### 2NC – Solves Energy

#### CP solves 100% of case

#### Tribes would opt in and private entities would get on board

#### 1. Liability – Federal government takes responsibility – allays concerns from tribes and gets corporations on board – that’s Castro

#### 2. Solves Bureaucratic Red Tape - Reform solves- the counterplan has *Indian tribal leaders* present any mitigation efforts and not corp. and the federal government is tasked with determining its absence– inverses the power relation process- circumvents and solves administrative costs and burdens with environmental reviews – streamlines the approval process – gets rid of redundancy in the application process – this jumpstarts tribal interest and sends positive signals to investors

#### If we win this solves energy we solve the aff – all their impact evidence is about why renewables are good – no advantage based off of TERA itself means they can’t quantify a solvency deficit which means you err neg on the risk of our quantifiable DA impacts

#### CP reaffirms trust obligations – tribes would opt in

Kronk (1AC Author) 12—Assistant Professor, Texas Tech University School of Law (Elizabeth, Tribal Energy Resource Agreements: The Unintended "Great Mischief for Indian Energy Development" and the Resulting Need for Reform, 29 Pace Envtl. L. Rev. 811)

Despite Senator Campbell’s reaction to Senator Bingaman’s proposed amendment, a review of the legislative history related to this provision suggests that the majority of the commentators were concerned that the waiver of the federal government’s liability contained in the then-pending TERA provisions amounted to an abrogation of the federal government’s trust responsibility to federally recognized tribes. This concern, like the issues previously examined, has likely contributed to tribes’ unwillingness to enter into a TERA.

### 2NC – 1AC Solvency Ev

Their solvency author agrees the CP solves the aff

Kronk (1AC Author) 12—Assistant Professor, Texas Tech University School of Law (Elizabeth, Tribal Energy Resource Agreements: The Unintended "Great Mischief for Indian Energy Development" and the Resulting Need for Reform, 29 Pace Envtl. L. Rev. 811)

\*\*\*Above suggestion = AFF\*\*\*

**Should the above suggestion prove distasteful,** a second recommendation for reforming **the existing TERA provisions calls for reinstating federal liability** so as **to** hopefully **increase tribal participation in TERAs. This** second proposal **is also an improvement over the status quo** in that it will with any luck **alleviate tribal concerns** related to the federal government’s responsibility to tribes. Such a revision would arguably be consistent with the federal government’s trust responsibility to tribes. This is because the language that removes the federal government from liability under the TERA provisions “’undercuts the federal trust responsibility to Tribes by providing a waiver for the federal government of all liability from energy development.’” As such, “the ability to hold the federal government liable for breach is at the heart of its trust obligation toward tribes.” The waiver of federal governmental liability would, therefore, seem to be inconsistent with the federal trust obligation to tribes. Removing such a waiver would also allay the fears of some that “private entities such as energy companies will exploit tribal resources and take unfair advantage of tribes.” This is because the federal government would likely maintain a more active role in energy development under TERAs. **Moreover, this proposal would likely be consistent with a federal viewpoint, such as the one expressed by Senator Bingaman as discussed above, which envisions the federal government maintaining a significant role in Indian country. Congress apparently intended the TERA provisions to be consistent with the federal government’s trust responsibility to tribes. For example, one subsection of the TERA provisions refers specifically to the federal trust responsibility, affirming that the trust responsibility remains in effect. This provision mandates** that the Secretary “act in accordance with the trust responsibility of the United States relating to mineral and other trust resources” and “in good faith and in the best interests of the Indian tribes.” It also notes that with the exception of the waiver of Secretarial approval allowed through the TERA framework, the Indian Energy Act does not “absolve the United States from any responsibility to Indians or Indian tribes, including …those which derive from the trust relationship.” **In addition to apparent consistency with the federal trust responsibility, federal liability under the TERA provisions is appropriate given the federal government maintains a significant role in the development of energy within Indian country even under the TERA agreements**. For example, under the TERA provisions, the federal government maintains “inherently Federal functions.” Moreover, as discussed above, the federal government maintains a significant oversight role through the existing TERA provisions because it has a mandatory environmental review process that tribes must incorporate into TERAs. This failure to relinquish oversight to tribes ensures that the federal government will maintain a strong management role, even after a tribe enters into a TERA with the Secretary of the Interior. “According to the Preamble, the inclusion was attributable partly to the trust responsibility toward tribes and trust assets and partly to the DOI’s responsibilities, as spelled out in the Indian Energy Act, to determine a tribe’s capacity to carry out TERA activities and to undertake periodic reviews of a tribe’s TERA activities.” **Given the federal government maintains a substantial oversight role under the TERA provisions (which it views as being consistent with its federal trust responsibility), the federal government should remain liable for decisions made under TERAs**. In addition to the strong administrative role that the federal government would still play under approved TERAs, it also maintains an important role as tribal “reviewer”. Under the TERA provisions, the federal government must review the tribe’s performance under the TERA on a regular basis. **Although the existing TERA provisions certainly mark an increased opportunity for tribes to participate in decision-making related to energy development within Indian country, the federal government’s role remains significant.** The proposal to reinstate federal liability under the TERA provisions, therefore, recognizes the significant role that the federal government still plays under the existing TERA provisions. If Senator Bingaman’s viewpoint is any indication, Congress may be unwilling to relinquish federal oversight over energy development within Indian country. As a result, the first proposal for reform discussed above may prove to be unacceptable to Congress. Assuming this is the case, **this second proposal allows the federal government to maintain an oversight role in Indian county and, at the same time, reinstates the federal government’s liability.** **Based on the legislative history discussed above, reinstatement of the federal government’s liability would likely go a long way toward addressing many of the concerns raised by tribes in relation to the existing TERA provisions. In this way, this second proposal would also constitute an improvement over the status quo.**

#### 1AC author concludes the CP solves the aff

Kronk (1AC Author) 12—Assistant Professor, Texas Tech University School of Law (Elizabeth, Tribal Energy Resource Agreements: The Unintended "Great Mischief for Indian Energy Development" and the Resulting Need for Reform, 29 Pace Envtl. L. Rev. 811)

The historical relationship between the federal government and tribes is replete with examples of abuse and exploitation. The TERA provisions represent a rare opportunity for both the federal government and tribes to benefit from partnering together. Yet, the TERA provisions in their current configuration fail to induce such a beneficial partnership. By adopting one of the proposed reforms, Congress would take a significant step toward building a productive relationship with Indian country.

### 2NC – Liability Good – Exploitation

#### Federal liability is the only way to guarantee checks on exploitative corporate power

Reese 5 (April, "ENERGY POLICY: New federal law encourages tapping of Indian resources," Lexis)

Supporters of the measure, which was proposed by members of the Council of Energy Resource Tribes (CERT), say it will help tribes meet growing demand for energy both on and off the reservation. "Indian lands represent tremendous potential for economic advancement for the tribes that want to use those resources and develop them, and they represent an important energy supply to the rest of the country," said David Lester, executive director of CERT, adding that tribes can provide "far more" energy than the Arctic National Wildlife Refuge holds. Tribal populations are growing twice as fast as the general U.S. population and tribal economies are growing three times as fast as the national economy, Lester said. With almost all of the 562 federally recognized Indian tribes harboring some kind of energy resource, from wind, solar and biomass to coal and natural gas, tribes that choose to take advantage of the incentives in the new law can provide electricity and heat to their members, with plenty left over to sell to their non-tribal neighbors, he said. While only about 2 percent of the lands within the United States are tribally owned, lands on or adjacent to reservations contain more than 30 percent of its fossil energy sources, Lester said. Supporters, which include the National Congress of American Indians, say giving Indian tribes more control over their resources is a good idea, especially since the federal government has not been a good steward of tribal lands in the past. Several tribes have wrangled in court with the Interior Department and energy companies over what they contend are paltry royalty payments for resources extracted from their lands. A major case involving the federal government's alleged mishandling of tribal energy revenues is still pending in federal court. The new law, Lester and others say, will help avoid such problems by giving tribes greater say over energy development on their lands. 'Culture at stake' But critics of the new law say not all tribes are ready for that kind of responsibility. They fear it will **allow energy companies** to **take advantage** of tribes that are energy-rich but lack the governing capacity to ensure they are getting a fair deal. Clayton Thomas-Muller, native energy organizer at the Indigenous Environmental Network, said some tribes also do not have the institutional and enforcement mechanisms needed to guarantee that their resources will be developed responsibly. The law essentially allows the federal government to **abandon its trust responsibility** to the tribes, which is intended to **prevent unfair treatment of tribes** by **outside entities such as energy companies**, he said. "Yes, there are tribes that have those resources -- the lawyers, the scientists, the capacity to do what they need to do -- but there are hundreds that don't and are being set up to fail," Thomas-Muller said. "This energy bill basically takes us back 100 years, allowing corporations to exploit tribes that are still reeling from the impacts of **colonization** and dealing with different socioeconomic situations." The law encourages development of conventional energy resources like coal, natural gas and oil, which could scar tribal lands and undermine native ways of life, while bringing very little benefit to the tribes, he added. "Our very culture is at stake here," Thomas-Muller said. "To further destroy our land, our air, and our water for short-term economic solutions is not economic development, and it sets up our unborn generations for a very hard life." Lester emphasized that the new incentives will encourage the development of renewables like wind and solar, which are even more abundant on Indian lands than conventional, fossil-based resources. And the measure is voluntary, he added, noting that tribes can choose not to develop their resources, and those that do can choose to continue using NEPA instead of crafting their own regulatory framework. "This law strengthens each tribe's hand to use [energy] resources the way they want to use them," he said. "If they have coal resources but don't want to develop them, there's nothing that says they have to." And the law also seeks to ensure that tribes are capable of regulating energy development themselves before handing over the reins to them. When considering whether to approve a tribal energy resource agreement, the secretary of Interior must determine that the tribe "has demonstrated that the Indian tribe has sufficient capacity to regulate the development of energy resources of the Indian tribe," according to the law. Obstacles Bob Gough, secretary of the Intertribal Council on Utility Policy, which promotes renewable energy development on tribal lands, characterized the measure as "a good start" but said some of the timelines for implementing its provisions appear to be unrealistic. For instance, it will likely take tribes six months or more to set up a system to sell clean energy bonds and funds to support that effort are not likely to be available until fiscal year 2007. But the provision expires at the end of 2007, he said. "There are a whole lot of new procedures," Gough said. "It's not going to happen overnight. There aren't a lot of tribes who will take advantage of this quickly." Tribal leaders, Interior officials and energy industry representatives will meet Monday in Chicago to discuss what the new law means and how to implement it, Gough said. Lizana Pierce, with DOE's tribal energy program in Golden, Colo., said the law has the potential to help tribes develop their resources, but that it will mean little unless Congress provides the funding to implement it. "There's a whole cadre of deadlines," she said. "But at least on the DOE side, there's no funds." Lester said the CERT tribes plan to "work our tails off" to convince lawmakers to back the law with appropriate funding levels, most likely through the Interior and Energy appropriations bills for fiscal year 2007. "We have a lot of work ahead of us," Lester said. Southwest reporter April Reese is based in Santa Fe, N.M.

The plan removes the only check against exploitive corporations – the CP reaffirms that commitment

Kronk (1AC Author) 12—Assistant Professor, Texas Tech University School of Law (Elizabeth, Tribal Energy Resource Agreements: The Unintended "Great Mischief for Indian Energy Development" and the Resulting Need for Reform, 29 Pace Envtl. L. Rev. 811)

As an alternative, a second recommendation for reforming the existing TERA provisions would call for **reinstatement of federal liability** so as to increase tribal participation in TERAs. This second proposal is also an improvement over the status quo in that it will (with any luck) alleviate tribal concerns related to the federal government’s responsibility to tribes. Such a revision would arguably be **consistent with the federal government’s trust responsibility** to tribes. As “the ability to hold the federal government **liable for breach** is at the heart of its trust obligation toward tribes,”163 the waiver of federal governmental liability seems to be **inconsistent** with this federal trust obligation. Removing the waiver would also allay fears that “private entities such as energy companies will exploit tribal resources and take unfair advantage of tribes.”164 This is because the federal government would likely **maintain a more active role in energy development** under TERAs. Moreover, this proposal would likely be consistent with the federal viewpoint, such as the one expressed by Senator Bingaman, which envisions the federal government maintaining a significant role in Indian country. Congress apparently intended the TERA provisions to be consistent with the federal government’s trust responsibility to tribes. For example, one subsection of the TERA provisions refers specifically to the federal trust responsibility, affirming that the trust responsibility remains in effect. This provision mandates that the Secretary “act in accordance with the trust responsibility of the United States relating to mineral and other trust resources . . . in good faith and in the best interests of the Indian tribes.” It also notes that with the exception of the waiver of Secretarial approval allowed through the TERA framework, the Indian Energy Act does not “absolve the United States from any responsibility to Indians or Indian tribes, including . . . those which derive from the trust relationship.”165

### 2NC – Exploit DA – Turns Case

#### Turns the entire aff – CP key to reform institutions that shield indigenous cultures from coercive market forces

Mills 11 (Andrew D, Energy and Resources Group at UC Berkeley, Wind Energy in Indian Country: Turning to Wind for the Seventh Generation,")

To allow the market mechanism to be the **sole director** of the fate of human beings and their natural environment… would result in the demolition of society…. [Labor] cannot be shoved about, used indiscriminately, or even left unused without affecting also the human individual who happened to be the bearer of that particular commodity. In disposing of a man’s labor power the system would incidentally, dispose of the physical, psychological, and moral entity ‘man’ attached to that tag. Robbed of the protective covering of cultural institutions, human beings would **perish** from the **effects of social exposure**; they would **die** as the **victims** of acute **social dislocation** through vice, perversion, crime, and starvation. Nature would be reduced to its elements, neighborhoods and landscapes defiled, rivers polluted…, the power to produce food and raw materials destroyed (Karl Polanyi quoted in Block 2001, 75-6). Polanyi argues that there is a moral impediment to disembedding the economy from society. It is simply wrong to treat nature and human beings as objects whose value is determined entirely by the market. Subordinating the organization of nature and human beings to market forces **violates principles** that have governed societies for centuries: nature and human life have almost always been recognized as having a sacred dimension (Block 2001, xvii – xxxix). In trying to understand the impacts of energy development on families that were directly impacted by energy development on the Navajo Nation, a group of anthropologists in the early 1980’s applied enthoscience methods to unearth the social impacts of energy development. Instead of applying a cost benefit analysis approach whereby the economic value of the social costs were compared to the economic benefits of energy development, the researchers recognized that they must **begin** with a **framework** that **allows** for some **costs to a way of life to not have a simple monetary value**. Essentially they recognized that what determines the quality of life in not always based on the monetary value of resources. Instead, if energy development were to occur and cause impacts, certain mitigating steps would need to be in place to prevent severe deterioration in the way of life for families impacted by energy development. The researchers evaluated the impacts by first establishing the possible costs to the way of life. Then instead of looking at benefits to offset the costs, they evaluated possible mitigations to the costs that would be required before the impacted families could even begin to assess any benefits that would accompany energy development (Schoepfle et al. 1984, 887-8).

### 2NC – Exploit DA – Impact

The plan ensures private companies exploit indigenous communities

Awehali 6 (Brian, "# 25 Who Will Profit from Native Energy?," http://www.projectcensored.org/top-stories/articles/25-who-will-profit-from-native-energy/)

America’s native peoples may attain a modicum of energy independence and tribal sovereignty through the development of wind, solar, and other renewable energy infrastructure on their lands. But, according to Brian Awehali, it won’t come from getting into bed with, and **becoming indebted to**, **the very industry currently driving the planet to its doom.** UPDATE BY Brian Awehali I believe the topic of this article was important and urgent because sometimes all that glitters really is gold, even if the marketing copy says it’s green. The long and utterly predictable history where indigenous peoples and US government and corporate interests are both concerned **shouldn’t be forgotten** as we enter the brave new green era. Marketing for-profit energy schemes on Indian lands as a means of promoting tribal sovereignty is both **ludicrous and offensive**, as are “green” development plans intrinsically tied to the extraction of fossil fuels in the deregulated Wild West of Indian Country. Energy companies are only interested in native sovereignty because it means operations on Indian lands are not subject to federal regulation or oversight. This is why I included a discussion in my article about the instructive example of the Alaska tribal corporations and the ways they’ve mutated into multi-billion dollar loophole exploiters. (My brief examination of Alaska tribal corporations drew heavily from an excellent Mother Jones article, “Little Big Companies,” by Michael Scherer). It’s also my belief that the probably well-intentioned idea of “green tags,” carbon offset credits, and market-enabled “carbon neutrality” should be examined very closely: Why are we introducing systems for transferring (or trading) the carbon emissions of “First World” polluters to those who contributed least to global warming? I would argue that this is merely a nice-sounding way for the overdeveloped world to purchase the right to continue its **pathologically unsustainable mode of existence**, while doing little to address the very grave ecological realities we now face.

#### Using renewable energy as a front for economic sovereignty merely opens the land to further exploitation big business, turning the case

Lindgren 06

Suzanne, “Native Power Struggles”, Utne Reader, 11/16/06, http://www.utne.com/2006-11-01/NativePowerStruggles.aspx

None of us seem to know where our energy fix will come from after the oil wells run dry. Solar, wind, and hydroelectric power are all options, and the government and energy industry have cast an **eye on Native American soil as ground** to experiment with alternative energy. But these lands are also flush with oil, coal, and natural gas, causing some to wonder if **space for turbines is all they want**. According to a piece by Brenda Norrell in [Indian Country Today](http://www.indiancountry.com/search.cfm?category=0&cookie=yes&category2=0&author=0&phrase=Federal%20energy%20bill,%20economic%20opportunity%20or%20Bush), the 2005 Energy Policy Act encourages investment in renewable energy on reservations through 'incentives' and looser federal restrictions on tribe's lands. And though supporters say business investments will increase Native American sovereignty, economic development, and the expansion of renewable energy sources, critics point out that the energy bill also withdraws important government protections on the land, which could **enable big business to exploit native territories**. In [LiP Magazine](http://www.lipmagazine.org/articles/featawehali_nativefutures.htm), Brian Awehali writes that the US government and energy industry may not mind erecting a few wind turbines on tribal territory if it means they also get access to the other fuel sources locked up in those lands. As Awehali notes, one section in Title V of the 2005 Energy Policy Act gives the government 'power to grant rights of way through Indian lands without permission from Indian tribes, if deemed to be in the strategic interests of an energy-related project.' And Clayton Thomas-Muller, organizer of the [Indigenous Environment Network's Native Energy Campaign](http://www.ienearth.org/energy.html), claims that in addition to eliminating the protections of the National Environmental Policy Act and the National Historic Preservation Act, the new act promotes sending nuclear waste to Indian lands and mining more uranium from them. ''As usual,' a former tribal chairman tells Indian Country Today, 'energy companies will kill our pig, skin it, take the meat - mostly at government expense - and leave us with bones and hooves.''

### Laundry List

#### Democratic checks prevent their impact from escalating

O’Kane ‘97 (“Modernity, the Holocaust, and politics”, Economy and Society, February, ebsco)

Chosen policies cannot be relegated to the position of immediate condition (Nazis in power) in the explanation of the Holocaust. Modern bureaucracy is not ‘intrinsically capable of genocidal action’ (Bauman 1989: 106). Centralized state coercion has no natural move to terror. In the explanation of modern genocides it is chosen policies which play the greatest part, whether in effecting bureaucratic secrecy, organizing forced labour, implementing a system of terror, harnessing science and technology or introducing extermination policies, as means and as ends. As Nazi Germany and Stalin’s USSR have shown, furthermore, those chosen policies of genocidal government turned away from and not towards modernity. The choosing of policies, however, is not independent of circumstances. An analysis of the history of each case plays an important part in explaining where and how genocidal governments come to power and analysis of political institutions and structures also helps towards an understanding of the factors which act as obstacles to modern genocide. But it is not just political factors which stand in the way of another Holocaust in modern society. Modern societies have not only pluralist democratic political systems but also economic pluralism where workers are free to change jobs and bargain wages and where independent firms, each with their own independent bureaucracies, exist in competition with state-controlled enterprises. In modern societies this economic pluralism both promotes and is served by the open scientific method. By ignoring competition and the capacity for people to move between organizations whether economic, political, scientific or social, Bauman overlooks crucial but also very ‘ordinary and common’ attributes of truly modern societies. It is these very ordinary and common attributes of modernity which stand in the way of modern genocides.

#### There’s always value to life

Frankl (Holocaust Survivor) 46 (Victor Frankl, Professor of Neurology and Psychiatry at the University of Vienna, Man’s Search for Meaning, 1946, p. 104)

But I did not only talk of the future and the veil which was drawn over it. I also mentioned the past; all its joys, and how its light shone even in the present darkness. Again I quoted a poet—to avoid sounding like a preacher myself—who had written, “Was Dii erlebst, k,ann keme Macht der Welt Dir rauben.” (What you have experienced, no power on earth can take from you.) Not only our experiences, but all we have done, whatever great thoughts we may have had, and all we have suffered, all this is not lost, though it is past; we have brought it into being. Having been is also a kind of being, and perhaps the surest kind. Then I spoke of the many opportunities of giving life a meaning. I told my comrades (who lay motionless, although occasionally a sigh could be heard) that human life, under any circumstances, never ceases to have a meaning, and that this infinite meaning of life includes suffering and dying, privation and death. I asked the poor creatures who listened to me attentively in the darkness of the hut to face up to the seriousness of our position. They must not lose hope but should keep their courage in the certainty that the hopelessness of our struggle did not detract from its dignity and its meaning. I said that someone looks down on each of us in difficult hours—a friend, a wife, somebody alive or dead, or a God—and he would not expect us to disappoint him. He would hope to find us suffering proudly—not miserably—knowing how to die.

#### No root cause

Goldstein 2 Joshua S., Professor Emeritus of International Relations, American University (Washington, DC) Research Scholar, University of Massachusetts and Nonresident Sadat Senior Fellow, CIDCM, University of Maryland War and Gender , P. 412 2k2

First, peace activists face a dilemma in thinking about causes of war and working for peace. Many peace scholars and activists support the approach, “if you want peace, work for justice”. Then if one believes that sexism contributes to war, one can work for gender justice specifically (perhaps among others) in order to pursue peace. This approach brings strategic allies to the peace movement (women, labor, minorities), but rests on the assumption that injustices cause war. The evidence in this book suggests that causality runs at least as strongly the other way. War is not a product of capitalism, imperialism, gender, innate aggression, or any other single cause, although all of these influences wars’ outbreaks and outcomes. Rather, war has in part fueled and sustained these and other injustices.  So, “if you want peace, work for peace.” Indeed, if you want justice (gener and others), work for peace. Causality does not run just upward through the levels of analysis from types of individuals, societies, and governments up to war. It runs downward too. Enloe suggests that changes in attitudes toward war and the military may be the most important way to “reverse women’s oppression/” The dilemma is that peace work focused on justice brings to the peace movement energy, allies and moral grounding, yet, in light of this book’s evidence, the emphasis on injustice as the main cause of war seems to be empirically inadequate.

#### This is particularly true for policymakers

Ignatieff 4 (Michael, Carr Professor of Human Rights @ Harvard, Lesser Evils, p. 18-19)

As for moral perfectionism, this would be the doctrine that a liberal state should never have truck with dubious moral means and should spare its officials the hazard of having to decide between lesser and greater evils. A moral perfectionist position also holds that states can spare their officials this hazard simply by adhering to the universal moral standards set out in human rights conventions and the laws of war. There are two problems with a perfectionist stance, leaving aside the question of whether it is realistic. The first is that articulating nonrevocable, nonderogable moral standards is relatively easy. The problem is deciding how to apply them in specific cases. What is the line between interrogation and torture, between targeted killing and unlawful assassination, between preemption and aggression? Even when legal and moral distinctions between these are clear in the abstract, abstractions are less than helpful when political leaders have to choose between them in practice. Furthermore, the problem with perfectionist standards is that they contradict each other. The same person who shudders, rightly, at the prospect of torturing a suspect might be prepared to kill the same suspect in a preemptive attack on a terrorist base. Equally, the perfectionist commitment to the right to life might preclude such attacks altogether and restrict our response to judicial pursuit of offenders through process of law. Judicial responses to the problem of terror have their place, but they are no substitute for military operations when terrorists possess bases, training camps, and heavy weapons. To stick to a perfectionist commitment to the right to life when under terrorist attack might achieve moral consistency at the price of leaving us defenseless in the face of evildoers. Security, moreover, is a human right, and thus respect for one right might lead us to betray another.

#### Structural violence makes the perfect the enemy of the good—Preventing war is a good thing

Coady ‘7

(C.A.J, Australian philosopher with an international reputation for his research in both epistemology and political and applied philosophy, Morality and Political Violence, pg. 28, 2007, Cambridge University Press)

First, let us look briefly at the formulation of his definition, which has some rather curious features. It seems to follow from it that a young child is engaged in violence if its expression of its needs and desires is such that it makes its mother and/or father very tired, even if it is not in any ordinary sense “a violent child” or engaged in violent actions. Furthermore, I will be engaged in violence if, at your request, I give you a sleeping pill that will reduce your actual somatic and mental realisations well below their potential, at least for some hours. Certainly some emendation is called for, and it may be possible to produce a version of the definition that will meet these difficulties (the changing of “influenced” to “influenced against their will” might do the job, but at the cost of making it impossible to act violently toward someone at their request, and that doesn’t seem to be impossible, just unusual). I shall not dwell on this, however, because I want rather to assess Galtung’s reason for seeking to extend the concept of violence in the way he does. His statement of the justification of his definition is as follows: “However, it will soon be clear why we are rejecting the narrow concept of violence according to which violence is somatic incapacitation, or deprivation of health, alone (with killing as the extreme form), at the hands of an actor who intends this to be the consequence. If this were all violence is about, and peace is seen as its negation, then too little is rejected when peace is held up as an ideal. Highly unacceptable social orders would still be compatible with peace. Hence an extended concept of violence is indispensable but the concept should be a logical extension, not merely a list of undesirables.”16 So, for Galtung, the significance of his definition of violence lies in the fact that if violence is undesirable and peace desirable, then if we draw a very wide bow in defining violence we will find that the ideal of peace will commit us to quite a lot. Now it seems to me that this justification of the value of his definition is either muddled or mischievous (and just possibly both). If the suggestion is that peace cannot be a worthy social ideal or goal of action unless it is the total ideal, then the suggestion is surely absurd. A multiplicity of compatible but non-inclusive ideals seems as worthy of human pursuit as a single comprehensive goal, and, furthermore, it seems a more honest way to characterize social realities. Galtung finds it somehow shocking that highly unacceptable social orders would still be compatible with peace, but only the total ideal assumption makes this even surprising. It is surely just an example of the twin facts that since social realities are complex, social ideals and ills do not form an undifferentiated whole (at least not in the perceptions of most men and women), and that social causation is such that some ideals are achievable in relative independence from others. Prosperity, freedom, peace, and equality, for instance, are different ideals requiring different characterisations and justifications, and although it could be hoped that they are compatible in the sense that there is no absurdity in supposing that a society could exhibit a high degree of realization of all four, concrete circumstances may well demand a trade-off amongst them–the toleration, for example, of a lesser degree of freedom in order to achieve peace, or of less general prosperity in the interests of greater equality.

#### Subjective violence is worse—creates psychological violence that is irreparable and distinct from structural violence

Linden ’12 (Harry van der, Butler University, “On the Violence of Systemic Violence: A Critique of Slavoj Zizek”, 1-1-2012, <http://digitalcommons.butler.edu/cgi/viewcontent.cgi?article=1249&context=facsch_papers&sei-redir=1&referer=http%3A%2F%2Fwww.google.com%2Furl%3Fsa%3Dt%26rct%3Dj%26q%3Dstructural%2520violence%2520coady%26source%3Dweb%26cd%3D6%26ved%3D0CEUQFjAF%26url%3Dhttp%253A%252F%252Fdigitalcommons.butler.edu%252Fcgi%252Fviewcontent.cgi%253Farticle%253D1249%2526context%253Dfacsch_papers%26ei%3D445nUNPLGon49QTQpoHIBA%26usg%3DAFQjCNHAtwi4GF88kWuuxN3ymbIA8Y3Ggw#search=%22structural%20violence%20coady%22>)

The “force” at the endpoint of the process of subjective violence, however, stays in place whether the violence is technologically mediated or not, and this force leads to a much more narrow range of harms inflicted by subjective violence than is caused by systemic violence. The harms of subjective violence are death, bodily harms, and acute psychological malfunctioning caused by “force,” while social injustice or systemic violence leads to such a wide variety of harms as social and political exclusion, inadequate intellectual development due to insufficient educational opportunities, harsh working conditions, subsistent wages, lack of free time and recreational opportunities, inadequate housing or no housing at all, lack of basic medical care, hunger, and inadequate access to clean water. We have noted that the degree of permitted counter-violence should vary with the seriousness of the violent threat and the culpability of the perpetrator, and that from this perspective much counter-violence in our society is disproportionate or excessive. Some of the harms of systemic violence (e.g., restricted educational opportunities) are such that revolutionary violence as counter-violence would be disproportionate, especially since revolutionary violence may easily escalate and inevitably include seriously harming people with limited moral responsibility. Other harms caused by poor institutions, though, such as serious illness, starvation, or a much-reduced lifespan, are such that they meet the bar set by proportionality. What should be taken into account in making such proportionality judgments is that subjective violence tends to have a different psychological impact on its victims than systemic violence, even when their respective harms are otherwise equally bad or even similar in kind. Only subjective violence tends to come suddenly to its victims, often leaving them in fear, shock, paralysis, and helplessness. What adds to their trauma is the very realization that another human being is intent on physically harming or killing them, disrupting the everyday trust in minimal human decency and cooperation. So, for example, even a preventable industrial accident that occurs due to infrequent safety inspections as an instance of systemic violence will have a different psychological impact on a mining community than a brutal attack by the mine owner’s private army against a peaceful protest of his workers in support of greater mine safety. Much systemic violence can be integrated into everyday life, but the same is much more difficult to do with regard to most subjective violence. It is this very fact that makes oppressive political violence so often effective in the short run. But, again, the differences here between subjective and systemic violence are less pronounced when subjective violence becomes impersonally or “bureaucratically” executed, as, for example, in penal violence (what happens during an execution provides a good illustration) and strategic bombing (assuming that the bombing campaigns remain limited in scope and frequency). This brings me to the most crucial distinction – for my purpose here – between systemic and subjective violence: the range of options available to the victims in addressing the former are much greater than for the latter. Once the clubs come down or the bullets fly in political protest, the choice is to flee and capitulate, fight back, or hope that nonviolent sacrifice will cease the violence. Similarly, once a war of aggression is under way the basic choice is to fight back or surrender and then hope that a massacre will not follow. Surrender does not preclude nonviolent resistance to the aggressor, but it means at least that the aggressor has been initially successful in imposing his political will. In cases of political violence, the intention of the perpetrator is typically to impose his political will, restricting the options of the victims by making resistance to this will very costly. Personal violence might not have such coercive intent, but similar limited action options are in place. Basically, once an individual attacks you personally, the choice is to fight back or hope that the cheek is not hit too hard when it is turned. In my view, fighting back, or counter-violence, is a prima facie right, but to make its actual execution morally right presumes that other moral standards are satisfied, such as proportionality in the case of individual counter-violence and jus ad bellum and jus in bello standards (or approximations thereof) in the case of collective violence. The mere fact of systemic violence, to the contrary, does not warrant counter-violence; for social injustice can be effectively addressed in many different ways, including through institutional reforms from within, nonviolent protests, boycotts, collective strikes, lobbying, and electoral action. Even when social injustice can only be addressed through revolutionary change, counter-violence is not prima-facie warranted because it might be disproportionate. More importantly, it might not be necessary because it has become abundantly clear during the past few decades that nonviolence strategies can be remarkably successful in overthrowing oppressive regimes and the recent emergence of the global public sphere will only increase the chance of success of future endeavors. However, once the struggle for social justice is met by widespread violence inflicted, or supported, by the state, revolutionary counter-violence is prima facie morally right. Broadly speaking, the ethics of self-defense retains its moral force in light of the fact that nonviolence has not proven to be effective against agents who have no qualms unleashing subjective violence. No doubt, these are all difficult moral issues that should be carefully discussed and placed within their historical context. But all too often this does not happen in Žižek’s work, especially in Violence, and what we find instead is the claim that systemic violence rightfully begets subjective violence because it projects violence. This claim has only a ring of plausibility when we neglect that the two types of violence in this equation create very different ranges of options for remedial action. A more critical use of the concept of violence would not enable him to offer such a broad and facile justification of revolutionary violence. To avoid misunderstanding, I am not claiming that the notion of systemic violence necessarily leads to a broad and superficial justification of revolutionary violence. Galtung, for example, does not make such an inference. However, one must then ask why the inference is not appropriate since it is commonly accepted that counter-violence against wrongful violence is justified. This means that one must show how systemic violence differs from subjective violence so that counter-violence is generally only prima facie just with regard to the latter. I 18 suspect that once such differences are articulated (as I have tried to do in this paper) the notion of systemic violence loses much of its credibility. At any rate, the proponent of the notion of systemic violence should at least caution or clarify that our typical emotive and moral responses to subjective violence might not apply to systemic violence. The proponent also should outline some convincing limits on extending the core concept of violence because without such limits, as will become clear in the next section, we might end up with more conceptual and practical confusion and questionable support of revolutionary violence.

### 2NC Util OV

Aim at the lesser evil and not the absolute good

judged by his motives, Robespierre was one of the most virtuous men who ever lived

political realism requires a sharp distinction between the desirable and the possible

political ethics judges action by its political consequences

To say we shouldnt learn politics because we dont have our hands on the levers of power is the equivilant of of saying we shouldn't learn science because we aren't hired scientist- idiotic and imprudent

### 2NC Ext

#### Status quo regs solve every one of their warrants for why the plan is key-

#### First, solves empowerment- requires the feds to defer to tribes on all issues like leasing values

#### Second, solves leasing- gives tribes control over their own leasing regulations, means there’s no sovereign domination over local decisionmaking

#### This solves 100% of the AFF- both 1NC cards say that the regs were done in direct consultation with Native groups- proves that these are the solutions that they want, means the plan is unnecessary and undesirable

#### These policies had strong tribal support- deference now solves the impact

**DOI ’12** [Department of Interior, “Residential, Business, and Wind and Solar Resource Leases on Indian Land,” http://www.doi.gov/news/pressreleases/loader.cfm?csModule=security/getfile&pageid=331947]

Many tribes and tribal organizations stated that they generally supported the ¶ proposed rule, and that the proposed rule was a significant improvement over the ¶ previous draft (which was released for consultation) because it more accurately reflected ¶ the intent of BIA to streamline and expedite the leasing process, advance economic ¶ development, and spur renewable energy development. Tribes stated that they supported ¶ the steps BIA took in the proposed rule to recognize tribal sovereignty and tribes’ ¶ achievements in terms of their ability to manage their own affairs on critical leasing ¶ issues. Tribes were particularly supportive of provisions for tribal waiver of appraisals, 11¶ deadlines for BIA action, and BIA’s deference to the Indian landowners’ determination ¶ that the lease is in their best interest. ¶ While tribes supported the proposed rule overall, they had suggestions for ¶ improvement, which are summarized below. A tribal organization stated, broadly, that ¶ the regulations should better reflect an updated concept of trust responsibility that defers ¶ to tribes in financial matters. We have reviewed the regulation to ensure that the final ¶ rule requires BIA to defer to tribes in all possible cases, consistent with our trust ¶ responsibility. ¶ One tribe suggested we review the regulation to reconsider each and every ¶ regulatory burden it imposes. Likewise, another tribe asked that we review the regulation ¶ to ensure tribes’ sovereign rights are recognized. We followed these recommendations ¶ and have deleted regulatory burdens that are not necessary for BIA to meet its statutory ¶ and trust responsibilities and have included provisions supporting tribes’ sovereign rights.

#### More evidence- status quo solves all of the aff

**DOI ’12** [Department of Interior, “Salazar Finalizes Reforms to Streamline Leasing, Spur Economic Development on 56 Million Acres of American Indian Trust Land,” 11-27-12, http://www.doi.gov/news/pressreleases/salazar-finalizes-reforms-to-streamline-leasing-spur-economic-development-on-56-million-acres-of-american-indian-trust-land.cfm]

As part of President Obama’s commitment to empower tribal nations and strengthen their economies, Secretary of the Interior Ken Salazar and Assistant Secretary for Indian Affairs Kevin K. Washburn today announced final regulations that will streamline the leasing approval process on Indian land, spurring increased homeownership, and expediting business and commercial development, including renewable energy projects.¶ The comprehensive reform, informed by nation-to-nation tribal consultations and public comment, overhauls antiquated regulations governing the Bureau of Indian Affairs’ process for approving the surface leases on lands the federal government holds in trust for Indian tribes and individuals. As trustee, Interior manages about 56 million surface acres in Indian Country.¶ “This reform will expand opportunities for individual landowners and tribal governments to generate investment and create jobs in their communities by bringing greater transparency and workability to the Bureau of Indian Affairs leasing process,” Secretary Salazar said. “This final step caps the most comprehensive reforms of Indian land leasing regulations in more than 50 years and will have a lasting impact on individuals and families who want to own a home or build a business on Indian land.”¶ “This reform is about supporting self-determination for Indian Nations and was developed in close consultation with tribal leaders,” said Assistant Secretary Washburn. “The streamlined, commonsense rule replaces a process ill-suited for economic development of Indian lands and provides flexibility and certainty to tribal communities and individuals regarding decisions on the use of their land.”¶ The new rule complements and helps to implement the recently-passed Helping Expedite and Advance Responsible Tribal Homeownership Act (HEARTH Act), which allows federally recognized tribes to assume greater control of leasing on tribal lands. The HEARTH Act was signed into law by President Obama on July 30, 2012.¶ Previous BIA regulations, established in 1961, are outdated and unworkable in today’s economy. They lacked a defined process or deadlines for review, which resulted in simple mortgage applications often languishing for several years awaiting approval from the federal government. These types of delays have been significant obstacles to homeownership and economic development on tribal lands.¶ The new regulation, effective 30 days after publication in the Federal Register, will fundamentally change the way the BIA does business, in many ways by minimizing BIA’s role and restoring greater control to tribal governments. The final rule provides clarity by identifying specific processes – with enforceable timelines – through which the BIA must review leases.¶ The regulation also establishes separate, simplified processes for residential, business, and renewable energy development, rather than using a “one-size fits all” approach that treats a lease for a single family home the same as a lease for a large wind energy project.¶ The new process provides a 30 day-limit for the BIA to issue decisions on residential leases, subleases, and mortgages. For commercial or industrial development, the BIA would have 60-days to review leases and subleases. If the BIA does not complete its review of subleases in this timeframe, those agreements will automatically go into effect.¶ The new rule increases flexibility in compensations and land valuations, with BIA deferring to the tribe’s negotiated value for a lease of tribal land rather than requiring additional, costly appraisals. Other changes eliminate the requirement for BIA approval of permits for certain short-term activities on Indian lands, and supports landowner decisions regarding the use of their land by requiring the BIA to approve leases unless it finds a compelling reason to disapprove.

### Energy Investment Low

#### Energy venture capitalist are dead now- no investment- they are SCARED AWAY FROM GOVERNMENTS

WSJ 12/27 (Wall Street Journal, “Silicon Valley's Green Energy Mistake Political venture capital turns out to be a loser.”, [http://online.wsj.com/article/SB10001424127887323401904578159660625274422.html#](http://online.wsj.com/article/SB10001424127887323401904578159660625274422.html), December 27, 2012)

Silicon Valley's investment wizards are fleeing the so-called green economy, and not a moment too soon for American prosperity. As painful as the era of enviro-investing has been for taxpayers and shareholders, there's an emerging silver lining. It's likely that in 2013 fewer people will spend their time trying to turn political projects into companies. A recent survey from our corporate cousins at Dow Jones VentureSource and the National Venture Capital Association finds that "clean technology" is inspiring pessimism among venture capitalists. Fully 61% expect less clean-tech investment in 2013 compared to 2012. On the flip side, a majority expect more investment next year in business information technology, a traditional U.S. economic strength. Fisker Automotive co-founder Henrik Fisker, left, and CEO Tony Posawatz in Los Angele in November. The survey reflects a natural and healthy shift in Silicon Valley. Talent and resources are moving back to the technologies that gave the valley its name—and away from trendy eco-projects that failed. When Silicon Valley was committed to addressing market needs, it enriched the world with Intel, Apple, Google GOOG -0.89% and Cisco. When venture investors tried to profit from political agendas, they saddled taxpayers with stinkers like Abound Solar, Range Fuels and the infamous Solyndra, which went bust last year after receiving more than half a billion dollars in federal loans. Success has proven elusive even for the smartest guys in the solar-heated room. Five years after Al Gore joined the prestigious venture-capital firm Kleiner Perkins to back environmentally correct companies, the collaboration has yielded few successful exits for Mr. Gore and his partners, along with some spectacular disasters. This week brought further embarrassment for a Kleiner-backed and taxpayer-subsidized project called Fisker Automotive. In an interview with Delaware's News Journal, the head of the state's economic development office, Alan Levin, discussed the $21.5 million that was provided by the state in return for a Fisker promise to build green cars there. "All we want are the jobs or our money back," Mr. Levin told the newspaper. Fisker, an electric-car maker, is currently not making any cars due to various design and production problems. Last year the Department of Energy stopped lending money to Fisker after the company missed development deadlines, but federal taxpayers were already on the hook for more than $190 million. Fisker's problems have lately been exacerbated by the October bankruptcy of a key supplier, A123 Systems, AONEQ -4.76% which also received federal loans. Last week another green company backed by Kleiner, Glori Energy, withdrew its plans for an initial public offering (IPO), blaming poor market conditions. Perhaps Glori will be able to go public next year, and IPOs are a great way for venture investors to cash out of an investment, but Kleiner has enjoyed very few of them in its clean-tech portfolio.

#### Investment occurs in China over America

Tian 12/28 (Major Tian, Author is a Reuters contributor, “Clean tech ventures find a warm reception in China”, <http://www.reuters.com/article/2012/12/28/us-china-cleantech-idUSBRE8BR0E420121228>, December 28, 2012)

For American cleantech companies, there's just one country that matters most: China. After years of massive growth that took a heavy toll on the environment and natural resources, China now has an ambitious plan to tackle its energy needs by developing clean energy alternatives. Still, for so-called "cleantech" companies, accessing the market and setting up shop there is no easy task. That's where Fred Chang comes in. A senior China advisor to Cleantech Group, a San Francisco-based consulting group, as well as a long-time investor in Asia's cleantech industry, Chang compares himself to the Sherpa, a Tibetan tribe that helps foreign mountaineers conquer Everest. With the right partners, Chang said, the rewards for foreign cleantech companies in China are big. According to a report by Bloomberg New Energy Finance, new clean energy investment in China has surged in the second and third quarter this year, surpassing the U.S. by $7.9 and $7.5 billion respectively. "The Chinese public is not criticizing the government for supporting cleantech companies; they're encouraging it to do more," Chang said. The Obama administration has been under fire for some high profile failures of federally supported cleantech ventures, such as solar company Solyndra and car battery maker A123. In its recent five-year plan, China aims to cut its carbon dioxide emission per unit of GDP by 17% by 2015. The plan also has a focus on the development of what some observers call the "new magic seven," namely seven "emerging strategic industries", including biotechnology, high-end manufacturing and new energy, which are deemed to be the driver of China's future growth. "The government knows it's (environmental) problems, and the policies are clear and consistent," Chang said. "It won't be like in the U.S, where the Congress has to renew some programs every few years." For the last two years, Chang's firm has helped American cleantech companies come to China by providing week-long tours aimed to help entrepreneurs build contacts, learn about the business landscape and find investments. "China is a market where there's a desire to move fast," because of its urgent sustainability issues, said Richard Youngman, Europe and Asia managing director of Cleantech Group. "But there's a tech gap between what's available locally and what they want to achieve." And that's the gap the Cleantech Group hopes to bridge. "It's the most efficient business trip I've been on," said Frank Magnotti, one of the eight CEOs (three of whom are from Europe, five are from the U.S.) that took the tour last month. His New Jersey-based company, Fluitec, develops technology to monitor and control the quality of lubricants in rotating machinery, which are widely used in power plants, wind mills and steel refineries. Fluitec already has an office in China, but its main customers are foreign enterprises operating there. "As an entry point, it's easier, but you can't just rely on foreign companies," Magnotti said, adding that during the trip, the group met with lawyers and accountants, who helped him understand more about doing business in China. He also met with potential customers and interested investors. Atmosphere Recovery is another company that looks to grow their existing operation in China. The Minnesota-based venture builds gas analyzer systems to help industrial companies become more energy efficient. Ronald Rich, president of Atmosphere Recovery, said that the biggest challenge the company faces is that the demand for their products has outpaced their production capacity. "We don't actively market anymore," Rich said. "Sinopec (China's largest oil company) said they would buy 75 a year, we make 5 a month." Rich said he didn't expect the market to be so big when he first entered China in 2006; but last year, the company sold nearly half of its equipment there. Now he hopes to quadruple the company's production capacity, as he begins to tap into the Chinese oil and gas industry, which apparently is more willing to try new technologies than its American counterpart. "U.S. companies just don't take risk like that," Rich said, as they're enjoying historic prosperity and thus have no incentives to invest in technology upgrades. Another challenge for Atmosphere Recovery is the lack of good financing options in the U.S., said Rich. "Most of the cleantech investment in mid 2000s didn't pay out the way the venture capitalists hoped they would," he said, explaining why he finds investing deals today less attractive. While still preferring an American investor, Rich said he'd be happy to team up with a Chinese one if the offer suits. According to a report by Ernst and Young, public cleantech companies around the world have witnessed a 41 percent drop in market capitalization and a 229% decline in net income this year. In a Deloitte survey of 440 venture capitalists globally, those from the U.S. had shown the least confidence in cleantech investment. "There's a cooling down of private and public capital in the U.S. (that's available to the industry)," Youngman of Cleantech Group said. "There're more and more western cleantech companies who are finding life quite hard." "Whenever there's a chain break between capital and technology innovation on the market, the government has to be the first angel," said Wan Gang, secretary of China's Ministry of Science and Technology in a speech in 2010, affirming the government's support for those industries. "It's not just some political movement; it makes economic sense for corporations too, because they have to compete on tech solutions to make money," said Chang. "All those things are the opposite of what's going on elsewhere in the world that makes it welcoming for foreign companies to come to China."

#### People literally go bankrupt- no one has sufficient start-up capital- no start-up program investment now—or they go overseas- this devastates solvency

Freed and Stevens ’11 (Josh Freed is Vice President for the Third Way Clean Energy Program, Mae Stevens is a Policy Advisor for the Third Way Clean Energy Program, “Nothing Ventured: The Crisis in Clean Tech Investment”, <http://content.thirdway.org/publications/456/Third_Way_Report_-_Nothing_Ventured_The_Crisis_in_Clean_Tech_Investment.pdf>, November 2011)

Over the next decade, global demand for clean energy products is expected to exceed a whopping $2.3 trillion, providing a big economic opportunity for American companies and workers. The U.S. could invent, manufacture, and sell many of these clean tech goods. But to do this, we must understand the risk posed by the dramatic decline in private sector investment that helps make these clean tech inventions a reality—investment from venture capitalists, who are consistently a first major source of funding for early-stage companies. Venture capitalists fund a crucial step in taking new technology from a back of the envelope idea to a widely marketed business or consumer product. Venture investment in companies in the U.S. helps keep America competitive and leads ultimately to millions of new manufacturing jobs in America. And venture capital spreads widely through the economy—in 2010 alone, venture capitalists invested in more than 2,700 companies. Yet today, we’re in the middle of a quiet but severe crisis for clean tech venture investment. Using original research and secondary sources, this paper documents that crisis in detail, citing four major findings: a steep drop in U.S. venture investment; a corresponding decline in clean tech venture funding; a shift away from early-stage clean tech backing; and a striking expansion in clean tech investment by our global competitors. Taken together, these findings suggest stark consequences for the young companies that venture firms invest in, with the clean tech sector hit hard. That means the innovations we need now—to boost the economy, create demand for 21st century manufacturing, capture our slice of the clean tech market, and make clean energy as cheap as fossil fuels like oil, coal and natural gas—are being left on the drawing board. As a result, the U.S. is falling further behind in the global clean energy race. F I N D I N G # 1 U.S. venture investment has dropped sharply. In 2010, total venture capital (VC) firm investment was $22 billion, 26% below 2007 levels.In fact, according to analysis done by Third Way, the remarkable decline between 2007 and 2009 erased more than all of the gains made by all venture firms in the boom period between 2003 and 2007, as can be seen in Chart A below. Moreover, with venture capital, it is crucial to look both at the total amount invested and the number of firms receiving venture funding. Here too, the data are troubling—the overall number of VC investments fell by 18% in the same period.Whatever the reasons, such an uncontrolled collapse in the VC market isn’t good for investors, start-ups, or the economy as a whole. F I N D I N G # 2 Clean tech venture investment has also plummeted. The clean tech sector has been particularly vulnerable to, and seriously affected by, this drop in venture investment. There was a rapid rise in venture investment in clean tech that began in the 4th quarter of 2007, according to our analysis of investment data from Dow Jones VentureSource, displayed in Chart B below. During that period, Congress authorized ARPA-E (a new Department of Energy program to help spur clean energy innovation), and the Bush Administration began implementing loan guarantees for clean tech companies. Even small amounts of government support like these act as a vote of confidence in the clean tech industry and signal to investors that this is an area of future U.S. growth. Unfortunately, after this clean energy venture funding peaked in the 2nd quarter of 2008, it fell precipitously as capital disappeared when the economy slid into recession. Confidence and investment in this sector were temporarily restored in late 2009-early 2010 because government support in the Recovery Act acted as a signal to investors (similar to the signal sent by ARPA-E funding and the Bush Administration’s loan guarantees). But the clean tech financing roller coaster soon resumed with a steep drop in clean tech venture investment in the 2nd quarter of 2010. According to an analysis by Ernst & Young, investments in clean tech tumbled 44% from the 2nd quarter of 2010 to the 2nd quarter of 2011. Overall, the number of venture capital clean tech deals dropped 12% during the same period. As the number of deals and dollars invested fell, clean tech inventors strained to stay afloat. Some succumbed to the Valley of Death—the period when a company requires a large amount of funding to scale-up production of a new technology. Others simply could not raise sufficient start-up capital at a time when all venture—especially clean tech—is struggling. F I N D I N G # 3 There’s been a quick shift in clean tech funding away from start-ups. Compounding this startling drop in overall clean tech venture funding is an equally troubling trend: remaining investment in clean tech is moving toward the later, less-risky stages of innovation. Since the beginning of 2010, clean tech venture capital funding is increasingly shifting to late-stage investments, according to our analysis of investment data from Dow Jones VentureSource. In 2010 there were more late-stage deals than early-stage deals in clean tech—by a margin of 2 to 1—for the first time since 1999, as can be seen in Chart C. Investments in early stages of new technologies are particularly important. This is the point when companies have proven concepts and perhaps a small handful of customers, but they are not yet making a profit. Starved for cash, they cannot implement a business plan that reaches profitability without outside investment.Indeed, an earlystage company that cannot secure capital is likely to go bankrupt or move overseas where there is better access to funding. Either way, we risk the loss in economic benefits for the United States. Late-stage investments, where much of the clean tech venture is now flowing, are in maturing companies near or at profitability that are seeking a financial legup on their competitors. These companies have far more options to raise capital and are more likely to survive without an immediate infusion of new funds. F I N D I N G # 4 Our competitors are greatly expanding clean tech investment. As American clean tech investment declines, other countries are making more and more money available to clean tech entrepreneurs. 17 Foreign governments are enticing U.S. clean tech companies to move overseas with low interest loans, with generous repayment schemes, and promises by host governments to share in the costs of operating their factories. 18 A report by the United Nations Environment Programme and Bloomberg New Energy Finance found that, worldwide, investment in renewable energy hit a record $211 billion in 2010. 19 Venture investment in clean tech helped drive this growth, soaring 59% in 2010 to $2.4 billion. 20 This is part of a long-term global trend. Between 2004 and 2010, global venture investment in renewable energy rose 36%. 21 While the United States remains the dominant force in venture investment, a 2011 study by the Pew Charitable Trust’s Environmental Group warns that the rapid expansion of clean energy in Asia is driving investment east, away from the United States. 22 In many parts of the world, renewable energies are expanding, in terms of capital investment, diversity of projects, and geographical distribution. 23 For the first time, in history, more money has been invested in clean energy in developing countries than in developed economies. A survey of global climate policies by Deutsche Bank concluded that clean tech innovations are more likely to emerge and succeed in Brazil, China, India, Germany, and the United Kingdom than they are in the United States. These countries have used a combination of investments and national energy standards, feed-in tariffs, efficiency standards, and a carbon price to create domestic demand. 24 As Mark Fulton, Managing Director of the Energy Practice at Deutsche Bank, explained at a recent Third Way ideas forum, other countries have created policies that provide a clear path for investors and emerging technologies. Germany’s feed-in tariff has spurred solar development. The United Kingdom government is incentivizing offshore wind. China is putting a suite of policies in place to stimulate clean tech demand and deployment. “If you look at its peer group, the U.S. federal policy and the way it’s thinking about [clean energy] in America just is really different.” Our biggest competitor, China, has twice as many initiatives in place to boost clean tech development at the federal level than the U.S. These include a national renewable electricity standard, a feed-in tariff, a long-term governmentinvested “green bank,” and long-term funding programs. China now leads the world as both the largest source of, and destination for, clean energy investment. According to Ernst and Young, in 2011 China beat the U.S. in terms of its attractiveness for renewable energy investment for the first time. China attracted $54.4 billion clean energy financing in 2010, a 39% increase over 2009 and equal to the entire amount of clean energy investment worldwide in 2004. Such financing in the U.S. stagnated last year at $34.4 billion, approximately equal to 2007 levels. As Fulton noted: “[The Chinese are] going to be the scalers; America is going to get the benefits of that, but the real question is simply whether America, yet again, ends up importing everything from China.” C O N C L U S I O N Today, even as the $2.3 trillion global clean energy market emerges, American clean tech entrepreneurs are at risk. The loss of venture capital in the U.S. will not derail technological innovation in clean energy worldwide, but it could severely set back and undermine American-owned clean energy innovation. As we have illustrated, overall venture investment has plummeted since 2007. This, in turn, led to a sharp decrease in venture funding for clean tech innovations at all stages, but particularly earlier stage investments. Finally, this challenging investment environment has caused innovators to close their doors entirely, or to take their products overseas where they can find sufficient capital. Regardless of the cause, the U.S. is left without the economic rewards of these innovations. As venture firms struggle and investment recedes in the U.S., our international economic competitors—like China, India, Brazil, the United Kingdom, and Germany—are filling the gap. The crisis in clean tech venture capital today is a warning sign for the American economy. We must heed it and respond if we aspire to the kind of economic growth in the 21st century that we had in the 20th.