Intelligence Unit, says the key to future growth will be to boost the private sector. "At the moment the banking sector essentially serves to finance the state-owned part of the economy and essentially starves the private sector of capital in favor of the state sector, which is a big problem, given that the state sector tends to be less productive, less jobs-generative, and overall less efficient than the private sector," Innes Ker says. China's leaders have long said they want to foster economic growth in the coming years by growing the private sector, boosting domestic consumption, and diversifying exports. All are seen as keys to providing future growth and jobs. But change has proved hard to make due to the vested interests within China's one-party, state-enterprise-heavy system. Innes Ker says that China's new leadership has yet to reveal its priorities publicly. But it appears to favor a conservative approach. "The balance does seem to be quite firmly in favor of conservatives so it is possible that we may actually get a relatively timid approach to reform of the state sector and continuing [state] dominance of the commanding heights of the economy," Innes Ker says. "In that sort of circumstance, it may be that China's growth rates in the medium term might be even significantly lower than the 7 percent that we are expecting at the moment." The current reliance on state-enterprises -- which dominate their sectors with little or no competition -- helps to create another drag on China's economy: corruption. Anger at Corruption Outgoing Chinese President Hu Jintao, speaking at the Communist Party Congress that ushered in a new leadership team, warned starkly that failure to tame corruption could lead to the "collapse of the party and the fall of the state." Rod Wye, an expert on Chinese politics at Chatham House in London, says China's leaders are well aware of the public anger that corruption generates and that is why they have begun talking about it. But taking effective action is another matter. "Corruption, as the Chinese leaders themselves say, is a life-and-death matter for the Chinese Communist Party. But the fact is that it is pretty endemic in China and it is not going to be easy to root it out in any short period of time," Wye says. One example is China's railway system. Beijing has invested hundreds of billions of dollars in recent years to build a high-speed rail network across the country. Yet an investigation into the crash of one of its fast new trains in July last year, which killed 40 people, revealed massive amounts wasted due to corruption. In just one small case, a big state-owned company paid a $16 million commission to an intermediary to secure contracts to work on the rail projects. China faces a host of other challenges that could slow its economic growth in the future. One is the dramatic aging of the Chinese population, accompanied by the shrinking of the country's workforce beginning in 2015. That is partly a consequence of the one-child policy adopted by the Communist Party in 1979 to stem population growth. Kenneth Pomeranz, a professor of history at the University of Chicago, says changing demographics will soon present the Chinese leadership with some stark choices. "Everybody can see that the very, very rapid graying of China's population -- already under way in part because they have had 40 years now of a very low birthrate -- is going to cause big problems," Pomeranz says. "They are going to make a pretty sudden transition from a society with a very high percentage of its population in the labor force to a society with a much lower percentage of the population in the labor force and more people who need to be supported." That means China increasingly will have to find ways to work more efficiently with less people as the days of cheap mass labor end.

# Grid

### Grid

**Meltdown impacts won’t happen – empirics**

WNA ’11 [World Nuclear Association, “Safety of Nuclear Power Reactors”, (updated December 2011), <http://www.world-nuclear.org/info/inf06.html>]

From the outset, there has been a strong awareness of the potential hazard of both nuclear criticality and release of radioactive materials from generating electricity with nuclear power. As in other industries, the design and operation of nuclear power plants aims to minimise the likelihood of accidents, and avoid major human consequences when they occur. There have been three major reactor accidents in the history of civil nuclear power - Three Mile Island, Chernobyl and Fukushima. One was contained without harm to anyone, the next involved an intense fire without provision for containment, and the third severely tested the containment, allowing some release of radioactivity. These are the only major accidents to have occurred in over 14,500 cumulative reactor-years of commercial nuclear power operation in 32 countries. The risks from western nuclear power plants, in terms of the consequences of an accident or terrorist attack, are minimal compared with other commonly accepted risks. Nuclear power plants are very robust.

**Zero probability of meltdown attacks**

Hargreaves ‘9 [Steve Hargreaves, CNNMoney.com staff writer, The threat of nuclear meltdown, November 12, 2009, <http://money.cnn.com/2009/11/12/news/economy/nuclear_security/index.htm>]

This is only a drill, but the threat they're preparing for is very real. It's one of the worst disaster scenarios imaginable: Terrorists infiltrate a nuclear power plant and cause a meltdown. The government and the industry say that with all the security measures in place, the chance of that happening is practically zero.

#### FITs fails – and causes SLOWER growth in the industry

Cooler Planet 9 (Feed-in-Tariffs, Solar Boon or Boondoggle”) http://blog.coolerplanet.com/2009/07/28/feed-in-tariffs-solar-boon-or-boondoggle/

As report co-author Karlynn Cory notes, RPS policies set the goal and let the market figure out the path, so the choice between RPS and Fits doesn’t have to be an either-or. A third NREL report focusing on FiT best practices will be issued later this year. Ron Kenedi, vice president at Sharp Solar Energy Solutions Group, makes the either-or argument moot by noting that America doesn’t need feed-in tariffs to drive solar energy. In fact, Kenedi sees the lack of feed-in tariffs as a strength, allowing the U.S. solar industry – which is still taking shape, and likely won’t explode until 2012 – to “grow naturally” into its full solar potential, rather than being forced into a particular shape by legislation. In the end, it may simply come down to government’s ability to legislate FiTs based on the type of technology, application (rooftop vs. ground installation), and size. However, doing this across the board in the U.S. – for 3,100 public utilities, 2,100 non-utility power producers, five independent system operators, and a transmission system that has only recently begun adapting to renewables – may represent the greatest challenge in setting prices and contract lengths. In short, FiTs, for all their dynamism, may not fit.

#### Distributed generation without grid improvement undermines grid reliability

Douglas Holtz-Eakin, Director of the Congressional Budget Office, 2003 [“Prospects for Distributed Electricity Generation.” Congressional Budget Office. September 2003. ttp:// www.cbo.gov/doc.cfm?index=4552&type= 0&sequence=0]

Threats to the Performance of Electric Systems Without adequate upgrades to the electricity supply network, widespread adoption of distributed generation could adversely affect regional electricity distribution systems. For example, with many customers switching their generators on and off, the quality of the power and the reliability of the systems could be degraded. Moreover, because utilities could have difficulty pinpointing the sources of the degradation, they might not be able to allocate to the owners of distributed generators the costs of preventive actions. It may be difficult to develop economically sound policies on how to pay for any required upgrades in the utility infrastructure to protect against those risks. Experts generally agree that the current risks to the distribution system from the parallel operation of small generators, representing only a small fraction of a local distribution network's capacity, are usually manageable.(12) But the cumulative effects of many generators would be another matter. The utility network might require significant upgrades and additional protective devices to manage distributed generators that could use a large fraction of the local distribution network's capacity.

#### Distributed generation can’t solve – multiple technical and civic barriers

Christopher **Flavin**, Researcher at the Worldwatch Institute **2001** [State of the World 2000 ed by L Brown. Cha 7 “Sizing up Micropower” http://www.worldwatch.org/node/1039

Additional policies are required to prevent utilities from unfairly blocking micropower development. Rules preventing access to the network must be rewritten, and utilities should be required to offer straightforward “power purchase” contracts for micropower systems, rather than discouraging them with unnecessarily dense legal documents. Additional fees, used by utilities to penalize customers who reduce their purchases of grid power, need to be minimized. The state of Massachusetts, for example, has reduced “stranded cost” charges, which fund the retirement of uneconomic plants, for customers who use on-site systems.60 Other obstacles to micropower stem from siting, permitting, and emissions regulations that were designed before micropower became an option. Small-scale electricity is not accounted for in most building, electrical, and safety regulations, nor do local code and zoning officials tend to be familiar with the technology. U.S. homeowner associations concerned about lower property values often retain restrictions on modifications—such as solar roofing— well after developments have been finished. Land use planning and zoning laws favor the right to build over the “solar access” of neighboring property owners. Environmental regulations in many nations need to be revamped to credit the reduced pollution that results from deploying efficient small-scale systems.61

#### Zero impact to grid failures, even ones caused by cyber attacks

Douglas Birch 10-1, former foreign correspondent for the Associated Press and the Baltimore Sun who has written extensively on technology and public policy, 10/1/12, “Forget Revolution,” Foreign Policy, http://www.foreignpolicy.com/articles/2012/10/01/forget\_revolution?page=full

Government officials sometimes describe a kind of Hieronymus Bosch landscape when warning of the possibility of a cyber attack on the electric grid. Imagine, if you will, that the United States is blindsided by an epic hack that interrupts power for much of the Midwest and mid-Atlantic for more than a week, switching off the lights, traffic signals, computers, water pumps, and air conditioners in millions of homes, businesses, and government offices. Americans swelter in the dark. Chaos reigns! Here's another nightmare scenario: An electric grid that serves two-thirds of a billion people suddenly fails in a developing, nuclear-armed country with a rich history of ethnic and religious conflict. Rail transportation is shut down, cutting off travel to large swathes of the country, while many miners are trapped underground. Blackouts on this scale conjure images of civil unrest, overwhelmed police, crippled hospitals, darkened military bases, the gravely injured in the back of ambulances stuck in traffic jams. The specter of what Defense Secretary Leon Panetta has called a "digital Pearl Harbor" led to the creation of U.S. Cyber Command, which is tasked with developing both offensive and defensive cyber warfare capabilities, and prompted FBI Director Robert Mueller to warn in March that cyber attacks would soon be "the number one threat to our country." Similar concerns inspired both the Democrats and Republicans to sound the alarm about the cyber threat in their party platforms. But are cyber attacks really a clear and present danger to society's critical life support systems, capable of inflicting thousands of casualties? Or has fear of full-blown cybergeddon at the hands of America's enemies become just another feverish national obsession -- another of the long, dark shadows of the 9/11 attacks? Worries about a large-scale, devastating cyber attack on the United States date back several decades, but escalatedfollowing attacks on Estonian government and media websites during a diplomatic conflict with Russia in 2007. That digital ambush was followed by a cyber attack on Georgian websites a year later in the run-up to the brief shooting war between Tbilisi and Moscow, as well as allegations of a colossal, ongoing cyber espionage campaign against the United States by hackers linked to the Chinese army. Much of the concern has focused on potential attacks on the U.S. electrical grid. "If I were an attacker and I wanted to do strategic damage to the United States...I probably would sack electric power on the U.S. East Coast, maybe the West Coast, and attempt to cause a cascading effect," retired Admiral Mike McConnell said in a 2010 interview with CBS's 60 Minutes. But the scenarios sketched out above are not solely the realm of fantasy. This summer, the United States and India were hit by **two massive electrical outages** -- caused not by ninja cyber assault teams but by force majeure. And, for most people anyway, the results were **less terrifying than imagined.** First, the freak "derecho" storm that barreled across a heavily-populated swath of the eastern United States on the afternoon of June 29 knocked down trees that crushed cars, bashed holes in roofs, blocked roads, and sliced through power lines. According to an August report by the U.S. Department of Energy, 4.2 million homes and businesses lost power as a result of the storm, with the blackout stretching across 11 states and the District of Columbia. More than 1 million customers were still without power five days later, and in some areas power wasn't restored for 10 days. Reuters put the death tollat 23 people as of July 5, all killed by storms or heat stroke. The second incident occurred in late July, when 670 million people in northern India, or about 10 percent of the world's population, lost power in the largest blackout in history. The failure of this huge chunk of India's electric grid was attributed to higher-than-normal demand due to late monsoon rains, which led farmers to use more electricity in order to draw water from wells. Indian officials told the media there were no reports of deaths directly linked to the blackouts. But this cataclysmic event **didn't cause widespread chaos** in India -- indeed, for some, it didn't even interrupt their daily routine. "[M]any people in major cities barely noticed the disruption because localized blackouts are so common that many businesses, hospitals, offices and middle-class homes have backup diesel generators," the New York Timesreported. The most important thing about both events is what didn't happen. Planes didn't fall out of the sky. **Governments didn't collapse**. Thousands of people weren't killed. Despite disruption and delay, harried public officials, emergency workers, and beleaguered publics mostly muddled through. The summer's blackouts strongly suggest that a cyber weapon that took down an electric grid even for several days could turn out to be little more than a weapon of mass **inconvenience**. That doesn't mean the United States can relax. James Lewis, director of the technology program at the Center for Strategic and International Studies, believes that hackers threaten the security of U.S. utilities and industries, and recently penned an op-ed for the New York Times calling the United States "defenseless" to a cyber-assault. But he told Foreign Policy the recent derecho showed that even a large-scale blackout **would not** necessarily **have catastrophic consequences.**

**No grid attacks and safeguards check**

**Condliffe ’12 (2-21**-12 [Jamie, freelance writer and editor with a focus on science, technology, Contributing Editor at gizmodo.com, “NSA: Anonymous Could Cause Power Outages Through Cyberattacks,” <http://gizmodo.com/5886805/nsa-anonymous-could-cause-power-outages-through-cyberattacks>]

While up to now Anonymous has largely been in the habit of embarrassing large corporations—though it has done for a law firm—federal officials worry that the organization only wants to become more disruptive. Indeed, **Anonymous has mentioned a plan to shut down the internet on March 31, which it refers to as Operation Global Blackout. That is extremely unlikely. Similarly, widespread power outages as a result of attacking the power gird would be difficult to orchestrate, and instead any such attack would likely be isolated and limited in size. Fortunately, the power sector is bracing itself for such problems. "The industry is engaged and stepping up widely to respond to emerging cyber threats**," one electric-industry official told the WSJ.

#### No nuclear war impact to grid- no reason the US would lashout- their ev is in the context of the cold war and we would have no enemy we would nuke now

#### Grid is resilient and sustainable

Clark 12, MA candidate – Intelligence Studies @ American Military University, senior analyst – Chenega Federal Systems, 4/28/’12

(Paul, “The Risk of Disruption or Destruction of Critical U.S. Infrastructure by an Offensive Cyber Attack,” American Military University)

In 2003, a simple physical breakdown occurred – trees shorted a power line and caused a fault – that had a cascading effect and caused a power blackout across the Northeast (Lewis 2010). This singular occurrence has been used as evidence that the electrical grid is fragile and subject to severe disruption through cyber-attack, a disruption that could cost billions of dollars, brings business to a halt, and could even endanger lives – if compounded by other catastrophic events (Brennan 2012). A power disruption the size of the 2003 blackout, the worst in American¶ history at that time (Minkel 2008), is a **worst case scenario** and used as an example of the¶ fragility of the U.S. energy grid. This perceived fragility is not real when viewed in the context¶ of the **robustness** of the electrical grid.¶ When asked about cyber-attacks against the electrical grid in April of 2012, the¶ intelligence chief of U.S. Cyber Command Rear Admiral Samuel Cox stated that an attack was¶ unlikely to succeed because of the “huge amounts of resiliency built into the [electrical] system¶ that makes that kind of catastrophic thing very difficult” (Capaccio 2012). This optimistic view¶ is supported by an electrical grid that has proven to be **robust in the face of large natural**¶ **catastrophes**. Complex systems like the electrical grid in the U.S. are prone to failures and the¶ U.S. grid fails frequently. Despite efforts to reduce the risk out power outages, the risk is always¶ present. Power outages that affect more than 50,000 people have occurred steadily over the last¶ 20 years at a rate of 12% annually and the frequency of large catastrophes remains relatively¶ high and outages the size of the 2003 blackout are predicted to occur every 25 years (Minkel¶ 2008). In a complex system that is always at risk of disruption, the effect is mitigated by policies¶ and procedures that are meant to **restore services as quickly as possible**. The most visible of these policies is the interstate Emergency Management Assistance Compact, a legally binding¶ agreement allowing combined resources to be quickly deployed in response to a catastrophic¶ disaster such as power outages following a severe hurricane (Kapucu, Augustin and Garayev¶ 2009).¶ The electrical grid suffers service interruptions regularly, it is a large and complex system¶ supporting the largest economy in the world, and yet commerce does not collapse (Lewis 2010).¶ Despite blizzards, earthquakes, fires, and hurricanes that cause blackouts, the economy is¶ affected but does not collapse and even after massive damage like that caused by Hurricane¶ Katrina, national security is not affected because U.S. military capability is not degraded (Lewis¶ 2010).¶ Cyber-security is an ever-increasing concern in an increasingly electronic and¶ interconnected world. Cyber-security is a high priority “economic and national security¶ challenge” (National Security Council n.d.) because cyber-attacks are expected to become the¶ top national security threat (Robert S. Mueller 2012). In response to the threat Congress is¶ crafting legislation to enhance cyber-security (Brito and Watkins 2012) and the Department of¶ Homeland Security budget for cyber-security has been significantly increased (U.S. Senate¶ Committee on Homeland Security and Governmental Affairs 2012).

#### No cyberattack on the grid

Paul Clark 12, MA Candidate, Intelligence/Terrorism Studies, American Military University; Senior Analyst, Chenega Federal Systems, 4/28/12, “The Risk of Disruption or Destruction of Critical U.S. Infrastructure by an Offensive Cyber Attack,” http://blog.havagan.com/wp-content/uploads/2012/05/The-Risk-of-Disruption-or-Destruction-of-Critical-U.S.-Infrastructure-by-an-Offensive-Cyber-Attack.pdf

An attack against the electrical grid is a reasonable threat scenario since power systems are "a high priority target for military and insurgents" and there has been a trend towards utilizing commercial software and integrating utilities into the public Internet that has "increased vulnerability across the board" (Lewis 2010). Yet the increased vulnerabilities are **mitigated** by an increased **detection and deterrent** capability that has been "honed over many years of practical application" now that power systems are using standard, rather than proprietary and specialized, applications and components (Leita and Dacier 2012). The security of the electrical grid is also enhanced by **increased awareness** after a smart-grid hacking demonstration in 2009 and the identification of the Stuxnet malware in 2010: as a result the public and private sector are **working together** in an "**unprecedented effort"** to establish **robust security guidelines and cyber security measures** (Gohn and Wheelock 2010).

# Warming

### No commercialization

#### Permits block timely solvency

**Mormann, their author, 11** (Felix, German JD and JSD from University of Passau School of law, as well as an LMM from UC BerkeleySchool of Law and is a research Fellow at Stanford’s Steyer Center for Energy Policy and Finance, writing for Economic Law Quarterly, "Requirements for a Renewables Revolution." 05/02/11. [http://www.boalt.org/elq/documents/elq38\_4\_03\_2012\_0808.pdf)](http://www.boalt.org/elq/documents/elq38_4_03_2012_0808.pdf%29)

In addition to the market-related barriers to entry, renewables have to overcome substantial obstacles that do not relate directly to the electricity market and its peculiarities. Before producers of electricity from renewable sources of energy can sell or produce electricity at all, they need to obtain all the permits to build and operate their power plants. The timeframe and complexity of the permit process vary considerably from one jurisdiction to another, directly affecting the cost of generation. The longer the lead-time and the greater the uncertainty of the permit process, the higher the cost of capital as banks and other investors will charge a premium for their financial support. The investment uncertainty and cost of capital directly influence the deployment rate of renewables. For instance, France offers similar rates to producers of electricity from wind power as Germany. Yet, as a result of the complicated and lengthy French permitting process, which involves a multitude of different administrative authorities, deployment of wind power plants in France has been much slower than in neighboring Germany.105 The problem is not one limited to France or Europe but hinders the deployment of renewables in the United States as well.106 Most of the difficulties that renewable energy power plant developers face center around fragmented permit procedures, discussed in Part II.C.1, spatial planning issues, discussed in Part II.C.2, and problems of acceptability among the local population, discussed in Part II.C.3.

1. Fragmented and Lengthy Permit Procedures

A high level of fragmentation greatly complicates and lengthens the permit process in many jurisdictions. In the past, large-scale power plant projects have traditionally been backed by strong government support, especially where they were run by government-owned utilities companies.107 Even in today’s liberalized electricity markets, large-scale power plants often receive preferential treatment in the form of a single, comprehensive permit process.108 Small-scale power plants, in turn, seldom benefit from such streamlined processes but, rather, require multiple parallel permit procedures.109

The appeal of many renewables technologies, such as solar photovoltaic, biofuel, or wind energy, lies partly in their suitability for micro-generation through decentralized, non-clustered and relatively small-scale projects. They not only have the potential to incur fewer distribution costs and transmission losses than many larger, centralized plants, but also to increase energy security through greater grid resiliency.110 Yet, it is difficult to exploit this potential if the complicated and fragmented permit process takes several years to complete.111 Wind turbine projects in the United States, for instance, have to comply with federal as well as regionally varying state and local regulations. At the federal level alone, acquiring the necessary permits for a wind power plant may involve no fewer than eight different agencies.112 At the state and local level, the situation is no better, as an October 2009 report of New Mexico’s Renewable Energy Transmission Authority recognizes. In its report, the Authority recommends “the establishment of a well-coordinated multi-state effort in the siting and permitting of transmission infrastructure” to avoid the time-consuming “multiplicity” of the state and local permit processes.113

Even where the same permit requirements apply to renewable energy plants and fossil fuel plants, the burden of multiple and often duplicative administrative procedures tends to weigh much heavier on renewable energy plants. Renewables plants usually have a several orders of magnitude loweroutput capacity and, hence, a lower earning potential, on the plant level, than their fossil fuel competitors. For instance, a residential solar photovoltaic rooftop installation rarely has a nameplate capacity of more than 10 kilowatts (kW).114 In 2010, the world’s largest installed wind turbine boasted a nameplate capacity of 6,000 kW.115 In contrast, the nameplate capacity of U.S. coal plants ranges from around 3,000 kW to more than 2,000,000 kW.116 These output differences are even more pronounced when accounting for the fact that the intermittency of solar and wind powered plants prevent them from operating at full capacity for most of the day. In relation to their considerably lower power output and earning potential, renewables plants frequently require considerably more time and money at the permit stage than large-scale fossil fuel plants.

#### a.) Massive Fossil Fuel Subsidies

**Mormann, their author, 11** (Felix, German JD and JSD from University of Passau School of law, as well as an LMM from UC BerkeleySchool of Law and is a research Fellow at Stanford’s Steyer Center for Energy Policy and Finance, writing for Economic Law Quarterly, "Requirements for a Renewables Revolution." 05/02/11. [http://www.boalt.org/elq/documents/elq38\_4\_03\_2012\_0808.pdf)](http://www.boalt.org/elq/documents/elq38_4_03_2012_0808.pdf%29) Jacome

Impediments to the innovative process are not the only obstacles to a timely transition from fossil fuels to renewable sources of energy. Even when the level of innovation is such that renewable energy technologies become mature enough for their large-scale deployment, they have to overcome a number of economic barriers to successfully enter the electricity generation market. Where renewables compete with fossil fuels, they encounter an uneven playing field, tilted in favor of long-established, deeply entrenched incumbents. The latter benefit from a history of fossil fuel subsidies, discussed in Part II.B.1, a lack of product differentiation, discussed in Part II.B.2, and structural peculiarities of the electricity market, discussed in Part II.B.3.

1. A History of Fossil Fuel Subsidies

Across the globe, the generation of electricity from fossil fuels has long received and continues to receive substantial government subsidies, both direct and indirect. In fact, direct financial support for fossil fuels is estimated at $150 billion to $250 billion annually worldwide.79 In addition, producers of electricity from fossil fuels benefit from a multitude of indirect subsidies, ranging from tax privileges over export credit guarantees to government underwriting of power plant accidents.80 Most of all, in the absence of an emissions tax or a cap-and-trade system, energy incumbents are permitted to shift the environmental costs of their activities to society at large.

Subsidies tend to be highest in developing and transition economies to keep domestic electricity rates low for the benefit of low-income households.81 In practice, however, these rates mostly benefit affluent households and industrial electricity consumers, who tend to consume more electricity. Thus, these energy subsidies tend to foster increased energy consumption while delaying investment in energy efficiency and renewable energy technologies.82 They have brought forth economically and politically powerful energy incumbents and given rise to a political culture that assumes fossil fuels to be the basis of the economy.83 The result, in the words of two commentators, is a deeply felt public sense of entitlement “that cheap and readily available energy is part of the American birthright.”84

#### b.) the economics of the grid prevents renewables

**Mormann, their author, 11** (Felix, German JD and JSD from University of Passau School of law, as well as an LMM from UC BerkeleySchool of Law and is a research Fellow at Stanford’s Steyer Center for Energy Policy and Finance, writing for Economic Law Quarterly, "Requirements for a Renewables Revolution." 05/02/11. [http://www.boalt.org/elq/documents/elq38\_4\_03\_2012\_0808.pdf)](http://www.boalt.org/elq/documents/elq38_4_03_2012_0808.pdf%29) Jacome

3. The Electricity Market’s Physical and Virtual Barriers to Entry

Other barriers to the entry of renewables relate to the market structure of the electricity sector. Despite recent efforts to deregulate and liberalize the sector, the regionally or nationally defined power generation markets around the world still tend to be dominated by a limited number of big players, and in some cases by only one formerly government-run utilities company.92 In the absence of special incentives, these incumbents will be reluctant to give up their costly, well-established infrastructure of fossil fuel power plants for an increased share of renewables in their energy portfolio. Producers of electricity from renewable sources who enter the market will likely find themselves in a competition similar to that of David versus Goliath. To make matters worse, they need access to the grid in order to sell their power. Electricity distribution, however, represents a natural monopoly.93 Without a strong regulatory obligation to grant grid access to incoming players, producers of electricity from renewables are therefore left at the mercy of local network operators, who themselves tend to be electricity producers eager to eliminate additional competition.94

Successful grid integration of renewables depends not only on the local provider’s obligation to grant access to its network, but, just as importantly, on how the connection costs are distributed. The electricity market literature distinguishes between three different cost allocation models.95 Under the “deep” connection charging approach, the incoming power producer bears the cost for the transmission lines connecting the new plant to the grid as well as any grid reinforcements the newly added capacity may require. The “shallow” connection charging model requires the new power generator to pay only for the new electricity line to the closest grid connection point, while the grid operator is responsible for any upgrades to the grid infrastructure. At the extreme end of the cost allocation spectrum, the “super-shallow” approach requires the grid operator to pay for the connection to the new power plant and necessary grid reinforcement measures. Figure 1 illustrates these cost allocation models Traditionally, the “deep” connection charging practice has worked well for conventional large-scale plants, such as nuclear or coal-fired facilities.97 In relation to the overall cost of investment and the enormous output capacity of these projects, the financial burden of grid connection and reinforcement tends to be negligible. Furthermore, conventional power plants are far more flexible in their siting than, for instance, hydroelectric, wind or solar power plants that require very specific siting conditions to ensure the availability of the energy resource they aim to harness. As a result, fossil fuel power plant projects can limit the cost of grid access because their choice of location is less resource-dependent, and they can be sited based on existing grid availability, location, and capacity.

While the “deep” connection charging approach may make sense for conventional power plants, it represents a huge barrier to the deployment of plants that rely on renewable sources of energy.98 The generally smaller scale of renewables projects renders the cost of connection a much heavier burden relative to the plant capacity, thereby threatening its profitability. For offshore wind energy projects, for instance, the cost of grid connection can account for more than 25 percent of the overall investment cost.99 Many renewables, such as hydroelectric, wind, or solar power plants have very particular operating conditions that often require siting away from established grid networks. In addition, the intermittency of wind and solar energy is likely to require substantial grid reinforcements to handle the load peaks when these plants are operating at full capacity. Therefore, the cost of connection for many renewables plants is likely to be higher than for conventional plants, even in absolute terms. Successful grid integration of renewables thus requires not only a strong and enforceable right to gain grid access but also a departure from the presently prevailing “deep” connection charging regime.

### No uq

#### 1. No warming- Newest peer review studies prove

**Taylor ’11** (7/27- senior fellow for environment policy at the Heartland Institute (2011, “New NASA Data Blow Gaping Hole In Global Warming Alarmism,” Forbes, http://blogs.forbes.com/jamestaylor/2011/07/27/new-nasa-data-blow-gaping-hold-in-global-warming-alarmism/)

**NASA satellite data** from the years 2000 through 2011 show the Earth’s atmosphere is allowing far more heat to be released into space than alarmist computer models have predicted, reports a new study in the peer-reviewed science journal Remote Sensing. The study indicates far less future global warming will occur than United Nations computer models have predicted, and supports prior studies indicating increases in atmospheric carbon dioxide trap far less heat than alarmists have claimed. Study co-author Dr. Roy Spencer, a principal research scientist at the University of Alabama in Huntsville and U.S. Science Team Leader for the Advanced Microwave Scanning Radiometer flying on NASA’s Aqua satellite, reports that real-world data from NASA’s Terra satellite contradict multiple assumptions fed into alarmist computer models. “The satellite observations suggest there is much more energy lost to space during and after warming than the climate models show,” Spencer said in a July 26 University of Alabama press release. “**There is a huge discrepancy between the data and the forecasts** that is especially big over the oceans.” In addition to finding that far less heat is being trapped than alarmist computer models have predicted, the NASA satellite data show the atmosphere begins shedding heat into space long before United Nations computer models predicted. The new findings are extremely important and **should dramatically alter the** global **warming debate**. Scientists on all sides of the global warming debate are in general agreement about how much heat is being directly trapped by human emissions of carbon dioxide (the answer is “not much”). However, the single most important issue in the global warming debate is whether carbon dioxide emissions will indirectly trap far more heat by causing large increases in atmospheric humidity and cirrus clouds. Alarmist computer models assume human carbon dioxide emissions indirectly cause substantial increases in atmospheric humidity and cirrus clouds (each of which are very effective at trapping heat), but **real-world data have** long **shown that carbon dioxide emissions are not causing** as much **atmospheric humidity** and cirrus clouds as the alarmist computer models have predicted. The new NASA Terra satellite data are consistent with long-term NOAA and NASA data indicating atmospheric humidity and cirrus clouds are not increasing in the manner predicted by alarmist computer models. The Terra satellite data also support data collected by NASA’s ERBS satellite showing far more longwave radiation (and thus, heat) escaped into space between 1985 and 1999 than alarmist computer models had predicted. Together, the NASA ERBS and Terra satellite data show that for 25 years and counting, carbon dioxide emissions have directly and indirectly trapped far less heat than alarmist computer models have predicted. In short, the central premise of alarmist global warming theory is that carbon dioxide emissions should be directly and indirectly trapping a certain amount of heat in the earth’s atmosphere and preventing it from escaping into space. Real-world measurements, however, show far less heat is being trapped in the earth’s atmosphere than the alarmist computer models predict, and far more heat is escaping into space than the alarmist computer models predict. **When objective NASA satellite data, reported in a peer-reviewed scientific journal, show a “huge discrepancy” between alarmist climate models and real-world facts, climate scientists**, the media and our elected officials **would be wise to take notice**. Whether or not they do so will tell us a great deal about how honest the purveyors of global warming alarmism truly are.

#### 2. Negative feedbacks solve- No tipping point

McShane 8 (Owen, the chairman of the policy panel of the New Zealand Climate Science Coalition and director of the Center for Resource Management Studies, 4-4-8, *The National Business Review (New Zealand)*, “Climate change confirmed but global warming is cancelled”, Lexis)

Atmospheric scientists generally agree that as carbon dioxide levels increase there is a law of "diminishing returns" - or more properly "diminishing effects" - and that ongoing increases in CO2 concentration do not generate proportional increases in temperature. The common analogy is painting over window glass. The first layers of paint cut out lots of light but subsequent layers have diminishing impact. So, you might be asking, why the panic? Why does Al Gore talk about temperatures spiraling out of control, causing mass extinctions and catastrophic rises in sea-level, and all his other disastrous outcomes when there is no evidence to support it? The alarmists argue that increased CO2 leads to more water vapour - the main greenhouse gas - and this provides positive feedback and hence makes the overall climate highly sensitive to small increases in the concentration of CO2. Consequently, the IPCC argues that while carbon dioxide may well "run out of puff" the consequent evaporation of water vapour provides the positive feedback loop that will make anthropogenic global warming reach dangerous levels. This assumption that water vapour provides positive feedback lies behind the famous "tipping point," which nourishes Al Gore's dreams of destruction, and indeed all those calls for action now - "before it is too late!" But no climate models predict such a tipping point. However, while the absence of hot spots has refuted one important aspect of the IPCC models we lack a mechanism that fully explains these supposed outcomes. Hence the IPCC, and its supporters, have been able to ignore this "refutation." So by the end of last year, we were in a similar situation to the 19th century astronomers, who had figured out that the sun could not be "burning" its fuel - or it would have turned to ashes long ago - but could not explain where the energy was coming from. Then along came Einstein and E=mc2. Hard to explain Similarly, the climate sceptics have had to explain why the hotspots are not where they should be - not just challenge the theory with their observations. This is why I felt so lucky to be in the right place at the right time when I heard Roy Spencer speak at the New York conference on climate change in March. At first I thought this was just another paper setting out observations against the forecasts, further confirming Evans' earlier work. But as the argument unfolded I realised Spencer was drawing on observations and measurements from the new Aqua satellites to explain the mechanism behind this anomaly between model forecasts and observation. You may have heard that the IPCC models cannot predict clouds and rain with any accuracy. Their models assume water vapour goes up to the troposphere and hangs around to cook us all in a greenhouse future. However, there is a mechanism at work that "washes out" the water vapour and returns it to the oceans along with the extra CO2 and thus turns the added water vapour into a NEGATIVE feedback mechanism. The newly discovered mechanism is a combination of clouds and rain (Spencer's mechanism adds to the mechanism earlier identified by Professor Richard Lindzen called the Iris effect). The IPCC models assumed water vapour formed clouds at high altitudes that lead to further warming. The Aqua satellite observations and Spencer's analysis show water vapour actually forms clouds at low altitudes that lead to cooling. Furthermore, Spencer shows the extra rain that falls from these clouds

cools the underlying oceans, providing a second negative feedback to negate the CO2 warming. Alarmists' quandary This has struck the alarmists like a thunderbolt, especially as **the lead author of the IPCC chapter on feedback has written to Spencer agreeing that he is right**! There goes the alarmist neighbourhood!

#### Their quals argument don’t apply here

**Wilson ’12** (GLOBAL WARMING: THE SATELLITES DON'T LIE March 3, 2012 7:48 AM | 7 Comments James A. Wilson

Over the summer Forbes Magazine **published NASA satellite data indicating the alarmist predictions** - even the UN computer models on which they were based - **are dead wrong. The study, reported in the peer reviewed journal**, Remote Sensing, correlates data from 2000 through 2011. It shows two phenomena surprising to the apostles of doom in the scientific and political community. **There is much less heat being trapped in the atmosphere** by greenhouse gases - or any other cause - **than the models portend, and a lot more of it is being released naturally into space.** This is especially true over the oceans. James M. Taylor, a senior fellow for environmental policy at The Heartland Institute and managing editor of Environment and Climate News authored the Forbes article. **Credentials don't get any more impeccable.**

### No impact

#### Warming doesn't cause extinction

**Lomborg ‘8** (Director of the Copenhagen Consensus Center and adjunct professor at the Copenhagen Business School, Bjorn, “Warming warnings get overheated”, The Guardian, 8/15, <http://www.guardian.co.uk/commentisfree/2008/aug/15/carbonemissions.climatechange>

These alarmist predictions are becoming quite bizarre, and could be dismissed as sociological oddities, if it weren’t for the fact that they get such big play in the media. Oliver Tickell, for instance, writes that a global warming causing a 4C temperature increase by the end of the century would be a “catastrophe” and the beginning of the “extinction” of the human race. This is simply silly. His evidence? That 4C would mean that all the ice on the planet would melt, bringing the long-term sea level rise to 70-80m, flooding everything we hold dear, seeing billions of people die. Clearly, Tickell has maxed out the campaigners’ scare potential (because there is no more ice to melt, this is the scariest he could ever conjure). But he is wrong. Let us just remember that the UN climate panel, the IPCC, expects a temperature rise by the end of the century between 1.8 and 6.0C. Within this range, the IPCC predicts that, by the end of the century, sea levels will rise 18-59 centimetres – Tickell [he] is simply exaggerating by a factor ofup to400. Tickell will undoubtedly claim that he was talking about what could happen many, many millennia from now. But this is disingenuous. First, the 4C temperature rise is predicted on a century scale – this is what we talk about and can plan for. Second, although sea-level rise will continue for many centuries to come, the models unanimously show that Greenland’s ice shelf will be reduced, but Antarctic ice will increase even more (because of increased precipitation in Antarctica) for the next three centuries. What will happen beyond that clearly depends much more on emissions in future centuries. Given that CO2 stays in the atmosphere about a century, what happens with the temperature, say, six centuries from now mainly depends on emissions five centuries from now (where it seems unlikely non-carbon emitting technology such as solar panels will not have become economically competitive). Third, Tickell tells us how the 80m sea-level rise would wipe out all the world’s coastal infrastructure and much of the world’s farmland – “undoubtedly” causing billions to die. But to cause billions to die, it would require the surge to occur within a single human lifespan. This sort of scare tactic is insidiously wrong and misleading, mimicking a firebrand preacher who claims the earth is coming to an end and we need to repent. While it is probably true that the sun will burn up the earth in 4-5bn years’ time, it does give a slightly different perspective on the need for immediate repenting. Tickell’s claim that 4C will be the beginning of our extinction is again many times beyond wrong and misleading, and, of course, made with no data to back it up. Let us just take a look at the realistic impact of such a 4C temperature rise. For the Copenhagen Consensus, one of the lead economists of the IPCC, Professor Gary Yohe, did a survey of all the problems and all the benefits accruing from a temperature rise over this century of about approximately 4C. And yes, there will, of course, also be benefits: as temperatures rise, more people will die from heat, but fewer from cold; agricultural yields will decline in the tropics, but increase in the temperate zones, etc. The model evaluates the impacts on agriculture, forestry, energy, water, unmanaged ecosystems, coastal zones, heat and cold deaths and disease. The bottom line is that benefits from global warming right now outweigh the costs (the benefit is about 0.25% of global GDP). Global warming will continue to be a net benefit until about 2070, when the damages will begin to outweigh the benefits, reaching a total damage cost equivalent to about 3.5% of GDP by 2300. This is simply not the end of humanity. If anything, global warming is a net benefit now; and even in three centuries, it will not be a challenge to our civilisation. Further**, the IPCC expects the average person on earth to be 1,700% richer by the end of this century.**

#### No impact to ocean acidification -- alarmists are empirically denied

Taylor 10 [James M. Taylor is a senior fellow of The Heartland Institute and managing editor of Environment & Climate News., “Ocean Acidification Scare Pushed at Copenhagen,” Feb 10 http://www.heartland.org/publications/environment%20climate/article/26815/Ocean\_Acidification\_Scare\_Pushed\_at\_Copenhagen.html]

With global temperatures continuing their decade-long decline and United Nations-sponsored global warming talks falling apart in Copenhagen, alarmists at the U.N. talks spent considerable time claiming carbon dioxide emissions will cause catastrophic ocean acidification, regardless of whether temperatures rise. The latest scientific data, however, show no such catastrophe is likely to occur. Food Supply Risk Claimed The United Kingdom’s environment secretary, Hilary Benn, initiated the Copenhagen ocean scare with a high-profile speech and numerous media interviews claiming ocean acidification threatens the world’s food supply. “The fact is our seas absorb CO2. They absorb about a quarter of the total that we produce, but it is making our seas more acidic,” said Benn in his speech. “If this continues as a problem, then it can affect the one billion people who depend on fish as their principle source of protein, and we have to feed another 2½ to 3 billion people over the next 40 to 50 years.” Benn’s claim of oceans becoming “more acidic” is misleading, however. Water with a pH of 7.0 is considered neutral. pH values lower than 7.0 are considered acidic, while those higher than 7.0 are considered alkaline. The world’s oceans have a pH of 8.1, making them alkaline, not acidic. Increasing carbon dioxide concentrations would make the oceans less alkaline but not acidic. Since human industrial activity first began emitting carbon dioxide into the atmosphere a little more than 200 years ago, the pH of the oceans has fallen merely 0.1, from 8.2 to 8.1. Following Benn’s December 14 speech and public relations efforts, most of the world’s major media outlets produced stories claiming ocean acidification is threatening the world’s marine life. An Associated Press headline, for example, went so far as to call ocean acidification the “evil twin” of climate change. Studies Show CO2 Benefits Numerous recent scientific studies show higher carbon dioxide levels in the world’s oceans have the same beneficial effect on marine life as higher levels of atmospheric carbon dioxide have on terrestrial plant life. In a 2005 study published in the Journal of Geophysical Research, scientists examined trends in chlorophyll concentrations, critical building blocks in the oceanic food chain. The French and American scientists reported “an overall increase of the world ocean average chlorophyll concentration by about 22 percent” during the prior two decades of increasing carbon dioxide concentrations. In a 2006 study published in Global Change Biology, scientists observed higher CO2 levels are correlated with better growth conditions for oceanic life. The highest CO2 concentrations produced “higher growth rates and biomass yields” than the lower CO2 conditions. Higher CO2 levels may well fuel “subsequent primary production, phytoplankton blooms, and sustaining oceanic food-webs,” the study concluded. Ocean Life ‘Surprisingly Resilient’ In a 2008 study published in Biogeosciences, scientists subjected marine organisms to varying concentrations of CO2, including abrupt changes of CO2 concentration. The ecosystems were “surprisingly resilient” to changes in atmospheric CO2, and “the ecosystem composition, bacterial and phytoplankton abundances and productivity, grazing rates and total grazer abundance and reproduction were not significantly affected by CO2-induced effects.” In a 2009 study published in Proceedings of the National Academy of Sciences, scientists reported, “Sea star growth and feeding rates increased with water temperature from 5ºC to 21ºC. A doubling of current [CO2] also increased growth rates both with and without a concurrent temperature increase from 12ºC to 15ºC.” Another False CO2 Scare “Far too many predictions of CO2-induced catastrophes are treated by alarmists as sure to occur, when real-world observations show these doomsday scenarios to be highly unlikely or even virtual impossibilities,” said Craig Idso, Ph.D., author of the 2009 book CO2, Global Warming and Coral Reefs. “The phenomenon of CO2-induced ocean acidification appears to be no different.