# 2AC

## Heg

#### Heg sustainable – structural advantages and benefits of hegemony prevent balancing

Christopher Layne, Professor and Robert M. Gates Chair in National Security at Texas A&M University’s George H.W. Bush School of Government and Public Service, March 2012, ‘This Time It’s Real: The End of Unipolarity and the Pax Americana” http://onlinelibrary.wiley.com/doi/10.1111/j.1468-2478.2011.00704.x/full

Unipolar optimists have maintained, and still do, that the United States will buck the historical trend of hegemonic failure for two reasons. First, they say, the magnitude of US power precludes other states from balancing against its hegemony. Simply put, unipolar optimists assert that the military and economic power gap between the United States and its nearest rivals is insurmountable, so wide that no state can hope to close it (Wohlforth 1999, 2002). Second, they argue that because US hegemony is “benevolent,” there is no reason why other states would want to balance against the United States. The argument for US benevolence has three prongs. One is that other states have strong incentives to align with American power because they derive important security and economic benefits from US hegemony (Brooks and Wohlforth 2002, 2008). The second, essentially a balance-of-threat argument, is that by practicing self-restraint, demonstrating sensitivity for others’ interests, and acting through multilateral institutions, the United States can allay others’ fears that it will use its hegemonic power for self-aggrandizing purposes (Mastanduno 1997; Walt 1997, 2005). The third prong is that the United States’“soft power”—the attractiveness of its ideology and culture—draws others into its orbit (Nye 2002).

## Addons

### 2AC Nuclear Desalination – Water Wars

#### Nuclear power expansion’s key to global desalination

Saly T. Panicker and P.K. Tewari, Desalination Division, Bhabha Atomic Research Centre, Mumbai, 2011 “Nuclear Energy for Water Desalination” in “Nuclear Energy Encyclopedia: Science, Technology, and Applications”, googlebooks

Water scarcity is one of the most pressing crises affecting our planet It is a global issue. Water is indispensable for industrial development, economic growth, social well-being, and for the preservation of natural resources. It is estimated that one-fifth of the worlds population does not have access to sate drinking water. Drinking water with physical, chemical, or biological contamination has harmful effects on human beings. Seawater. brackish water, and fresh water have different levels of salinity, which is normally expressed by the total dissolved solids (TDS> concentration. Water is considered potable when its TDS is below 500 parts per million (ppin) as per the World Health Organization (WHO\*. A virtually inexhaustible reserve of water exists in the sea, which is not fit for drinking. Desalination is the process of producing pure water from saline water using electricity or heat. The major types of commercial desalination processes arc (a) thermal processes, such as multi-stage flash (MSI-"!, multiple-effect distillation (MED). vapor compression (VC). and low temperature evaporation (LTE), where heat energy is used to vaporize fresh water from saline water; and (b) membrane processes such as reverse osmosis (RO) and electro-dialysis (ED), where pure water is separated through suitable membranes using mechanical or electrical energy. Globally, about 60 million cubic meter/day (M3/d) of fresh water is produced hy desalination. The energy for these plants is generally supplied from the conventional fossil fuel power plants. However, the depleting sources and future price uncertainty of the fossil fuels promote production of energy from nuclear or renewable sources. 9.2 NUCLEAR DESALINATION Desalination is an energy-intensive process. A desalination system, especially ihe thermal unit, can be integrated with a power plant for directly receiving steam, electricity, and coolant (scawatcr) return stream as feed. Co-location of desalination and power plants lias the henelits of sharing infrastructural facilities, which would lead to the reduction of overall costs. Such dual purpose plants generating power and water have inherent design strategies for better thermodynamic efficiency besides economic optimization. Production of potable water in a facility in which a nuclear reactor is used as the source of energy for the process is termed nuclear desalination. Tins energy could be low-grade steam (for MSF/MED), waste heal (for LTE), or electricity (for ROVED). Years of successful operation have proved the technical feasibility and reliability of nuclear desalination. A power plan! coupled with a desalinaiion system utilizing only a pan of the total energy for producing water is known as a dual-purpose plain or a cogeneration plant. A power plant exclusively dedicated for water desalination is known as single-purpose plant. For a given power rating, a nuclear power plant, in general, has a larger amount of waste heat than a fossil fuel power plant. The enthalpy of steam available at the inlet to the high pressure (HP) turbine of a nuclear power plant is lower due to the lower pressure and temperature of the saturated steam. Thus, the specific steam consumption in a nuclear power plant is higher as compared to conventional power plant. This leads to availability of a higher amount of steam that could be utilized for desalination (Table 9.1). In addition, a nuclear power plant is normally situated in coastal areas, where the feed seawater is available nearby and also there is scarcity of good quality water. Table 9.2 shows the parameters of steam, produced in various reactor types. A nuclear plant, depending on its type, can provide steam or process heat from about 50 to I50°C for desalination. Liquid Metal Fast Breeder Reactor (LMFBR) and High Temperature Gas Cooled Reactor (HTCiR) generate steam at higher temperature and pressure. LMFBRs produce steam at approximately 500°C and MTGRs at still higher temperatures. 93 WORLD SCENARIO OF NUCLEAR DESALINATION The possibility of using nuclear energy for desalination of seawater was realized as early as the 1960s. Experience with nuclear desalination now exceeds 150 reactor-years. Table 9.3 gives a list of the nuclear plants used for desalination of water. Nuclear desalination has been drawing broad interest among the member states of International Atomic Energ) Agency (IAEA) due to acute water issues in many arid and semi-arid areas worldwide. The IAEA is playing an important role as a facilitating agency for creating (lie awareness, coordinating research projects, identifying important topics of common interest, organizing technical meetings, and providing forums for exchange of information on nuclear desalination. Argentina is exploring the possibilities of using its small reactor. CAREM, for providing energy input to desalination system. China has completed the feasibility study of nuclear desalination project using the NHR-200 type of nuclear reactor. Egypt has completed a feasibility study for a nuclear co-generation plant at El-Dabaa. Construction of a pre-heal reverse osmosis (RO) lest facility at El-Dabaa has been completed. France has collaborations with III Libya to undertake lechno-economie feasibility study for a specific site ami the adaptation of the experimental reactor at Tajoura for nuclear desalination and (2) Morocco (The AMANE project) for techno-economic feasibility study of Agadir and Laayoun sites. In Japan, several nuclear reactors are integrated with desalination facilities. The Korean program includes development of an integrated desalination plant with SMART for electricity generation and scawater desalination. Pakistan is establishing an MED based nuclear desalination demonstration plant integrated with the Karachi Nuclear Power Plant (KANUPP). The Russian Federal Agency for Atomic Energy (ROSATOM) is constructing a floating barge mounted co-generation nuclear plant based on ship propulsion reactor KLT-40s of PWR type. Tunisia has completed techno-economic feasibility study for the la Skhira site in the southeast part of the country. Nuclear desalination is one of the missions of U.S. Department of Energy's launched Global Nuclear Energy Partnership (GNEP)'s Grid Appropriate Reactor (GAR) campaign. Indonesia, Saudi Arabia, Algeria. Brazil. Islamic Republic of Iran, Iraq. Italy, Jordan. Lebanon. Philippines. Syrian Arab Republic, and the UAE are exploring the potential of nuclear desalination in their countries or regions.

#### Global water scarcity’s inevitable – kills billions

Nitish Priyadarshi, lecturer in the department of environment and water management at Ranchi University in India, “War for water is not a far cry”, 6-16-2012, <http://www.cleangangaportal.org/node/44>

The battles of yesterday were fought over land. Those of today are over energy. But the battles of tomorrow may be over water. Along with population growth and increasing per capita water consumption, massive pollution of the world's surface water systems has placed a great strain on remaining supplies of clean fresh water. Global deforestation, destruction of wetlands, dumping of pesticides and fertilizer into waterways, and global warming are all taking a terrible toll on the Earth's fragile water system. The combination of increasing demand and shrinking supply has attracted the interest of global corporations who want to sell water for a profit. The water industry is touted by the World Bank as a potential trillion-dollar industry. Water has become the “blue gold” of the 21st century. In many parts of the world, one major river supplies water to multiple countries. Climate change, pollution and population growth are putting a significant strain on supplies. In some areas renewable water reserves are in danger of dropping below the 500 cubic meters per person per year considered a minimum for a functioning society. In recent times, several studies around the globe show that climatic change is likely to impact significantly upon freshwater resources availability. In India, demand for water has already increased manifold over the years due to urbanization, agriculture expansion, increasing population, rapid industrialization and economic development. At present, changes in cropping pattern and land-use pattern, over-exploitation of water storage and changes in irrigation and drainage are modifying the hydrological cycle in many climate regions and river basins of India. Due to warming and climate change rainfall trend has been badly affected worldwide. This change has adversely affected the groundwater recharge. Water scarcity is expected to become an even more important problem than it is today. In a case study of Jharkhand state of India groundwater recharging is mainly dependent on rainfall. Though Jharkhand receives sufficient amount of rainfall (900 to 1400 mm/year) but from last several years the rainfall pattern is very erratic. From last two years Ranchi city the capital of Jharkhand state received sufficient rainfall but distribution of rainfall was not uniform. It rained heavily just for two to three days in the month of August and September which resulted in heavy runoff and less infiltration affecting groundwater level. The process of urbanization and industrialization from last 20 years has caused changes in the water table of Jharkhand State of India as a result of decreased recharge and increased withdrawal. Many of the small ponds which were main source of water in the surrounding areas are now filled for different construction purpose affecting the water table. By 2100, water scarcity could impact between 1.1 and 3.2 billion people, says a leaked draft of an Intergovernmental Panel on Climate Change (IPCC) report due to be published in April 2007. The report focuses on the consequences of global warming and options for adapting to them. In February 2007 the panel released a report on the scientific basis of climate change. The IPCC predicts critical water shortages in China and Australia, as well as parts of Europe and the United States. Africa and poor countries such as Bangladesh would be most affected because they were least able to cope with drought. Major cities worldwide may face a water shortage crisis by 2050 if relevant governments don't react quickly. The water shortage will mostly affect basic daily needs such as drinking, cooking, bathing and washing clothes, and the poor residents of the world's major cities in developing countries are the ones who will suffer most. "By 2050, big cities that will not have enough water available nearby include Beijing, New Delhi, Mexico City, Lagos and Tehran. China and India will be particularly hard hit unless significant new efforts are taken by their cities,". There are several principal manifestations of the water crisis. 1. Inadequate access to safe drinking water for about 884 million people. 2. Inadequate access to water for sanitation and waste disposal for 2.5 billion people. 3. Groundwater over drafting (excessive use) leading to diminished agricultural yields. 4. Overuse and pollution of water resources harming biodiversity. 5. Regional conflicts over scarce water resources sometimes resulting in warfare. Potential Hot Spots: Egypt: A coalition led by Ethiopia is challenging old agreements that allow Egypt to use more than 50 percent of the Nile’s flow. Without the river, all of Egypt would be desert. Eastern Europe: Decades of pollution have fouled the Danube, leaving down-stream countries, such as Hungary and the Republic of Moldova, scrambling to find new sources of water. Middle East: The Jordan River, racked by drought and diverted by Israeli, Syrian and the Jordanian dams, has lost 95 percent of its former flow. Former Soviet Union: The Aral sea, at one time the world’s fourth largest inland sea, has lost 75 percent of its water because of diversion programs begun in the 1960s. There are many other countries of the world that are severely impacted with regard to human health and inadequate drinking water. The following is a partial list of some of the countries with significant populations (numerical population of affected population listed) whose only consumption is of contaminated water:  Sudan: 12.3 million  Venezuela: 5.0 million  Ethiopia: 2.7 million  Tunisia: 2.1 million  Cuba :1.3 million

## States

### 2AC States CP

#### Perm do both – shields the link

#### Perm do the counterplan

#### Federal action is key – Scott says sends signal to investors

#### Federal action is key to getting skin in the game – reassures investors prohibitive regulations won’t get slapped on

Rod Adams, Publisher of Atomic insights. Was in the Navy for 33 years. Spent time at the Naval Academy. Has experience designing and running small nuclear plants, 1-29-2010, “Concrete Action to Follow Strongly Supportive Words On Building New Nuclear Power Plants,” Atomic Insights, http://atomicinsights.com/2010/01/concrete-action-to-follow-strongly-supportive-words-on-building-new-nuclear-power-plants.html

Loan guarantees are important to the nuclear industry because the currently available models are large, capital intensive projects that need a stable regulatory and financial environment. The projects can be financed because they will produce a regular stream of income that can service the debt and still provide a profit, but that is only true if the banks are assured that the government will not step in at an inopportune time to halt progress and slow down the revenue generation part of the project. Bankers do not forget history or losses very easily; they want to make sure that government decisions like those that halted Shoreham, Barnwell’s recycling facility or the Clinch River Breeder Reactor program are not going to be repeated this time around. For the multi-billion dollar projects being proposed, bankers demand the reassurance that comes when the government is officially supportive and has some “skin in the game” that makes frivolous bureaucratic decisions to erect barriers very expensive for the agency that makes that decision. I have reviewed the conditions established for the guarantee programs pretty carefully – at one time, my company (Adams Atomic Engines, Inc.) was considering filing an application. The loan conditions are strict and do a good job of protecting government interests. They were not appropriate for a tiny company, but I can see where a large company would have less trouble complying with the rules and conditions. The conditions do allow low or no cost intervention in the case of negligence or safety issues, but they put the government on the hook for delays that come from bad bureaucratic decision making.

#### Cap and trade is insufficient – only regulates carbon – our ev says methane is key

#### Federal credit is key to keep loans low cost – low interest rates and diverse portfolios

John Griffith, Policy Analyst with the Economic Policy Team at the Center for American Progress, and Richard Caperton, Director of Clean Energy Investment at the Center for American Progressed, 5-3-2012, “Major Analysis: Federal Loans And Loan Guarantees Have A Huge Benefit But A Low And Predicatable Cost,” ThinkProgress, http://thinkprogress.org/climate/2012/05/03/475978/major-analysis-federal-loans-and-loan-guarantees-have-a-huge-benefit-but-a-low-and-predicatable-cost/?mobile=nc

The federal government is in a unique position to issue these loans and guarantees for several reasons. First, the government can borrow money at a much lower rate than any private firm, meaning they can usually charge lower rates when lending for public purposes. Second, the government can spread risk unlike any private financial institution, both across long time periods and a diverse credit portfolio that spans housing, education, agriculture, infrastructure, international development, and several other industries. This diversification limits taxpayer exposure to drastic swings from year to year or booms and busts in any individual market. Third, the government has the unmatched ability to limit risks by regulating markets and ensuring compliance from lenders and borrowers.

#### Federal credit is key to keep loans low-risk

Karl Smith, Assistant Professor of Public Economics at University of North Carolina Chapel Hill, 4-12-2012, “In Praise of Federal Loan Guarantees (Yep, Just Like Solyndra's)” The Atlantic, http://www.theatlantic.com/business/archive/2012/04/in-praise-of-federal-loan-guarantees-yep-just-like-solyndras/255721/

We may or may not question the wisdom of the federal government attempting to shape the future of US energy, rigging the game in favor of US manufactures, or pushing marginal college students to load up on debt. However, if we are going to do these things, it's important to recognize that loan guarantees are among the cheapest ways to do them. Why? Well, for one the United States has an incredibly low cost of credit. Lower in fact than any private organization on earth. If there were some way to handle the inevitable political corruption, it would make sense for the US government to act as a giant bank. Indeed, by using ever-rising debt to support unusually low tax rates, the US government does to a degree act as a bank. By offering its good name to guarantee other lending ventures the government forgoes the revenues of a bank but provides much of the same service. It allows projects to be entered into which the principals could not afford alone. This does expose taxpayers to risk. However, because of very unique features of the US government, it's especially low risk. For most lending institutions, the hardest risks to cover are high-beta risks. These are risks which swing wildly with the economy. For example, I might loan money to a natural gas generator manufacturer and to a solar power manufacturer. One of these two technologies is likely to dominate but I am not sure which one. However, because I have loaned to both I have protected myself somewhat. Yet, if the entire economy tanks and no power companies can raise money to add generation capacity of any kind, then I am screwed on both fronts. I can limit my exposure to the specific sector risks, but I can't limit my exposure to the entire economy. The Federal Government is a bit different. The cost of borrowing money for the Federal government tanks exactly when the economy tanks. It is a negative beta borrower. That implies that precisely when things are at their worst, government credit is at its best. So rather than facing terrible losses and the possibility of bankruptcy, as would a normal lending institution, the Federal Government has an easier time than ever.

#### States obviously still link to the election – they get perceived the same as the feds

#### 50 state fiat is a voting issue – the damage has been done

#### Multiple actors make it impossible to generate offense

#### It’s utopian – 50 states have never operated together – that kills T spec edu

#### Single-state CPs solve all their offense

#### Feds have to take the lead – boosts our expertise and means countries consult us on their nuclear decisions – that’s Domenici and Miller

## PIC

#### Perm do both

#### Perm do the counterplan – it’s not textually competitive

#### Only LWRs are feasible

David Hill et al, Laboratory Director for Science and Technology at the Idaho National Lab, Michael Sellman, president and CEO of Nuclear Management Co. and Chairman of Idaho National Lab Utility Advisory Board, Mano Nazar, Senior VP and Nuclear COO of Florida Power and Light Co. and Chairman of the EPRJ Nuclear Power Council, 5-28-2010, “Idaho National Laboratory/Nuclear Power Industry Strategic Plan for Light Water Reactor Research and Development,” INL, www.inl.gov/technicalpublications/Documents/3881540.pdf

This strategy supports the drive for nuclear power growth by focusing on LWRs, which stand out in technical maturity, experience, reliability, and industry acceptance. LWR technology represents over 80% of all the world’s commercial reactors and comprises 100% of the U.S. fleet. It is the only technology being considered for commercial deployment in the U.S. today. Nations without nuclear energy programs and nations with non-LWR nuclear reactor technology foundations (such as Great Britain) are transitioning to greater reliance on LWRs for their future nuclear energy needs. Other advanced reactor technologies, such as high-temperature gas-cooled reactors (HTGRs) and liquid metal cooled reactors (LMRs), which are being studied under the U.S. Department of Energy (DOE) GEN IV program, have potential and deserve investment in research, development, and demonstration (RD&D). These designs will eventually prove advantageous over LWR technology in certain applications (e.g., HTGRs for process heat and hydrogen generation and LMRs for breeding nuclear fuel and recycling spent LWR fuel). HTGRs and LMRs are thus important areas for research because of the significant contributions they will make in future decades to augment the LWR technology nuclear energy backbone. Still, they are not alternatives to LWRs and must overcome large RD&D challenges before they can become cost-competitive. In contrast, LWRs are essential to meeting the basic energy needs of the nation today by generating vast quantities of electricity safely, reliably, and economically. In turn, they will help fuel the U.S. economy and provide an acceptable quality of life for its citizens. LWRs are and will remain the workhorse for nuclear power generation for much of the 21st Century. Further, future policies to reduce CO2 and other emissions from fossil fuels will inevitably drive an increased reliance on nuclear electricity, which, for the foreseeable future, will come from LWRs.

#### LWRs use water as a coolant – not sodium

#### They’ll never ever be economical – means they won’t be approved or built

Arjun Makhijani, PhD in engineering and an electrical and nuclear engineer who is President of the Institute for Energy and Environmental Research. Makhijani has written many books and reports analyzing the safety, economics, and efficiency of various energy sources. He has testified before Congress and has served as an expert witness in Nuclear Regulatory Commission proceedings, 2001, “Letters to the Editor” Bulletin of Atomic Scientists, May 2001 vol. 57 no. 3 4-5

As for IFRs, the 1996 National Academy of Sciences (NAS) study cited by Stanford concluded that there were several safety issues that remain to be resolved and that using advanced sodium-cooled reactors for transmutation “would require substantial development, testing, and large-scale demonstration under Nuclear Regulatory Commission safety review and licensing before one could proceed with confidence.” Even if all the technical problems posed by IFRs were to be solved, the costs of using this technology would be prohibitive. In the United States alone, IFRs would have to fission roughly 80,000 metric tons of heavy metal (about 99 percent of which is uranium). To transmute this amount of heavy metal over 40 years would require the building of about 2,000 IFRs of 1,000-megawatts capacity each. To manage the worldwide stock of spent fuel (both current and projected) in this way would require roughly four times as many reactors. Even assuming that one IFR reactor was brought on line a week, it would take 150 years to build them. The NAS study also expressed skepticism that the reprocessing technology associated with the IFR could be made as economical as its proponents claim. The IFR requirement of collocating the reprocessing element with the reactor would result in even higher costs because of the small scale of collocated plants. NAS's conclusion that there would be a 2 to 7 percent increase in electricity costs was based on low reactor costs and transmutation costs that were “likely to be no less than $50 billion and easily could be over $100 billion” for 600 metric tons of tran-suranics only. If the cost of reprocessing uranium is added, the total cost would increase to $300 billion—$900 billion for the United States alone. It is easy to see why no current transmutation scheme seriously proposes to transmute all the uranium in spent fuel.

#### PICs are bad – that’s a voting issue

#### Jacks aff ground – makes impossible to generate offense – means don’t eval offense defense

#### Kills education because it drives towards edu over process not substance

#### NB as a disad solves their O

#### Sodium is really safe

Romain Lacombe, MS in Technology Policy from MIT, 5-12-2007 “’Super-Size Me!’: The Role of Sodium-Cooled Fast Reactors in a Large-Scale Nuclear Economy,” http://mit.academia.edu/RomainLacombe/Papers/383122/\_Supersize\_Me\_The\_Role\_of\_Sodium-Cooled\_Fast\_Reactors\_in\_a\_Large-Scale\_Nuclear\_Economy

Moreover, even if the characteristic violence of reactions between sodium and water or air is frightening, it should be emphasized that the use of sodium as a coolant inherently presents significant safety advances compared to current LWR and BWR. First, sodium possesses exceptional heat transfer properties, which would not allow core meltdown to occur in such proportions as in Chernobyl. Second, liquid sodium is much less corrosive than water at the temperatures reached by at the reactor’s core, which decreases the probability of coolant system leaks of failure of critical subsystems. Finally, since Sodium is liquid at 98ºC and gaseous at 882ºC, but is used in reactors operating around 550ºC, coolant tubes can be kept near atmospheric pressure, which is an element of safety and decreases the probability of industrial hazard (Lake et al., 2002, and Basdevant et al., 2002).

## Fiscal Cliff

### 2AC Fiscal Cliff

#### No deal – GOP will only obstruct

Jonathan Chait, chief Washington correspondent, 10-14-2012, “November 7th,” NY Magazine, http://nymag.com/news/politics/elections-2012/obama-romney-economic-plans-2012-10/

Obama tends to leave the contours of his second term pleasantly vague, which has fueled the general impression that he is tapped out and has no particular achievable goals in mind. He often posits that, should he win reelection, Republicans will abandon their strategy of total opposition, citing Senate Minority Leader Mitch ­McConnell’s unusually frank confession back in 2010 that his top priority was to block Obama’s reelection. “Now, after the election, either he will have succeeded in that goal or he will have failed at that goal,” Obama has said. “And I’m hoping that after the smoke clears and the election season’s over that that spirit of cooperation comes more to the fore.” There’s little reason to share this profession of faith. Republican obstructionism is not only a strategy to deny the president a second term. Some Republicans genuinely fear Obama, and others fear a right-wing primary challenge if they compromise with him. What’s more, the political calculation that undergirds his opponents’ strategy will not disappear: His popularity is the single biggest factor determining Republican prospects for enlarging their control of Congress and winning the White House. Cutting bipartisan deals increases Obama’s standing and thus reduces theirs.

#### No lame duck grand compromise – Obama waits till January – boosts his PC enough to ensure victory

David Dayen, staff writer, 10-18-2012, “The Next Grand Bargain Negotiations Will Begin January 1,” Fire Dog Lake, http://news.firedoglake.com/2012/10/18/the-next-grand-bargain-negotiations-will-begin-january-1/

I know there’s a lot of outside pressure on Congress to reach a wide-reaching agreement in the lame duck session on taxes, federal spending and social insurance programs, one that will trade the expiring tax and spending measures for the long-awaited “balanced solution.” The truth is that nothing’s going to happen in the lame duck. That’s the meaning of Barack Obama’s pledge to veto anything in that lame duck that doesn’t allow tax cuts on the top marginal rates to expire. It doesn’t mean that January 1 represents the end of the discussion, however; it represents the beginning. Basically, the Obama Administration (and this is all contingent on them winning the election) has decided to take the advice of a lot of folks on the left and use the leverage inherent in the way the fiscal slope operates. With no plan, all the Bush tax cuts expire, including the tax rates on the wealthy. This turns around completely the dynamic of the negotiation. Instead of trying to decouple the top marginal tax rates with the other ones, Democrats could offer a pure tax cut package to compensate for whatever they feel should have been extended. And Republicans will be in the position of rejecting a tax cut for a broad mass of the American people. But that’s not all the White House wants to do. The sequester will also begin if there’s no agreement, with the cuts split between defense and discretionary programs, but programs for the poor like Medicaid, as well as Social Security and the bulk of Medicare (there’s a 2% across-the-board cut to reimbursement rates), held harmless. The payroll tax cut will expire (and save your breath, AARP, that ship has sailed). Extended unemployment insurance benefits will expire. The alternative minimum tax for the 2012 tax year will not be patched. Tax extenders for a variety of businesses will not be extended. The Obama Administration looks at that prospect and sees a leverage opportunity. I’ve called this the GOP’s dual-trigger nightmare. It’s bad for the economy, but it also effectively ends our deficits with a mix of tax increases and spending cuts more progressive than anything any Democrat has dared propose. Republicans absolutely can’t let it happen. But the only way they can stop it from happening is to make a deal. The administration hopes this deal will include more than just deficit reduction. They also see it as a vehicle for infrastructure investment and tax reform. They think there’s some chance that parts of the American Jobs Act, like the hiring tax credits, could sneak through the door, too. There’s even talk of using it to address climate change, though everyone agrees that’s unlikely. Whatever ends up in the final deal, there’s little doubt that it will be a big deal, and it’s likely to come together fairly quickly in the first year. The White House — and the expiring tax and spending provisions — won’t give Republicans any other choice. In a way, the Obama administration’s plan for a second term is much like their plan for the first term: Make a deal with Republicans. Get a big bipartisan solution to our problems. But the means are almost precisely the opposite. Where in the first term, the hope was that they could reach out, talk through the issues, and come to an agreement, the plan for the second is to push the Republican Party off the fiscal cliff, and then force them to reach out in order to get pulled back up. I think it’s wrong to distrust the source here. This is the plan. The sweeteners to the grand bargain will be some infrastructure investment and maybe job creation tax credits. But what this is really called is a budget. In other words, the Obama Administration will do nothing in the lame duck, nor will their allies in Congress, and then, they will propose a large mix of spending, tax and social insurance changes – i.e., a budget. The budget will attempt to make trade-offs that supplant the tax rates and spending cuts from the fiscal slope. The question becomes why, if this is such an advantageous position for Democrats to find themselves in, is it necessary to loop in programs like Medicare, which was substantially altered by the Affordable Care Act in ways that we don’t know will work yet, and Social Security, which has nothing to do with the budget? The answer: because. The elites want a deal on these issues, and the Administration thinks they’ve figured out a way to secure that deal. People can go home for the holidays, visit with family. After January 1 is when the real work on this will begin.

#### Obama postpones cuts unilaterally – gives time for compromise

Lucas Kawa, staff writer, 11-6-2012, “Obama And Geithner May Have The Power To Make The Fiscal Cliff Less Scary,” Business Insider, http://www.businessinsider.com/obama-geithner-fiscal-cliff-2012-11

Zachary Goldfarb at the Washington Post, writes that President Obama and Treasury Secretary Timothy Geithner may be able to spare this fragile economy from the ill effects of the cliff. The government has a great deal of flexibility in how the sequestration cuts are made, he writes. By choosing to forego a large capital expenditure (for example, a new carrier) the government could avoid pay cuts or layoffs to affected employees. Experts expect that the Obama administration will postpone much of the sequestration cuts until the later part of 2013, sparing the economy from any immediate negative impact. Goldfarb also explains that certain contingency plans have been in place since the administration last faced expiration of the Bush tax cuts: In 2010, when taxpayers were about to see a similar automatic increase in income taxes, top advisers to Treasury Secretary Timothy F. Geithner privately concluded that he probably had the power to put off changes to the tables under some circumstances, according to sources who spoke on the condition of anonymity to discuss the previously unreported deliberations. Geithner reportedly has the ability to set the amount in taxes withheld from a paycheck. Though he is supposed to comply with established law, he does have some latitude in the matter and could ‘freeze’ the amount taken out of paychecks at 2012 levels – in effect, delaying a tax increase. If no action is taken, the Tax Policy Center estimates that, on average, middle class families will be hit by a $2,000 tax increase. Freezing the withholding table would not be a permanent solution, but would buy Congress time to make a deal in the interim. Though these potential actions sound like the standard ‘kicking the can down the road’, it appears to mitigate the sense of urgency tied to the fiscal cliff, which analysts at Bank of America Merrill Lynch project will spark a 4.6% decline in GDP, which would almost certainly throw the U.S. economy into recession during 2013.

### 2AC Politics – Obama Good

#### Multiple peripheral issues will come up in the lame duck

Jake Sherman, staff writer, 9-24-2012, Hill braces for lame-duck frenzy, politico, dyn.politico.com/printstory.cfm?uuid=3B5A05C4-0674-471F-8B0D-AFDFF7748AD8

Tax rates, spending cuts and the deficit will dominate the Capitol this fall, but lawmakers and lobbyists are quietly maneuvering to use the lame-duck session to clean up a whole mess of other issues that Congress has been unable — or unwilling — to handle. First there’s the United States Postal Service, which will default on $11 billion worth of health care retirement payments in August. Negotiations are under way to patch its finances during the lame-duck session. K Street and Capitol Hill are also moving closer than ever before to a deal to legalize online gaming — something that’s long simmered on the back burner but that may pass in the lame duck. Congress also may extend parts of the Foreign Intelligence Surveillance Act, which expire at the end of 2012. Welfare programs are also on the block: Extending parts of Temporary Assistance for Needy Families may not get done until after the election, even though some programs expire at the end of September. This diffuse set of bills and expiring deadlines has created a behind-the-scenes frenzy as lobbyists and lawmakers try to set in motion a few deals despite the gridlock that has dominated the 112th Congress. The action may extend to other fronts, like the Dodd-Frank financial law — lawmakers and lobbyists have spotted opportunity to repeal a provision in the law that forces banks to transfer derivatives trades out of their shops. Most of the movement is so preliminary that few key players are willing to talk about it on the record. Many of these items could be slipped into larger legislation, outside public view while Washington deals with the frenzy of finding compromise on tax rates for every American. Much hinges on the election — the landscape for legislative victories will change significantly depending on the outcome of November. But inside the Capitol, there’s an increasing desire to pick off a bunch of legislative wins. Speaker John Boehner (R-Ohio) can hardly make his way across the House floor these days without being bombarded by Republicans who want their priority pushed before the 112th Congress ends. But House leaders are warning that they can’t do everything that’s punted to a lame duck. Aides in both chambers say Congress will be swamped at the end of the year — making each issue an uphill climb.

#### PC’s irrelevant

Lawrence **Jacobs** **and** Desmond **King** 10, University of Minnesota, Nuffield College, 8-**2010** “Varieties of Obamaism: Structure, Agency, and the Obama Presidency,” Perspectives on Politics, 793-802

But personality is not a solid foundation for a persuasive explanation of presidential impact and the shortfalls or accomplishments of Obama's presidency. Modern **presidents** have brought divergent individual traits to their jobs and yet they have **routinely failed to enact much of their agendas.** Preeminent **policy goals of** Bill **Clinton** (health reform) **and** George W. **Bush** (Social Security privatization) **met the same fate**, though these presidents' personalities vary widely. And presidents like Jimmy **Carter**—whose personality traits have been criticized as ill-suited for effective leadership—**enjoyed comparable** or stronger **success** in Congress **than** presidents lauded for their personal knack for leadership—from Lyndon Johnson to Ronald **Reagan**.7 Indeed, a personalistic account provides little leverage for explaining the disparities in Obama's record—for example why he succeeded legislatively in restructuring health care and higher education, failed in other areas, and often accommodated stakeholders. Decades of rigorous research find that **impersonal, structural forces offer the most compelling explanations for presidential impact**.8 Quantitative research that compares legislative success and presidential personality finds no overall relationship.9 In his magisterial qualitative and historical study, Stephen Skowronek reveals that **institutional dynamics and ideological commitments structure presidential choice and success in ways that trump the personal predilections of individual presidents**.10 Findings point to the predominant influence on presidential legislative success of the ideological and partisan composition of Congress, entrenched interests, identities, and institutional design, and a constitutional order that invites multiple and competing lines of authority. **The** widespread **presumption**, then, **that Obama's** personal traits or **leadership** style **account for** the **obstacles** to his policy proposals **is called into question** by a generation of scholarship on the presidency. Indeed, the presumption is not simply problematic analytically, but practically as well. For the misdiagnosis of the source of presidential weakness may, paradoxically, induce failure by distracting the White House from strategies and tactics where presidents can make a difference. Following a meeting with Obama shortly after Brown's win, one Democratic senator lamented the White House's delusion that a presidential sales pitch will pass health reform—“**Just declaring that he's still for it doesn't mean that it comes off life support**.”11 **Although Obama's re-engagement** after the Brown victory **did contribute to restarting reform**, the senator's **comment points to the importance of ideological and partisan coalitions in Congress, organizational combat, institutional roadblocks, and anticipated voter reactions. Presidential sales pitches go only so far**.

#### Winners win – empirics prove

David Michael **Green**, professor of political science at Hofstra University, 6-11-**2010**, “The Do-Nothing 44th President,” <http://www.opednews.com/articles/The-Do-Nothing-44th-Presid-by-David-Michael-Gree-100611-648.html>

Moreover, **there is a** continuously evolving and **reciprocal relationship between presidential boldness and achievement**. In the same way that **nothing breeds success like success, nothing sets the president up for achieving** his or **her next goal better than succeeding** dramatically on the last go around. **This is** absolutely **a matter of perception**, and **you can see it** best **in the way** that **Congress** and especially the Washington press corps **fawn over bold** and intimidating **presidents** **like** **Reagan** and George W. Bush. The political teams surrounding these presidents understood the psychology of power all too well. They knew that by simultaneously **creating a steamroller effect** and feigning a clubby atmosphere for Congress and the press, **they could leave such hapless hangers-on** **with only one remaining way to pretend to preserve their dignities**. **By jumping on board the freight train, they could be given the illusion** of being next to power, **of** **being part of the winning team**. And so, with virtually the sole exception of the now retired Helen Thomas, this is precisely what they did.

#### Disads not intrinsic – logical policy maker could do both

#### Nuclear avoids controversy

Christine Todd Whitman, CASEnergy Co-Chair, Former EPA Administrator and New Jersey Governor, 8-13-2012, “Nuclear Power Garners Bipartisan Support,” National Journal, http://energy.nationaljournal.com/2012/08/finding-the-sweet-spot-biparti.php

Fortunately, there are rare areas for bipartisan agreement among policymakers around specific energy policy issues that must be central to future investment in America’s energy portfolio. Policymakers agree that whatever sources we invest in, they must be sufficient both to meet growing energy demand and environmental requirements. They agree that the energy we invest in should support growth in American jobs and in the economy. They agree that our energy portfolio should be sustainable over time, aligned with our broader national goals. The energy policy that I’ve seen garner consistent support from the left and the right over the years is also one with which I’m deeply familiar. This policy involves building a diverse portfolio of low-carbon energy sources, featuring a renewed investment in nuclear energy. And it’s not just policymakers from both sides of the aisle who support nuclear energy – it’s everyday energy consumers as well. According to a Gallup poll conducted in March of this year, nearly 60 percent of Americans support the use of nuclear energy to meet our nation’s electricity needs, and a majority support expanding America’s use of nuclear power. Next-generation nuclear energy projects are underway in Georgia, South Carolina and Tennessee, thanks in part to steady popular support, as well as support from President Obama, bipartisan congressional leaders and other policymakers at the federal and state levels. An additional 10 combined construction and operating licenses for 16 plants are under review by the Nuclear Regulatory Commission. This support is founded in the fact that nuclear energy, safely managed, provides an efficient, reliable source of energy. In fact, nuclear power is the only baseload source of carbon-free electricity. It provides nearly two-thirds of the nation’s low-carbon electricity, and will continue to be an important source of energy well into the future given the advent of innovative large and small reactor designs. The use of nuclear energy prevents more than 613 million metric tons of carbon dioxide every year – as much CO2 as is emitted by every passenger car in America. Bipartisan support for nuclear energy also stems from the boost that it provides to local job markets and to local and state economies. As nuclear energy expands and as more than half of the industry workforce approaches retirement, the industry offers growing opportunities for well-paying careers. The industry already supports more than 100,000 jobs, and the combination of retirements and the construction of new facilities could create as many as 25,000 new jobs in the near term. What’s more, the construction of a nuclear facility spurs the creation of other local jobs in industries ranging from manufacturing to hospitality. The industry generates between $40 and $50 billion in revenue and electricity sales, or some $470 million in total economic output and $40 million in labor wages at each U.S. facility every year. That’s a powerful economic engine and a positive impact that leaders are embracing. As America refocuses on cleaner energy policies that help boost our economy, nuclear power is becoming a clear and critical part of a secure, sustainable energy portfolio. We need electricity and we want clean air; with nuclear energy we can have both. It’s a source of power that leaders on both sides of the aisle can support.

#### PC backfires – causes GOP entrenchment

Sophie Quinton, staff writer, 10-29-2012, “The bully pulpit won’t help Obama get a grand bargain,” Government Executive, http://www.govexec.com/oversight/2012/10/bully-pulpit-wont-help-obama-get-grand-bargain/59084/

The Obama campaign believes in taking its message to the American people. But history shows that, when it comes to the tough issues, use of the bully pulpit can backfire. As Congress faces its toughest negotiating challenge yet, the next president may want to consider keeping a low profile. The bully pulpit can work when a president takes advantage of a groundswell of public support that already exists. But when a president takes a high-profile stance on a controversial issue, it makes it harder for the opposing party to support his plan. “When you raise the profile of the issues, you also raise the political stakes for members of Congress on both sides of the aisle. It makes it harder for the members of your own party to oppose you, but it makes it harder for members of the opposite party to support you,” said Frances Lee, professor of American politics at the University of Maryland. President George W. Bush launched his second term with a very public push for Social Security privatization. He got nowhere. In fact, public support declined, Lee said. “We determined that if we were going to have a chance to get Social Security reformed it was not going to be the kind of thing that we could just get done, quietly, in Congress,” said Tony Fratto, a partner at Hamilton Place Strategies and former communications adviser in the Bush White House. The Bush team believed that the public first needed to learn why privatization made sense, Fratto said. “My instinct would always be to go out and try to educate more” when it comes to complicated issues, Fratto said. But he admitted that an aggressive communications strategy on such issues hasn’t had the best track record. President Clinton campaigned all around the country to try to raise support for his health care plan and failed. The Obama White House tried everything from speeches and town hall meetings to blog posts and tweets to try to rally the public around health care reform. The law—which was based on what were initially Republican ideas—was rammed through Congress on a party line vote. Democrats love it. Republicans despise it.

#### Obama’s bulletproof

Ben Shapiro, staff writer, 2-22-2012, “Obama Campaign Has More Cash Than All Republicans Combined,” Big Government, http://biggovernment.com/bshapiro/2012/02/22/obama-campaign-has-more-cash-than-all-republicans-combined/

Obama still has enthusiasm on his side. His supporters still adore him. The unions have pledged to spend hundreds of millions of dollars on him. And he’s got the power of the bully pulpit behind him. Is Obama bulletproof? So far, the answer seems to be yes – he’s been able to singlehandedly destroy the American healthcare system, drive a recession into a prolonged and deeper recession, and turn allies into enemies all over the world. And he’s still riding at near 50% in the polls. Unless the Republicans figure out a way to generate enthusiasm quickly, this could quickly become a blowout.

### 2AC Impact

#### Manufacturing’s bigger internal to the economy

Michael Ettlinger, the Vice President for Economic Policy at the Center for American Progress, former director of the Economic Analysis and Research Network of the Economic Policy Institute, and Kate Gordon, the Vice President for Energy Policy at the Center for American Progress, April 2011, "The Importance and Promise of American Manufacturing" [http://www.americanprogress.org/issues/2011/04/pdf/manufacturing.pdf-](http://www.americanprogress.org/issues/2011/04/pdf/manufacturing.pdf-http://www.americanprogress.org/issues/2011/04/pdf/manufacturing.pdf)

Manufacturing is critically important to the American economy. For generations, the strength of our country rested on the power of our factory floors—both the machines and the men and women who worked them. We need manufacturing to continue to be a bedrock of strength for generations to come. Manufacturing is woven into the structure of our economy: Its importance goes far beyond what happens behind the factory gates. The strength or weakness of American manufacturing carries implications for the entire economy, our national security, and the well-being of all Americans. Manufacturing today accounts for 12 percent of the U.S. economy and about 11 percent of the private-sector workforce. But its significance is even greater than these numbers would suggest. The direct impact of manufacturing is only a part of the picture. First, jobs in the manufacturing sector are good middle-class jobs for millions of Americans. Those jobs serve an important role, offering economic opportunity to hard-working, middle-skill workers. This creates upward mobility and broadens and strengthens the middle class to the benefit of the entire economy. What’s more, U.S.-based manufacturing underpins a broad range of jobs that are quite different from the usual image of manufacturing. These are higher-skill service jobs that include the accountants, bankers, and lawyers that are associated with any industry, as well as a broad range of other jobs including basic research and technology development, product and process engineering and design, operations and maintenance, transportation, testing, and lab work. Many of these jobs are critical to American technology and innovation leadership. The problem today is this: Many multinational corporations may for a period keep these higher-skill jobs here at home while they move basic manufacturing elsewhere in response to other countries’ subsidies, the search for cheaper labor costs, and the desire for more direct access to overseas markets, but eventually many of these service jobs will follow. When the basic manufacturing leaves, the feedback loop from the manufacturing floor to the rest of a manufacturing operation—a critical element in the innovative process—is eventually broken. To maintain that feedback loop, companies need to move higher-skill jobs to where they do their manufacturing. And with those jobs goes American leadership in technology and innovation. This is why having a critical mass of both manufacturing and associated service jobs in the United States matters. The "industrial commons" that comes from the crossfertilization and engagement of a community of experts in industry, academia, and government is vital to our nation’s economic competitiveness. Manufacturing also is important for the nation’s economic stability. The experience of the Great Recession exemplifies this point. Although manufacturing plunged in 2008 and early 2009 along with the rest of the economy, it is on the rebound today while other key economic sectors, such as construction, still languish. Diversity in the economy is important—and manufacturing is a particularly important part of the mix. Although manufacturing is certainly affected by broader economic events, the sector’s internal diversity—supplying consumer goods as well as industrial goods, serving both domestic and external markets— gives it great potential resiliency. Finally, supplying our own needs through a strong domestic manufacturing sector protects us from international economic and political disruptions. This is most obviously important in the realm of national security, even narrowly defined as matters related to military strength, where the risk of a weak manufacturing capability is obvious. But overreliance on imports and substantial manufacturing trade deficits weaken us in many ways, making us vulnerable to everything from exchange rate fluctuations to trade embargoes to natural disasters.

#### No impact – all of their cards assume years of no deal, any future deal would restore funding

#### Tax hikes take a long time to even happen

#### Gas shocks are a better internal to the economy – spending cuts can be planned for, shocks can’t be and undermine fragile industries

#### Econ decline doesn’t cause war

Daniel W. Drezner, Professor of International Politics at the Fletcher School of Law and Diplomacy at Tufts University, October 2012, “The Irony of Global Economic Governance: The System Worked” http://www.cfr.org/international-organizations/irony-global-economic-governance-system-worked/p29101

The final outcome addresses a dog that hasn’t barked: the effect of the Great Recession on crossborder conflict and violence. During the initial stages of the crisis, multiple analysts asserted that the financial crisis would lead states to increase their use of force as a tool for staying in power.19 Whether through greater internal repression, diversionary wars, arms races, or a ratcheting up of great power conflict, there were genuine concerns that the global economic downturn would lead to an increase in conflict. Violence in the Middle East, border disputes in the South China Sea, and even the disruptions of the Occupy movement fuel impressions of surge in global public disorder. The aggregate data suggests otherwise, however. A fundamental conclusion from a recent report by the Institute for Economics and Peace is that “the average level of peacefulness in 2012 is approximately the same as it was in 2007.”20 Interstate violence in particular has declined since the start of the financial crisis—as have military expenditures in most sampled countries. Other studies confirm that the Great Recession has not triggered any increase in violent conflict; the secular decline in violence that started with the end of the Cold War has not been reversed.21

#### The global economy is resilient – global economic institutions check collapse and US isn’t key

Daniel W. Drezner, Professor of International Politics at the Fletcher School of Law and Diplomacy at Tufts University, October 2012, “The Irony of Global Economic Governance: The System Worked” http://www.cfr.org/international-organizations/irony-global-economic-governance-system-worked/p29101

The 2008 financial crisis posed the biggest challenge to the global economy since the Great Depression and provided a severe "stress test" for global economic governance. States rely on a bevy of institutions—the International Monetary Fund, World Trade Organization, and the Group of Twenty—to coordinate action on the global scale. Since the Great Recession began, there has been no shortage of scorn for the state of global economic governance among pundits and scholars. However, in this International Institutions and Global Governance program Working Paper, Daniel Drezner concludes that, despite initial shocks that were more severe than the 1929 financial crisis, the evidence suggests that these structures responded to the financial crisis robustly. Global trade and investment levels have recovered from the plunge that occurred in late 2008. Existing global governance structures, particularly in finance, have revamped themselves to accommodate shifts in the distribution of power. The World Economic Forum's survey of global experts shows rising confidence in global governance and global cooperation. In short, international financial institutions passed the stress test.

## Renewables

#### Renewables inherent limitations ensure small market and high prices

Zycher, Professor of Economics and Business at CSU Channel Islands, 1-17-2012, Wind and solar power, part III: chasing the green tail, aei.org/outlook/energy-and-the-environment/alternative-energy/wind-and-solar-power-part-iii-chasing-the-green-tail/

This poor competitive performance of wind and solar energy is not limited to the United States. As a crude generalization, Europe’s experience with renewable electricity also can be summarized as high costs combined with low reliability. That is the unavoidable outcome given the basic economic realities afflicting wind and solar electricity generating technologies. Accordingly, renewable power generation has achieved only a small market share in the United States, and official projections are for slow growth at best, notwithstanding large subsidies and other policy support. This market resistance to investment in renewable generation capacity can be explained by the problems intrinsic to renewable power—that is, the inherent limitations on its competitiveness—that public policies can circumvent or neutralize only at very substantial cost. Those problems can be summarized as: unconcentrated energy content; siting constraints and resulting high costs for transmission; and the costs created by low capacity factors, the intermittent nature of wind flows and sunlight, and the resulting need for backup capacity.

#### Renewables can’t beat existing competitors

Zycher, Professor of Economics and Business at CSU Channel Islands, 1-17-2012, Wind and solar power, part III: chasing the green tail, aei.org/outlook/energy-and-the-environment/alternative-energy/wind-and-solar-power-part-iii-chasing-the-green-tail/

This general argument has become familiar over many years. As we learned in the previous two Outlooks (No. 1 and No. 2, January 2012), the competitive performance of wind and solar power is less than impressive, to put it mildly; the greater the competitive difficulties faced by wind and solar generation, seemingly ever-louder have become the official arguments promoting them. And amid this utter disconnect between the rhetoric and the reality of renewable electricity, lower costs for renewables’ competitors—in particular, natural gas prices, both current and prospective—have worsened this competitive environment. Wind and solar technologies must compete with conventional electric generation—coal and natural gas technologies in particular—so that long-run price dynamics for those conventional fuels have a significant effect on the competitiveness of renewables. As I will explain here, recent technological advances in the production of natural gas from shale formations and coal beds have created enormous new problems for the competitiveness of renewable electricity.

#### No trade-off – nuclear investors aren’t the same as wind investors

#### Renewables make the grid intermittent – nuclear is key to solve that

Margaret Harding, president of 4Factor Consulting. She has worked in the nuclear industry for more than 30 years and advises clients on quality, regulatory, technical, and business issues within the nuclear industry, 2-8-2012, “Role of nuclear energy in creating smarter US grid networks,” Nuclear Energy Insider, http://analysis.nuclearenergyinsider.com/operations-maintenance/role-nuclear-energy-creating-smarter-us-grid-networks

Nuclear consultant, Margaret Harding, offers her insights into how smart grid technologies can boost storage capacity on the already constrained US grid network. She also looks at how nuclear's demand response record could actually help solar projects and overall power stability across the US. By Margaret Harding The concept that smart grids are separate from, and conflict with, traditional grids has been discussed in recent times. A key fact that has to be understood is that the current electricity grid in the US is a demand system. That is, electricity is generated as it is demanded. Very little storage capacity is available on the grid today. This makes electricity generation, transmission and distribution among the most complex systems in the world. This relative inelasticity of the industry is at the heart of the issues of intermittent power supplies and demand response. In the past, electricity supply was generated through means that were fairly well controlled. Baseload was provided by coal, hydro, and nuclear with some natural gas and other sources. Natural gas and some of the older less efficient oil units were used to manage demand with highly responsive systems coming on line as demand increased. Stressed out grid However, with the advent of intermittent power suppliers like wind and solar, and changing load curves due to increasing electricity usage (electric cars, more electrical appliances and equipment), the traditional methods of managing the grid are being significantly stressed. § Marked 18:58 § In addition, there are significant losses of electricity occurring in the current US transmission and distribution (T&D) system as well as inflexibility for transmission of electricity across long distances required to use intermittent sources that are generally more available in the west at major population and industrial centers in the east. Voltage events, even minor reductions in voltage, have increasingly significant effects on society. With the increased use of computers and sensitive electronics both as stand- alone devices and as a part of equipment used both in industrial and residential applications, we need to find ways to assure the reliability of the grid is as high as possible. What is ‘smart grid’? Smart grid is really about improving the reliability of the overall electricity supply. This entails managing supply as well as demand, but most importantly, the T&D of electricity. By better sensing and prediction of potential issues, including intermittent sources like wind and solar, faults such as transformer failures, or voltage irregularities, and increasing demand, a “smarter grid” will allow various energy sources to work together more effectively with fewer issues reaching the industrial, commercial, and residential consumers of electricity. Where does nuclear fit in? How do nuclear energy facilities contribute to the overall reliability of energy supply? And how can they support some of the other initiatives on the grid? In the US, generation and T&D have been separated in many markets. This separation means that nuclear generators don’t have direct ability to improve the reliability and detection of grid events in the T&D. However, it does not mean that nuclear utilities do not contribute to grid reliability. Nuclear energy tends to be used as base load supply. The reasons for this are primarily economic, though technology does play a role. The economic reasons center around the fact that nuclear is a capital intensive energy source. Because the majority of costs are in the design and construction of the facility, the owners of these plants need to operate them as much as possible to maximize the return on their investments. Nuclear power plants can load follow, but at an efficiency cost in fuel use. Such load-following operation has to be planned for well in advance to assure safe operation of the plant at varying power conditions. Since most utilities want to maximize investment, they are reluctant to plan in advance of intentional operation at other than 100 per cent power. This drive to be base load makes current nuclear energy facilities less an ideal match with wind energy for daily interaction where intermittency is less predictable and peak availability tends to occur in early morning hours when demand is low. In a more seasonal evaluation, most nuclear plants target outages for spring and fall, both periods when wind is more reliably available and seasonal demand tends to be lower. Nuclear solar combo Nuclear and solar, however, can work together in some interesting and more optimal ways. Because solar is tied to hours of daylight and tends to peak at midday when demand is starting to rise to peak as well, nuclear and solar can work as baseload and peak demand response very effectively. In addition, nuclear load-following is best used when a predictable pattern of reduced power and increased power can be used. As solar tends to be more predictable in its cyclical availability, nuclear energy fuel planning can be designed to work in concert with these arrays, should the amount of solar power being generated exceed demand. Solid base of reliable power Aside from nuclear’s direct interaction with intermittent sources, nuclear power plants can have their own impact on grid reliability. Responding to a loss of 1000 MW or more of electricity during peak demand periods can risk cascading failures if unexpected plant trips occur during operation. Nuclear utilities have worked to continue to improve the reliability of these machines, with capacity factors moving into the 90% range and providing a solid base of reliable power. Unplanned reactor outages have become increasingly rare and allow grid operators to rely on nuclear energy for base load demand. In addition, nuclear utilities have increased the robustness of their facilities to withstand loss of power events. By ensuring that the facilities will be available even during severe weather events, or that they can get back online quickly in the event of grid damage, nuclear energy facilities serve as anchor points in regional grid structures that can keep power delivery to consumers.

#### Grid vulnerability allow China to launch cyberattacks and invade Taiwan

Derene 9

(Glenn – Defense Analyst @ Popular Mechanics, “How Vulnerable is U.S. Infrastructure to a Major Cyber Attack?” October 1, 2009, http://www.popularmechanics.com/technology/military/4307521)

The next world war might not start with a bang, but with a blackout. An enemy could send a few lines of code to control computers at key power plants, causing equipment to overheat and melt down, plunging sectors of the U.S. and Canadian grid into darkness. Trains could roll to a stop on their tracks, while airport landing lights wink out and the few traffic lights that remain active blink at random. In the silence and darkness, citizens may panic, or they may just sit tight and wait for it all to reboot. Either way, much of the country would be blind and unresponsive to outside events. And that might be the enemy's objective: Divert America's attention while mounting an offensive against another country. Pentagon planners have long understood the danger of cyber attacks on U.S. military networks. Indeed, the Defense Department's Global Information Grid is one of the most frequently targeted computer networks on Earth. But the cat-and-mouse game of information espionage on military networks is not the only digital threat that keeps national-security experts up at night. There is a growing concern over the vulnerability of far more tangible assets essential to the economy and well-being of American citizens. Much of the critical infrastructure that keeps the country humming--water-treatment facilities, refineries, pipelines, dams, the electrical grid--is operated using a hodgepodge of technologies known as industrial control systems. Like banks and telecommunications networks, which are also generally considered critical infrastructure, these industrial facilities and utilities are owned by private companies that are responsible for maintaining their own security. But many of the control systems in the industrial world were installed years ago with few or no cyber-security features. That wasn't a big problem when these systems were self-contained. But in the past two decades, many of these controls have been patched into company computer networks, which are themselves linked to the Internet. And when it comes to computer security, a good rule of thumb is that any device that is computer-controlled and networked is vulnerable to hacking. Bad-guy hackers pulling the plug on public utilities is a common theme of Hollywood films, including 2007's Live Free or Die Hard, but such scenarios present more than a mere fictional scare to U.S. intelligence officials. According to Melissa Hathaway, cyber-coordination executive for the Office of the Director of National Intelligence, the list of potential adversaries in a cyber attack is long, ranging from disgruntled employees to criminals to hostile nations. Most experts agree that China and Russia routinely probe our industrial networks, looking for information and vulnerabilities to use as leverage in any potential dispute. James Lewis, a cyber-security expert for the policy think tank Center for Strategic and International Studies (CSIS), says that although cyber warfare couldn't cripple the U.S., it could serve as an effective military tactic. "If I were China, and I were going to invade Taiwan," he says, "and I needed to complete the conquest in seven days, then it's an attractive option to turn off all the electricity, screw up the banks and so on." Could the entire U.S. grid be taken down in such an attack? "The honest answer is that we don't know," Lewis says. "And I don't like that answer."

#### Extinction

Straits Times (Singapore), June 25, 2000, No one gains in war over Taiwan

THE high-intensity scenario postulates a cross-strait war escalating into a full-scale war between the US and China. If Washington were to conclude that splitting China would better serve its national interests, then a full-scale war becomes unavoidable.Conflict on such a scale would embroil other countries far and near and -horror of horrors -raise the possibility of a nuclear war. Beijing has already told the US and Japan privately that it considers any country providing bases and logistics support to any US forces attacking China as belligerent parties open to its retaliation. In the region, this means South Korea, Japan, the Philippines and, to a lesser extent, Singapore. If China were to retaliate, east Asia will be set on fire. And the conflagration may not end there as opportunistic powers elsewhere may try to overturn the existing world order. With the US distracted, Russia may seek to redefine Europe's political landscape. The balance of power in the Middle East may be similarly upset by the likes of Iraq. In south Asia, hostilities between India and Pakistan, each armed with its own nuclear arsenal, could enter a new and dangerous phase. Will a full-scale Sino-US war lead to a nuclear war? According to General Matthew Ridgeway, commander of the US Eighth Army which fought against the Chinese in the Korean War, the US had at the time thought of using nuclear weapons against China to save the US from military defeat. In his book The Korean War, a personal account of the military and political aspects of the conflict and its implications on future US foreign policy, Gen Ridgeway said that US was confronted with two choices in Korea -truce or a broadened war, which could have led to the use of nuclear weapons. If the US had to resort to nuclear weaponry to defeat China long before the latter acquired a similar capability, there is little hope of winning a war against China 50 years later, short of using nuclear weapons. The US estimates that China possesses about 20 nuclear warheads that can destroy major American cities. Beijing also seems prepared to go for the nuclear option. A Chinese military officer disclosed recently that Beijing was considering a review of its "non first use" principle regarding nuclear weapons. Major-General Pan Zhangqiang, president of the military-funded Institute for Strategic Studies, told a gathering at the Woodrow Wilson International Centre for Scholars in Washington that although the government still abided by that principle, there were strong pressures from the military to drop it. He said military leaders considered the use of nuclear weapons mandatory if the country risked dismemberment as a result of foreign intervention. Gen Ridgeway said that should that come to pass, we would see the destruction of civilisation.

# 1AR

## Solve

**Loan Guarantees Solve – Empirical**

**Can build plants fast – upfront costs are only factor – that’s pesko, scott, and yanosek in 1AC**

**Empirically loan guarantees increase the number of plants**

Anne **Winslow**, researcher at Stanford University and the MonAme Scientific Research Center in Ulaanbaatar, Mongolia, 6-28-**2011**, “A Nuclear Renaissance: The Role of Nuclear Power in Mitigating Climate Change,” American Institute of Physics Conference Proceedings, EBSCO

The United States **government has been a major promoter of nuclear** energy in recent years, at home and abroad. Under the 2005 Energy Policy Act, there are **attractive incentives** for the nuclear power industry, **such as federal loan guarantees** for advanced nuclear reactors, production tax credit of 1.8 c/kWH from the first 6000 MWe of new nuclear plants and support for advanced nuclear technology [27]. **These** financial **incentives are particularly important because the capital cost of new nuclear** plants **relative to conventional** fossil-fuel power plants **has been a major challenge** for the industry. **These policies have made nuclear power more economically competitive and were a large part of the reason for the recent flood of applications** for new nuclear energy facilities in the U.S.

**Loan Guarantees Solve – Construction**

**Loan guarantees are highly effective incentives for new plant construction – financing construction is key**

Marvin **Fertel**, President and Chief Executive Officer of the Nuclear Energy Institute, 2-1-**2011**, “STATUS AND OUTLOOK FOR NUCLEAR ENERGY IN THE UNITED STATES,” Energy & Environment, EBSCO

Of **the** three major **incentives for new nuclear** power plant **development** provided by the Energy Policy Act, **the loan guarantee program is the most effective in addressing the major challenge facing new** nuclear power plant **deployment** - **construction financing**. A properly priced **loan guarantee program would enable companies to employ project financing** on a non-recourse basis. The ability to use non-recourse project finance structures **offsets one of the most significant financing challenges facing new** nuclear power plant **construction** - the cost of these projects relative to the size, market value and financing capability of the companies that will build them. A new nuclear plant is estimated to be a $6-8 billion project (including interest during construction). Although $6-8 billion projects are not unique in the energy business, such projects are typically built by consortia of major oil companies with market values many times larger than the largest electric companies. **Project financing**, supported **by loan guarantees**, also **allows a more efficient**, leveraged **capital structure**, **which reduces the** weighted **average cost of capital and thus provides a substantial consumer benefit in the form of lower electricity prices.** **Loan guarantees also mitigate the impact on the balance sheet** of these large capital projects **which would otherwise place stress on credit quality** and bond ratings. Loan guarantees are important to new nuclear plant financing for both unregulated and regulated companies. **Unregulated generating companies will be hard pressed to build nuclear power plants and other large capital-intensive base-load projects except on a project finance basis** with the debt financing secured by the federal government. Unregulated companies do not have the capacity to finance these projects on balance sheet. Many **regulated** electric **companies**, especially those pursuing multiple generating and transmission projects at the same time, **may also be limited** in their ability to finance projects **without project finance capability** because of substantial pressure on credit quality and debt ratings.

## Fiscal cliff

**( ) Middle East war won’t escalate**

Professor **Li** Shaoxian, expert in the Middle East and a senior researcher in the Institute of Contemporary International Relations, 8-17-20**01**, http://www.china.org.cn/english/2001/Aug/17671.htm

Although **the situation in the Middle East** is alarming, it **will not start a war**. The main reasons are: First, both **the international community and international environment will not allow another Middle East war to break out**. Peace and development is still the theme of today’s world. **No big power wants to see a new war** between Arab and Israel in this area so crucial to oil production. Second, **war is not in line with the interests of several countries in the Middle East. None of the Israelis** (including Sharon himself) **wants war**, because war would again put the very existence of the country in danger; Yasser Afrafat, as well, does not want war, because war would turn his 10 years peace efforts into nothing; **Egypt and Syria, the other two big powers in Middle East, do not want war either**. The president of Egypt Hosni Mubarak firmly rejected the possibility of war in an interview with Israeli TV. Bashar al-Assad, the new president of Syria, has put most his attention on domestic affairs. Third, **the countries and extremists** who do want to see war **have neither the capablities or means for war.**

**1AR No Deal**

**No risk of passage – chait says that both sides political calculations are based on an underlying strategy that wont change – it’s a zero sum game – GOP loses everything if a bargain happens and they have proven to hold the line in the past – proven by the debt ceiling**

**Election made it less likely – 50-50 at best**

Naftali **Bendavid**, staff writer, **11-8**-2012, “Focus Shifts to 'Fiscal Cliff',” WSJ, http://online.wsj.com/article/SB10001424127887323894704578105260044138592.html

**Tuesday's vote left the** U.S. with a **government as polarized as it was before**. "By returning a divided government to Washington, **the electorate has given neither party a clear mandate to address the** lackluster recovery, the **fiscal cliff**, and the looming debt crisis," Brian Kessler of Moody's MCO -0.63% Analytics said Wednesday. Barry Knapp, head of U.S. equity portfolio strategy at Barclays, BARC.LN +0.32% turned more bearish after seeing the election results, arguing that **the risk of fiscal-cliff disaster increased to more than half, from** about **30% before**. "When I look at what happened, **I see a government that grew farther apart, which might be worse than the status quo,"** Mr. Knapp said. "**The risk of going off the cliff has just gotten huge."**

**Zero risk of a lame duck deal even with friendly statements coming from both sides**

Nancy **Cook**, staff writer, **11-8**-2012, “To Avert a Fiscal-Cliff Catastrophe, Someone Has to Blink,” National Journal, http://www.nationaljournal.com/magazine/to-avert-a-fiscal-cliff-catastrophe-someone-has-to-blink-20121108

**It’s hard to see the route to a quick deal**—especially one **before** the **New Year’s** deadline—**because the players remain the same and the party lines are as extreme as ever**. The president did call all four congressional leaders after the election to talk about the fiscal cliff; **Obama, Boehner, and Reid spoke this week in a much friendlier tone than they have in the past about the need to compromise**. But **the substance has not shifted at all since the** failed **super committee** **and** the epic battle in 2011 over the **debt ceiling**. **Pabulum about open-mindedness and summits at Camp David will not unify the parties over the next six weeks.** **Which may mean** one thing: **a jump over the cliff** into the great unknown that hopefully sometime produces a compromise.

**Ideological lock in – overcomes Obama’s PC**

Nancy **Cook**, staff writer, **11-8**-2012, “To Avert a Fiscal-Cliff Catastrophe, Someone Has to Blink,” National Journal, http://www.nationaljournal.com/magazine/to-avert-a-fiscal-cliff-catastrophe-someone-has-to-blink-20121108

**The far more likely scenario for both parties is a swan dive over the fiscal cliff**. **The election gave Obama some leverage**, especially since the Democrats retained control of the Senate. **But House Republicans** also **kept their majority**. **Both parties view the status quo as an affirmation of their power.** “The president feels like his mandate from a slim margin of victory is to raise taxes,” says a Republican Senate aide privy to GOP discussions. “A razor-thin margin will not change the principles of the Republicans.” A plunge would follow weeks of behind-the-scenes negotiations, public political posturing, and pressure from outside groups—both political and business ones. And it would surely shake the nation’s confidence. But it might not be all bad. True, from an economic standpoint, it would turn deficit reduction into a de facto program of austerity, just as the unemployment rate is sinking and the economy is recovering. But from a purely political standpoint, **the cliff dive would allow lawmakers to negotiate with a clean slate**. **Neither party likes a recession** per se, **but they may both dislike one less than they dislike surrendering their entrenched tax positions.**

**Double bind – either short term market fluctuations inevitably force a compromise or compromise is impossible**

**AP**, **10-1**-2012, “Investors eye the 'fiscal cliff' as Barack Obama's poll numbers improve,” http://www.theaustralian.com.au/in-depth/us-election/investors-eye-the-fiscal-cliff-as-barack-obamas-poll-numbers-improve/story-fn95xh4y-1226485913043

**Twists in the talks will** likely **rattle markets** as the new year approaches. But **if stocks** do **fall** sharply, investors expect **that would push Republicans and Democrats to reach a deal**. "Ugly negotiations in the lame-duck session could really throw the market for a loop," says Mr Kleintop. "It could be a painful process for investors." In a report out this week, analysts at Goldman Sachs tried to estimate just how painful could be. Goldman expects the stock market will start sinking after the elections as people realize the fiscal cliff "will not be solved in a smooth fashion." That's the reason Goldman forecasts that one broad measure of the stock market, the Standard & Poor's 500 index, will end this year at 1,250 - a 13 percent drop from where it closed Friday. Beyond that it gets worse with no deal. The $600 billion in cuts and tax hikes kick in and experts say a recession would be likely. **That's also why some take solace in the idea that, whatever their political party, nobody wants the economy to shrink.** Dan **Greenhaus**, chief global strategist at the brokerage BTIG, **wonders if that's placing too much faith in Washington.** "Republicans aren't losing the House," Mr Greenhaus said. "So as the odds of Obama winning re-election go up, what **you have to ask is: How are these two parties going to find middle ground in just a few months? I have no idea."**

**Their ev systematically overestimates the chances – and no impact**

Austin **Wright**, staff writer, **11-6**-2012, “Lame duck looking lamer as fiscal cliff nears,” Politico, http://www.politico.com/news/stories/1112/83353\_Page2.html

The Washington defense establishment used to expect the life-or-death question of sequestration would be decided after Tuesday’s elections, in Congress’s year-end closing session. But the **conventional wisdom has shifted**: Now it appears that no matter who wins the White House, **the lame-duck Congress is unlikely to have the last word. That’s the consensus** of defense **watchers** across Washington, several of whom told POLITICO they even **expect sequestration to take effect**, at least for the first few weeks after its official start date, Jan. 2. Billions of dollars in defense spending ride on the outcome of the election, as President Barack Obama has pledged to draw down the military, while Republican challenger Mitt Romney has said he’d plus it up. So what might an endgame look like in the war of sequestration? If Obama wins, Democrats could try to improve their negotiating position by allowing sequestration to take effect and letting the Bush-era tax cuts expire — forcing Republicans into a corner on two top GOP priorities. “Some people think the circumstances are better for a deal if you just let everything expire first,” said Michael O’Hanlon, a senior fellow with the 21st Century Defense Initiative at the Brookings Institution. “It makes a deal with Republicans on taxes a lot more feasible because it doesn’t have to be couched as tax increases.” If Romney wins, Republicans also could improve their negotiating position by waiting until January — once they take control of the White House — to haggle with their Democratic counterparts. “I would expect that the lame duck would not foreclose any options for President-elect Romney,” said Mackenzie Eaglen, a resident fellow at the conservative American Enterprise Institute and an informal adviser to the Romney campaign. From the defense establishment’s perspective, it all could add up to a lame-duck session that would truly be, well, lame. “**I don’t see any reason to think people are going to be any more reasonable during the lame duck**,” said Patrick Lester, director of fiscal policy at the group OMB Watch, which last week released a report on how the White House could mitigate the early effects of sequestration. “I doubt any budget deals are going to be cut between an outgoing president and Congress,” he added. “**Folks in general are underestimating the chances that sequestration will happen** and overestimating the immediate effects of it.” That’s probably because the **Pentagon and the defense industry have been shrieking like banshees** for more than a year **over** the consequences of some $500 billion in across-the-board **sequestration** cuts over the next decade. But within the past few weeks, **the tenor** of the sequestration debate **has become less apocalyptic**, as both the White House Office of Management and Budget and analysts like Lester have made clear that if it were to happen, **the bad stuff wouldn’t all take place immediately** — effectively **giving lawmakers** a little **more time to work** next year. In the House, Speaker John **Boehner** (R-Ohio) already **is tamping down expectations for a grand bargain, or even a punt, in the lame-duck** session.

**1AR January Solves**

**Lame duck deal isn’t key and future deals are inevitable and solve the DA – Dayen says that going over the fiscal cliff boosts Obama’s PC massively – GOP hates the cuts that occur which means they fold.**

**A compromise is inevitable – its laughable that neither side will come a to a compromise eventually – even if there are fights, eventually both sides will agree to fund the military.**

**Waiting solves the whole DA – January deal inevitable and Obama can mitigate the impact of the whole cliff**

Jonathan **Chait, chief Washington correspondent**, **10-14**-2012, “November 7th,” NY Magazine, http://nymag.com/news/politics/elections-2012/obama-romney-economic-plans-2012-10/

Obama may have abandoned his attempts at progress through compromise, but he is pursuing progress through other means. **Administration officials no longer say that they can cajole Republicans into agreeing to raise tax revenue through negotiation. Instead, they understand** something important, something that has not quite sunk in with wary liberals, obstinate conservatives, or split-the-difference deficit scolds: **They no longer have to.** The odd thing about the debt-ceiling debacle is that the deal Obama tried to cut with Republicans may have been absurdly generous, but the deal he actually got was pretty favorable. It required the establishment of a bipartisan commission that had to agree to $1.5 trillion worth of reductions—which, of course, it could not, for the same reason every other bipartisan deficit negotiation failed—or else automatic cuts would take place in 2013. Because Republicans refused to allow higher revenue to make up any part of those cuts, and insisted all the automatic deficit reduction consist of lower spending, Obama made his own demand: that he have a greater say in what kind of spending would suffer cuts. Social Security and Medicare benefits were exempted, though cuts to Medicare providers were not. Programs that benefit the poor were likewise spared, but defense absorbed a huge proportion of the automatic cuts. The idea was to turn the Republican coalition against itself. As the clock ticked toward January, doctors, hospitals, and—most especially—defense contractors would be confronted with terrifyingly large reductions in their income stream. Voiding those cuts would require convincing Obama to sign a law undoing them, which he would not do unless the replacement plan met his definition of fairness, which meant including higher tax revenue from the rich. This has had precisely its intended effect. Executives and lobbyists have begun to beseech Republicans to accept a budget deal that includes higher revenue along with lower spending. Republican defense hawks like John McCain and Lindsey Graham have signed a letter calling for a “balanced bipartisan deficit reduction package,” which is Beltway code for a deal mixing taxes and spending. What really lured Republicans into a trap was the timing of the arrangement. The beginning of 2013, when the automatic spending cuts take effect, coincides with the expiration of every penny of the Bush tax cuts. And so, by postponing the fiscal reckoning, Republicans inadvertently scheduled it for the very moment when Obama (should he win reelection) will hold his maximum leverage. Last summer, Obama was pleading with Boehner to give him $800 billion in additional revenue. Come January, he’ll have $5 trillion in higher revenue without doing anything. Since Obama’s own budget proposes to raise only $1.5 trillion in new revenue and trim entitlement spending, he could then offer Republicans a deal that cuts taxes (by, say, a couple trillion dollars), increases military spending, and reduces entitlement spending. In other words, he could offer a right-wing bill—and the end result would be a mix of policies to the left of his own budget, and to the left of the Simpson-Bowles proposal. If Romney wins the election, Obama’s leverage disappears. As part of their big-bang vote on the Ryan plan, Republicans could just cancel the tax hikes and spending cuts they don’t like without finding other ways to fill the hole in the budget, and live with the pain of being called deficit hypocrites by Rachel Maddow and Paul Krugman. But if Obama wins, starting on January 1, everything that has held true in Washington for the past two years flips upside down. Even tax reform, which the two parties have endlessly discussed but failed to agree on, will suddenly become very easy, because instead of using reform to make people pay more, any new reform will tax people less. The term that keeps popping up among Obamans is break—as in, “we have to break the Republicans on taxes.” Assuming Obama wins reelection, the moment the apple falls in Times Square, the Republican anti-tax crusade will be broken, and with it the pathology that has launched the deficit wars. This is not the story you have heard about the budget. **You have** probably **heard a terrifying tale of** dysfunction and impending doom, with the catchphrase “**the fiscal cliff**” used by budget wonks to describe all the automatic changes scheduled for January 1. It’s a story of disaster that could arrive by accident and must be prevented at all costs. **Every aspect of this narrative is inaccurate**. The term “fiscal cliff” has leached into the broader political lexicon, though few people understand what it means, and many of them invoke it to mean its precise opposite. Among Republicans, especially, “fiscal cliff” has come to signify their Obama-era fears of a Greece-style debt crisis. Pete Peterson, an investor and longtime fiscal hawk, has devoted more than a half-billion dollars to lobby for a bipartisan debt-reduction agreement, funding a vast network of centrist anti-deficit activists, like the Concord Coalition, the Committee for a Responsible Federal Budget, and an organization called “the Campaign to Fix the Debt,” all of which have pounded a national drumbeat warning against the perils of the fiscal cliff. “Rhetoric won’t fix the debt, action will,” warns a statement by Fix the Debt. A “solution to the nation’s fiscal crisis,” scolded the Washington Post editorial page, which closely echoes the views of the Peterson network, “can be implemented only if Republicans and Democrats hold hands and jump together.” This is all utterly wrong. **Bipartisan agreement is not necessary to fix the debt**. Nothing is necessary to fix the debt. It is as if the network of activists, wonks, business leaders, and Beltway elder statesmen who have devoted themselves to building cross-party support for a deficit deal have grown more attached to the means of bipartisanship than to the ends for which it was intended. **The budget deficit is a legislatively solved problem**. It is, indeed, an oversolved problem. **In the absence of any agreement between the president and Congress, the deficit will shrink** to less than one percent of the economy by 2018, and remain below that level through 2022. The budget deficit declines so sharply and so drastically, and in ways that neither party is entirely comfortable with, that the task for Washington is to pull back on deficit reduction. It’s true that should all this come to pass and Congress does nothing at all, allowing all automatic deficit reductions to stay permanently, then our economy would be hit by a powerful shock—a massive anti-stimulus. This is the outcome that terrifies moderate liberals like Howard Fineman, who warns that the nation is about to “go over the fiscal cliff with no hang glider.” But here is a case where **a bad metaphor has caused everybody to think about the matter in** exactly **the wrong way. When you walk off a cliff, the first step is your last**. There is no such thing as falling halfway down a cliff. But **the “fiscal cliff” is not a cliff at all**. **The economic damage is cumulative.** It is the opposite of the debt ceiling, when the doomsday clock ticked down to a moment of sudden calamity. **A full year of inaction would do a lot of damage,** but a week, a month, or even **a couple of months would not**. **The president would have enough control over the mechanics of the budget to delay the effects of higher taxes and spending cuts in order to cushion the blow to the economy**. **Even if the tax hikes and spending cuts go into effect, any deal that gets signed later could be retroactive. Meanwhile, the Federal Reserve could also take emergency action to keep the recovery afloat.** It’s not certain that **Obama will** have the fortitude to **make it to January** **without surrendering to demands to cut a deal**. He will have to endure a concerted persuasion campaign by the business lobby and the cries of the fiscal scolds, which will grow to a deafening volume by December. But if he does, **Obama will have a stronger hand than he has had at any time before**. On the eve of his inauguration, **he will find himself holding the political high ground in the midst of a perceived economic crisis**. **He will demand that Republicans retreat on their refusal to increase taxes on the rich, and join him at the table. The fight will** likely **come down**, as it has in the past, **to the extension of the Bush tax cuts.** Everyone, even Democrats, will be clamoring for middle-class tax relief, and the **Republicans may employ hostage tactics again**, refusing to cut those taxes unless Obama agrees to extend all the Bush tax cuts, right on up to Bill Gates’s. This is how Republicans played it when the cuts were scheduled to expire at the end of 2010, and Democrats buckled almost immediately, agreeing to a two-year extension for everyone. At least some conservative Republicans plan to run the same play again. **They’re likely to find it no longer workable.** **Obama’s campaign message**, with its sharp differentiation on taxes, **has unified congressional Democrats behind an insistence that the Bush tax cuts on income over $250,000 must end.** **By January, the economy will have crawled further out of its hole** than it had in 2010, and **Obama’s reelection campaign will be over, rendering the threat of a middle-class tax hike much less dire**. In fact, though Obama officials are very careful not to say so, they may not view the threat of ending the Bush tax cuts on income below $250,000 a year as a threat at all. If no deal is made, remember, Democrats win by default: Their most cherished domestic priorities are protected, and the Republicans’ are assailed. **The final piece of drama will be** the return of **the debt ceiling**. The extension Obama won last summer will expire sometime around February or March. If Obama and the Republicans still have not resolved their struggle two months into the year, amid an atmosphere of panic, then **the looming threat that Republicans might refuse** to raise the debt ceiling **could** well **offer them a useful hostage** once again. But **the GOP’s ability to threaten financial apocalypse** in order **to extract concessions is unlikely to work** nearly as well this time. In 2011, Republicans were demanding spending cuts, which put them in good standing with the business elite and anti-deficit center. In 2013, should it come, they will be demanding tax cuts and increases in defense spending, a far more complicated message. What’s more, **there are strong legal arguments** that **the president can ignore Congress** and essentially moot the debt ceiling on his own. Obama ignored these tools in 2011 and submitted to a shakedown because he believed he could cut a deal. Members of the administration aren’t brandishing this weapon, but, somewhat like the Israeli nuclear program, they are happy to have its existence known, if not acknowledged.

**It’s a slope, not a cliff – Obama can mitigate and reverse the damage.**

David **Dayen**, staff writer, **11-2**-2012, “OMB Watch Outlines Strategies to Minimize Near-Term Sequester Impact,” Fire Dog Lake, http://news.firedoglake.com/2012/11/02/omb-watch-outlines-strategies-to-minimize-near-term-sequester-impact/

Now, a new report from OMB Watch suggests that **OMB and federal agencies can make the sequester manageable** in the early weeks following the triggering of the sequester. This is predicated on a temporary sequester in the first several weeks of 2013, perhaps up to a month. In the report, OMB Watch argues that **the White House** and the federal agencies **can** essentially **postpone** impacts of **the sequester while a budget agreement gets negotiated**. **The executive** branch **has a variety of tools to deal with the cuts on a short-term**, temporary **basis**. **These include controlling the rate of** federal **spending** during the first few weeks of the year, **delaying** the announcement of **new federal contracts** and grants until later in the year, **redirecting funds** to more urgent activities early in the year, **and using spending options** to prevent agency layoffs. “Advocates and citizens should urge the White House and agencies to use the tools at their disposal to minimize the impacts of the automatic cuts required by the Budget Control Act until a budget compromise is found,” said Lester. “In poll after poll, the American **people** have said they **want to see taxes on the wealthy increased**. **Allowing the** Bush **tax cuts to expire may be the only way to achieve that**. **Then the president and Congress will have several weeks to negotiate a** constructive budget **agreement** – one that raises the revenue required to keep the recovery going, supports critical public programs, and reduces the debt over time.” This is almost a parallel to the “extraordinary measures” that the Treasury Department can undertake to delay the impact of the debt limit. For example, OMB can accelerate program spending in early 2013 even with the sequester cuts, basically bringing spending forward into those initial weeks. This would allow them to avert layoffs, the biggest near-term consequence of the sequester. In addition, **agencies can use “carryover” funds already appropriated but never used**. **They could prioritize program activities** within a particular budget line item to minimize impact. **They could work through existing contracts and grants**, which are not eligible for the automatic cuts, before signing new ones, which are eligible. None of **these strategies** would prevent cuts, but they **would give the Administration breathing room in early 2013**, basically **an extra month** or so **to work out an arrangement**. **If the incoming Congress is** **more** broadly **favorable for Democrats**, **that would be an option worth taking**. If the strategy looks more promising to propose a tax cut after all the Bush-era tax cuts expire, then **these strategies would ensure minimal near-term impact from sequestration, despite allowing that to trigger**. **The** hard **December 31 deadline**, in other words, **doesn’t have to be much of a deadline at all, and** that means Democrats have a wider menu of options, election outcome permitting.

**AT: Short Term/Uncertainty Econ Impact**

**Don’t buy their industry spin – uncertainty created by the fiscal cliff has no impact**

David **Dayen**, staff writer, **10-26**-2012, “The Deliberate Confusion on the Fiscal Slope,” Fire Dog Lake, http://news.firedoglake.com/2012/10/26/the-deliberate-confusion-on-the-fiscal-slope/

Is the threat of the fiscal slope already hurting the economy? The GDP estimate shows business investment slowing, but that’s been a relatively permanent condition since the Great Recession (since before it, according to some analysts). Every now and again **you get reports that the potential for fiscal cutbacks and** resulting **uncertainty has cost** America **jobs**, but **they** typically **come from self-interested groups** (I generally wouldn’t trust anything the National Association of Manufacturers had to say). **If you look at the industries truly affected by the fiscal slope**, like the defense industry, for example, which bears half of the impact of the sequester by themselves, **contractors aren’t** necessarily **cutting back and all showed robust third-quarter earnings**. **Business leaders** simply **aren’t reliable** **in talking about the impact of the fiscal slope**. They have lined up behind a debt deal, mostly as a ploy to get their own tax rates lowered, even if they snookered Jackie Calmes into thinking that these are patriotic men who would raise their own taxes for the good of the country. There’s no getting around the statement of these CEOs in support of “comprehensive and pro-growth tax reform, which broadens the base, lowers rates, raises revenues and reduces the deficit.” The idea that you have to lower tax rates in the context of a deficit reduction plan should show you the lack of seriousness around this ploy, as well as the transparency of it.

**It’s a fiscal slope – even damage to confidence will be mitigated and reversed**

Annie **Lowrey**, staff writer, **10-9**-2012, “Fiscal Cliff May Be Felt Gradually, Analysts Say,” NYT, http://www.nytimes.com/2012/10/10/us/fiscal-cliff-may-be-felt-gradually-analysts-say.html

**Come January, if Congress fails to act, spending cuts and tax increases large enough to throw the country back into recession will hit. It is known in Washington as the “fiscal cliff.”** But policy and economic **analysts projecting its complicated** and wide-ranging potential **impact said the term** “fiscal hill” or “**fiscal slope” might be more apt: the effect would be** powerful but **gradual, and** in some cases, **reversible**. “**The slope would** likely **be** relatively **modest** at first,” Chad Stone, the chief economist at the Center on Budget and Policy Priorities, a research group based in Washington, wrote in a recent analysis. “A relatively brief implementation of the tax and spending changes required by current law should cause little short-term damage to the economy as a whole.” The annual effect of the automatic tax increases and spending cuts would be enormous. The Congressional Budget Office has estimated that the budget deficit would shrink by more than half a trillion dollars from fiscal years 2012 to 2013 and that the economy would very likely enter another recession. Nearly all Americans would see their tax bills increase, with income and payroll taxes climbing, credits shrinking and levies on investment earnings soaring. The Tax Policy Center, a Washington research group, has estimated that the average family would see its tax bill go up $3,500 and its after-tax income drop 6.2 percent. At the same time, mandatory federal spending cuts would compel agencies across the government to reduce their budgets by billions. A study by the economist Stephen S. Fuller of George Mason University and sponsored by the Aerospace Industries Association, a trade group based in Virginia, has estimated the related job losses at as many as 2.14 million. The potential economic damage has led a spate of economic heavy hitters — from the International Monetary Fund, Wall Street, foreign capitals, the Federal Reserve and elsewhere — to urge Congress to act before year’s end. Noting the fragility of the recovery, Ben S. Bernanke, the chairman of the Federal Reserve, described avoiding the cliff as the “most effective way Congress could help to support the economy right now.” But both Democrats and Republicans have said that going over the fiscal cliff might put them in a better negotiating position. And confidence in policy makers’ ability to get a deal done is low. **In the event that New Year’s Day came and went without a legislative fix, confidence, investment, markets and household spending would be hurt,** analysts said**. Still, there would be time for Congress to strike a deal before the economy started contracting. The economic effect would accumulate day by day, and much of it might be reversible. The Treasury Department has significant discretion** over whether **to adjust the withholding tax tables,** meaning it could choose to keep last year’s rates and avert much of the blow from the tax increases. **Policy makers could also apply lower tax rates retroactively**: If the Bush-era tax cuts expired for all households in January, they could be reapplied in February. “**It would be quite easy**,” said Eric Toder of the Tax Policy Center. “Technically easy. I don’t know about politically easy.” Congress does need to address the alternative minimum tax; a patch to ensure that millions of families do not pay higher taxes this year is broadly expected but not in place. “A lot of people would be very surprised to see how big their tax bill will be,” said Nigel Gault, the chief United States economist for IHS Global Insight. “That’s a pretty urgent one to take care of, so that tax forms can be properly prepared for 2012.” **Even if the tax increases hit** in January, **families might not notice** the incremental loss of income in the near term, economists said. **Households might temporarily dig into savings** to maintain their spending on the gas, food, housing and other consumer goods, **mitigating the impact the tax increases might have** on the broader economy. “The consumer has relied on savings to bridge the loss of disposable income from tax increases” in the past, said Jacob Oubina of RBC Capital Markets in New York. Moreover, while the fiscal cliff would be enormous in annual terms, its effect would be cumulative, not immediate, analysts have noted. Households hit by the tax increases might not notice the $10 or $100 missing from their paychecks, even if it would damp their spending over the course of the year. **Agencies hit by the spending cuts might not act immediately.**

**Major fights are inevitable – triggers the market freakout impact**

**No Impact – Fiscal Slope**

**Numerous ways to avoid the fiscal cliff – Obama can turn it into a gradual fiscal slope**

David **Dayen**, staff writer, **11-2**-2012, “OMB Watch Outlines Strategies to Minimize Near-Term Sequester Impact,” Fire Dog Lake, http://news.firedoglake.com/2012/11/02/omb-watch-outlines-strategies-to-minimize-near-term-sequester-impact/

Now, a new report from OMB Watch suggests that **OMB and federal agencies can make the sequester manageable** in the early weeks following the triggering of the sequester. This is predicated on a temporary sequester in the first several weeks of 2013, perhaps up to a month. In the report, OMB Watch argues that **the White House** and the federal agencies **can** essentially **postpone** impacts of **the sequester while a budget agreement gets negotiated**. **The executive** branch **has a variety of tools to deal with the cuts on a short-term**, temporary **basis**. **These include controlling the rate of** federal **spending** during the first few weeks of the year, **delaying** the announcement of **new federal contracts** and grants until later in the year, **redirecting funds** to more urgent activities early in the year, **and using spending options** to prevent agency layoffs. “Advocates and citizens should urge the White House and agencies to use the tools at their disposal to minimize the impacts of the automatic cuts required by the Budget Control Act until a budget compromise is found,” said Lester. “In poll after poll, the American **people** have said they **want to see taxes on the wealthy increased**. **Allowing the** Bush **tax cuts to expire may be the only way to achieve that**. **Then the president and Congress will have several weeks to negotiate a** constructive budget **agreement** – one that raises the revenue required to keep the recovery going, supports critical public programs, and reduces the debt over time.” This is almost a parallel to the “extraordinary measures” that the Treasury Department can undertake to delay the impact of the debt limit. For example, OMB can accelerate program spending in early 2013 even with the sequester cuts, basically bringing spending forward into those initial weeks. This would allow them to avert layoffs, the biggest near-term consequence of the sequester. In addition, **agencies can use “carryover” funds already appropriated but never used**. **They could prioritize program activities** within a particular budget line item to minimize impact. **They could work through existing contracts and grants**, which are not eligible for the automatic cuts, before signing new ones, which are eligible. None of **these strategies** would prevent cuts, but they **would give the Administration breathing room in early 2013**, basically **an extra month** or so **to work out an arrangement**. **If the incoming Congress is** **more** broadly **favorable for Democrats**, **that would be an option worth taking**. If the strategy looks more promising to propose a tax cut after all the Bush-era tax cuts expire, then **these strategies would ensure minimal near-term impact from sequestration, despite allowing that to trigger**. **The** hard **December 31 deadline**, in other words, **doesn’t have to be much of a deadline at all, and** that means Democrats have a wider menu of options, election outcome permitting.

**Obama can unilaterally avoid spending cuts and tax increases – significantly blunts the impact and allows later compromise**

Zachary **Goldfarb**, staff writer, **11-2**-2012, “To blunt ‘fiscal cliff’ pain, administration could assert broad powers, experts say,” Washington Post, http://www.washingtonpost.com/business/economy/to-blunt-fiscal-cliff-pain-administration-could-assert-broad-powers-experts-say/2012/11/02/66a075ee-238d-11e2-ac85-e669876c6a24\_story.html

The **Obama** administration **could blunt the economic harm caused by the “fiscal cliff**” at the end of the year by using its unilateral powers over spending and taxes, for instance, **by freezing** how much in **taxes** is taken out of payroll checks, according to former senior officials and other tax and budget experts. Beyond postponing tax increases, administration **officials might** also **soften the blow from** dramatic federal **spending cuts by shifting** available **money toward paying immediate costs** — such as government employee salaries — rather than saving for construction projects later in the year. White House officials have yet to detail how they might handle the hundreds of billions of dollars in tax increases and spending cuts that are set to take effect if the administration and lawmakers fail to reach a deal on tackling the deficit. But **when faced with a similar situation** before, **the administration considered delaying** scheduled **tax increases** by deferring changes to income tax withholding tables, according to people familiar with the matter. In 2010, when taxpayers were about to see a similar automatic increase in income taxes, top advisers to Treasury Secretary Timothy F. **Geithner** privately **concluded** that **he** probably **had the power** to put off changes to the tables under some circumstances, according to sources who spoke on the condition of anonymity to discuss the previously unreported deliberations. If the administration were to take such emergency actions this time around, **it could buy** the White House and Congress more **time to reach a deal**, **easing** some of the **urgency** to preempt the fiscal cliff. Economists have warned that the combined effect of increased taxes and slashed spending could plunge the nation into recession. **Budget and tax experts**, including people familiar with the administration’s thinking, **say it could assert broad powers** in the coming weeks to prevent the worst of the fiscal cliff, at least temporarily. If Mitt Romney is elected Tuesday, he could choose to continue or revise the emergency policies. The scheduled tax hikes include increases in payroll taxes and rates for upper- and middle-income Americans, as well as an adjustment to the alternative minimum tax. These increases total about $500 billion next year and could deal a far larger blow to the struggling economic recovery than would the spending cuts, which come to about $100 billion over the same period. Without any new actions by Congress, taxes will rise an average of $3,500 per household. Middle-class families would see an average increase of $2,000, according to the Tax Policy Center. Most people would see the impact of those tax increases in their first paycheck, because employers usually withhold a worker’s estimated taxes. But the Treasury Department could try to blunt the impact by freezing withholding tables at 2012 levels. The law gives the Treasury secretary the authority to set withholding tables at his discretion, though they are supposed to comply with the law. “This is a gray area,” said Gregory F. Jenner, a senior tax official in the George W. Bush administration. “I think **it’s possible**. **Who’s going to challenge him?”** Jenner said the move might not be wise but is still an option “if they have a plausible, defensible reason. There is not a rigid set of rules.” (If the administration were to delay ­changes to the withholding tables, taxpayers would still owe the full amount of taxes under law at the end of the year.) In late 2010, Obama administration officials feared that the weak economy was about to take a big hit from scheduled tax increases on middle- and upper-class earners. Republicans had just seized control of the House in midterm elections, and it wasn’t clear whether a bipartisan deal could be reached to head off the tax increases before they took effect at the start of the new year. The White House and lawmakers were furiously negotiating. Treasury Department lawyers examined whether Geithner could freeze the withholding tables, according to people familiar with the matter. The lawyers didn’t agree on the circumstances under which Geithner could act. Some said he could act only if there was near-certainty that Congress would prevent rates from rising. Others argued that he could defer changes to the tables if there was simply a high probability that negotiators would strike a deal in the new year to extend the tax cuts. Geithner’s top advisers concluded that he could probably postpone changes to the tables under those somewhat looser circumstances, but a deal between the parties in December 2010 averted the need to make a final decision. Spokeswomen for the White House and the Treasury Department declined to comment on what the administration would do this time around. Although the administration could soften the immediate impact of higher income tax rates, there would be less latitude for the alternative minimum tax and the payroll tax cut. The payroll tax would be increased immediately, costing the average family about $80 per month. The AMT, which affects nearly 30 million upper-middle-income households, would become an issue for people as they begin to file their taxes, because it affects 2012 income. **The administration could** also have power to **shape** the automatic spending cuts, known as **sequestration, so the initial hit** to the economy **is not** that **great**. **The law calls for $93 billion in cuts** to defense and domestic spending in the fiscal year ending Sept. 30, 2013, but **much of that spending,** though technically allocated in 2013, **would be carried out in later years**. As a result, the government must cut only $45 billion through the end of the fiscal year. And **the government can postpone many of these cuts until later** in the year, though not indefinitely. “**The government has** a moderate amount of **flexibility to mitigate the immediate effect** of sequestration,” said Richard Kogan, a senior fellow with the Center on Budget and Policy Priorities and former Obama administration budget official. “But over the long run, there’s no getting around the fact that when funding is cut, you must do less.” Kogan said federal agencies could move cash around at the beginning of the year, fully funding pressing needs by using money marked for spending later in the year, betting that **a fiscal deal** between the White House and Congress **would eventually restore normal funding.**

**The global economy is resilient – global economic institutions check collapse and US isn’t key**

Daniel W. **Drezner**, Professor of International Politics at the Fletcher School of Law and Diplomacy at Tufts University, October **2012**, “The Irony of Global Economic Governance: The System Worked” http://www.cfr.org/international-organizations/irony-global-economic-governance-system-worked/p29101

**The 2008 financial crisis posed the biggest challenge to the global economy since the Great Depression** and provided a severe "stress test" for global economic governance. **States rely on** a bevy of institutions—**the I**nternational **M**onetary **F**und, **W**orld **T**rade **O**rganization, **and the G**roup of **Twenty**—**to coordinate action** on the global scale. Since the Great Recession began, there has been no shortage of scorn for the state of global economic governance among pundits and scholars. However, in this International Institutions and Global Governance program Working Paper, Daniel Drezner concludes that, **despite initial shocks that were more severe than the 1929 financial crisis**, the evidence suggests that **these structures responded** to the financial crisis **robustly**. **Global trade and investment levels have recovered** from the plunge that occurred in late 2008. Existing global governance structures, particularly in finance, have revamped themselves to accommodate shifts in the distribution of power. The World Economic Forum's survey of global experts shows rising confidence in global governance and global cooperation. In short, **international financial institutions passed the stress test.**

### AT: Econ

**1NC AT: Growth Solves War**

**( ) No wars from econ collapse.**

Morris **Miller**, Winter **2000**, Interdisciplinary Science Reviews, “Poverty as a cause of wars?” V. 25, Iss. 4, p pq

The question may be reformulated. **Do wars spring from** a popular reaction to a sudden **economic crisis** that exacerbates poverty and growing disparities in wealth and incomes? Perhaps one could argue, as some scholars do, that it is some dramatic event or sequence of such events leading to the exacerbation of poverty that, in turn, leads to this deplorable denouement. This exogenous factor might act as a catalyst for a violent reaction on the part of the people or on the part of the political leadership who would then possibly be tempted to seek a diversion by finding or, if need be, fabricating an enemy and setting in train the process leading to war. **According to a study undertaken by** Minxin Pei and Ariel Adesnik of the **Carnegie** Endowment for International Peace, **there would not appear to be any merit in this hypothesis**. After studying ninety-three episodes of economic crisis in twenty-two countries in Latin America and Asia in the years since the Second World War they concluded that:19 Much of the **conventional wisdom about the political impact of economic crises may be wrong** ... **The severity of economic crisis** - as measured in terms of inflation and negative growth - **bore no relationship to the collapse of regimes** ... (**or**, in democratic states, rarely) to an **outbreak of violence** ... In the cases of dictatorships and semidemocracies, the ruling elites responded to crises by increasing repression (thereby using one form of violence to abort another).

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