# Impact overview

**Increased production is key to manufacturing**

Bullis 1/9 (Kevin, MIT Technology Review’s senior editor, “Shale Gas Will Fuel a U.S. Manufacturing Boom,” 1/9, <http://www.technologyreview.com/news/509291/shale-gas-will-fuel-a-us-manufacturing-boom/>)

Shale Gas Will Fuel a U.S. Manufacturing Boom Chemical producers abandoned the U.S. in droves. Cheap natural gas is luring them back. People predicting a manufacturing renaissance in the United States usually imagine whirring robots or advanced factories turning out wind turbines and solar panels. The real American edge might be in something entirely more mundane: cheap starting materials for plastic bottles and plastic bags. The plummeting price of natural gas—which can be used to make a vast number of products, including tires, carpet, antifreeze, lubricants, cloth, and many types of plastic—is luring key industries to the United States. Just five years ago, natural-gas prices were so high that some chemical manufacturers were shutting down U.S. operations. Now the ability to access natural gas trapped in shale rock formations, using technologies such as hydraulic fracturing and horizontal drilling, has lowered American prices to a fraction of those in other countries (see “King Natural Gas”). Over the last 18 months, these low prices have prompted plans for the construction of new chemical plants to produce ethylene, ammonia for fertilizer, and diesel fuels. Dow Chemical, for example, plans to spend $4 billion to expand its U.S. chemicals production, including a new plant in Freeport, Texas, that’s due to open in 2017. The plant will make ethylene from the ethane found in many sources of natural gas. (The last such plant to be built in the U.S. was completed in 2001.) The impact of the resurgence is being felt most strongly in the $148 billion market for ethylene, the world’s highest-volume chemical and the foundation for many other industries. It’s used to make bottles, toys, clothes, windows, pipes, carpet, tires, and many other products. Since ethylene is expensive to transport over long distances, a new ethylene plant is typically integrated with a facility to convert it into polyethylene for plastic bags or ethylene glycol for antifreeze. In the U.S., it currently costs $300 to make a ton of ethylene, down steeply from $1,000 a few years ago. According to an analysis by PricewaterhouseCoopers, it currently costs $1,717 to make it in Asia, where plants depend on high-priced oil instead of natural gas, and $455 per ton to make it in Saudi Arabia, using a combination of ethane and butane. (Ethylene plants are also being built in Qatar, which, like the U.S., has very cheap natural gas.) Over the last two years, manufacturers have announced plans to add 10 million metric tons of ethylene capacity in the United States by 2019. Those plans represent a 10 percent increase in global ethylene production and also account for close to half the industry’s planned expansions in all countries. The impact of cheap natural gas on manufacturing could extend beyond the production of various chemicals. Using natural gas as an energy source, rather than a chemical feedstock, could significantly lower costs for manufacturers who use a lot of energy, such as steel makers. (The steel industry is booming already for another natural-gas-related reason—it’s supplying gas producers with pipes.) What’s more, cheap natural gas is prompting a shift away from petroleum-based fuels for trucking. Some companies are switching to trucks that burn natural gas directly. Eventually, even diesel trucks could be using fuel made from natural gas. The South African company Sasol plans to build a huge $14 billion plant in Louisiana partly to convert natural gas to diesel, potentially lowering fuel costs for conventional vehicles as well. Overall, cheaper chemicals, cheaper steel, and cheaper transportation could make the U.S. a far more attractive place for a wide range of industries.

# Berman wrong

**He’s wrong**

**Hurdle 12/6**, Jon, “Are US Shale Gas Resources Overstated? Part 2,” 12/6, <http://www.greentechmedia.com/articles/read/are-us-shale-gas-resources-overstated-part-2>

Enthusiasm over the U.S. natural gas production renaissance has been steadily building over the past few years, and the prospect of increasing production of both gas and oil from shale deposits came up numerous times during the 2012 U.S. presidential election cycle. However, not everyone views shale gas as a supply panacea, which is the thrust of a book due out next spring written by Bill Powers with a forward by Arthur Berman.

Potential Gas Committee executive director John Curtis rejected Berman's reliance on the committee's "probable" category, which is based on gas in existing fields.

"He's dead wrong," Curtis said, arguing that restricting the resource estimate to only "probable" gas ignores the existence of highly productive plays like the Marcellus and the Haynesville that were not initially included in that category because they had not been drilled.

Curtis added that any deficit between a field's actual production and its resource estimate may reflect a lack of pipelines or undeveloped markets for the gas rather than a resource that undershoots expectations.

**Berman is an industry hack**

**Entine 11**, Jon, senior research fellow at the Center for Health & Risk Communication at George Mason University and a senior fellow at GMU's STATS, “natural gas "bubble" report: market tinkering or shoddy reporting?” July 1st, <http://www.chk.com/news/articles/pages/news_20110701.aspx>

Berman is described as a "geologist who worked two decades at Amoco and has been one of the most vocal skeptics of shale gas economics." There is no reason to begrudge Berman (or Groppe) from holding strong beliefs and trying to profit from them by selling their investment advice to hedge funds or other investors. But the responsibility of the Times is different. Context is the difference between truth and manipulation. Disclosure is a central canon of journalism ethics.¶ What didn't the Times disclose? Berman has direct and indirect financial ties to a range of critics of shale gas. For example, In January, Berman testified as a paid expert witness before the Indiana Utility Regulatory Commission in support of Indiana Gasification, a unit of Leucadia National Corp., detailing the benefits of buying natural gas made from coal instead of hydraulic fracturing. The coal industry fears getting crushed by the cleaner, natural gas movement, and Berman backed coal.¶ Berman not only has an indirect financial interest playing the role of shale gas skeptic, he has a direct conflict of interest: He (and Groppe) are "strategic partners" and "consultants" to Middlefield Capital in Toronto, according to Dean Orico, its president. They are both on retainer and are prominently featured on the company’s website. Middlefield offers more than 30 funds and limited partnerships, including the Groppe Tactical Energy fund, which follow the two advisers' anti-shale gas investment outlook. It has sizable investments in key competitors to shale gas drillers, most prominently Canadian tar oil producers, an industry with far more environmental questions than the natural gas industry.¶ Berman is reportedly also a consultant and paid speaker with the Canadian Imperial Bank of Commerce. Both Middlefield and CIBC World Markets have clients who would profit from Berman taking an aggressive public stance. Moreover, if any of their clients, or indeed the fund managers at Middlefield, knew that the Times story was coming out, they could face charges of market manipulation under Canadian and U.S. securities law. (Orico said that Middlefield was never contacted by the Times and only found out about the story after it appeared. CIBC said it was looking into its relationship with Berman but has not yet responded to requests for a comment.)

**Plenty of gas**

Inman 12 Mason, National Geographic News, Feb 29, "Estimates Clash for How Much Natural Gas in the United States", news.nationalgeographic.com/news/energy/2012/03/120301-natural-gas-reserves-united-states/

However, geologist Terry Engelder of Pennsylvania State University argued that the recent EIA estimate is too conservative, given the data on which the agency based its conclusions.¶ Engelder is often given credit for spurring the shale gas rush in the Marcellus with early estimates that the formation held large amounts of natural gas. In his most recent published estimate, from 2009, he figured the Marcellus could in the long run yield 489 tcf, a number in the same ballpark as the EIA's 2011 estimate.¶ More recently, he has obtained production data from leaseholders for a small number of wells, to see how much they produce, and to update his estimate.¶ Engelder's earlier estimate was based on very limited data available at the time. "That's a pretty challenging thing to do," he said, "to take just 50 wells and try to project what a field might do that might ultimately end up having 100,000 to 300,000 wells."¶ With new data on production from 16 Pennsylvania counties, Engelder has updated his estimate. Though he has yet to publish the results, "half the counties are doing better than predicted, and half of them are not doing quite as well as predicted," he said. "But on average, it is just right where we were with that 2009 estimate."¶ Engelder said the geological analysis by the USGS—which was a crucial input for the EIA's reassessment of the potential for Marcellus shale gas—is problematic.¶ A key problem, Engelder said, was that the USGS assessment broke up the Marcellus into thousands of parcels, and then assumed that only 37 percent of them would yield significant natural gas. Engelder thinks that a lot more of the parcels will be productive.

# a/t: sphere of influence

**Russian gas monopoly destroys NATO and causes imperialism**

Ghalen ’11 (Alexander Ghaleb (US Army Captain, Ph.D in energy security from National Defense University), October 2011, Published by Strategic Studies Institute, Letort Paper, Natural Gas as an Instrument of Russian state Power, <http://www.scribd.com/doc/69662541/Natural-Gas-as-an-Instrument-of-Russian-State-Power>)

While in the 1980s oil was considered “the only commodity whose sudden cutoff would have a drastic effect on national welfare or on economic activity,”4 the 2030s come with the image of a world in which the sudden cutoff of Russian gas to Europe will have similar disastrous effects on the economies of many European and North Atlantic Treaty Organization (NATO) member states. This monograph argues that Russian control of the natural gas supplies and of the export infrastructure systems of natural gas to Europe gives tremendous leverage to Russia in imposing its national security policy. If in the traditional security environment the use of military force was the Union of Soviet Socialist ixx Republic’s (USSR) preferred method of political coercion, in the contemporary security environment Russia is struggling with a weaker military that no longer represents a threat to the North Atlantic Alliance. This monograph emphasizes that Russia over came this major vulnerability by developing the capacity to use unilateral economic sanctions in the form of gas pricing and gas disruptions against many European NATO member states. It agrees with many scholars and politicians alike who fear that Russia will lever age its monopoly of natural gas to gain political concessions; and it supports the viewpoint that “Russia’s energy-centered foreign policy is not limited to the states of the former Soviet Union and is clearly designed to increase its leverage in key geostrategic theaters and over United States allies.” While Russian officials insist that these fears are overblown, skeptics believe that “if there were a serious enough dispute, the Russians might do just that [use its energy security leverage against NATO member states].”¶ The concerns of these skeptics cannot be dismissed without an unbiased examination of the scarcity of natural gas in the contemporary security environment, of the salience of natural gas in Russia’s national security strategies, and of the natural gas pipeline politics in Eastern and Central Europe. To address these questions, the monograph has been separated into four chapters. Chapter 1 will demonstrate that like oil in the traditional security environment, under certain conditions, natural gas can serve as an effective unilateral instrument of state power in the contemporary security environment, and that its disruption by Russia will prove deadly to the economies of many NATO member states in Eastern and Central Europe(traditionally, Russia’s sphere of inuence). Chapter 2will explain why Russia perceives NATO as a hostile¶ Xi alliance, and how Russia uses natural gas as an instrument of coercion in its sphere of influence. In Chapter3, a look at Russia’s use of natural gas as a national security instrument of coercion in negotiations with Ukraine will help energy security analysts determine the conditions under which Russia will leverage its energy superpower position in its relations with European Union (EU) and/or NATO member states. Additionally, a look at Russia’s failures in the use of such coercion in Ukraine will assist NATO member states in Eastern and Central Europe to identify ways to reduce the threat of disruption of Russian gas supplies. Finally, Chapter 4 will expose the processes Russia uses in the context of natural gas negotiations to bribe Western European nations—such as Germany, France, and Italy—to divide the NATO Alliance, and to rule over its traditional sphere of influence in Eastern and Central Europe.

#### NATO key to act as a counter-weight to global gravity shifts- solves nuclear war

Brzezinski ‘9 (Zbigniew Brzezinski, U.S. National Security Adviser from 1977 to 1981. His most recent book is Second Chance: Three Presidents and the Crisis of American Superpower, September 2009 - October 2009, (Foreign Affairs, SECTION: Pg. 2 Vol. 88 No. 5, HEADLINE: An Agenda for NATO Subtitle: Toward a Global Security Web, p. Lexis, 2009)

ADJUSTING TO A TRANSFORMED WORLD And yet, it is fair to ask: Is NATO living up to its extraordinary potential? NATO today is without a doubt the most powerful military and political alliance in the world. Its 28 members come from the globe's two most productive, technologically advanced, socially modern, economically prosperous, and politically democratic regions. Its member states' 900 million people account for only 13 percent of the world's population but 45 percent of global GDP. NATO's potential is not primarily military. Although NATO is a collective-security alliance, its actual military power comes predominantly from the United States, and that reality is not likely to change anytime soon. NATO's real power derives from the fact that it combines the United States' military capabilities and economic power with Europe's collective political and economic weight (and occasionally some limited European military forces). Together, that combination makes NATO globally significant. It must therefore remain sensitive to the importance of safeguarding the geopolitical bond between the United States and Europe as it addresses new tasks. The basic challenge that NATO now confronts is that there are historically unprecedented risks to global security. Today's world is threatened neither by the militant fanaticism of a territorially rapacious nationalist state nor by the coercive aspiration of a globally pretentious ideology embraced by an expansive imperial power. The paradox of our time is that the world, increasingly connected and economically interdependent for the first time in its entire history, is experiencing intensifying popular unrest made all the more menacing by the growing accessibility of weapons of mass destruction -- not just to states but also, potentially, to extremist religious and political movements. Yet there is no effective global security mechanism for coping with the growing threat of violent political chaos stemming from humanity's recent political awakening. The three great political contests of the twentieth century (the two world wars and the Cold War) accelerated the political awakening of mankind, which was initially unleashed in Europe by the French Revolution. Within a century of that revolution, spontaneous populist political activism had spread from Europe to East Asia. On their return home after World Wars I and II, the South Asians and the North Africans who had been conscripted by the British and French imperial armies propagated a new awareness of anticolonial nationalist and religious political identity among hitherto passive and pliant populations. The spread of literacy during the twentieth century and the wide-ranging impact of radio, television, and the Internet accelerated and intensified this mass global political awakening. In its early stages, such new political awareness tends to be expressed as a fanatical embrace of the most extreme ethnic or fundamentalist religious passions, with beliefs and resentments universalized in Manichaean categories. Unfortunately, in significant parts of the developing world, bitter memories of European colonialism and of more recent U.S. intrusion have given such newly aroused passions a distinctively anti-Western cast. Today, the most acute example of this phenomenon is found in an area that stretches from Egypt to India. This area, inhabited by more than 500 million politically and religiously aroused peoples, is where NATO is becoming more deeply embroiled. Additionally complicating is the fact that the dramatic rise of China and India and the quick recovery of Japan within the last 50 years have signaled that the global center of political and economic gravity is shifting away from the North Atlantic toward Asia and the Pacific. And of the currently leading global powers -- the United States, the EU, China, Japan, Russia, and India -- at least two, or perhaps even three, are revisionist in their orientation. Whether they are "rising peacefully" (a self-confident China), truculently (an imperially nostalgic Russia) or boastfully (an assertive India, despite its internal multiethnic and religious vulnerabilities), they all desire a change in the global pecking order. The future conduct of and relationship among these three still relatively cautious revisionist powers will further intensify the strategic uncertainty. Visible on the horizon but not as powerful are the emerging regional rebels, with some of them defiantly reaching for nuclear weapons. North Korea has openly flouted the international community by producing (apparently successfully) its own nuclear weapons -- and also by profiting from their dissemination. At some point, its unpredictability could precipitate the first use of nuclear weapons in anger since 1945. Iran, in contrast, has proclaimed that its nuclear program is entirely for peaceful purposes but so far has been unwilling to consider consensual arrangements with the international community that would provide credible assurances regarding these intentions. In nuclear-armed Pakistan, an extremist anti-Western religious movement is threatening the country's political stability. These changes together reflect the waning of the post-World War II global hierarchy and the simultaneous dispersal of global power. Unfortunately, U.S. leadership in recent years unintentionally, but most unwisely, contributed to the currently threatening state of affairs. The combination of Washington's arrogant unilateralism in Iraq and its demagogic Islamophobic sloganeering weakened the unity of NATO and focused aroused Muslim resentments on the United States and the West more generally

**NATO prevent crisis escalation – solves the aff**

**Duffield 95** (John S, Assistance Professor . . . Cold War, Political Science Quarterly, JSTOR)

Although so far unable to put an end to such conflicts, NATO helps to address the concerns they raise in several ways. First, it protects its members against the possible spillover of military hostilities. While no alliance countries have yet been seriously threatened in this way, NATO's long experience with organizing the defense of its members leaves it well prepared to deal with such contingencies. NATO also helps to prevent other countries from being drawn into conflicts of this type. The existence of the alliance reassures member states bordering on the region that they will not be left alone to deal with nearby wars should they escalate or spill over, thereby reducing the incentive to intervene unilaterally. Instead, NATO's presence helps to ensure that Western military involvement in such conflicts, where it occurs at all, is collective and consensual.16 At the same time, the possibility of a sharp, coordinated NATO response may inhibit other countries from meddling.

#### Russian imperialism ensures Central Asian instability

Asmus ‘8 (Ronald, Executive Director of the Transatlantic Center at the German Marshall Fund of the United States, in Brussels. From 1997 to 2000, he served as U.S. Deputy Assistant Secretary of State for European Affairs, “Europe's Eastern Promise; Rethinking NATO and EU Enlargement,” Foreign Affairs. New York: Jan/Feb 2008. Vol. 87, Iss. 1; pg. 95)

In light of these new circumstances in Russia, enlargement needs to be rethought from the ground up, starting with its strategic rationale. After the accession of a band of countries from the Baltic states in the north to Bulgaria and Romania in the south, many in the West assumed that the enlargement project was almost complete, with the western Balkans constituting the last piece of unfinished business. They were surprised to suddenly find new countries from Eurasia, and specifically the wider Black Sea region, starting to knock on the doors of NATO and the EU -- and unsure how to respond. In dealing with these new candidate countries, the West must stick to the values and diplomatic principles it laid down in the 1990s, including the notion that countries are free to choose their alliances. But that alone is unlikely to be enough, because although these countries clearly consider themselves European, many Europeans do not feel the same historical or moral commitment to them or see a compelling strategic need to integrate them. Thus, in addition to moral and political arguments, the United States and Europe need to articulate a strong strategic rationale for anchoring them to the West. That argument is straightforward. The challenge of securing Europe's eastern border from the Baltics to the Black Sea has been replaced by the need to extend peace and stability along the southern rim of the Euro-Atlantic community -from the Balkans across the Black Sea and further into Eurasia, a region that connects Europe, Russia, and the Middle East and involves core security interests, including a critical energy corridor. Working to consolidate democratic change and build stability in this area is as important for Western security today as consolidating democracy in central and eastern Europe was in the 1990s. It is not only critical to expanding the democratic peace in Europe but also vital to repositioning the West vis-à-vis both Central Asia and the Middle East. This strategy presents an opportunity to redraw the strategic map of Europe and Eurasia in a way that enhances the security of countries on Europe's periphery as well as that of the United States and Europe. The United States and Europe also need to rethink what anchoring means in practice. In the 1990s, it meant pursuing membership in NATO and the EU roughly in parallel. Now the West needs to be more flexible and take a long-term view. The goal is to tie these countries as closely to the West as politics and interests on both sides allow. For some countries, this may mean eventual membership in both NATO and the EU; for others, it may mean membership only in NATO; and for the rest, it may mean membership in neither but simply much closer relations. Policy will have to be much more à la carte than prix fixe. The link between NATO membership and EU membership should be relaxed, if not dropped. The EU has enough on its plate sustaining its commitments to the western Balkans and Turkey; anything beyond that is probably a nonstarter for the time being. NATO will once again have to take the lead in anchoring countries such as Georgia and others in the wider Black Sea region. The West must also rethink how it should engage and reach out to these countries. If membership is less plausible as a short-term option, then the quality of ties short of membership must be improved to compensate. Outreach must grow in importance and may increasingly become the centerpiece of U.S. and European strategy. At the moment, the fear of future enlargement is one factor actually holding allies back, with institutions afraid of taking even small steps down what some fear could be a slippery slope. Yet precisely because the countries in question are weaker and more endangered, NATO and the EU should actually be reaching out and engaging them earlier. They need the security umbrella and engagement of the West as much, if not more, than the countries of central and eastern Europe did. The way out of this dilemma is to consider membership a long-term goal and focus in the mean time on strengthening Western outreach and engagement. This means recasting policy tools to address the different needs of the countries that are less developed politically and economically. Tools such as NATO's "membership action plan" should be extended earlier and tied less closely to actual membership commitments, thus allowing these countries to benefit from guidance and engagement while downplaying the question of the end goal. At the same time, the EU needs to enhance its own tools, such as the Common Foreign and Security Policy and the European Neighborhood Policy, as well as reach out to these countries more directly by offering them political and economic support. When communism collapsed, NATO and the EU had little idea how to reach out to postcommunist countries and anchor them to the West. Bureaucrats in both institutions said it could not be done. But political will and strategic imagination prevailed, and fresh approaches were developed. Political will can do the same today. As for Russia, neither Washington nor Brussels wants a confrontation with Moscow at a time when they face daunting challenges beyond Europe. But this does not mean the West should abandon its belief that the spread of democracy along Russia's borders contributes to peace and stability just because the current authoritarian rulers in Moscow disagree. Nor should the West abandon its principles and succumb to the sphere-of-influence thinking currently If the United States and Europe still hope that democracy will eventually take root in Russia, they must recognize that consolidating a pro-Western, democratic Ukraine would indirectly encourage democratization in Russia. Of course, antidemocratic forces in Russia will oppose such a move. After all, Moscow only acquiesced in previous rounds of NATO and EU enlargement because it concluded that the United States and Europe were determined to carry them out and that its efforts to oppose the West would be futile. Western unity on issues such as the future of Ukraine is therefore of the utmost importance. Still, holding true to NATO's and the EU's core principles and expanding these organizations' reach does not mean starting a new Cold War. The West and Moscow should look for other areas in which their interests are more aligned, such as expanding trade and investment or controlling nuclear proliferation and building a new arms control regime. The key question is whether Russia -- when faced with a unified West -- will start to look for common ground. As strong as Russia may appear at the moment, it remains a country with real long-term structural weaknesses and problems. It, too, needs friends and allies, and the United States and Europe should be among them. UNCERTAIN FUTURES Three very different scenarios for the future of Western policy toward Europe's periphery reveal just how high the stakes are in this region. In the best-case scenario, the United States and Europe would regroup under the next U.S. president and launch a new era of transatlantic cooperation by overcoming differences on Iraq, avoiding disagreements over Iran, and stabilizing Afghanistan. This renaissance would include a new and ambitious democratic-enlargement strategy, and the results would be significant. Securing independence for Kosovo without turning Serbia against the West would facilitate the successful integration of the western Balkans into NATO and the EU. In Turkey, the AKP-led government would continue democratic reforms, bringing the country closer to EU accession. Georgia and Ukraine would continue to move closer to the West as well. That prospect would help create positive pressure for democratic change in Azerbaijan and encourage Armenia's reorientation toward the West. By 2012, a reunified West would have begun to build an arc of democratic stability eastward into Eurasia and especially the wider Black Sea region. Realizing that its real adversaries lie elsewhere, Russia would eventually have no choice but to reassess its policy and seek a new rapprochement with the West. A less optimistic scenario is stagnation. In this case, the United States and Europe would regain some political momentum after 2008 but fail to achieve any significant democratic breakthroughs. A new U.S. administration would manage to stabilize and then extricate itself from Iraq, but transatlantic tensions over Iran and other Middle Eastern issues would persist. Kosovo would achieve independence, but in a manner that leaves Serbia alienated and unable to find its way back onto the path toward EU accession. In the western Balkans, only Croatia would remain on track for both EU and NATO membership. Turkey's prospects for joining the EU would fade, and reforms in Georgia and Ukraine would stall. Azerbaijan would remain an autocratic pro-Western ally increasingly vulnerable to growing radicalization from within. By 2012, the West would have patched up relations across the Atlantic but without breakthroughs in the Balkans or Turkey -- let alone in Ukraine or the wider Black Sea region. All of this would lead to a more competitive relationship with Russia, resulting in stalemate and a new chill in relations with Moscow. In the worst-case scenario, rather than the West consolidating new democratic breakthroughs, Russia would succeed in a strategy of rollback. The United States and Europe would not achieve a meaningful rapprochement, and they would fail to consolidate democracy in the western Balkans. Kosovo would become independent, but without agreement from all sides. This would launch Serbia on a new nationalist trajectory, bringing further instability to the region. U.S. failure in Iraq would lead to partition, estranging Turkey and prompting Ankara to invade northern Iraq and further loosen its ties to the West. This, in turn, would badly damage Turkey's already strained relations with both Washington and Brussels. Ukraine would drift back to autocracy, and Georgia, the one liberal democratic experiment in the Black Sea region, would lose reform momentum and teeter toward failure. Last November's declaration of a state of emergency in Tbilisi was a reminder of how fragile and vulnerable this experiment is. Using its energy supplies and influence, Russia would emerge as an authoritarian capitalist alternative to the West, attracting autocratic leaders throughout Europe and Eurasia. Rather than a renaissance of the transatlantic alliance, the result would be a retreat of democracy and a further splintering of the democratic West. As these scenarios make clear, the western Balkans, Georgia, Ukraine, and the wider Black Sea region are less stable and more at risk today than central and eastern Europe were a decade ago. And the stakes are high. A world in which Ukraine has successfully anchored itself to the West would be very different from one in which it has failed to do so. A world in which Georgia's success has sparked democratic progress in the region and helped stabilize the southern flank of the Euro-Atlantic community would be a much safer one than a world in which Georgia has become an authoritarian state in Russia's sphere of influence. And a world in which the democratic West is ascendant would be very different from one in which an autocratic, nationalist Russia is on the rise.

#### Extinction

Blank 2k (Stephen J. - Expert on the Soviet Bloc for the Strategic Studies Institute, “American Grand Strategy and the Transcaspian Region”, World Affairs. 9-22)

Thus many structural conditions for conventional war or protracted ethnic conflict where third parties intervene now exist in the Transcaucasus and Central Asia. The outbreak of violence by disaffected Islamic elements, the drug trade, the Chechen wars, and the unresolved ethnopolitical conflicts that dot the region, not to mention the undemocratic and unbalanced distribution of income across corrupt governments, provide plenty of tinder for future fires. Many Third World conflicts generated by local structural factors also have great potential for unintended escalation. Big powers often feel obliged to rescue their proxies and proteges. One or another big power may fail to grasp the stakes for the other side since interests here are not as clear as in Europe. Hence commitments involving the use of nuclear weapons or perhaps even conventional war to prevent defeat of a client are not well established or clear as in Europe. For instance, in 1993 Turkish noises about intervening on behalf of Azerbaijan induced Russian leaders to threaten a nuclear war in that case. Precisely because Turkey is a NATO ally but probably could not prevail in a long war against Russia, or if it could, would conceivably trigger a potential nuclear blow (not a small possibility given the erratic nature of Russia's declared nuclear strategies), the danger of major war is higher here than almost everywhere else in the CIS or the "arc of crisis" from the Balkans to China. As Richard Betts has observed, The greatest danger lies in areas where (1) the potential for serious instability is high; (2) both superpowers perceive vital interests; (3) neither recognizes that the other's perceived interest or commitment is as great as its own; (4) both have the capability to inject conventional forces; and (5) neither has willing proxies capable of settling the situation.(77)

#### Russian economy unilateral policy causes US-Russian war

Blank ‘7 (Stephen Blank , Research Professor of National Security Affairs at the Strategic Studies Institute of the U.S. Army War College, “Russian Democracy, Revisited” Spring, <http://www.securityaffairs.org/issues/2007/12/blank.php>)

Gvosdev defends his brand of realism as a moral policy based on prudential calculations that seek to maximize benefits and minimize losses. In other words, while Russia is admittedly far from an ideal state, we can live with it as it is. But is this policy towards Russia realistic in Gvosdev’s own terms? In fact, Russia’s foreign policy is fundamentally adversarial to America and to Western interests and ideals. Moreover, thanks to Russia’s domestic political structure, not only will this foreign policy trend expand if unchecked, it will almost certainly lead Russia into another war. Russia’s conduct in 2006 serves as a microcosm of this problem. Last year, Russia gratuitously provoked international crises by threatening Ukraine, Moldova, Belarus and Georgia over energy. It showed neither the will nor the capacity to arrest or reverse proliferation in Iran or North Korea. It displayed its readiness to amputate Georgia by force and annex its former territories to Russia. It attempted to undermine the OSCE and block it from fulfilling its treaty-mandated functions of monitoring elections. It refused to negotiate seriously over energy and economics with the European Union. It recognized Hamas as a legitimate government, gave it aid, and sold it weapons. And it sold weapons to Iran, Venezuela, China and Syria, knowing full well that many of these arms will be transferred to terrorists. At home, meanwhile, Russian President Vladimir Putin is widening state control over ever more sectors of the economy, including defense, metals, and the automotive industry. Foreign equity investment in energy and many other fields is increasingly excluded from Russia in favor of Kremlin-dominated monopoly. Russia is even seeking to convert the Commonwealth of Independent States (CIS) into an oil and gas cartel that supports its own interests, rather than those of other producers. Possibly, the United States can abide such a Russia. But it is clear that America’s partners and allies, particularly those in Eastern Europe and the “post-Soviet space,” cannot long live with a government whose policies seem essentially driven by a unilateralist quest for unchecked power. Russia’s current objectives seem to be incompatible with any notion of world order based on the principles accepted by it and its partners in 1989-91. Russia evidently covets recognition as a great power or energy superpower free from all international constraints and obligations and answerable to nobody. As the political scientist Robert Legvold wrote back in 1997, Russia “craves status, not responsibility.”[1](http://www.securityaffairs.org/issues/2007/12/blank.php#footnotes) It should come as no surprise that this irresponsibility still characterizes Russian diplomacy. After all, it is the hallmark of the Russian autocracy which Putin has restored with a vengeance. Autocracy logically entails empire, an autarchic and patrimonial concept of the Russian state that is owned by the Tsar, controlled by his servitors, and which survives only by expansion. Just as autocracy means that the Tsar is not bound by or responsible to any domestic institution or principle, it also means that in foreign policy, Russia does not feel obligated to honor its own prior treaties and agreements. The struggle to get Moscow to adhere to the 1999 OSCE Summit accords it itself signed—as well as its conduct during the Russo-Ukrainian energy crisis of 2006—fully confirms that point; whatever else happened in both cases, Moscow broke its own contract with the OSCE and with Kyiv. These are far from anomalies. Foreign Minister Sergei Lavrov himself said not long ago that Russia refuses to be bound by foreign standards, or conform to them.[2](http://www.securityaffairs.org/issues/2007/12/blank.php#footnotes) He has also insisted that the West respect Russian interests in the CIS, but shows no reciprocal respect for the treaties Russia has signed and since violated. Nor does he say that Russia must respect the interests of CIS governments themselves.[3](http://www.securityaffairs.org/issues/2007/12/blank.php#footnotes) By doing so, Lavrov has confirmed the warnings of analysts like Dmitry Trenin of the Carnegie Endowment for International Peace, who caution that Russia does not want to belong to a larger institutional grouping.[4](http://www.securityaffairs.org/issues/2007/12/blank.php#footnotes) Under these conditions, as both Western and Russian firms are learning all too well, property rights are conditional—if not entirely absent. Property is the Tsar’s to control, and he or his agents grant rents to their subordinates in return for service, which tragically is generally inefficient, self- and rent-seeking, and utterly corrupt. Today, this formula is visible in Russia’s pervasive official corruption, widespread criminality, and the absence of any sense of national interests among the country’s new “boyar” class. Such a system also entails an autarchic economy hostile to foreign investment and influence. Democratic and civilian control of Russia’s multiple militaries likewise is absent, and critics of the regime or reformers are routinely killed or threatened by those forces. The most recent examples of this tragic phenomenon are the assassinations of former FSB agent Alexander Litvinenko and journalist Anna Politkovskaya, and the attempted poisoning of former Prime Minister Yegor Gaidar. Russian and Western observers both recognize that the Tsarist model is back, albeit with some Soviet accretions. And true to this model, the Kremlin today operates largely by fiat and fear. Much of Vladimir Putin’s popularity clearly derives from the state monopoly over a large swath of the national media, growing fear of the police among ordinary Russians, and the sense of prosperity provided by seven years of (largely energy-based) economic growth. Absent the official cult of personality and with a free media, undoubtedly things would be rather different. All of which is to say that it is clear that, while the United States must engage with Russia, America cannot simply accept these deformities as the necessary price for doing business with Moscow. It is not simply a matter of “lecturing” Russia, as its elites have accused Washington of doing for decades. Genuine realism requires an engagement with Russia that respects its interests but which tells the truth and responds to its numerous violations of international obligations. Such realism also requires understanding that the reversion to Russian autocracy is not merely a matter of Russia’s sovereign choice, as Putin’s ideologues pretend. It is a threat to all of Russia’s neighbors because it inherently involves a quest for empire, since Moscow understands its full sovereignty to be attainable only if that of its neighbors is diminished. It is deeply ironic that Russia can pursue such policies today largely because of the West. In order to maintain its empire, Russia must offer all kinds of hidden and overt subsidies in energy, weapons, or other forms of economic and political currency. It can only afford to do so by charging its European energy customers full market price, even as it refuses to do the same at home. Likewise, for all its benefits, U.S. funding for Cooperative Threat Reduction enables Russia to spend ever more on its armed forces, which it otherwise could not afford to do. By itself, Russia cannot pay for the rising outlays on its armed forces, its ambitious goals for re-equipping them and converting them into a power projection force beyond its borders, or their current, bloated size. Under the circumstances, a realistic Western policy cannot abandon the borderlands to Moscow. If it has reason to believe that it enjoys freedom of action there, Moscow will promptly extend its dysfunctional political system to those lands, either directly or indirectly. In either case, it will create security vacuums which are ripe for conflict and which threaten both its own and European security. Russia’s inability to quell the Chechen uprising despite twelve years of utterly brutal warfare illustrates this quite clearly. Indeed, both wars with Chechnya (in 1994 and again in 1999) were launched to secure the domestic base of first the Yeltsin and then the incoming Putin regimes.[5](http://www.securityaffairs.org/issues/2007/12/blank.php#footnotes) Since then, the fighting has engulfed the entire North Caucasus, putting Russia, thanks to its own misguided policies, at greater actual risk of terrorism. It is precisely to avoid Russian expansionism and support for rogue regimes and proliferation that it is necessary to press Russia to return to the spirit and letter of the treaties it has signed and which make up the constitutional basis of Europe’s and Eurasia’s legitimate order. We should not pressure Russia because it is insufficiently democratic, but rather because it has freely given its word to treaties and conventions that must be upheld if any kind of international order is to be preserved. Admittedly, this means that America must reorient its policies to stop seeking to extend or impose democracy. No matter how deeply held, the ideas of the current Administration enjoy no special legitimacy abroad, whereas international obligations do. Likewise, we must make clear that while the interests of the kleptocracy that passes for government in Russia are advanced by lawlessness and imperial predation, neither the interests of the Russian people nor the security of Eurasia is advanced by such policies. Quite the contrary; those policies entail long-term stagnation and war, not progress, peace, or security. Thus a realistic policy towards Russia necessarily means realigning the values which we promote. They should be those of international law and of enhanced security for both peoples and states, not untrammeled unilateralism or that might makes right. But such realism also means fearlessly proclaiming and acting upon the truth that Russian scholars themselves know and admit: Russia today remains a risk factor in world politics.[6](http://www.securityaffairs.org/issues/2007/12/blank.php#footnotes) This is largely because its domestic political arrangements oblige Moscow to pursue a unilateral and neo-imperial policy fundamentally antithetical to the security of Eurasian states, including its own. Accountability is an important virtue for all states, but for Russia it is indispensable. Without it, the Kremlin could very well succumb to imperial temptation, at the cost of international catastrophe.

# a/t: Russia econ

**Russian stability does not depend on its economy**

Goodrich and Zeihan 9 [Lauren Goodrich, Stratfor's Director of Analysis and Senior Eurasia analyst, and Peter Zeihan, Vice President of Analysis at Stratfor, “The Financial Crisis and the Six Pillars of Russian Strength,” March 3 2009, <http://www.stratfor.com/weekly/20090302_financial_crisis_and_six_pillars_russian_strength>]

Politics: It is no secret that the Kremlin uses an iron fist to maintain domestic control. There are few domestic forces the government cannot control or balance. The Kremlin understands the revolutions (1917 in particular) and collapses (1991 in particular) of the past, and it has control mechanisms in place to prevent a repeat. This control is seen in every aspect of Russian life, from one main political party ruling the country to the lack of diversified media, limits on public demonstrations and the infiltration of the security services into nearly every aspect of the Russian system. This domination was fortified under Stalin and has been re-established under the reign of former President and now-Prime Minister Vladimir Putin. This political strength is based on neither financial nor economic foundations. Instead, it is based within the political institutions and parties, on the lack of a meaningful opposition, and with the backing of the military and security services. Russia's neighbors, especially in Europe, cannot count on the same political strength because their systems are simply not set up the same way. The stability of the Russian government and lack of stability in the former Soviet states and much of Central Europe have also allowed the Kremlin to reach beyond Russia and influence its neighbors to the east. Now as before, when some of its former Soviet subjects -- such as Ukraine -- become destabilized, Russia sweeps in as a source of stability and authority, regardless of whether this benefits the recipient of Moscow's attention

No impact to Russian economy

Blackwill, 09 – former associate dean of the Kennedy School of Government and Deputy Assistant to the President and Deputy National Security Advisor for Strategic Planning (Robert, RAND, “The Geopolitical Consequences of the World Economic Recession—A Caution”, http://www.rand.org/pubs/occasional\_papers/2009/RAND\_OP275.pdf, WEA)

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

The impact's empirically denied

Stokes, 08 (Bruce Stokes. "Don't Ignore the Russian Bear." Council on Foreign Relations, [http://www.cfr.org/publication/3225/dont\_ignore\_the\_russian\_bear.html](http://www.cfr.org/publication/3225/dont_ignore_the_russian_bear.html" \t "_blank))

A little less than a year ago, August 17 to be precise, the post-Cold War Russian economic experiment imploded. The ruble collapsed and debt payments to foreigners were frozen. Wall Street lost billions of dollars. Long Term Capital Management, one of the world's biggest hedge funds, had to be taken over by its bankers. Once burned, international investors yanked their capital out of all emerging markets— from Latin America to East Asia— causing world interest rates to spike. The global economy teetered on the edge of depression.   But, much to the surprise of most economic pundits, international markets quickly righted themselves. The Russian economy proved far more resilient than anticipated. And, in retrospect, the events of August, 1998 were little more than a very large bump in the road.   The lessons of this "crisis that wasn't" are now clear: Russia is not too big to fail (the volume of its debts do not dictate special treatment by its creditors); the financial world can cope with such failure; and the Russian economy can bounce back without much overt help from the West. But the impending $4.5 billion loan to Russia by the International Monetary Fund— reflecting Washington's gratitude for Moscow's help in Kosovo, continued fear of Russian nuclear proliferation and concern about Russia's internal political stability— demonstrates that Russia still remains too important for the world to ignore.   This contradiction— not too big to fail, but still too big to flounder— highlights the friction inherent when economic policy is used to further geo-political goals. Up until a year ago, the Clinton Administration argued that aid to Russia was needed, in part, to avoid global economic collapse. August, 1998 exposed that rationale as a charade. Now American support for assistance to Russia can only be justified for two reasons: to reinforce Russia's transition to a market economy or as ransom in Moscow's continued strategic blackmail of the West. Evidence to justify the former is dubious. Its time to own up to the latter.   Last summer's fleeting economic fright reflected Russia's staggering economic collapse. The ruble fell by more than 70 per cent in a couple of weeks. The economy shrank by 4.3 per cent. Real wages fell 41 per cent.   But the crisis was cathartic. "The shock accomplished what reform was intended to achieve," said Anders Aslund, a senior associate at the Carnegie Endowment for International Peace in Washington. The banking system now functions better. Barter is declining. Most important, there has been no reversion to central planning, government-directed lending, industrial subsidies or government reliance on simply printing money.

# Fun times will be had

**Poland models the US- natural gas increases US-Polish cooperation- solves democracy promotion**

Michta ‘11 (Andrew A. Michta is Senior Transatlantic Fellow with the German Marshall Fund of the United States (GMF) and Director of GMF’s Warsaw Office, “Obama in Poland: The Start of a New Practical Relationship?”, http://blog.gmfus.org/2011/06/01/obama-in-poland-the-start-of-a-new-practical-relationship/, June 2011)

Against this backdrop, and considering the evolving tenor of U.S.-European relations, Obama’s visit to Warsaw at the end of his European tour was welcome, even in the absence of a major speech and a warm public response. Some of the agenda items discussed during the visit were familiar, such as the perennial problem of including Poland in the United States’ Visa Waiver Program, an issue Obama promised to bring up with Congress, and deeper security cooperation in the form of a negotiated agreement on periodic training and stationing of U.S. F-16s and transport aircraft on Polish soil.¶ However, Obama’s visit also provided glimpses of a path forward for Poland and the United States over the coming years. The United States and Poland hope to find ways to leverage Poland’s experience of democracy promotion in order to encourage democratic transitions in Eastern Europe (especially in Belarus, Ukraine, and Moldova), and in North Africa. But arguably the most important aspect of the visit was discussion on the potential for greater economic cooperation in the energy sector, particularly on extracting shale gas. Four U.S. energy companies are already involved in exploratory drilling in Poland, and there is anticipation that U.S. technological expertise in unconventional gas will be of immense value. In the coming months, the focal point for both Washington and Warsaw will be the actual yields generated from existing wells, as well as the regulatory and tax regime the Polish government is going to establish if and when the country moves from exploration to production.¶ It is significant that the issues that had the most traction were practical ones. Although any U.S. presidential visit carries considerable symbolism – in this case, Poland’s importance as a regional partner for the United States – issue-oriented cooperation was prominently displayed, reflecting the emerging “normalization” of Poland’s relations with the United States.

**Democracy is key to solve multiple scenarios for extinction**

Diamond ‘95 (Director @ The Center on Democracy, Development, and the Rule of Law @ Stanford and Senior Fellow @ The Hoover Institution, Larry, “Promoting Democracy in the 1990s,” <http://carnegie.org/fileadmin/Media/Publications/PDF/Promoting%20Democracy%20in%20the%201990s%20Actors%20and%20Instruments,%20Issues%20and%20Imperatives.pdf>)

This hardly exhausts the lists of threats to our security and well-being in the coming years and decades. In the former Yugoslavia nationalist aggression tears at the stability of Europe and could easily spread. The flow of illegal drugs intensifies through increasingly powerful international crime syndicates that have made common cause with authoritarian regimes and have utterly corrupted the institutions of tenuous, democratic one. Nuclear, chemical, and biological weapons continue to proliferate. The very source of life on Earth, the global ecosystem, appears increasingly endangered. Most of these new and unconventional threats to security are associated with or aggravated by the weakness or absence of democracy, with its provisions for legality, accountability, popular sovereignty, and openness. Lessons of the Twentieth Century The experience of this century offers important lessons. Countries that govern themselves in a truly democratic fashion do not go to war with one another. They do not aggress against their neighbors to aggrandize themselves or glorify their leaders. Democratic governments do not ethnically "cleanse" their own populations, and they are much less likely to face ethnic insurgency. Democracies do not sponsor terrorism against one another. They do not build weapons of mass destruction to use on or to threaten one another. Democratic countries form more reliable, open, and enduring trading partnerships. In the long run they offer better and more stable climates for investment. They are more environmentally responsible because they must answer to their own citizens, who organize to protest the destruction of their environments. They are better bets to honor international treaties since they value legal obligations and because their openness makes it much more difficult to breach agreements in secret. Precisely because, within their own borders, they respect competition, civil liberties, property rights, and the rule of law, democracies are the only reliable foundation on which a new world order of international security and prosperity can be built.

**Gas solves iran prolif**

Medlock et al ‘11 (Kenneth B, Baker fellow in energy and resource economics, Baker institute for public policy, rice university, Amy Myers Jaffe, Wilson fellow in energy studies, Baker institute for public policy, rice university, Peter Hartley, Professor of economics, Rice University [“Shale Gas and US National Security,” July 2011)

Greater shale gas production in the United States, and eventually Europe, will also make it more difficult for Iran to profit from exporting natural gas. Since Iran is currently hampered by Western sanctions against investment in its energy sector, by the time it can get its natural gas ready for export, the marketing window to Europe will likely be closed by the availability of shale gas. This reality may give the United States and its allies more leverage over Iran for a longer period of time, helping to shape outcomes in the Middle East more positive for U.S. and allied interests.¶ Iran is more likely to become a much larger exporter in the case in which no new shale is developed (Scenario Two), primarily because of greater LNG demand from the United States. In the Reference Case, Iran only emerges as an LNG exporter in the late 2020s and its market position is more limited. However, in the constrained shale case (Scenario Two), Iranian LNG exports grow more quickly and, by 2040, they are about 75 percent higher than in the Reference Case. Thus, shale gas plays an instrumental role in delaying the opening for Iran to sell its natural gas, thwarting its ability in the near term to use natural gas exports as a means to develop bilateral relations with major gas consuming countries and limiting its opportunity to use energy diplomacy to strengthen its regional position or buttress its pursuit of nuclear weapons. Although there are many complex factors that influence Iran’s political leverage globally, the circumstance of lower requirements for Iranian natural gas could make it easier for the United States to achieve buy-in for continued economic sanctions against Iran. Lower interest in Iranian gas reduces the chances that Iran can use its energy resources to drive a wedge in the international coalition against it. By delaying the need for Iranian gas by over a decade, the United States buys time to find a better solution to the Iranian nuclear problem and leaves open the possibility that political change will take place in Iran before its influence as a major global natural gas supplier grows. In addition, the long delay in the commerciality of Iranian gas means that Tehran will have trouble getting Asian pipelines to India or Pakistan off the ground with mutually acceptable terms, thereby reducing—for at least the time being—a potential source of tension between the United States and India.30

**escalates**

Robb 10/10 (Charles, B.A. from the University of Wisconsin–Madison, J.D. at the University of Virginia Law School, Charles Wald, Master of Political Science degree in international relations, Troy State University, Bipartisan Policy Center Board Member “The Price of Inaction: Analysis of Energy and Economic Effects of a Nuclear Iran,” October 10th, 2012, <http://bipartisanpolicy.org/sites/default/files/PriceofInaction.pdf>)

A nuclear Iran would immediately encounter another nuclear state—even if an undeclared one—in the region: Israel. Compared with the relative stability of the Cold War, an initial stalemate between Israel and Iran would be highly precarious at best and would also threaten the entirety of Gulf exports, although for a more limited duration. Were Iran to become nuclear, the frequency of crises and proxy conflicts between Iran and Israel would likely increase, as would the probability of such confrontations spiraling into a nuclear exchange, with horrendous humanitarian consequences. There could be an Israeli-Iranian nuclear exchange through miscalculation and/or miscommunication. There could also be a calculated nuclear exchange, as the Israeli and Iranian sides would each have incentives to strike the other first. Tehran would likely have the ability to produce only a small handful of weapons, whereas Israel is already estimated to possess more than 100 devices, including thermonuclear warheads far beyond the destructive power of any Iranian fission weapon. Under such circumstances, Iran’s vulnerability to a bolt-from-the-blue Israeli nuclear strike would actually increase its incentive to launch its own nuclear attack, lest its arsenal be obliterated. Israel’s small territorial size reduces the survivability of its second-strike capability and, more importantly, the survivability of the country itself, despite its vastly larger and more advanced arsenal. Thus, Israeli leaders might feel the need to act preventatively to eliminate the Iranian arsenal before it can be used against them, just as American military planners contemplated taking out the fledgling Soviet arsenal early in the Cold War, except that as a much smaller country Israel has far less room for maneuver. Xxvi