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*THE NEGATIVE: CASEBOOKS ON
SUBSTANTIALLY INCREASING U.S. TRANSPORTATION
INFRASTRUCTURE INVESTMENT*

Volume IV

**GENERIC DISADVANTAGES TO
SUBSTANTIALLY INCREASING U.S.
TRANSPORTATION
INFRASTRUCTURE INVESTMENT**

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GENERIC DISADVANTAGES TO INCREASING INVESTMENT IN TRANSPORTATION INFRASTRUCTURE

INTRODUCTION AND DEFINITION OF TERMS

This volume is designed to give both debaters and coaches an introduction to the structure and use of negative disadvantages. The disadvantages contained herein have been thoroughly researched and documented, and we believe you will find these arguments very helpful as you engage in debates on the infrastructure topic. As you are reading this volume, you may come across several terms related to disadvantages that are unfamiliar. We will briefly discuss some of that terminology here. First, a negative disadvantage may be “Generic” in the sense that it can be made to apply to most if not all affirmative cases, and is therefore useful in many debates. Second, we will discuss the term “Shell.” When someone refers to the “Shell” of a disadvantage, they are talking about the initial introduction of the argument. The “Shell” is designed to introduce the negative disadvantage into the debate. Most “Shells” will contain the basic parts of the disadvantage, and will use a few pieces of evidence to back up each component (the components of a disadvantage are discussed below). The term “Extensions” refers to the arguments and evidence used in later speeches to develop and extend the disadvantage. The “Extensions” are to be used selectively, based upon the way in which the affirmative team attacks the disadvantage. For example, if the affirmative team only attacks the “Impact” to the disadvantage, it may be useful to use some evidence from the “Impact” section of the extensions in order to rebuild that specific part of the disadvantage. The disadvantages in this book are presented with the “Shell” arguments first, followed by extensions in Roman numeral II.

The next terms you will encounter, “Uniqueness,” “Link,” and “Impact,” also represent the three primary components of a disadvantage. There are three main parts to a disadvantage, and the negative team should strive to prove all three. The first main part of a disadvantage is “Uniqueness.” The negative team must prove that the affirmative plan, and only the affirmative plan, uniquely causes the undesirable consequences outlined in the disadvantage. The negative team must prove that the undesirable consequence is not already occurring in the status quo, and that it will not occur because of factors in the present system. The second main part of a disadvantage is called the “Link.” The link argument must establish direct causality between the affirmative plan, and the undesirable consequences outlined in the disadvantage. While the disadvantage is “Generic” in the sense that it applies to cases that generally increase investment in transportation infrastructure, it is also strategic to include specific “Links” to the affirmative plan. We have included both generic and specific pieces of “link” evidence in this volume. When debating the current topic, negative teams must prove that increasing investment in transportation infrastructure causes undesirable consequences, or “Impacts.” That brings us to third major part of a disadvantage, the “Impact.” The negative team should be able to prove that the undesirable consequence, or “Impact” brought about by the affirmative plan, is actually bigger (outweighs) the harms isolated in the affirmative case. It is wise to maximize the “Impacts” to the disadvantage for this reason.

The Oil Drilling disadvantage contained in this volume is a good example of how the parts of a disadvantage function together. The “Uniqueness” of this argument is that the US is currently decreasing oil drilling. The “Link” to this argument is that transportation infrastructure will be paid for by increasing oil drilling. The “Impact” to this argument is that oil drilling will devastate marine ecosystems and the world environment.

RECOMMENDATIONS FOR THE USE OF GENERIC DISADVANTAGES ON THE INFRASTRUCTURE TOPIC

Generic disadvantages are a crucial tool of negative strategy. The purpose of generic disadvantages is to help students prepare to debate a wide variety of affirmative cases on a given topic.

The nature of this year’s high school topic makes the task of the negative uniquely daunting. The topic specifies that the affirmative team must substantially increase investment in transportation infrastructure, an especially broad term. The negative must be prepared to debate cases as broad as an infrastructure bank for investment, an expansion of high-speed rail, efforts to build more bridges and roads, efforts to increase seaport security, etc. Even the hardest working negative teams may find themselves in situations where the negative team has few (or even zero) specific arguments, making generic disadvantages their best option due to the size of the topic.

What is the best way for negatives to use this book to attain the benefits of generic disadvantages? First, use each disadvantage in an appropriate situation. As an example, the Credit Downgrade is useful against cases that call for a large increase in spending on transportation infrastructure.

Conversely, a disadvantage like the Saudi Oil disadvantage may be more useful against cases that claim to decrease oil dependence or solve global warming via a shift to renewable energy.

Generic disadvantages are tools that fit particular situations. Sometimes a debater needs a hammer, sometimes a screwdriver, sometimes a wrench. By having a wide range of options available, the negative team can best be prepared for a variety of debate situations.

One should note that merely reading a generic disadvantage is insufficient to win the debate. Debaters must explain why each disadvantage links strongly to the affirmative case. It also behooves the debaters to look through the extension evidence—maybe a link card in the extension evidence is better in a particular situation, or maybe reading one of the other impacts will best apply to the case.

Also, debaters must compare the impacts of the disadvantage to the affirmative case. A very strong negative strategy is to illustrate how the disadvantage “turns the case.” For example, if the plan actually causes more global instability, then the negative team can illustrate how the affirmative plan backfires and makes the harm they attempted to solve worse.

Good luck, and enjoy debating the topic!

CREDIT DOWNGRADE DISADVANTAGE

Thesis: The thesis of this disadvantage is that spending for transportation infrastructure will cause a downgrade in the US credit rating by Moody's Investors Service, sapping confidence in the United States economy. After the debt ceiling fight, Standard & Poor's downgraded the US credit rating from the pristine AAA credit rating it had previously maintained. However, the other two major agencies that rate the US economy refused to follow suit. A failure to get the US financial house in order would cause Moody's to also downgrade the economy, leading to two of the three major agencies refusing to believe that the United States economy is sound. The result would be a collapse in financial markets and the US economy. The decline in the US economy would undermine US leadership and the ability to maintain peace in international relations.

I. THE AFFIRMATIVE PLAN WILL UNDERMINE THE UNITED STATES CREDIT RATING AND ITS ECONOMY.

A. UNIQUENESS: FINANCIAL MARKETS ARE CLOSELY WATCHING US ACTIONS IN THE NEXT YEAR TO CONTAIN ITS FISCAL CHALLENGES—NOW IS THE KEY TIME.

Bruce Upbin (staff writer) "Ten Reasons Wall Street Should Be (Very) Worried About The U.S. Debt," May 4, 2012. Retrieved May 9, 2012 at <http://www.forbes.com/sites/bruceupbin/2012/05/04/ten-reasons-wall-street-should-be-very-worried-about-the-u-s-debt/>

In August 2011, the United States lost one of its AAA credit ratings, a designation first bestowed around 100 years ago, which when combined with the debt ceiling debate, created one of the sharpest market corrections in post-war US history. Financial markets remain concerned about the ability and willingness of the US and Europe to tackle their respective fiscal challenges. With US federal debt approaching its highest level since the formation of the federal government in 1789 (other than during WWII and its immediate aftermath), rating agencies are taking a close look at rising US debt and what the legislature does to contain it. The appetite of foreign central banks to accumulate Treasuries has provided the US with a reprieve; these entities, plus Federal Reserve holdings, now account for half of all Treasury bonds. But monetary policy in Asia and the Middle East is subject to change, and we have seen in Europe the suddenness with which sovereign debt can be re-priced by financial markets. Downgrades, government shutdown rumors and political impasse on deficit reduction have not lost their ability to negatively affect equity markets, business activity and confidence. This note details 10 reasons why we believe financial markets will take a close look at what Congress does in the year ahead.

B. IMPROVED TRANSPORTATION INFRASTRUCTURE WOULD COST BILLIONS OF DOLLARS.

David Walker & David Burwell (Carnegie Endowment) "Transportation Infrastructure and the Deficit," Oct. 12, 2011. Retrieved May 9, 2012 at <http://carnegieendowment.org/resources/gov/?fa=45691>

America's transportation infrastructure is crumbling and will cost billions to upgrade. Is continued spending on infrastructure a sound investment? Can it be done in a fiscally responsible way? David Walker, one of the country's leading fiscal watchdogs, led a discussion on how infrastructure investments fit within the broader deficit picture.

C. IMPACT: HIGH DEFICITS RISK A FURTHER CREDIT DOWNGRADE FOR THE UNITED STATES.

1. High debt loads could lead to another round of rating agency downgrades.

Bruce Upbin (staff writer) "Ten Reasons Wall Street Should Be (Very) Worried About The U.S. Debt," May 4, 2012. Retrieved May 9, 2012 at <http://www.forbes.com/sites/bruceupbin/2012/05/04/ten-reasons-wall-street-should-be-very-worried-about-the-u-s-debt/>

Hoping for growth might not be the best strategy. The post-Budget Control Act debt ratio of 85% by 2022 includes the CBO growth assumptions shown in the chart below. Growth is assumed to spike to 5% in 2015, and average 2.7% over the decade. Some argue that faster growth may bail out the US from its budget problem, reducing the need for deficit reduction measures. It is true that the US has experienced growth surges before, and it is always possible another one will occur. In the 1950's, real GDP growth averaged 4.3% for the entire decade [see table in Appendix], which resulted in debt ratios declining from 80% to 46%. However, the unique economic conditions and productivity gains of the 1950's (e.g., interstate highway, rebuilding of Europe and Japan) may not be repeated. While we are hopeful that the US economy recovers more quickly, if it doesn't, debt ratios might not decline below the mid 80's, risking another round of rating agency downgrades.

2. Further downgrades lead to a global economic crisis.

Marc Goldwein (senior policy analyst for the fiscal policy program at the New America Foundation) "Drawing a AAA-Road Map for Post-Downgrade America," Aug. 11, 2011. Retrieved May 9, 2012 at <http://www.theatlantic.com/business/archive/2011/08/drawing-a-aaa-road-map-for-post-downgrade-america/243463/>

If rating downgrades don't augur immediate crises, they tend to indicate trouble on the horizon. Of the 10 other countries that have been downgraded from AAA, eight experienced further downgrades and five have still never recovered their AAA rating. Deeper downgrades have been associated with interest rate spikes, and the fact that both S&P and Moody's have us on a negative outlook suggests that more downgrades could be in our future. What are the consequences of further downgrades? The most direct one could be higher interest rates, as investors insist on a risk premium. Even a 0.1 percent increase in interest rates would mean an additional \$130 billion in government spending on interest over the next 10 years that we would have to offset in hiring taxes or fewer investments to meet the same debt goal. A 0.7% increase in interest rates would be enough to erase all of the gains from the recent debt deal. In addition, higher interest rates could reverberate throughout the market, impacting everything from mortgages to small business loans - and ultimately leading to something economists call "crowd out," where fewer dollars go into growth-driving investments. The biggest concern, though, should be that these rating downgrades could advance the day of a fiscal crisis. At some point, if we don't make some changes, investors will lose confidence in our nation's ability to make good on its debt. When that occurs, it is possible we could experience a global economic crisis akin to the financial crisis of 2009, except with no one available to bail out the U.S. government.

3. A declining US economy undermines US leadership.

Zalmay Khalilzad (former ambassador to the United Nations) "The Economy and National Security," Feb. 8, 2011. Accessed Apr. 18, 2012 at <http://www.nationalreview.com/articles/259024/economy-and-national-security-zalmay-khalilzad>

Today, economic and fiscal trends pose the most severe long-term threat to the United States' position as global leader. While the United States suffers from fiscal imbalances and low economic growth, the economies of rival powers are developing rapidly. The continuation of these two trends could lead to a shift from American primacy toward a multi-polar global system, leading in turn to increased geopolitical rivalry and even war among the great powers.

4. US leadership is necessary to preserve freedom and stop a great power conflict.

Robert Kagan (senior fellow in foreign policy at the Brookings Institution) "Not Fade Away," Jan. 11, 2012. Retrieved Apr. 18, 2012 at <http://www.tnr.com/article/politics/magazine/99521/america-world-power-declinism?passthru=ZDkyNzQzZTk3YWY3YzE0OWM5MGRiZmI%20wNGQwNDBiZmI>

The underlying assumption of such a course is that the present world order will more or less persist without American power, or at least with much less of it; or that others can pick up the slack; or simply that the benefits of the world order are permanent and require no special exertion by anyone. Unfortunately, the present world order—with its widespread freedoms, its general prosperity, and its absence of great power conflict—is as fragile as it is unique. Preserving it has been a struggle in every decade, and will remain a struggle in the decades to come. Preserving the present world order requires constant American leadership and constant American commitment.

II. THE AFFIRMATIVE RESPONSES TO THE DISADVANTAGE ARE INADEQUATE.

A. CREDIBLE DEFICIT REDUCTION IS COMING NOW.

1. A grand bargain on deficit reduction is coming soon.

Russell Berman (staff writer) "House Republicans: No offsets for extending Bush-era tax rates," May 1, 2012. Retrieved May 9, 2012 at <http://thehill.com/homenews/house/224677-republicans-no-offsets-for-extending-bush-rates>

Economists have warned that the combination of a large tax increase and the spending cuts could significantly curtail economic growth if they take place simultaneously. That "fiscal cliff" could spur lawmakers to act on a deficit grand bargain that includes a far-reaching tax overhaul.

2. The federal government is cutting spending now.

Jeff Cox (staff writer) "Economy's Biggest Drag Right Now Is Government," Apr. 27, 2012. Retrieved May 9, 2012 at <http://www.cnbc.com/id/47205997>

Friday's gross domestic product report confirmed what a drag government can be: While consumer spending grew at a 2.9 percent clip, state and local governments cut back spending by 1.2 percent on an annualized basis and the federal government pulled back by 5.6 percent.

3. Deficit reduction is occurring at the right pace now.

David Lipton (First Deputy Managing Director, IMF) "Fiscal Consolidation: Striking the Right Balance," May 8, 2012. Retrieved May 9, 2012 at http://www.huffingtonpost.com/david-lipton/austerity-europe_b_1499925.html

Are we on the right course? From this perspective, adjustment is proceeding reasonably in all advanced economies this year. The current rate of deficit reduction in advanced economies, about 1 percent of GDP annually on average, seems about right.

4. Credible deficit reduction will bolster the US economy.

John Shaw (staff writer) "US CBO Chief: Deficit To Rise \$8Trln If Current Policy Extended," <https://mninews.deutsche-boerse.com/index.php/us-cbo-chiefdeficit-rise-8trln-if-current-policy-extended?q=content/us-cbo-chiefdeficit-rise-8trln-if-current-policy-extended>

The CBO chief said a credible, specific deficit reduction program agreed on soon and implemented gradually could yield important benefits. "Credible policy changes that would substantially reduce deficits later in the coming decade and beyond could boost the economic expansion in the next few years by holding down interest rates and increasing people's confidence in the nation's long-term economic prospects," he writes. "Such an approach would be most effective if the future policy changes were sufficiently specific and widely supported that households, businesses, state and local governments, and participants in the financial markets believed that future fiscal restraint would truly take effect," he added.

John Shaw (staff writer) “US CBO Chief: Deficit To Rise \$8Trln If Current Policy Extended,” <https://mnews.deutsche-boerse.com/index.php/us-cbo-chiefdeficit-rise-8trln-if-current-policy-extended?q=content/us-cbo-chiefdeficit-rise-8trln-if-current-policy-extended>

But he signaled that clear and credible decisions made now would be good for American fiscal policy and the overall economy. "I am not aware of any benefit to delaying decisions about future changes in tax and spending policies," he said. "Credible policy changes that put the debt on a sustainable long-term path could boost the economy in the near term."

5. The US economy is recovering now.

David Kelly (staff writer) “JPMorgan: Deficit reduction in ‘teeth of recession’ doesn’t work,” May 1, 2012. Retrieved May 9, 2012 at <http://www.investmentnews.com/article/20120501/FREE/120439984>

Overall, while developed economies are seeing only faltering growth, the pace of recovery seems a bit better in the United States. This being the case, very conservatively positioned investors may still want to consider being more balanced by increasing their exposure to equities relative to bonds.

B. TRANSPORTATION SPENDING IS INCREDIBLY EXPENSIVE.

1. Fixing transportation infrastructure would require \$110 billion per year.

Erin Braun & Aryn Shounce (Indiana University) “Transportation Infrastructure,” Feb. 15, 2012. Retrieved May 9, 2012 at

<http://www.policyinstitute.iu.edu/PubsPDFs/transportation%20infrastructure%20working%20paper.pdf>

Since President Eisenhower created the federal highway system in the 1950s, our nation’s transportation program has not been significantly upgraded, and now faces a serious infrastructure deficit. According to the American Society of Civil Engineers, we need to spend \$110 billion more per year in order to simply maintain our infrastructure system at current performance levels (Kahn & Levinson, 2011). In addition to crumbling infrastructure, there are limited transportation options. For various reasons, including lifestyle changes, the recession, and increasing gas prices, public transportation ridership is at record highs. According to Transportation for America, public transportation use has increased 38 percent since 1995; nearly triple the growth rate of the population in the United States. Yet, “incredibly, these record ridership numbers are being met with one trend at transit agencies from coast to coast: service cuts, layoffs and fare increases” (Transportation for America, 2011).

2. Transportation budgets contain excessive and wasteful spending.

Alison Acosta Fraser (Director of the Thomas A. Roe Institute for Economic Policy Studies at The Heritage Foundation) “Will Transportation Reauthorization Be Another Big Spending Boondoggle?” Feb. 2, 2012. Retrieved May 9, 2012 at

<http://www.heritage.org/research/reports/2012/02/transportation-program-reauthorization-another-big-spending-problem>

As Congress gears up for another year, reining in spending and debt should top the agenda, but one issue heading squarely against that priority is reauthorization of the transportation program. The last transportation bill, SAFETEA-LU, was marked by gluttonous excesses, which ranged from its porcine spending increases and wasteful spending on programs that did not improve roads, to its earmarks, which spawned the infamous “Bridge to Nowhere.” Spending in SAFETEA-LU was so excessive that Congress was repeatedly called on to bail out the Highway Trust Fund.

3. Transportation projects expand the deficit.

Alison Acosta Fraser (Director of the Thomas A. Roe Institute for Economic Policy Studies at The Heritage Foundation) “Will Transportation Reauthorization Be Another Big Spending Boondoggle?” Feb. 2, 2012. Retrieved May 9, 2012 at

<http://www.heritage.org/research/reports/2012/02/transportation-program-reauthorization-another-big-spending-problem>

It is past time for Washington to stop spending money on wasteful projects and to live within its means. This should start with the first major opportunity of the year: reauthorization of the transportation program. Rather than increasing spending and then looking for new sources of revenue to pay for it, Congress should eliminate wasteful transportation programs and reduce spending so that the program lives within its means.

4. Transportation spending contributes significantly to the deficit.

Alison Acosta Fraser (Director of the Thomas A. Roe Institute for Economic Policy Studies at The Heritage Foundation) “Will Transportation Reauthorization Be Another Big Spending Boondoggle?” Feb. 2, 2012. Retrieved May 9, 2012 at

<http://www.heritage.org/research/reports/2012/02/transportation-program-reauthorization-another-big-spending-problem>

The federal government is projected to run deficits in the trillion-dollar range through the end of the decade, reaching \$1.5 trillion in 2022. Transportation spending is one contributor to this gloomy outlook. As a first step toward the larger goal of solving the nation’s spending and debt crisis, Congress should make the transportation program live within its means. It should reserve the program exclusively for improving mobility and safety and decreasing congestion.

5. An infrastructure bank would cost \$5 billion per year.

Ronald Utt (Senior Research Fellow @ Heritage Foundation) “Obama’s Peculiar Obsession with Infrastructure Banks Will Not Aid Economic Revival,” Aug. 30, 2011. Retrieved May 9, 2012 at <http://www.heritage.org/research/reports/2011/08/using-infrastructure-banks-to-spur-economic-recovery>

Take for example the President’s national infrastructure bank proposal, which was included in his February 2011 highway reauthorization proposal. His bank would be part of the Department of Transportation and would be funded by an appropriation of \$5 billion per year in each of the next six years. Obama’s “bank” would be permitted to provide loans, loan guarantees, and grants to eligible transportation infrastructure projects.

C. HIGH DEFICITS RISK A CREDIT DOWNGRADE FOR THE UNITED STATES.

1. Other credit agencies are at the limit of how much debt they will tolerate before downgrading the United States.

Miami Herald, "Fitch Ratings keeps US at AAA rating," Aug. 16, 2011. Retrieved May 9, 2012 at <http://www.miamiherald.com/2011/08/16/2361415/fitch-ratings-keeps-us-at-top.html>

Fitch Ratings said that it would keep its rating on long-term U.S. debt at the highest grade, AAA, and said the outlook remained stable. But it warned it could lower the outlook to negative if Congress fails to trim future deficits. Fitch's rating yesterday was the best given by the three major credit rating agencies. Last week, Standard & Poor's set off a maelstrom in the stock market after it downgraded long-term U.S. debt to the second-highest level, AA-plus, for the first time. The third agency, Moody's Investors Service, still lists the U.S. debt at AAA but says its outlook is negative. The Obama administration welcomed Fitch's announcement. Presidential spokesman Jay Carney told reporters on Air Force One that Fitch's rating was in line with the administration's view. Treasury spokesman Anthony Coley added that Fitch's report "underscores the importance of Congress taking additional actions to address our long-term fiscal challenges." Last week, S&P pointed to "political brinkmanship" in Congress over whether to raise the nation's debt ceiling as a reason for its downgrade. Early this month, with just hours to spare, President Barack Obama signed emergency debt-limit legislation to avoid a possible national default. Fitch noted the rising proportion of U.S. debt relative to the economy. But it said it decided to maintain the AAA rating because the "key pillars" of U.S. creditworthiness remain intact, including a "flexible, diversified and wealthy economy." Fitch estimated that the level of federal debt that's publicly traded — not held in government trust funds — will stabilize at around 85 percent of the economy by the end of the decade. That's higher than in other countries it rates as AAA and "at the limit" of what Fitch would consider consistent with a AAA rating, it said.

2. Failure to tackle the deficit will lead to further credit downgrades.

Elliot Wilson (staff writer) "S&P chief warns on US deficit as policy inertia reigns," Apr. 5, 2012. Retrieved May 9, 2012 at <http://www.emergingmarkets.org/Article/3023542/News/S-P-chief-warns-on-US-deficit-as-policy-inertia-reigns.html>

The US government and lawmakers lack the political will to "face up" to a snowballing fiscal deficit this year, the president of Standard & Poor's warned yesterday, in comments that serve as a sharp reminder that the country's sovereign debt could face another downgrade without urgent action.

3. The US could face further credit downgrades without strong deficit reduction.

Elliot Wilson (staff writer) "S&P chief warns on US deficit as policy inertia reigns," Apr. 5, 2012. Retrieved May 9, 2012 at <http://www.emergingmarkets.org/Article/3023542/News/S-P-chief-warns-on-US-deficit-as-policy-inertia-reigns.html>

The comments will raise fears that the US sovereign debt rating could be cut another notch by August 2013 without a change in the government debt trajectory. S&P downgraded the US from AAA to AA+ with a negative outlook in August last year, warning at the time that a further cut could follow within two years unless deficit reduction began in earnest.

4. Failure to enact strong debt reduction measures will lead to a downgrade by Moody's or Fitch.

Bloomberg News, "U.S. Credit Rating Affirmed as Moody's, Fitch Warn of Downgrade on Deficit," Aug. 2, 2011. Retrieved May 9, 2012 at <http://www.bloomberg.com/news/2011-08-02/u-s-aaa-rating-faces-moody-s-downgrade-on-debt-economic-slowdown-concern.html>

Moody's Investors Service and Fitch Ratings affirmed their AAA credit ratings for the U.S. while warning that downgrades were possible if lawmakers fail to enact debt reduction measures and the economy weakens. The outlook for the U.S. grade is now negative, Moody's said in a statement yesterday after President Barack Obama signed into law a plan to lift the nation's borrowing limit and cut spending following months of wrangling between Democratic leaders and Republican lawmakers. The compromise "is a positive step toward reducing the future path of the deficit and the debt levels," Steven Hess, senior credit officer at Moody's in New York, said in a telephone interview yesterday.

5. Financial markets are concerned about an over-extended budget for the United States.

Bruce Upbin (staff writer) “Ten Reasons Wall Street Should Be (Very) Worried About The U.S. Debt,” May 4, 2012. Retrieved May 9, 2012 at <http://www.forbes.com/sites/bruceupbin/2012/05/04/ten-reasons-wall-street-should-be-very-worried-about-the-u-s-debt/>

Risks to the status of the dollar as the world’s reserve currency. The primary reason that China accumulates Treasury bonds is that its central bank is looking for large, liquid, secure places to put trillions of their own currency. The most sensible place to find such an investment: the world’s reserve currency. The percentage of global reserves held in dollars has not changed much recently (around 65%), nor has the percentage of global FX transactions denominated in dollars (85%). However, financial markets are well aware of the catalysts that led to the end of reserve currency status over the last few centuries. In general, they are: an over-extended fiscal budget, too much money-printing, declines in productivity, military adventurism and the inability to adjust to changing times, circumstances and adversaries. Financial markets understandably look at the actions of the Congress and the President on issues like these. Congress’ actions will be an important marker on the timeline of the United States and its ability to sustain its economic primacy of the last 100 years. For the record, as shown in the chart above, that’s about as long as most reserve currencies last.

6. Higher debt risks markets turning against the US economy.

Marc Goldwein (staff writer) “US Must Address Its Balance Sheet,” Apr. 17, 2012. Retrieved May 9, 2012 at http://www.newamerica.net/publications/articles/2012/us_must_address_its_balance_sheet_66505

The consequences of continuing to accumulate this debt are substantial. Higher government debt means slower economic growth as investors will buy U.S. Treasuries instead of investing in new, more productive business ventures. It means that an increasing share of our tax dollars will go to paying interest on our debt instead of important investments for the future and social programs. It means that the government will have less flexibility to respond to future crises — whether they are economic, military or natural disasters. And it means that, eventually, global markets will get fed up and no longer trust that the United States will pay back its debt. At that point, we’ll have a serious crisis on our hands, and instead of making gradual reforms on our own time we’ll be forced to make abrupt spending cuts and tax increases — and they won’t be pretty.

7. The US credit rating is on its last legs.

Walter Brandimarte (staff writer) “Analysis: United States gets reprieve to deal with deficit,” Nov. 4, 2011. Retrieved May 11, 2012 at <http://www.reuters.com/article/2011/11/04/us-usa-deficits-markets-idUSTRE7A35R520111104>]

Financial markets appear willing to give the United States something they offer fewer and fewer countries these days -- time to get public finances in order. It remains to be seen how long investors will remain patient, but many are betting the respite will last until next year's presidential elections at least. Such a reprieve could be a double-edged sword. It comes in handy for President Barack Obama, who is probably more concerned about providing enough stimulus to prevent the economy from falling into recession again. But it could also instill complacency in lawmakers dealing with the nation's growing deficits, making a solution for the debt problem even more difficult in the future. For now, low U.S. borrowing costs suggest investors are taking the long view, betting that only after next year's elections will Washington reach a political balance to allow tough budget decisions to be made. According to that view, even the possible failure of a bipartisan congressional committee tasked with finding \$1.5 trillion in savings by November 23 would likely go unpunished by markets and ratings agencies. "World capital markets seem to be willing to give the U.S. a couple of years to find solutions around its fiscal situation," said Tim Leach, chief investment officer for the U.S. Bank Wealth Management Group. Concerns about U.S. deficits, he forecast, probably will not translate into higher Treasuries yields in the near future as investors see the run-up to elections as a period of exaggerated political polarity. "There is a fairly muted expectation about what the super committee is going to deliver," Leach said, referring to the bipartisan committee. "Therefore I think many investors are assuming that this is going to be kind of status quo until we get through the next presidential election." The United States' privileged position as the issuer of the world's reserve currency also gives the government much more leeway -- and the power to inflate its way out of the crisis by printing money. That is not to say U.S. government debt will not sell off in the short term. Still, any jump in Treasuries yields will probably be related to bouts of risk appetite rather than any pricing of the United States' declining credit quality, analysts said. The deterioration of U.S. credit metrics, however, will remain clear in the next few years. U.S. debt-to-GDP ratios, which compares general government debt to the size of the economy, are expected to grow to 94.4 percent by the end of 2011, 99.4 percent by 2012 and 102.2 percent by 2013, Fitch Ratings estimates. That ratio currently stands more than 10 percentage points above those of other triple-A rated countries such as France and Germany, according to Fitch. **NO DOWNGRADES FOR NOW** Still, ratings agencies are unlikely to further downgrade the United States in the next few months -- unless the economy falls off a cliff, possibly as a result of a global financial disaster. Moody's Investors Service, which has a negative outlook on the United States' Aaa rating, made it clear this week that the outcome of the super committee will not be a decisive factor in its analysis.

D. HIGH DEFICITS THREATEN THE US ECONOMY.

1. High budget deficits threaten the entire economy.

Daniel Mitchell (Senior Fellow, Cato Institute) ““The Budget Deficit and U.S. Competitiveness,” May 6, 2011. Retrieved Apr. 21, 2012 at <http://www.cfr.org/economics/budget-deficit-us-competitiveness/p24910>

In extreme cases, high budget deficits can destabilize entire economies, either because a government resorts to the printing press to finance deficits or because investors lose faith in a government's ability to service debt, thus leading to a sovereign debt crisis. The United States hopefully is not close to becoming either Argentina or Greece, but the trend in recent years is not very encouraging. The burden of government spending has exploded, which, combined with temporarily low tax receipts because of a weak economy, has pushed annual red ink above \$1 trillion per year.

2. High deficits risk undermining financial markets.

C. Fred Bergsten (Director, Peterson Institute for International Economics) “Why the U.S. Needs to Cut the Deficit,” July 21, 2011. Retrieved Apr. 21, 2012 at <http://www.americanfuture.net/think-tanks/council-on-foreign-relations/2011-07-21-c-fred-bergsten-why-the-u-s-needs-to-cut-the-deficit/>

It courts the risk that at some point the financial markets, which have been very good to the U.S. so far, could turn sour. It’s impossible to know in advance how long the markets will continue to tolerate the high deficits and debt buildup that we’re incurring. So far, money has continued to pile into treasuries, pile into the dollar internationally, so there’s been no collapse of bond prices—no market disruption that could be traced to the debts and deficits. In part, it has occurred because the main competition—the euro and European assets, the yen and Japanese assets—have themselves been confronting a lot of economic problems. At least in the short run, greater than our own. So there’s been no readily attractive alternative for people to move money out of the dollar, dollar assets, treasuries in particular. That could change from either side: either people all of a sudden get really nervous about the U.S., particularly if they think that kicking the can down the road one more time suggests that we’ll always try to kick the can down the road and won’t deal with it in 2013 either. And/or, the alternatives could start looking better. The Europeans are in deep trouble right now, but it’s not impossible that they get their act together over the next year or two, shore up the weak countries, and resume some more-robust economic growth. It’s impossible to know in advance how long the markets will continue to tolerate the high deficits and debt buildup that we’re incurring.

3. Spending restraint is the best way to help the economy.

Daniel Mitchell (Senior Fellow, Cato Institute) “The Budget Deficit and U.S. Competitiveness,” May 6, 2011. Retrieved Apr. 21, 2012 at <http://www.cfr.org/economics/budget-deficit-us-competitiveness/p24910>

To turn a phrase upside down, this makes a necessity out of virtue. Spending restraint is good for growth since it leaves a greater share of resources in the productive sector of the economy. And since this also happens to be the best way of letting revenue catch up to spending, it also solves the deficit issue.

4. Failure to tackle deficits will undermine the US economy.

Sally McNamara (Heritage Foundation analyst) “Ten Economic Lessons from Europe for the US President,” Apr. 26, 2011. Retrieved Apr. 21, 2012 at <http://www.heritage.org/Research/Reports/2011/04/Ten-Economic-Lessons-from-Europe-for-the-US-President>

Financial Markets Will Eventually Lose Patience. The primary lesson from the Eurozone sovereign debt crisis is that running large deficits and accumulating debt with no indication of changing will always translate into higher interest payments and likely higher interest rates, meaning more tax revenue will be consumed just paying for past fiscal sins. Greece, Ireland, and Portugal are now facing interest rates of 13 percent, 10 percent, and 9 percent, respectively, and still face the very real possibility of defaulting. The U.S. is on dangerous ground by not tackling its current and future deficits with enough urgency. The Obama Administration seems to be relying on markets continuing to provide it with near unlimited liquidity at reasonable rates. But this cannot last forever. Even absent a fiscal correction, interest rates are widely expected to rise substantially in the next few years as the global economy rebounds. For example, the Administration forecasts a rise in the 10-year Treasury rate of 230 basis points. Add in the ongoing deficits, and investors will eventually give the United States the Irish treatment, raising the cost of borrowing much more.

5. Failure to maintain deficit reduction policies will devastate the markets.

Sally McNamara, 2011 (Heritage Foundation analyst , April 26, 2011, "Ten Economic Lessons from Europe for the US President", Online. Accessed May 4, 2011 at <http://www.heritage.org/Research/Reports/2011/04/Ten-Economic-Lessons-from-Europe-for-the-US-President>)

Credibility Counts. People often complain about politicians being all talk and no (or unwise) action. Never is this truer than in an economic crisis. Financial markets respond poorly if they believe that a government has lost the ability or willingness to act responsibly. Both the public and the markets punish those who do not produce real, credible policies and act decisively. And once a government loses its credibility, it is nearly impossible to find a way back.

6. Massive debt triggered the previous recession.

Zalmay Khalilzad, 2011 (former US ambassador to the United Nations, National Review, "The Economy and National Security." February 8, 2011. Online. Accessed May 4, 2011 at <http://www.nationalreview.com/articles/259024/economy-and-national-security-zalmay-khalilzad?page=1>)

The current recession is the result of a deep financial crisis, not a mere fluctuation in the business cycle. Recovery is likely to be protracted. The crisis was preceded by the buildup over two decades of enormous amounts of debt throughout the U.S. economy — ultimately totaling almost 350 percent of GDP — and the development of credit-fueled asset bubbles, particularly in the housing sector. When the bubbles burst, huge amounts of wealth were destroyed, and unemployment rose to over 10 percent. The decline of tax revenues and massive countercyclical spending put the U.S. government on an unsustainable fiscal path. Publicly held national debt rose from 38 to over 60 percent of GDP in three years.

7. Spending cutbacks are necessary to save the US economy.

Zalmay Khalilzad, 2011 (former US ambassador to the United Nations) National Review, "The Economy and National Security." February 8, 2011. Retrieved May 4, 2011 at <http://www.nationalreview.com/articles/259024/economy-and-national-security-zalmay-khalilzad?page=1>)

The key remaining question is whether the president and leaders of both parties on Capitol Hill have the will to act and the skill to fashion bipartisan solutions. Whether we take the needed actions is a choice, however difficult it might be. It is clearly within our capacity to put our economy on a better trajectory. In garnering political support for cutbacks, the president and members of Congress should point not only to the domestic consequences of inaction — but also to the geopolitical implications.

8. The US is nearing debt levels that will severely undermine economic growth.

Van R. Hoisington and Lacy H. Hunt (financial experts) "High Debt Leads to Recession," Jan. 17, 2012. Retrieved May 9, 2012 at <http://www.marketoracle.co.uk/Article32661.html>

As the U.S. economy enters 2012, the gross government debt to GDP ratio stands near 100%. Nominal GDP in the fourth quarter was an estimated \$15.3 trillion, approximately equal to debt outstanding by the federal government. In an exhaustive historical study of high debt level economies around the world, (National Bureau of Economic Research Working Paper No. 15639 of January 2010, Growth in the Time of Debt), Professors Kenneth Rogoff and Carmen Reinhart econometrically demonstrated that when a country's gross government debt rises above 90% of GDP, "the median growth rates fall by one percent, and average growth falls considerably more." This study sheds considerable light on recent developments in the United States. After suffering the most serious recession since the 1930s, the U.S. has recorded an economic growth rate of only 2.4%. Subtracting 1% from this meager expansion suggests that the economy should expand no faster than 1.4% in real terms on a trend basis going forward, which is virtually identical with the economy's expansion in the past twelve months.

9. High debt levels in the United States increase the likelihood of a recession.

Van R. Hoisington and Lacy H. Hunt (financial experts) “High Debt Leads to Recession,” Jan. 17, 2012. Retrieved May 9, 2012 at <http://www.marketoracle.co.uk/Article32661.html>

In highly indebted countries, governments have expansively taken resources from the private sector through taxing and borrowing. This leaves the private sector with less vigor to produce jobs and increase productivity, and subsequently wealth for its fellow citizens. This theory, which dates back to David Hume's essay, *Of Public Credit* published in 1752, is now being played out in real time in the United States. We judge that when an economy is expanding in such a meager fashion it is exposed to an increasing frequency of recessions. We expect such a recessionary event to emerge in 2012.

10. Massive debts will reduce economic growth.

Van R. Hoisington and Lacy H. Hunt (financial experts) “High Debt Leads to Recession,” Jan. 17, 2012. Retrieved May 9, 2012 at <http://www.marketoracle.co.uk/Article32661.html>

Contrary to common belief, the massive deficits of recent years will actually reduce economic growth in 2012 through a subtle, but nevertheless credible channel consistent with the preponderance of economic research. Studies suggest the government expenditure multiplier is zero to slightly negative. Increased deficit spending does appear to provide a modest lift to GDP for three to five quarters, depending upon the initial conditions of the economy. However, following this small, transitory gain, deficit spending actually retards GDP growth and the economy returns to its starting point at the end of about twelve quarters. Based on our interpretation of these studies, the U.S. economy is now on the backside of the string of record deficits, and this will be a drag in 2012. Despite the massive spending, all that is left is an economy saddled with a higher level of debt, with more of its productive resources diverted to paying the non-productive elevated level of interest payments. According to the CBO, gross federal debt will rise to at least 103% by the end of 2013. However, if the FICA tax reduction is extended for the full year, and/or a recession ensues, as we expect, revenues and expenditure estimates by the CBO will prove to be too optimistic. Under current circumstances, no viable way exists to remove the increasing federal debt burden from the economy's growth trajectory. As such, the federal fiscal constraint is operative for the foreseeable future.

11. High debt reduces growth in countries.

David Lipton (First Deputy Managing Director, IMF) “Fiscal Consolidation: Striking the Right Balance,” May 8, 2012. Retrieved May 9, 2012 at http://www.huffingtonpost.com/david-lipton/austerity-europe_b_1499925.html

There is no getting around the need to reduce debt levels. High debt leaves countries exposed to interest rate shocks, limits their capacity to respond to future shocks, and reduces long-term growth potential.

12. Government debt drags down economic growth.

Bruce Upbin (staff writer) “Ten Reasons Wall Street Should Be (Very) Worried About The U.S. Debt,” May 4, 2012. Retrieved May 9, 2012 at <http://www.forbes.com/sites/bruceupbin/2012/05/04/ten-reasons-wall-street-should-be-very-worried-about-the-u-s-debt/>

Supporting Rogoff's findings is a paper prepared by BIS economists for the Fed's 2011 Jackson Hole symposium. In a study of sovereign, corporate and household debt over the last 3 decades, the authors find that at around 85% of GDP, government debt exerts a significant negative drag on growth. Their conclusion: “the immediate implication is that countries with high debt must act quickly and decisively to address their fiscal problems. The longer-term lesson is that, to build the fiscal buffer required to address extraordinary events, governments should keep debt well below the estimated thresholds.”

E. A WEAKENED ECONOMY UNDERMINES LEADERSHIP AND GLOBAL STABILITY.

1. Economic strength is key to leadership.

Nina Hachigian, 2010. (senior fellow at the Center for American Progress). January 21, 2010. Online. Internet. Accessed May 1, 2010 at

http://www.americanprogress.org/issues/2010/01/american_primacy.html

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

2. Economic strength is key to hard power.

Nina Hachigian, 2010. (senior fellow at the Center for American Progress). January 21, 2010. Online. Internet. Accessed May 1, 2010 at

http://www.americanprogress.org/issues/2010/01/american_primacy.html

The unifying theme of President Obama's domestic agenda is retooling America so it can prosper in the global economy. That is what the health care debate, investments in basic science, green technologies, and public education are all about., not to mention the banking rules designed to prevent another bubble/bust cycle. All of these investments would be a lot easier if the last administration hadn't committed a trillion dollars to a needless war. Talk about squandering primacy. America will bounce back. And it will continue to be an indispensable nation, not because of our unassailable power, but because of our ideas, our flexibility, and our leadership – the strengths that in fact enabled our still vast military superiority. Fortunately, Barack Obama has proven to be a leader that reads America's virtues broadly, and enlists others in their promise. Perhaps it is simply too inclusive a world-view for those that miss the clarity of a bipolar ideological contest. But as Obama has pointed out, such clarity is a luxury we can no longer afford.

3. Economic decline risks a nuclear war.

Sean O'Donnell (staff writer) "Will this recession lead to World War III?" Feb. 26, 2009. Retrieved May 9, 2012 at <http://www.examiner.com/x-3108-Baltimore-Republican-Examiner-y2009m2d26-Will-this-recession-lead-to-World-War-III>

Could the current economic crisis affecting this country and the world lead to another world war? The answer may be found by looking back in history. One of the causes of World War I was the economic rivalry that existed between the nations of Europe. In the 19th century France and Great Britain became wealthy through colonialism and the control of foreign resources. This forced other up-and-coming nations (such as Germany) to be more competitive in world trade which led to rivalries and ultimately, to war. After the Great Depression ruined the economies of Europe in the 1930s, fascist movements arose to seek economic and social control. From there fanatics like Hitler and Mussolini took over Germany and Italy and led them both into World War II. With most of North America and Western Europe currently experiencing a recession, will competition for resources and economic rivalries with the Middle East, Asia, or South American cause another world war? Add in nuclear weapons and Islamic fundamentalism and things look even worse. Hopefully the economy gets better before it gets worse and the terrifying possibility of World War III is averted. However sometimes history repeats itself.

F. INFRASTRUCTURE SPENDING WON'T BOLSTER THE ECONOMY.

1. Transportation infrastructure won't benefit the US economy.

Ronald Utt (senior fellow, Heritage Foundation) Infrastructure Stimulus Spending: Pandering to Organized Labor," Sep. 8, 2010. Retrieved Apr. 21, 2012 at <http://www.heritage.org/research/reports/2010/09/infrastructure-stimulus-spending-pandering-to-organized-labor>

In 2008, The Heritage Foundation published a comprehensive review of many of the academic studies conducted to determine the extent to which increases in federal transportation spending create new jobs. Most studies reviewed found little evidence of meaningful job creation. One study by the Congressional Research Service concluded that: To the extent that financing new highways by reducing expenditures on other programs or by deficit finance and its impact on private consumption and investment, the net impact on the economy of highway construction in terms of both output and employment could be nullified or even negative.

2. Infrastructure spending doesn't bolster the economy.

Ronald Utt (Senior Research Fellow at The Heritage Foundation) "The Limited Benefits of a National Infrastructure Bank," Oct. 20, 2011. Retrieved Apr. 14, 2012 at <http://www.heritage.org/research/testimony/2011/10/the-limited-benefits-of-a-national-infrastructure-bank>

For some advocates—especially the President—these banks are seen as mechanisms to propel the economy forward out of the lingering recession into an era of greater prosperity and more jobs. Sadly, all evidence indicates that this just isn't so. As far back as 1983, the General Accounting Office (now the Government Accountability Office) reviewed an earlier infrastructure-based stimulus program and observed that although the program was enacted during the worst of the recession, "implementation of the act was not effective and timely in relieving the high unemployment caused by the recession."

3. Japan proves—stimulus packages won't save the economy.

Ronald Utt (senior research fellow, Heritage Foundation) Dec. 16, 2008. Retrieved Apr. 21, 2012 at <http://www.heritage.org/research/reports/2008/12/learning-from-japan-infrastructure-spending-wont-boost-the-economy>

Related to this sentimental longing for New Deal authenticity is the revival of the teachings of John Maynard Keynes, who postulated in his 1935 *The General Theory of Employment, Interest and Money* that "There is room...to promote investment and, at the same time, to promote consumption, not merely to the level which with the existing propensity to consume would correspond to the increased investment, but to a higher level still." [1] Subsequent generations of elected officials throughout the world took this observation as a license to raid their treasuries, and no country could be sorer for endorsing a primitive version of Keynes's teachings than the Japanese—who squandered vast sums of national wealth in a vain attempt at stimulus that cost them the chance to lead the world in economic growth and prosperity. [2]

4. Infrastructure spending won't bolster the economy.

Ronald Utt (senior research fellow, Heritage Foundation) Dec. 16, 2008. Retrieved Apr. 21, 2012 at <http://www.heritage.org/research/reports/2008/12/learning-from-japan-infrastructure-spending-wont-boost-the-economy>

As The Heritage Foundation has noted in earlier reports, past infrastructure spending—especially related to transportation—has little to show in terms of countercyclical stimulus or job creation. [4] Much of this lackluster impact stems from the long lag time involved in getting such spending programs up and running, as well as the propensity of the state and local governments to substitute federal money for already-committed state and local money in order to shift such funds to other purposes. [5]

5. Japan proves—infrastructure spending won't bolster the economy.

Ronald Utt (senior research fellow, Heritage Foundation) Dec. 16, 2008. Retrieved Apr. 21, 2012 at <http://www.heritage.org/research/reports/2008/12/learning-from-japan-infrastructure-spending-wont-boost-the-economy>

Although the benefits of a costly, infrastructure-focused stimulus package based on massive government spending may be intuitively attractive, past evidence suggests that the impact of government spending programs that are intended to encourage economic growth is very modest and unlikely to enhance recovery or deter recession. As noted above, the Japanese government implemented such a program during the 1990s, and the consequence was two decades of economic stagnation. Less ambitious infrastructure stimulus programs have been implemented in the United States over the past few decades, and numerous independent and government studies have concluded that these programs had little impact on economic activity or jobs.

6. Infrastructure spending does not bolster American jobs.

Ronald Utt, (Senior Research Fellow in Economic Policy Studies @ Heritage Foundation) “Infrastructure 'Crisis' is About Socialism,” Dec. 13, 2011. Retrieved Apr. 13, 2012 at <http://www.heritage.org/research/commentary/2011/12/infrastructure-crisis-is-about-socialism>

Is it really this bad? With the American economy still struggling, the infrastructure stakeholders have rebranded their effort as a jobs program. But there is little evidence to suggest it will provide the promised boost.

ISRAEL AID DISADVANTAGE

Thesis: The thesis of this disadvantage is that an increase in transportation infrastructure will be funded by cutting aid to Israel. As the United States increasingly faces budgetary woes, aid to Israel, one of the largest line items in the foreign aid budget, has come under increasing scrutiny as a target for aid cuts. Unfortunately, aid to Israel is necessary to support the democratic nation against Arab aggression, and bolsters Middle East peace.

I. THE AFFIRMATIVE PLAN WILL TRADE-OFF WITH AID TO ISRAEL—DEVASTATING MIDDLE EAST PEACE AND SECURITY.

A. UNIQUENESS: NO MAJOR CUTS TO ISRAELI AID ARE COMING IN THE PRESENT SYSTEM.

United Press International, “U.S. aid to Israel no longer sacred,” Apr. 2, 2012. Retrieved Apr. 25, 2012 at http://www.upi.com/Business_News/Security-Industry/2012/04/02/US-aid-to-Israel-no-longer-sacred/UPI-31321333393980/?spt=hs&or=si

There's no sign yet of major cutbacks in U.S. aid, which includes \$3 billion a year in military assistance that's vital to Israel's military as it faces the threat of massive missile and rocket bombardment from Iran, Syria, Hezbollah in Lebanon and Palestinians in the Gaza Strip.

B. LINK: INCREASED SPENDING RISKS A CUT IN AID TO ISRAEL.

United Press International, “U.S. aid to Israel no longer sacred,” Apr. 2, 2012. Retrieved Apr. 25, 2012 at http://www.upi.com/Business_News/Security-Industry/2012/04/02/US-aid-to-Israel-no-longer-sacred/UPI-31321333393980/?spt=hs&or=si

Israeli Prime Minister Binyamin Netanyahu has warned Israelis his government needs higher taxes to help pay for anti-missile defense, though he's no doubt counting on U.S. military aid to help him out. But as the United States has to tighten its own belt and cut defense spending by up to \$600 billion, Globes business daily commentator Ran Dagoni cautioned: "U.S. aid to Israel is longer sacred. "U.S military aid to Israel is no longer a fixed point in relations between the two countries. "The threat to American aid to Israel (and in fact to every other foreign aid plan) is, of course, a result of the budget noose around Washington's neck."

C. IMPACT: CUTTING AID TO ISRAEL RISKS A MIDDLE EAST CONFLICT.

1. US aid to Israel is crucial to stop a Middle East conflict.

Jeremy M. Sharp (staff writer) “CRS Report for Congress,” Mar. 12, 2012. Retrieved May 6, 2012 at <http://www.fas.org/sgp/crs/mideast/RL33222.pdf>

But today, in these budget constrained times—some are now asking the question why should we keep providing aid to Israel? Yes, Israel is a long time democratic ally and we share a special bond—but some skeptics are questioning whether that’s enough of a reason to continue to spend hard earned American tax payer dollars on Israel’s security. I can answer that skepticism directly—we don’t just support Israel because of a long standing bond, we support Israel because it is in our national interests to do so. This aspect of our relationship with Israel is often overlooked. America’s commitment to Israel’s security and prosperity has extended over many decades because our leaders on both sides of the aisle have long understood that a robust United States-Israel security relationship is in our interests. Our support for Israel’s security helps preserve peace and stability in the region. If Israel were weaker, its enemies would be bolder. This would make broader conflict more likely, which would be catastrophic to American interests in the region. It is the very strength of Israel’s military which deters potential aggressors and helps foster peace and stability. Ensuring Israel’s military strength and its superiority in the region is therefore critical to regional stability and as a result is fundamentally a core interest of the United States.

2. A Middle Eastern war risks a nuclear conflict.

Aluf Benn, "Nuclear diplomacy in the Middle East." August 6, 2009. Retrieved April 26, 2010 at <http://www.haaretz.com/hasen/spages/1104190.html>.

After the Gulf War, Iraq's secret nuclear program was discovered and dismantled by UN inspectors. Since 1993, the knowledge that the Iranians too were striving for nuclear weapons has been at the top of Israel's strategic agenda. It led to the consolidation of the "Rabin doctrine," which was later also supported by Ehud Barak (now defense minister), and holds that it is important to complete the "peace circle" in the region before Iran attains its goal. The basic assumption was that if Israel is at peace with its neighbors, the Iranians' motivation to launch a nuclear war of annihilation will decrease. Another assumption was that it would be easier to achieve peace before the Iranian bomb leads to general radicalization in the region.

II. THE AFFIRMATIVE RESPONSES TO THE DISADVANTAGE ARE INADEQUATE.

A. ISRAEL RECEIVES SIGNIFICANT FOREIGN AID IN THE PRESENT SYSTEM.

Jeremy M. Sharp (staff writer) "CRS Report for Congress," Mar. 12, 2012. Retrieved May 6, 2012 at <http://www.fas.org/sgp/crs/mideast/RL33222.pdf>

Israel is the largest cumulative recipient of U.S. foreign assistance since World War II. To date, the United States has provided Israel \$115 billion in bilateral assistance. Almost all U.S. bilateral aid to Israel is in the form of military assistance, although in the past Israel also received significant economic assistance. Strong congressional support for Israel has resulted in Israel receiving benefits not available to any other countries; for example, Israel can use some U.S. military assistance both for research and development in the United States and for military purchases from Israeli manufacturers. In addition, all U.S. assistance earmarked for Israel is delivered in the first 30 days of the fiscal year, while most other recipients normally receive aid in installments. In addition to receiving U.S. State Department-administered foreign assistance, Israel also receives funds from annual defense appropriations bills for joint U.S.-Israeli missile defense programs.

B. INCREASED SPENDING WILL CAUSE ISRAELI AID TO BE CUT.

1. Political and economic reasons put Israel's aid at risk.

United Press International, "U.S. aid to Israel no longer sacred," Apr. 2, 2012. Retrieved Apr. 25, 2012 at http://www.upi.com/Business_News/Security-Industry/2012/04/02/US-aid-to-Israel-no-longer-sacred/UPI-31321333393980/?spt=hs&or=si

But the whole issue of U.S. aid to Israel is gathering steam, for political as well as economic reasons, and is being debated within the United States to a degree not seen for many years. Walter Pincus of The Washington Post kicked it off Oct. 18 by urging, as Americans have to tighten their belts, a re-evaluation of U.S. assistance to the Jewish state after Netanyahu ordered hefty cuts in Israel's defense spending. "If Israel can reduce its defense spending because of its domestic economic problems, shouldn't the United States -- which must cut military costs because of its major budget deficit -- consider reducing its aid to Israel?" he asked.

2. There is now a move to cut aid to Israel.

M.J. Rosenberg (staff writer) "Aid To Israel No Longer A Sacred Cow," Oct. 18, 2011. Retrieved May 6, 2012 at <http://www.fmep.org/analysis/analysis/aid-to-israel-no-longer-a-sacred-cow>

Something is terribly wrong here, most notably the fact that members of Congress from both parties are afraid to talk about it. After all, what would their constituents (not their donors) think about increasing foreign aid to Israel while we are cutting aid to education and health programs here? Until Pincus wrote this column, there was no reason to think Congress would ever reconsider its priorities. Legislators didn't publicize the inconsistency in their budget priorities and no one, other than AIPAC, was paying much attention. That may have been changed by an intrepid reporter, writing in the staunchly pro-Netanyahu Washington Post, who also happens to be Jewish — immunizing him from the "anti-Semitism" charge hurled at anyone who questions U.S. policy toward Israel. Maybe, just maybe, progressives (and maybe even conservatives) will now demand that their legislators tell them just why they apply the sledgehammer to programs that affect impoverished Americans while falling all over themselves to continue giving billions to a prosperous Israel.

3. Cuts in aid to Israel are now possible.

United Press International, "U.S. aid to Israel no longer sacred," Apr. 2, 2012. Retrieved Apr. 25, 2012 at http://www.upi.com/Business_News/Security-Industry/2012/04/02/US-aid-to-Israel-no-longer-sacred/UPI-31321333393980/?spt=hs&or=si

There are deep differences between the hawkish Netanyahu and Obama over the moribund Arab-Palestinian peace process and Netanyahu's threat to launch pre-emptive strikes against Iran's nuclear infrastructure. These could result in cuts in U.S. aid. But another argument goes that Obama will need to buy off Netanyahu with U.S. aid.

4. Deficit reduction measures will increase calls for cuts in aid to Israel.

Jeremy M. Sharp (staff writer) "CRS Report for Congress," Mar. 12, 2012. Retrieved May 6, 2012 at <http://www.fas.org/sgp/crs/mideast/RL33222.pdf>

U.S. lawmakers continue to grapple with varied plans for reducing the nation's \$15.2 trillion federal debt. Some lawmakers see foreign affairs funds, particularly for foreign aid programs, as expenditures that can be cut in order to reduce the deficit; indeed, some Members of Congress have called for phasing out foreign assistance entirely. Though many leaders have exempted aid to Israel from such plans, general opposition to U.S. foreign aid has caused some Israel advocates concern. In March 2011, the American Israel Public Affairs Committee (AIPAC) published a memorandum asserting that foreign aid is "an essential component of America's national security strategy."

5. Cuts in foreign aid will need to come from Israel.

Jazz Shaw (staff writer) "Cost Cutting and the Israel Ricebowl," Feb. 4, 2011. Retrieved May 6, 2012 at <http://hotair.com/archives/2011/02/04/cost-cutting-and-the-israel-ricebowl/>

The point is, completely eliminating all foreign aid is probably a non-starter in Washington. But rushing to defend your own ricebowl while ignoring the rest isn't going to solve anything. If we are going to make cuts to foreign aid (along with the myriad other areas where we must reduce spending) then everyone is going to have to share the burden and feel some of the pinch or there is no sense starting the process. And that would have to include Israel and Egypt.

6. Budgetary gaps will increase calls to cut aid to Israel.

Arieh O'Sullivan (staff writer) "US Senator Landrieu: Don't cut aid to Israel," Oct. 26, 2011. Retrieved May 6, 2012 at <http://www.jpost.com/International/Article.aspx?id=243268>

Israel is the biggest recipient of American aid, but with Washington facing a huge budget gap, calls have mounted to trim the \$3 billion the United States provides the Jewish state annually. This week veteran Washington Post columnist Walter Pincus urged the White House to reevaluate the aid, noting that Israel was slashing its own defense budget to step up social spending.

7. The challenging budget environment means aid to Israel may be cut.

Marc Tracy (staff writer) "AIPAC Endorses Fear of Decreased Aid," Dec. 15, 2011. Retrieved May 6, 2012 at <http://www.tabletmag.com/scroll/86248/aipac-endorses-fear-of-decreased-aid>

A new AIPAC fundraising letter raises the specter of a soured economy lending potency to calls to decrease aid to Israel, despite a ten-year agreement that fixes \$30 billion of funding. The letter, which is undated but landed in at least one East Coast mailbox yesterday, is on AIPAC letterhead and is signed by director of national affairs Jonathan Missner. After listing threats Israel faces and insisting on AIPAC's importance, it reads (emphasis theirs): Yet even as America has stood by Israel in the past ... and even as Israel faces these new threats to her very existence, a critical element of future U.S. support may now be in jeopardy. As we are all aware, the United States is in the midst of a challenging fiscal period. Lawmakers are under severe pressure to make steep cutbacks across the board. And that means that despite a 10-year agreement, America's security assistance to Israel may very well be cut.

C. AID TO ISRAEL IS VITAL FOR MIDDLE EAST PEACE.

1. Israeli aid is necessary to deter a nuclear armed Iran.

Jeremy M. Sharp (staff writer) "CRS Report for Congress," Mar. 12, 2012. Retrieved May 6, 2012 at <http://www.fas.org/sgp/crs/mideast/RL33222.pdf>

Over the years, Israeli officials have expressed concern over U.S. sales of sophisticated weaponry, particularly aircraft, airborne radar systems, and precision-guided munitions, to Arab Gulf countries, notably Saudi Arabia. Arab critics of U.S. military aid to Israel routinely charge that Israeli officials exaggerate the threat posed by Israel's neighbors in order to justify calls for increased U.S. support. As the United States is one of the principal suppliers of defense equipment and training to both Israel and Saudi Arabia, U.S. policymakers and defense officials must carefully navigate commitments to the two countries, including upholding the U.S. commitment to maintaining Israel's QME. The threat of a nuclear-armed Iran, though it has partially aligned Israeli and Sunni Arab interests in deterring a shared rival, also may be exacerbating Israeli fears of a deteriorated QME as Saudi Arabia and other Gulf states dramatically increase defense procurements from U.S. and other foreign suppliers to respond to the challenge from Iran they perceive.

2. A nuclear armed Iran risks a war with Israel.

Jeffrey Goldberg (national correspondent for the Atlantic) "How Iran Could Trigger Accidental Armageddon," Jan. 23, 2012. Retrieved May 6, 2012 at <http://www.bloomberg.com/news/2012-01-24/how-iran-may-trigger-accidental-armageddon-commentary-by-jeffrey-goldberg.html?cmpid=otbrn.sustain.story>

Which is why it's unlikely that they would immediately use their new weapons against Israel. An outright attack on Israel - - a country possessing as many as 200 nuclear weapons and sophisticated delivery systems -- would lead to the obliteration of Tehran, the deaths of millions, and the destruction of Iran's military and industrial capabilities. The mullahs know this. But here's the problem: It may not matter. The threat of a deliberate nuclear attack pales in comparison with the chance that a nuclear-armed Iran could accidentally trigger a cataclysmic exchange with Israel.

3. Iranian nuclearization risks multiple scenarios for war with Israel.

Jeffrey Goldberg (national correspondent for the Atlantic) “How Iran Could Trigger Accidental Armageddon,” Jan. 23, 2012. Retrieved May 6, 2012 at <http://www.bloomberg.com/news/2012-01-24/how-iran-may-trigger-accidental-armageddon-commentary-by-jeffrey-goldberg.html?cmpid=otbrn.sustain.story>

Warp-Speed Escalation: The experts who study this depressing issue seem to agree that a Middle East in which Iran has four or five nuclear weapons would be dangerously unstable and prone to warp-speed escalation. Here’s one possible scenario for the not-so-distant future: Hezbollah, Iran’s Lebanese proxy, launches a cross-border attack into Israel, or kills a sizable number of Israeli civilians with conventional rockets. Israel responds by invading southern Lebanon, and promises, as it has in the past, to destroy Hezbollah. Iran, coming to the defense of its proxy, warns Israel to cease hostilities, and leaves open the question of what it will do if Israel refuses to heed its demand. Dennis Ross, who until recently served as President Barack Obama’s Iran point man on the National Security Council, notes Hezbollah’s political importance to Tehran. “The only place to which the Iranian government successfully exported the revolution is to Hezbollah in Lebanon,” Ross told me. “If it looks as if the Israelis are going to destroy Hezbollah, you can see Iran threatening Israel, and they begin to change the readiness of their forces. This could set in motion a chain of events that would be like ‘Guns of August’ on steroids.” Imagine that Israel detects a mobilization of Iran’s rocket force or the sudden movement of mobile missile launchers. Does Israel assume the Iranians are bluffing, or that they are not? And would Israel have time to figure this out? Or imagine the opposite: Might Iran, which will have no second-strike capability for many years -- that is, no reserve of nuclear weapons to respond with in an exchange -- feel compelled to attack Israel first, knowing that it has no second chance? Bruce Blair, the co-founder of the nuclear disarmament group Global Zero and an expert on nuclear strategy, told me that in a sudden crisis Iran and Israel might each abandon traditional peacetime safeguards, making an accidental exchange more likely.

4. The risk of war between Iran and Israel is very high.

Jeffrey Goldberg (national correspondent for the Atlantic) “How Iran Could Trigger Accidental Armageddon,” Jan. 23, 2012. Retrieved May 6, 2012 at <http://www.bloomberg.com/news/2012-01-24/how-iran-may-trigger-accidental-armageddon-commentary-by-jeffrey-goldberg.html?cmpid=otbrn.sustain.story>

Ross told me that Iran’s relative proximity to Israel and the total absence of ties between the two countries -- the thought of Iran agreeing to maintain a hot line with a country whose existence it doesn’t recognize is far-fetched -- make the situation even more hazardous. “This is not the Cold War,” he said. “In this situation we don’t have any communications channels. Iran and Israel have zero communications. And even in the Cold War we nearly had a nuclear war. We were much closer than we realized.”

5. Aid to Israel is crucial to peace in the Middle East.

Jeremy M. Sharp (staff writer) “CRS Report for Congress,” Mar. 12, 2012. Retrieved May 6, 2012 at <http://www.fas.org/sgp/crs/mideast/RL33222.pdf>

We consider this 30 billion dollars in assistance to Israel to be an investment in peace – in long-term peace. Peace will not be made without strength. Peace will not be made without Israel being strong in the future. Of course, our objective as a country and our specific objective as a government is to contribute to that peace, a peace between Israel and the Palestinian people, the creation of an independent Palestinian state willing to live side by side in peace with Israel, and a general peace in the region that has eluded the Israeli people for 59 years but which is, we hope, the destiny of the Israeli people as well as the Arab peoples of the region. Our policy in this entire region is dedicated to that final objective.

6. Multiple scenarios for conflict exist in the Middle East.

Howard Kohr (AIPAC Executive Director) “AIPAC Executive Director Testifies for Israel Aid,” May 1, 2011. Retrieved May 6, 2012 at http://www.aipac.org/NearEastReport/20110501/NER_AIPAC.html

Even before the current unrest, both the United States and Israel were facing a changing strategic landscape in the Middle East. A more aggressive Iran bent on acquiring nuclear weapons and vying with the United States for regional dominance helped to bring down the Lebanese government and has armed Hizballah with more than 55,000 rockets and missiles in southern Lebanon. Tehran also is funding and training Hamas operatives in Gaza and arming these terrorists with increasingly sophisticated and longer-range rockets. For Israel, this has meant dealing with a far more threatening environment. Today, these destructive Iranian-backed actions have translated into a daily barrage of rocket fire against civilian populations from Gaza, the threat of accurate rockets striking any point of Israel from Lebanon and a renewed terrorist threat both in Jerusalem and the West Bank. At the same time, Iran continues to close in on acquiring a nuclear weapons capability. Furthermore, Israel’s entire security architecture of the last 30 years is now in question. No one knows what type of regime will emerge in Egypt or what will happen in Jordan—the two nations that have signed peace agreements with Israel and have maintained close strategic ties with the Jewish state. A change in either country’s policies toward Israel or toward those agreements would mean a dramatic—and expensive—change in Israel’s current defense posture.

7. Stopping aid to Israel would cause a Middle East war.

Douglas Moore (staff writer) Apr. 28, 2010. Retrieved May 6, 2012 at http://www.helium.com/debates/139588-does-us-aid-to-israel-help-or-hurt-peace-prospects/side_by_side?page=1

The peace process that we speak of would cease to exist were it not for American aid to Israel. It would cease to exist because Israel as a nation would cease to exist. There are many on the Left in this country, and angry, jealous members of the UN (foxes in the hen-house in many cases), who protest that Israel is primarily responsible for the atrocities in the Middle-East. But I ask you, if all of Israel's weapons and troops were suddenly removed, what would become of her? Now, reverse the scenario, and disarm the countries surrounding Israel. I'm certain that those countries would be left in peace. Organizations like the PLO and Hamas have for years continued to attack Israel and have encouraged others to do so. Their leaders, such as former PLO leader, Yassar Arafat, stole millions of dollars from the organization and continued to foment a system of victimology, all so that he could remain in power. In reality, the US military aid to Israel is a stabilizing force in the region. Should Jerusalem fall into the hands of an Arabic or Persian nation, all out war between any number of Middle-Eastern countries could then occur, each vying for the Holy City and creating a magnified version of what we have had in Iraq since British Rule: Tribal warfare. But these tribes would take the form of nation-states, and the results would be devastating for all the world...Israel is smaller than the State of Delaware. We, and the rest of the world, except of course for the hateful nations who hold Israel, the US and the rest of the free-world in jealous contempt, have recognized Israel's right to exist as the rightful homeland of the Jewish people. We know now why we give this aid; Israel has the right to exist, and would be unable to continue to exist without the aid. So, if anyone should suggest that the United States should cease aid, they have at once suggested that Israel should die.

8. Israel needs continued funding to stave off threats in the Middle East.

Howard Kohr (AIPAC Executive Director) “AIPAC Executive Director Testifies for Israel Aid,” May 1, 2011. Retrieved May 6, 2012 at http://www.aipac.org/NearEastReport/20110501/NER_AIPAC.html

Unlike almost any other country in the world, Israel faces existential threats from countries and groups using both conventional and unconventional means. Israel faces symmetrical and asymmetrical threats, and weaponry ranging from the very shortest ranges (e.g. car bombs and mortars) to long-range missiles. The military hardware—including American built advanced fighter aircraft and naval vessels—that the Israel Defense Forces (IDF) needs during the next decade to maintain its Qualitative Military Edge is far more sophisticated, complex and expensive than in the past. The most recent U.S. produced front line fighter aircraft deployed by Israel, the F 16I, cost \$45 million apiece. By comparison, the U.S. F 35 Joint Strike Fighter, which Israel is seeking to purchase during the next decade, will cost more than \$100 million each. Israel is also investing more than \$2 billion to develop cutting edge systems to combat short range rockets and long range missiles and building dozens of upgraded tanks and armored vehicles to protect troops from advanced anti tank missiles in the hands of Hamas and Hizballah. Even with this additional spending, there are many important weapons purchases the IDF will have to delay because of insufficient funds.

9. US aid to Israel is essential for Israeli deterrence.

Jeremy M. Sharp (staff writer) “CRS Report for Congress,” Mar. 12, 2012. Retrieved May 6, 2012 at <http://www.fas.org/sgp/crs/mideast/RL33222.pdf>

Almost all U.S. aid to Israel is in the form of military assistance. U.S. military aid has helped transform Israel’s armed forces into one of the most technologically sophisticated militaries in the world. U.S. military aid for Israel has been designed to maintain Israel’s “qualitative military edge” (QME) over neighboring militaries, since Israel must rely on better equipment and training to compensate for a manpower deficit in any potential regional conflict. U.S. military aid, a portion of which may be spent on procurement from Israeli defense companies, also has helped Israel build a domestic defense industry, which ranks as one of the top 10 suppliers of arms worldwide.

10. Aid to Israel is crucial to its defense industry—the key to its defense edge.

Jeremy M. Sharp (staff writer) “CRS Report for Congress,” Mar. 12, 2012. Retrieved May 6, 2012 at <http://www.fas.org/sgp/crs/mideast/RL33222.pdf>

Successive Administrations and many lawmakers believe that a strong domestic Israeli defense industry is crucial to maintaining Israel’s technological edge over its neighbors. The proceeds to Israeli defense firms from purchases with U.S. funds have allowed the Israeli defense industry to achieve necessary economies of scale and produce highly sophisticated equipment for niche markets. Defense experts note that high annual amounts of U.S. military assistance force private and semi-private Israeli defense companies to place a greater business emphasis on exports, since a large portion of Israeli government weapons procurement is spent on American equipment. According to Beth McCormick, former acting director of the U.S. Defense Technology Security Administration, Israeli manufacturers must sell as much as 75% of their output abroad to stay profitable, a far higher share than U.S. military contractors. Israel is among the world’s leading arms exporters. Between 2003 and 2010, Israel was the eighth-largest arms exporter in the world with sales (value of agreements not deliveries) worth a total of \$12 billion.

11. US aid to Israel is critical to deter a wide range of missile attacks against Israel.

Jeremy M. Sharp (staff writer) “CRS Report for Congress,” Mar. 12, 2012. Retrieved May 6, 2012 at <http://www.fas.org/sgp/crs/mideast/RL33222.pdf>

Congress and successive Administrations have demonstrated strong support for joint U.S.-Israeli missile defense projects designed to thwart a diverse range of threats, from short-range missiles and rockets fired by non-state actors, such as Hamas and Hezbollah, to mid- and longer-range ballistic missiles in Syria’s and Iran’s arsenals. U.S.-Israeli missile defense cooperation has perennially been authorized and appropriated in the defense authorization and appropriations bills. Such efforts generally are not considered a form of direct aid, but many U.S. and Israeli observers consider them a vital component of Israel’s strategic relationship with the United States. Israel and the United States each financially contribute to several projects and share technology from co-developed weapons systems.

12. Aid to Israel is important to Israeli peace and security.

Jeremy M. Sharp (staff writer) “CRS Report for Congress,” Mar. 12, 2012. Retrieved May 6, 2012 at <http://www.fas.org/sgp/crs/mideast/RL33222.pdf>

The historic political changes occurring in the Arab world and the ongoing security challenges posed by Iran and its allies may affect the U.S.-Israeli aid relationship in varying ways. Some U.S. leaders perceive increasing threats to Israel, particularly from Iran and its Lebanese Shiite ally Hezbollah, and therefore may advocate for additional funding for programs such as short and long range missile defense. Others, who may also strongly support Israel’s security, also may see an opportunity for Israel to respond to empowered public opinion in neighboring Arab countries like Egypt through diplomatic means, especially by reenergizing peace initiatives with the Palestinians, and therefore may seek aid packages that offer incentives for this behavior. The wave of continued Arab unrest may even cause Israel to advocate for more global financial support for its Arab neighbors. Fear of unrest in neighboring Jordan, for example, could drive Israel to seek additional U.S. foreign assistance in support of the neighboring Arab monarchy.

13. Israeli aid is necessary to build anti-missile defenses for Israel.

United Press International, “U.S. aid to Israel no longer sacred,” Apr. 2, 2012. Retrieved Apr. 25, 2012 at http://www.upi.com/Business_News/Security-Industry/2012/04/02/US-aid-to-Israel-no-longer-sacred/UPI-31321333393980/?spt=hs&or=si

This was done even though Netanyahu, who views Iran’s nuclear program as an existential threat to the Jewish state, seeks to build up a multilayered anti-missile defense shield. The United States has contributed heavily to the anti-ballistic Arrow program, designed to intercept Iranian ballistic missiles, since it was launched in 1986. State-owned Israel Aerospace Industries worked with the Boeing Co. to develop the missile. Development costs ran to nearly \$3 billion from 1989-2007 with the United States paying 50-80 percent. Israel pays about \$65 million a year.

14. Foreign aid is vital to Israel’s security.

Howard Kohr (AIPAC Executive Director) “AIPAC Executive Director Testifies for Israel Aid,” May 1, 2011. Retrieved May 6, 2012 at http://www.aipac.org/NearEastReport/20110501/NER_AIPAC.html

At this time of great turmoil and uncertainty in the Middle East, AIPAC believes U.S. security assistance to Israel is more vital than ever in promoting American strategic interests in the region. Aid strengthens our closest ally and ensures that Israel has the resources to meet increasing threats to its security. We strongly urge the Subcommittee to approve the president’s request for fiscal year 2012 security assistance to Israel in the amount of \$3.075 billion as called for in the 2007 Memorandum of Understanding (MOU) between the United States and Israel. We support approval of this aid in accordance with the legislatively mandated terms under which it has historically been provided, particularly provisions mandating the level of assistance, offshore procurement and early disbursement. We also support an overall vibrant, robust and bipartisan foreign assistance program as a critical tool to advance U.S. national security interests.

15. Cutting Israel’s foreign aid budget would deeply undercut Israel’s security.

Marc Tracy (staff writer) “AIPAC Endorses Fear of Decreased Aid,” Dec. 15, 2011. Retrieved May 6, 2012 at <http://www.tabletmag.com/scroll/86248/aipac-endorses-fear-of-decreased-aid>

“All of the leading Republican presidential candidates said that we should start Israel’s foreign aid budget at zero,” said Rep. Debbie Wasserman Schultz, chair of the Democratic National Committee, yesterday. “This upends long-standing U.S. support of our important ally, Israel—support that President Obama has dramatically strengthened and increased during his presidency—and would deeply undercut Israel’s safety and security.”

D. AID TO ISRAEL IS KEY TO US-ISRAELI RELATIONS.

1. Any cut in Israel’s aid would be perceived as a weakening of the US-Israeli relationship.

James Besser (staff writer) “Israel Aid Anxiety: Is It Overblown?” Dec. 22, 2010. Retrieved May 6, 2012 at http://www.thejewishweek.com/blogs/political_insider/israel_aid_anxiety_it_overblown

More important is its symbolic value, some say; the fact Israel's aid is the biggest part of the U.S. aid budget sends a signal that the U.S.-Israel relationship is, indeed, special. Any cut would be interpreted by some as a sign of erosion no matter how loudly the ax wielders protests that it's just about the deficit, which is why AIPAC and other pro-Israel groups will fight any proposed cuts with all their considerable might.

2. Foreign aid to Israel is key to US-Israeli relations.

Jeremy M. Sharp (staff writer) “CRS Report for Congress,” Mar. 12, 2012. Retrieved May 6, 2012 at <http://www.fas.org/sgp/crs/mideast/RL33222.pdf>

For decades, the United States and Israel have maintained strong bilateral relations based on a number of factors, including robust domestic U.S. support for Israel and its security; shared strategic goals in the Middle East; a mutual commitment to democratic values; and historical ties dating from U.S. support for the creation of Israel in 1948. U.S. foreign aid has been a major component in cementing and reinforcing these ties. Although successive Administrations have disapproved of some Israeli policies, including settlement construction in the West Bank and—prior to Israel’s 2005 disengagement—the Gaza Strip, U.S. officials and many lawmakers have long considered Israel to be a reliable partner in the region, and U.S. aid packages for Israel have reflected this belief. Opponents of U.S. aid to Israel argue that U.S. assistance to Israel indirectly causes suffering to Palestinians by supporting Israeli arms purchases and by blunting international pressure on Israel to reach a solution to the Palestinian conflict.

3. Aid to Israel is an important symbol of the US-Israeli relationship.

Howard Kohr (AIPAC Executive Director) “AIPAC Executive Director Testifies for Israel Aid,” May 1, 2011. Retrieved May 6, 2012 at http://www.aipac.org/NearEastReport/20110501/NER_AIPAC.html

In this difficult budget environment, we are mindful of the daunting fiscal challenges facing the United States. Nevertheless, we believe U.S. security assistance to Israel has been and remains a highly cost-effective program that strengthens U.S. interests for a relatively modest cost. It ensures the continued strength and survival of our most reliable and effective ally in this vital region of the world. It sends a strong message to enemies of both the United States and Israel of the continued U.S. commitment to Israel’s security. It reinforces the principle that the United States will live up to commitments made to our friends. And it tells the government and people of Israel that even in a time of enormous upheaval, the United States will ensure Israel has the means it needs to defend itself.

4. Strong US-Israeli relations solve terrorism and create peace in the Middle East.

Howard Kohr (AIPAC Executive Director) “AIPAC Executive Director Testifies for Israel Aid,” May 1, 2011. Retrieved May 6, 2012 at http://www.aipac.org/NearEastReport/20110501/NER_AIPAC.html

There is only one country in this critically important region that the United States does not have to worry about with respect to its pro-American outlook or its reliability as a strategic U.S. partner. Because Israel and America share both common values and common threats, the U.S.-Israel partnership has been and will remain a constant in a region in turmoil. Together, these two democracies will continue to share intelligence and resources in the fight against terrorism and Islamic extremism. The two allies will also continue to work together to prevent aggression and pursue peace.

5. US-Israeli cooperation deters aggression.

Howard Kohr (AIPAC Executive Director) “AIPAC Executive Director Testifies for Israel Aid,” May 1, 2011. Retrieved May 6, 2012 at http://www.aipac.org/NearEastReport/20110501/NER_AIPAC.html

Strategic cooperation—including joint military exercises, military exchanges, the pre positioning of U.S. military equipment in Israel, and the joint development of advanced weapons systems, especially in the vital missile defense arena—helps deter aggression. Israel is our most active international partner in researching and developing certain critical defense technologies. Numerous Israeli designed weapon systems used in Afghanistan and Iraq have significantly helped U.S. forces fight insurgents and have saved many American lives.

6. Strong support for Israel key to a lasting peace in the Middle East.

Connor Caudill (staff writer) “America’s support of Israel is vital for peace,” Feb. 17, 2011. Retrieved May 6, 2012 at <http://www.idsnews.com/news/story.aspx?id=79916>

After that important vote, IU became the second university in the country to send a strong message to our nation’s leaders that the U.S.-Israel relationship is an important issue to students. Your student leaders recognize that strong American support for Israel means a lasting peace can be achieved in the Middle East.

7. Continued support for Israel is key to the peace process.

Connor Caudill (staff writer) “America’s support of Israel is vital for peace,” Feb. 17, 2011. Retrieved May 6, 2012 at <http://www.idsnews.com/news/story.aspx?id=79916>

Continued American support for Israel is crucial in many ways for the Israeli-Palestinian peace process. Israeli Prime Minister Benjamin Netanyahu has indicated his support for a two-state solution which would allow for independent Jewish and Palestinian states. While the two-state solution sounds good on paper, the negotiations need to take place in direct dialogue between Israel and Palestine and not through some unilateral institution like the United Nations. The problem with having a unilateral institution like the U.N. broker the negotiations is that it would undermine the true aspirations of peace. This was evident in 1988 when the U.N. passed a resolution declaring support for a Palestinian state. Against U.S. and Israeli opposition, the resolution hurt any trust or progress that had been achieved in developing a lasting peace. The United States’ support for the peace process through bilateral negotiations has not changed. In an Oct. 20 speech last year, Secretary of State Hillary Clinton said, “There is no substitute for face-to-face discussion ... (and) that is the only path that will lead to the fulfillment of the Palestinian national aspirations and the necessary outcome of two states for two peoples.”

8. Strong US solidarity with Israel is key to peace in the Middle East.

Connor Caudill (staff writer) “America’s support of Israel is vital for peace,” Feb. 17, 2011. Retrieved May 6, 2012 at <http://www.idsnews.com/news/story.aspx?id=79916>

Whatever the final peace solution, the United States of America must stand strong in its solidarity with Israel and support bilateral negotiations to achieve a lasting peace in the Middle East.

E. INCREASED SPENDING THREATENS FOREIGN AID GENERALLY.

1. The politics of budgeting will make foreign aid a target.

Steven Lee Myers (staff writer) “With the U.S. budget in crisis, foreign aid is on the chopping block,” Oct. 9, 2011. Retrieved Apr. 18, 2012 at

<http://www.bendbulletin.com/article/20111009/NEWS0107/110090310/>

While the final budget for the year remains uncertain given the politics surrounding the special congressional committee charged with finding more than \$1 trillion in cuts overall, it is clear that foreign aid will decline for a second year. “We’re going to have to do more with less — or less with less, depending on how you look at it,” said Deputy Secretary of State Thomas Nides, who oversees the department’s budget and operations.

2. Foreign aid will be a target of budget cuts.

Dr. Alfred Duda (Outgoing Senior Advisor on International Waters @ GEF) Apr. 16, 2012. Retrieved May 6, 2012 at

http://www.islandsbusiness.com/islands_business/index_dynamic/containerNameToReplace=MiddleMiddle/focusModuleID=20103/overrideSkinName=issueArticle-full.tpl

There is one other trend that is disturbing and that is with the global economic downturn and problems in Europe and the United States. There’s not enough money out there anymore for these important things. Foreign aid is not a popular subject when people are talking about raising taxes. So to me, this is a real big disappointment. Things are different now, things are worse than 1992, and there isn’t even the prospect of more money that there was then.

3. Foreign aid is key to US leadership and soft power.

Laura Rusu (Policy and Campaigns Media Manager) “April Fool’s ad warns against cuts to international poverty-fighting assistance,” Mar. 28, 2012. Retrieved May 6, 2012 at

<http://www.oxfamamerica.org/press/pressreleases/april-fool2012s-ad-warns-against-cuts-to-international-poverty-fighting-assistance>

The American public tends to overestimate how much money the US government spends on foreign aid. Surveys report that American voters think the US spends as much as 27% of the federal budget on foreign assistance and generally support cuts to bring it down to about 13% of the budget. But when told that foreign assistance is less than 1% of the federal budget, 71% of Americans say we should either increase funding or keep it the same. “The persistence of global poverty poses a challenge to our security, prosperity and values,” said Adams. “Cuts to effective programs, such as Feed the Future, Millennium Challenge Corporation, Global Health Initiative, Global Climate Change Initiative, will leave us without the critical tools for sustaining American leadership in building a better, safer world.”

Isobel Coleman (staff writer) “Foreign Aid II: USAID, Development Trends, and the Presidential Campaign,” Apr. 6, 2012. Retrieved May 6, 2012 at <http://blogs.cfr.org/coleman/2012/04/06/foreign-aid-ii-usaid-development-trends-and-the-presidential-campaign/>

But the U.S. foreign assistance landscape will probably experience significant continuity no matter who wins the White House in November. This is because, first, there’s a broad consensus among policymakers that foreign assistance is an important component of U.S. soft power, and that it can advance strategic priorities. But beyond that, four major trends are already ongoing in the U.S. aid apparatus, led by USAID, and these are likely to endure.

4. US leadership is key to world peace.

Justin T. Palm (staff writer) “A World Without the United States Who Would Fill the Void?” Apr. 17, 2012. Retrieved May 6, 2012 at <http://realtruth.org/articles/120416-001.html>

Author Robert Kagan, who describes the current world order as the “American world order,” wrote about the subject in his book *The World America Made*. “The most important features of today’s world—the great spread of democracy, the prosperity, the prolonged great-power peace—have depended directly and indirectly on power and influence exercised by the United States.” Of course, this is not to say the nation is perfect. It has made mistakes. Obviously, since the beginning of time, every country has. In terms of benevolence, however, few countries in history have exercised the generosity and desire to protect the freedoms of others as has the U.S. Relative peace among the most powerful nations has largely been maintained for decades.

Justin T. Palm (staff writer) “A World Without the United States Who Would Fill the Void?” Apr. 17, 2012. Retrieved May 6, 2012 at <http://realtruth.org/articles/120416-001.html>

Besides wealth and language, democracy has been another major export of the United States. While also far from perfect, this system has generally promoted peace and freedom wherever it has been instituted. Mr. Kagan wrote that since the birth of the nation in the late 1700s until the close of the 1800s, no more than five countries around the world could ever have been considered democratic. With America’s growing influence on global politics, this number increased to around 20 to 30 by 1950. At the time, this was about 40 percent of the global population. Incredibly, looking at the time period from the late 1970s until the early 1990s, more than half the world’s population was living under a democratic government, with 120 democracies around the world.

Justin T. Palm (staff writer) “A World Without the United States Who Would Fill the Void?” Apr. 17, 2012. Retrieved May 6, 2012 at <http://realtruth.org/articles/120416-001.html>

“For almost three centuries, the world has been undergirded by the presence of a large liberal hegemon—first Britain, then the United States,” news commentator Fareed Zakaria wrote in his book *The Post-American World*. “These two superpowers helped create and maintain an open world economy, protecting trade routes and sea lanes, acting as lenders of last resort, holding the reserve currency, investing abroad, and keeping their own markets open. They also tipped the military balance against the great aggressors of their ages, from Napoleon’s France, to Germany, to the Soviet Union.”

5. Alternatives to US leadership will undermine the peace between great powers.

Justin T. Palm (staff writer) “A World Without the United States Who Would Fill the Void?” Apr. 17, 2012. Retrieved May 6, 2012 at <http://realtruth.org/articles/120416-001.html>

Another way America has exercised its influence on the world is through peacekeeping. The Second World War thrust the United States into a prominent place on the world stage, and forced it to take a stand as a “global sheriff.” Since the close of World War II, a third world war has so far been averted largely because of America’s efforts. Think of the closest thing to it—the Cold War between the U.S. and Russia. Nothing happened. Large numbers were not killed. No mass troop transports took place. Allies of either nation were not dragged into a long, violent conflict. No peace treaties needed to be signed, no land re-staked due to battles. A disastrous worldwide war was avoided. The previous 60 years of relative peace on a worldwide scale has had almost everything to do with the role America has played as world policeman. “The power of the United States has been the biggest factor in the preservation of great-power peace,” Mr. Kagan writes.

Justin T. Palm (staff writer) “A World Without the United States Who Would Fill the Void?” Apr. 17, 2012. Retrieved May 6, 2012 at <http://realtruth.org/articles/120416-001.html>

“Contrary to what one often hears, multipolar systems have historically been neither particularly stable nor particularly peaceful. War among the great powers was a common, if not constant, occurrence in the long periods of multipolarity in the sixteenth, seventeenth, and eighteenth centuries, the latter culminating in the series of destructive Europe-wide wars following the French Revolution and ending with Napoleon’s defeat at Waterloo in 1815...” “The great powers today act in a restrained fashion not because they are inherently restrained but because their ambitions are checked by a still-dominant United States.”

6. Declining US hegemony risks World War III.

Justin T. Palm (staff writer) “A World Without the United States Who Would Fill the Void?” Apr. 17, 2012. Retrieved May 6, 2012 at <http://realtruth.org/articles/120416-001.html>

Although sometimes begrudgingly, U.S. military power and foreign policy has acted as the glue that has kept the current world order from splintering into chaos. American might has kept other countries with a history of aggression in check, specifically Russia and China. Throughout the millennia of man’s existence, the “American era” could be viewed as a golden era for peace and abundance around the world. A single nation has never brought so much prosperity and freedom to all.

Justin T. Palm (staff writer) “A World Without the United States Who Would Fill the Void?” Apr. 17, 2012. Retrieved May 6, 2012 at <http://realtruth.org/articles/120416-001.html>

A United States exit from the world scene could increase the likelihood that nations will attack each other. Its dwindling influence in foreign relations and diminished power of deterrence—which has prevented offensive attacks by the threat or power of retaliation—could eventually lead to World War III. Order could quickly be replaced by chaos, as occurred in the past when there was a shift in the balance of power.

7. Cuts to foreign aid will devastate the poor.

Laura Rusu (Policy and Campaigns Media Manager) “April Fool’s ad warns against cuts to international poverty-fighting assistance,” Mar. 28, 2012. Retrieved May 6, 2012 at <http://www.oxfamamerica.org/press/pressreleases/april-fool2019s-ad-warns-against-cuts-to-international-poverty-fighting-assistance>

As Members of Congress consider the federal budget, international humanitarian organization Oxfam America reminded them today that cutting the tiny amount that goes to foreign aid will not solve the budget gap, but it will have dramatic impacts on people in poverty. Through an ad push just before April Fool’s Day, Oxfam declared that cutting foreign aid to balance the budget is tantamount to getting a haircut in order to lose weight. “Everybody loves to pick on foreign aid, since poor people don’t have high powered lobbyists making their case in Washington,” said Gregory Adams, Director for Aid Effectiveness at Oxfam America. “The penny-wise and pound-foolish nature of the cuts would barely put a ding in the budget deficit but would be devastating for poor people who are grappling with poverty and injustice.”

Laura Rusu (Policy and Campaigns Media Manager) “April Fool’s ad warns against cuts to international poverty-fighting assistance,” Mar. 28, 2012. Retrieved May 6, 2012 at <http://www.oxfamamerica.org/press/pressreleases/april-fool2019s-ad-warns-against-cuts-to-international-poverty-fighting-assistance>

Many of the proposed cuts to foreign aid would come from long-term investments in fighting poverty, the kinds of investments America needs to make now in order to help countries solve their own problems, and save American money down the road. Not only that, but these sorts of cuts pull the rug out from under people who want to work with the United States as partners to solve problems we care about, like poverty, violence, hunger, disease, and corruption.

Justin T. Palm (staff writer) “A World Without the United States Who Would Fill the Void?” Apr. 17, 2012. Retrieved May 6, 2012 at <http://realtruth.org/articles/120416-001.html>

“For four centuries prior to 1950, global gross domestic product (GDP) rose by less than 1 percent a year,” Mr. Kagan writes. “Since 1950 it has risen by an average of 4 percent a year, and billions of people have been lifted out of poverty.” He states later in the book, “During the period of American hegemony, the global economy produced the greatest and most prolonged era of prosperity in history. Between 1950 and 2000, annual GDP growth for the entire world was 3.9 percent, as compared with 1.6 percent between 1820 and 1950 and an estimated 0.3 percent between 1500 and 1820. This increasing prosperity was also much more widely distributed around the world than in the past.”

8. Morality demands aid to the poor.

Claire Andre and Manuel Velasquez, "World Hunger: A Moral Response," Jan. 18, 2012. Retrieved Apr. 18, 2012 at <http://www.scu.edu/ethics/publications/ie/v5n1/hunger.html>

In making a case for aid to poor nations, others appeal to the principle of justice. Justice demands that people be compensated for the harms and injustices suffered at the hands of others. Much of the poverty of developing nations, they argue, is the result of unjust and exploitative policies of governments and corporations in wealthy countries. The protectionist trade policies of rich nations, for example, have driven down the price of exports of poor nations. According to one report, the European Economic Community imposes a tariff four times as high against cloth imported from poor nations as from rich ones. Such trade barriers cost developing countries \$50 to \$100 billion a year in lost sales and depressed markets. Moreover, the massive debt burdens consuming the resources of poor nations is the result of the tight monetary policies adopted by developed nations which drove up interest rates on the loans that had been made to these countries. In 1989, Third World countries owed \$1.2 trillion nearly half of their total CNP to banks and governments in industrial countries. According to one report, since 1988, \$50 billion a year has been transferred from poor nations to rich nations to service these debts.

Claire Andre and Manuel Velasquez, "World Hunger: A Moral Response," Jan. 18, 2012. Retrieved Apr. 18, 2012 at <http://www.scu.edu/ethics/publications/ie/v5n1/hunger.html>

In fact, according to Singer, allowing a person to die from hunger when it is easily within one's means to prevent it is no different, morally speaking, from killing another human being. If I purchase a VCR or spend money I don't need, knowing that I could instead have given my money to some relief agency that could have prevented some deaths from starvation, I am morally responsible for those deaths. The objection that I didn't intend for anyone to die is irrelevant. If I speed through an intersection and, as a result, kill a pedestrian, I am morally responsible for that death whether I intended it or not.

OIL DRILLING DISADVANTAGE

Thesis: The thesis of this disadvantage is that an increase in transportation infrastructure will be funded by an expansion of oil drilling off the coast of the United States. While transportation infrastructure usually comes from revenue supported by the gasoline tax in the United States, the political unpopularity of a gas tax increase will cause the plan's funding to come from an expansion of oil drilling in the United States, a method that both the Republicans and the Obama administration can agree upon. Unfortunately, an expansion of oil drilling will lead to more oil spills, devastating healthy marine ecosystems as well as undermining the US economy.

I. THE AFFIRMATIVE PLAN WILL INCREASE OIL DRILLING—DEVASTATING THE WORLD'S OCEANS.

A. UNIQUENESS: OIL DRILLING IS LIMITED IN THE PRESENT SYSTEM.

Vanessa Vick (staff writer) "Offshore Drilling and Exploration," March 5, 2012. Retrieved Apr. 24, 2012 at http://topics.nytimes.com/top/reference/timestopics/subjects/o/offshore_drilling_and_exploration/index.html

In response to the spill, the administration put in place a moratorium on deepwater oil and gas drilling, a step that came as a blow to the oil industry and angered Gulf Coast communities dependent on offshore drilling for jobs and income. In October, the administration announced that it was ending the moratorium and issuing new rules that tighten standards for well design, blowout preventers, safety certification, emergency response and worker training. In December 2010, pulling back further from Mr. Obama's original proposal, the administration rescinded its decision to expand offshore oil exploration into the eastern Gulf of Mexico and along the Atlantic Coast. Drilling would remain under a moratorium for those areas for at least the next seven years, until stronger safety and environmental standards were in place. But drilling would continue in the central and western Gulf of Mexico, although under a new set of safeguards put in place after the deadly BP explosion and oil spill.

B. LINK: AN EXPANSION OF OFFSHORE OIL DRILLING WILL BE USED TO PAY FOR EXPANDED TRANSPORTATION INFRASTRUCTURE.

Mannie Garcia (staff writer) "House Republicans want \$260 billion for infrastructure," Jan. 30, 2012. Retrieved Apr 23, 2012 at <http://www.reuters.com/article/2012/01/31/us-usa-congress-infrastructure-idUSTRE80U03Z20120131>

Republican leaders said in November they would propose lifting a U.S. ban on new offshore oil and gas drilling and use related royalties to at least help finance any shortfall in infrastructure spending. The Obama administration has proposed a modest expansion of offshore drilling. But lifting the drilling ban stands virtually no chance of passage in the Senate.

C. IMPACT: EXPANDED OIL DRILLING WILL DEVASTATE THE WORLD'S OCEANS.

1. Expanded oil drilling will cause oil spills.

Kitty Felde (staff writer) "Oil drilling off California coast approved by House panel," Feb. 1, 2012. Retrieved Apr. 24, 2012 at <http://www.scpr.org/news/2012/02/01/31070/california-democrats-try-stall-oil-drilling-bills/>

Democratic Congressman John Garamendi of Walnut Creek referred to it as he offered objection after objection and amendment after amendment to stall the offshore drilling bill. "There is the probability of oil spills, small and on occasion large, when you drill from the ocean," he said.

2. Oil spills devastate ocean ecosystems.

Michael Sutton (Vice President, Center for the Future of the Oceans) 2012. Retrieved Apr. 25, 2012 at <https://www.bsr.org/en/our-insights/bsr-insight-article/business-blue-and-green>

Pollution represents another major threat. Plastic trash, when ingested, frequently kills albatross and sea turtles. Oil spills devastate coastal communities and pose a significant and immediate threat to ocean ecosystems. It goes without saying that spills also are bad for business: Fishing, tourism, and other ocean-related industries in the Gulf of Mexico were devastated by the Deepwater Horizon spill. And BP has already lost hundreds of millions of dollars and may have to pay an additional US\$25 billion to settle related litigation.

3. Ocean health is critical to all life on earth.

Natural Resources Defense Council “Reviving Our Oceans,” Oct. 4, 2011. Retrieved Apr. 25, 2012 at <http://www.nrdc.org/water/oceans/policy.asp>

The oceans are the planet's life support system. We depend on oceans to moderate our climate and filter pollution. We rely on the rich diversity of ocean life to supply us with food and medicines. Our oceans give us a place to play, to work, to rest and to discover. In recent years, however, two major independent commissions reported that our oceans are in serious trouble -- in a state, according to the Pew Oceans Commission, of "silent collapse," threatening jobs, cultures, coastal ecosystems and marine life.

II. THE AFFIRMATIVE RESPONSES TO THE DISADVANTAGE ARE INADEQUATE.

A. CONGRESS WILL PAY FOR THE PLAN BY EXPANDING DOMESTIC OIL DRILLING.

1. Obama will support the expansion of domestic oil drilling to pay for transportation projects.

Dana Rubinstein, “When is Obama going to have his Eisenhower moment?” Mar. 27, 2012. Retrieved Apr. 23, 2012 at <http://www.capitalnewyork.com/article/politics/2012/03/5524547/when-obama-going-have-his-eisenhower-moment>

Many transportation experts also argue for a significantly higher tax on gas. This is politically difficult, if not impossible, as illustrated by the way Republicans have latched onto currently high gas prices as an argument against Obama, and the president's high-profile response, cheerleading the expansion of domestic oil and gas exploration as a solution.

2. Infrastructure proposals are likely to be paid for by more oil drilling.

Tanya Snyder (staff writer) “Republicans Have Their Own Plan to Pay for Infrastructure Jobs: Oil Drilling,” Sept. 30, 2011. Retrieved Apr. 23, 2012 at <http://dc.streetsblog.org/2011/09/30/republicans-have-their-own-plan-to-pay-for-infrastructure-jobs-oil-drilling/>

President Obama has proposed a plan to pay for the American Jobs Act, the \$447 billion bill to create 1.9 million jobs, including \$50 billion for infrastructure. His “pay-for” plan includes limitations on itemized deductions for the wealthy and the elimination of some tax loopholes for oil and gas companies. Republicans have never met a problem that couldn't be solved with a little more of this. Republicans have a different idea, though: oil drilling. Several GOP representatives have introduced bills to expand fossil fuel extraction and use the proceeds to fund transportation infrastructure.

3. Because a gas tax is off the table, infrastructure spending will be paid for by oil drilling.

Tanya Snyder (staff writer) “Republicans Have Their Own Plan to Pay for Infrastructure Jobs: Oil Drilling,” Sept. 30, 2011. Retrieved Apr. 23, 2012 at <http://dc.streetsblog.org/2011/09/30/republicans-have-their-own-plan-to-pay-for-infrastructure-jobs-oil-drilling/>

Some speculate that a GOP oil drilling plan would explain the recent news that House transportation leader John Mica, with permission from his party's leadership, is looking to raise transportation funding levels by an extra \$15 billion a year in his proposed six-year reauthorization bill. After all, they've said that raising the gas tax is off the table.

4. Republicans will push for the plan to be paid for by expanding oil drilling.

Tanya Snyder (staff writer) “Republicans Have Their Own Plan to Pay for Infrastructure Jobs: Oil Drilling,” Sept. 30, 2011. Retrieved Apr. 23, 2012 at <http://dc.streetsblog.org/2011/09/30/republicans-have-their-own-plan-to-pay-for-infrastructure-jobs-oil-drilling/>

Whether or not Mica is planning on paying for his transportation bill with oil drilling is a matter of speculation at this point. But several other Republicans have already introduced bills to that effect.

5. Initiatives to fund infrastructure have included financing by oil drilling.

Tanya Snyder (staff writer) “Republicans Have Their Own Plan to Pay for Infrastructure Jobs: Oil Drilling,” Sept. 30, 2011. Retrieved Apr. 23, 2012 at <http://dc.streetsblog.org/2011/09/30/republicans-have-their-own-plan-to-pay-for-infrastructure-jobs-oil-drilling/>

Take, for example, the Rebuilding American Roads Act, introduced last week by Rep. Shelley Moore Capito (R-WV). The bill directs the Secretary of the Interior to expand offshore oil and gas leasing, depositing the majority of the revenue into the Highway Trust Fund. Capito estimates that the drilling would yield \$435.5 billion over thirty years. After taking out some for waterways, the Highway Trust Fund gets \$13.4 billion a year – pretty close to the \$15 billion a year Mica’s searching for. Capito says the bill has the added benefit of creating not just infrastructure jobs, but oil-industry jobs too.

6. Infrastructure legislation will be paid for by expanding oil drilling.

Tanya Snyder (staff writer) “Republicans Have Their Own Plan to Pay for Infrastructure Jobs: Oil Drilling,” Sept. 30, 2011. Retrieved Apr. 23, 2012 at <http://dc.streetsblog.org/2011/09/30/republicans-have-their-own-plan-to-pay-for-infrastructure-jobs-oil-drilling/>

Then there’s the Infrastructure Jobs and Energy Independence Act, introduced in May by Rep. Tim Murphy (R-PA). This one would spread the oil-drilling royalties around, giving 30 percent to the states where drilling occurs and 10 percent to the Treasury’s general fund. The remaining 60 percent is distributed among several “reserves” – for renewable energy, clean water, environmental restoration, conservation, clean coal and carbon capture and sequestration, nuclear energy – and an “Infrastructure Renewal Reserve,” which gets 20 percent of the total.

7. Republicans favor expanding oil drilling in the Arctic to pay for transportation infrastructure.

Kitty Felde (staff writer) “Oil drilling off California coast approved by House panel,” Feb. 1, 2012. Retrieved Apr. 24, 2012 at <http://www.scpr.org/news/2012/02/01/31070/california-democrats-try-stall-oil-drilling-bills/>

A GOP-led House committee has approved bills that open the Arctic National Wildlife Preserve to oil drilling, encourage oil shale development in Colorado, Utah and Wyoming and push new oil drilling off the Santa Barbara coast. Republicans say the measures provide energy security and a source of revenue to help pay for roads and bridges, but it was the offshore oil lease sales that sparked the most spirited debate. Any discussion of offshore oil drilling among Californians revolves around the 1969 spill off the Santa Barbara coast that dumped 200,000 gallons of crude across 35 miles of coastline.

8. Republicans favor oil drilling to pay for major infrastructure projects.

Kitty Felde (staff writer) “Oil drilling off California coast approved by House panel,” Feb. 1, 2012. Retrieved Apr. 24, 2012 at <http://www.scpr.org/news/2012/02/01/31070/california-democrats-try-stall-oil-drilling-bills/>

Garamendi suggested a compromise: a process known as horizontal drilling. He says nearly all the oil off the California coast can be reached from the shore. But that suggestion, like every other Democratic amendment, was turned down. By a vote of 25–19, the committee approved the sale of leases off the coast of Santa Barbara by July of 2014. The measure now goes to the full House for a vote. Republicans say revenue from drilling will help pay for repairing roads and bridges. "There is no denying that gas prices are too high and major infrastructure projects are needed immediately," said Republican Congressman Jeff Denham of Fresno.

9. Obama is willing to allow offshore oil drilling.

Vanessa Vick (staff writer) "Offshore Drilling and Exploration," March 5, 2012. Retrieved Apr. 24, 2012 at http://topics.nytimes.com/top/reference/timestopics/subjects/o/offshore_drilling_and_exploration/index.html

On Aug. 4, 2011, the Department of the Interior granted Royal Dutch Shell conditional approval of its plan to begin drilling exploratory wells in the Arctic Ocean next summer, a strong sign that the Obama administration is easing a regulatory clampdown on offshore oil drilling that it imposed after the BP disaster in the Gulf of Mexico in April 2010. The move confirms a willingness by President Obama to approve expanded domestic oil and gas exploration in response to high gasoline prices and continuing high levels of unemployment. It comes as the issuing of drilling permits in the gulf is quickening, including the granting on Aug. 4, 2011 of a permit for a Shell floating drill rig for a 4,000-foot-deep well. That means that that all five of the company's rigs there will be back to work after a long drilling halt.

10. Companies will eagerly drill for oil.

Vanessa Vick (staff writer) "Offshore Drilling and Exploration," March 5, 2012. Retrieved Apr. 24, 2012 at http://topics.nytimes.com/top/reference/timestopics/subjects/o/offshore_drilling_and_exploration/index.html

After a yearlong drilling moratorium, BP and other oil companies are intensifying their exploration and production in the gulf, which will soon surpass the levels attained before the accident. The reason for the resumption of such drilling, analysts say, is continuing high demand for energy worldwide.

B. OIL DRILLING WILL DEVASTATE THE OCEANS.

1. Oil drilling will lead to increased oil spills.

Andrea Thompson (staff writer) "The science and history behind oil spills." Apr. 23, 2010. Retrieved Apr. 25, 2012 at <http://www.csmonitor.com/Environment/2010/0423/Why-do-so-many-oil-spills-happen>

Why do so many oil spills happen? In brief, because there are a lot of tricky steps to get oil from inside the Earth to inside, say, your gas tank. Oil spills can be caused by the accidental or intentional release of any form of petroleum during any point in the oil production process, from drilling, refining, or storing to transporting. Oil can be spilled when a pipeline breaks, ships collide or are grounded (as happened earlier this month along the Great Barrier Reef), underground storage tanks leak, or in the current case, when an oil rig explodes or is damaged.

2. Oil spills destroy marine wildlife.

Andrea Thompson (staff writer) "The science and history behind oil spills." Apr. 23, 2010. Retrieved Apr. 25, 2012 at <http://www.csmonitor.com/Environment/2010/0423/Why-do-so-many-oil-spills-happen>

How do oil spills impact wildlife? Oil slicks, like the one currently floating in the Gulf, affect wildlife by coating their bodies in the water-repelling gunk. Since it floats, all sorts of marine animals, even birds, can take a hit. And fish sometimes mistake the floating slick for food and so are attracted to it, according to the Australian Maritime Safety Authority. When birds' feathers get coated with oil, they lose their ability to trap air and repel water, meaning the animals can't maintain body heat. The result: hypothermia. Marine animals, such as sea otters, which depend on their clean fur coats to stay warm, can also become hypothermic, according to the Oiled Wildlife Care Network.

3. Oil spills severely hurt the economy.

Amanda Briney (staff writer) "Geography of the World's Largest Oil Spills," January 02, 2010. Retrieved Apr. 24, 2012 at <http://geography.about.com/od/lists/a/largestoilspills.htm>

On April 20, 2010, a large oil spill began in the Gulf of Mexico after an explosion on a British Petroleum (BP) oil drilling rig there called Deepwater Horizon. In the weeks following the oil spill, the news was dominated by depictions of the spill and its growing size as oil continued to leak from an underwater well and pollute the Gulf of Mexico's waters. The spill harmed wildlife, damaged fisheries and severely hurt the overall economy of the Gulf region.

4. Healthy oceans are key to the US economy.

Environmental News Service "Breakthroughs, Launches, and Warnings on World Oceans Day," June 8, 2011. Retrieved Apr. 25, 2012 at <http://www.ens-newswire.com/ens/jun2011/2011-06-08-03.html>

At Capital Hill Ocean Week in Washington, DC Tuesday, NOAA Administrator Dr. Jane Lubchenco said, "Healthy oceans are everyone's business," because the U.S. economy and the ocean economy are inseparable - millions of Americans depend on the health of the oceans for their livelihood. "That inseparable connection between the health of the ocean, the health of the American economy, the health of the job market and the well-being of people emerged as an indelible message from the Deepwater Horizon tragedy," she said.

5. Healthy oceans are a vital engine of the US economy.

Environmental News Service "Breakthroughs, Launches, and Warnings on World Oceans Day," June 8, 2011. Retrieved Apr. 25, 2012 at <http://www.ens-newswire.com/ens/jun2011/2011-06-08-03.html>

William Ruckelshaus and Norman Mineta, co-chairs of the Joint Ocean Commission Initiative Leadership Council, presented a report, "America's Ocean Future," with recommendations to help protect ocean health, coastal communities and the jobs that depend on them. "Our oceans, coasts and Great Lake are an engine of the United States economy," said Mineta. "While some may consider ocean health trivial in a time when our economy is struggling to recover and our government is in crisis, the fact is we need to invest in healthy oceans so that they can continue to support the many jobs that rely on them."

6. The ocean economy is a crucial part of the US economy.

Environmental News Service "Breakthroughs, Launches, and Warnings on World Oceans Day," June 8, 2011. Retrieved Apr. 25, 2012 at <http://www.ens-newswire.com/ens/jun2011/2011-06-08-03.html>

According to the National Ocean Economics Program, in 2007 the ocean economy generated over 2.3 million jobs and more than \$138 billion of the GDP of the United States. The data show that 156 million people live in coastal counties, where they hold 69 million jobs that contribute \$7.9 trillion to the U.S. economy.

7. Oceans are critical to the world economy.

Environmental News Service "Breakthroughs, Launches, and Warnings on World Oceans Day," June 8, 2011. Retrieved Apr. 25, 2012 at <http://www.ens-newswire.com/ens/jun2011/2011-06-08-03.html>

In his message to the world today, UN Secretary-General Ban Ki-moon said, "World Oceans Day is an opportunity to reflect on the importance of oceans to humankind's sustainable development. It is also a time to recognize the many severe challenges related to oceans. " "The ecosystem functions that oceans provide, and their importance to the global economy, deserve particular attention as we look ahead to next year's Rio +20 United Nations Conference on Sustainable Development," said Ban.

8. Marine resources are critical to life-saving drugs.

Environmental News Service "Breakthroughs, Launches, and Warnings on World Oceans Day," June 8, 2011. Retrieved Apr. 25, 2012 at <http://www.ens-newswire.com/ens/jun2011/2011-06-08-03.html>

Marine genetic resources can provide the ingredients for life-saving drugs and new types of industrial materials, for example. Failure to treat these resources equitably in the past has stalled attempts to get international agreement for high seas conservation and reform.

C. DAMAGE TO THE OCEANS WILL GO UNCHECKED.

1. Agencies designed to check oil spill damage are under-resourced.

Vanessa Vick (staff writer) "Offshore Drilling and Exploration," March 5, 2012. Retrieved Apr. 24, 2012 at

http://topics.nytimes.com/top/reference/timestopics/subjects/o/offshore_drilling_and_exploration/index.html

The Bureau of Ocean Energy Management, Regulation and Enforcement still lacks the resources, personnel, training, technology, enforcement tools, regulations and legislation it needs to do its job properly, according to its director, who lays a large part of the blame on insufficient financing. The bureau's budget has been basically flat since it was created in 1982, even as drilling activity in the deep-water gulf has drastically increased and the technology has grown more complicated.

2. Humans can have a significant impact on ocean health.

Natural Resources Defense Council "Reviving Our Oceans," Oct. 4, 2011. Retrieved Apr. 25, 2012 at

<http://www.nrdc.org/water/oceans/policy.asp>

Oceans are not, as once imagined, inexhaustible resources, so vast that human activity can barely make a dent. In fact, the evidence is just the opposite.

CYBER-SECURITY POLITICS DISADVANTAGE

Thesis: The thesis of this disadvantage is that spending for transportation infrastructure will be controversial in Congress, undermining President Obama's ability to get his agenda passed. This specific scenario deals with the efforts to find a compromise on cyber-security legislation currently making its way through Congress. By injecting a controversial policy into the political sphere, President Obama will be distracted from his efforts to use his political capital to push aggressively for cyber-security legislation that is necessary to protect the country from the growing threat of cyber-attacks. These cyber-attacks threaten the US military and the ability to maintain peace around the globe. As with any politics disadvantage, it will be necessary for your squad to update the disadvantage before critical tournaments so you have the newest evidence describing the political system.

I. THE AFFIRMATIVE PLAN WILL UNDERMINE PRESIDENT OBAMA'S ABILITY TO PASS CYBER-SECURITY LEGISLATION.

A. UNIQUENESS: CYBER-SECURITY LEGISLATION WILL PASS NOW.

Jacquelyn Martin (staff writer) "Lawmakers optimistic about prospects for cybersecurity legislation," Apr. 27, 2012. Retrieved May 11, 2012 at http://www.washingtonpost.com/politics/bipartisan-vote-in-the-house-sets-up-showdown-with-senate-on-cybersecurity-bill/2012/04/27/gIQAingkkT_story.html

House Republicans and Democrats expressed optimism Friday about sending a cybersecurity bill to President Barack Obama this year despite significant disagreements with the Senate and the White House. The House delivered a strong bipartisan vote Thursday for the Cyber Intelligence Sharing and Protection Act despite a White House veto threat. The bill would encourage companies and the federal government to share information collected on the Internet to help prevent electronic attacks from cybercriminals, foreign governments and terrorists.

B. REPUBLICANS WILL AGGRESSIVELY BLOCK TRANSPORTATION INFRASTRUCTURE PROJECTS.

Dave Johnson (Fellow, Campaign for America's Future) "Transportation and Infrastructure = Immediate Jobs = Deficit Reduction," May 1, 2012. Retrieved May 11, 2012 at http://www.huffingtonpost.com/dave-johnson/transportation-infrastruc_b_1469356.html?ref=business

President Obama spoke Monday at the AFL-CIO's Building and Construction Trades Department Legislative Conference in Washington, asking Republicans to stop blocking infrastructure and transportation projects. (See transcript here.) These projects would immediately create jobs, which would immediately start reducing the country's deficit -- which is probably why Republicans are blocking them.

C. OBAMA'S POLITICAL CAPITAL IS KEY TO GETTING CYBER-SECURITY LEGISLATION PASSED.

Eric A. Packel, 5/15/2011 (member of the Privacy and Data Security practice group and the Technology, Media & IP practice group at Marshall Dennehey, Warner Coleman & Goggin), "Will There Finally be a U.S. National Data Breach Law?" May 15, 2011. Retrieved May 11, 2012 at www.databreachlegalwatch.com/2011/05/will-there-finally-be-a-u-s-national-data-breach-law/

While massive data breaches, such as the recent Sony PlayStation breach, continue to make headlines, there is no national data breach law applicable to all U.S. businesses. Rather, businesses in the United States must now navigate a minefield of 46 different state laws. With the Obama Administration flexing some political muscle, this could all change in the near future. The White House recently unveiled a comprehensive Cybersecurity Proposal (.pdf) that includes rules and regulations for U.S. businesses in the event of a data breach. Although national data breach legislation has been proposed in the past, such bills have typically languished in committee. The proposed data breach law (.pdf) would apply to businesses that collect sensitive personally identifiable information ("SPII") on at least 10,000 individuals within a 12-month period. In the event of a breach, notification to affected individuals must be made within 60 days and media notification would be required when the number of affected individuals exceeds 5,000 in any state. The 5,000 threshold also triggers notification to the Department of Homeland Security. Significantly, the proposal includes a risk-based safe harbor. If an entity determines there is no reasonable risk of harm from the breach, there is no obligation to notify. The national law would supersede any state data breach laws and also carve out businesses that are subject to the HITECH breach notification requirements based on their status as a covered entity or business associate. In the past, pro-business lobbyists have sought to thwart national data breach legislation. This tactic is puzzling, since many of those businesses are already subject to the 46 different state data breach laws. A national standard that preempts state law would seem to provide more clarity and ease of compliance than dozens of laws, with different notification triggers and different definitions for what is considered a breach. Perhaps the teeth in proposed national legislation is the real worry to businesses. Many of the state laws lack statutory penalties or enforcement provisions for non-compliance. The Obama Administration proposal (.pdf) not only calls for enforcement by the Federal Trade Commission, but also allows state attorneys general to bring civil actions and seek fines of up to \$1,000.00 per day, per affected individual, up to a maximum of \$1 Million per violation. Coming on the heels of both the Epsilon and Sony PlayStation breaches, it would not be surprising if the new proposal finds some traction in Congress. Political winds change quickly though, so the current momentum towards such legislation may not last. We will be watching this closely.

D. CYBER-ESPIONAGE WILL DESTROY US HEGEMONY.

Robert S. Mueller, (Director of FBI), “Changing Threats in a Changing World: Staying Ahead of Terrorists, Spies, and Hackers,” Nov. 17, 2011. Retrieved May 11, 2012 at <http://www.fbi.gov/news/speeches/changing-threats-in-a-changing-world-staying-ahead-of-terrorists-spies-and-hackers>

Now let us turn from terrorists to spies. Many people assume the end of the Cold War made the world of cloak-and-dagger obsolete. Unfortunately, espionage is still very much with us. Nations will always try to learn one another’s secrets to gain political, military, or economic advantage. Indeed, the foreign intelligence presence operating in the United States is roughly the same as it was during the Cold War. We still confront traditional espionage, such as spies working under diplomatic cover, or even posing as ordinary citizens. Consider the arrest last year of 10 agents of the Russian Foreign Intelligence Service. Many of you may have seen TV news stories and videos covering the techniques we used in our investigation, code-named Ghost Stories. It featured the stuff of a John Le Carré novel—dead-drops in train tunnels, brush passes at night, and clandestine meetings in cafés. Apart from the more traditional types of espionage, today’s spies are just as often students, researchers, businesspeople, or operators of “front companies.” And they seek not only state secrets, but trade secrets from corporations and universities—such as research and development, intellectual property, and insider information. Consider the recent case of Noshir Gowadia, a naturalized U.S. citizen from India. For 18 years he was an engineer at Northrop Grumman, the defense contractor that built the B-2 stealth bomber—one of our nation’s most important strategic assets. Gowadia decided to offer his knowledge of sensitive military secrets to anyone willing to pay for it. He sold highly classified information about the B-2’s stealth technology to several nations, including China. He also made six covert trips to China to assist them in the development of stealth technology for their cruise missiles. Partnerships were essential in finding and stopping Gowadia before he could further damage our national security. Together with the Air Force, U.S. Customs, the IRS, and other agencies, we built a strong case against him—and this past January, he was sentenced to 32 years in prison. Foreign spies know that military superiority is merely one factor that determines the world’s balance of power. Just as important is the kind of economic innovation we find here in the Bay Area. So it is no surprise that spies also target the most valuable secrets of American companies and universities. They hope that stealing the fruits of American innovation will give their nations a shortcut to economic pre-eminence.

E. A DECLINE IN US HEGEMONY WILL CAUSE GREAT POWER CONFLICTS.

Yuhan Zhang, (Carnegie Endowment for International Peace), “America’s decline: A harbinger of conflict and rivalry,” Jan. 22, 2011. Retrieved May 11, 2012 at <http://www.eastasiaforum.org/2011/01/22/americas-decline-a-harbinger-of-conflict-and-rivalry/>

This does not necessarily mean that the US is in systemic decline, but it encompasses a trend that appears to be negative and perhaps alarming. Although the US still possesses incomparable military prowess and its economy remains the world’s largest, the once seemingly indomitable chasm that separated America from anyone else is narrowing. Thus, the global distribution of power is shifting, and the inevitable result will be a world that is less peaceful, liberal and prosperous, burdened by a dearth of effective conflict regulation. Over the past two decades, no other state has had the ability to seriously challenge the US military. Under these circumstances, motivated by both opportunity and fear, many actors have bandwagoned with US hegemony and accepted a subordinate role. Canada, most of Western Europe, India, Japan, South Korea, Australia, Singapore and the Philippines have all joined the US, creating a status quo that has tended to mute great power conflicts. However, as the hegemony that drew these powers together withers, so will the pulling power behind the US alliance. The result will be an international order where power is more diffuse, American interests and influence can be more readily challenged, and conflicts or wars may be harder to avoid. As history attests, power decline and redistribution result in military confrontation. For example, in the late 19th century America’s emergence as a regional power saw it launch its first overseas war of conquest towards Spain. By the turn of the 20th century, accompanying the increase in US power and waning of British power, the American Navy had begun to challenge the notion that Britain ‘rules the waves.’ Such a notion would eventually see the US attain the status of sole guardians of the Western Hemisphere’s security to become the order-creating Leviathan shaping the international system with democracy and rule of law. Defining this US-centred system are three key characteristics: enforcement of property rights, constraints on the actions of powerful individuals and groups and some degree of equal opportunities for broad segments of society. As a result of such political stability, free markets, liberal trade and flexible financial mechanisms have appeared. And, with this, many countries have sought opportunities to enter this system, proliferating stable and cooperative relations. However, what will happen to these advances as America’s influence declines? Given that America’s authority, although sullied at times, has benefited people across much of Latin America, Central and Eastern Europe, the Balkans, as well as parts of Africa and, quite extensively, Asia, the answer to this question could affect global society in a profoundly detrimental way. Public imagination and academia have anticipated that a post-hegemonic world would return to the problems of the 1930s: regional blocs, trade conflicts and strategic rivalry. Furthermore, multilateral institutions such as the IMF, the World Bank or the WTO might give way to regional organisations. For example, Europe and East Asia would each step forward to fill the vacuum left by Washington’s withering leadership to pursue their own visions of regional political and economic orders. Free markets would become more politicised — and, well, less free — and major powers would compete for supremacy. Additionally, such power plays have historically possessed a zero-sum element. In the late 1960s and 1970s, US economic power declined relative to the rise of the Japanese and Western European economies, with the US dollar also becoming less attractive. And, as American power eroded, so did international regimes (such as the Bretton Woods System in 1973). A world without American hegemony is one where great power wars re-emerge, the liberal international system is supplanted by an authoritarian one, and trade protectionism devolves into restrictive, anti-globalisation barriers. This, at least, is one possibility we can forecast in a future that will inevitably be devoid of unrivalled US primacy.

II. THE AFFIRMATIVE RESPONSES TO THE DISADVANTAGE ARE INADEQUATE.

A. CYBER-SECURITY LEGISLATION WILL PASS NOW.

1. Cyber-security legislation will pass in the present system.

Erik Kain (staff writer) "As CISA Nears A Vote, Can The Controversial Cyber-Security Legislation Be Stopped?" Apr. 24, 2012. Retrieved May 11, 2012 at <http://www.forbes.com/sites/erikkain/2012/04/24/as-cispa-nears-a-vote-can-the-controversial-cyber-security-legislation-be-stopped/>

The architect of the Cyber Intelligence Sharing and Protection Act is Michigan Rep. Mike Rogers, a Republican, along with his Democratic co-sponsor Rep. C.A. "Dutch" Ruppersberger of Maryland. Despite the growing opposition to the bill, Rogers remains confident of its passage. "I feel pretty confident that we'll close out the bill," Rogers told Talking Points Memo. "There is a strong chance that the bill will be passed [by the House this] week."

2. The Senate is resolving the issues around cyber-security legislation now.

Jacquelyn Martin (staff writer) "Lawmakers optimistic about prospects for cybersecurity legislation," Apr. 27, 2012. Retrieved May 11, 2012 at http://www.washingtonpost.com/politics/bipartisan-vote-in-the-house-sets-up-showdown-with-senate-on-cybersecurity-bill/2012/04/27/gIQAingkkT_story.html

The Senate could act as early as next month on legislation, though it's uncertain what would emerge in light of internal Senate disputes. House members hope disagreements on a final bill could be settled by a House-Senate conference committee, if not earlier. "We have a bill; now we start resolving the issues," Rep. C.A. "Dutch" Ruppersberger of Maryland, the House Intelligence panel's top Democrat, said Friday. He said he has talked to both the White House and top members of the Senate intelligence panel about moving forward.

3. Cyber-security legislation will pass now.

Grant Gross, (staff writer) "Few Tech Issues Will Move in Congress for the Rest of the Year," March 13, 2012. Retrieved May 11, 2012 at http://www.pcworld.com/businesscenter/article/251761/few_tech_issues_will_move_in_congress_for_the_rest_of_the_year.html

While an expansive bill is not likely to pass, a bill that focused on information sharing, federal IT security, cybersecurity research or new criminal penalties could move forward, said David LeDuc, senior director of public policy at the Software and Information Industry Association. Cybersecurity is one of a handful of issues that enjoys strong bipartisan support in Congress, he said. "I think it's totally conceivable that we could put together a package with a handful of these different pieces that enjoy support and have it pass in both the House and Senate," LeDuc said. "I feel like I'm more optimistic than most, but everybody agrees it's urgent."

4. The House and Senate are not far apart on cyber-security legislation now.

Jacquelyn Martin (staff writer) "Lawmakers optimistic about prospects for cybersecurity legislation," Apr. 27, 2012. Retrieved May 11, 2012 at http://www.washingtonpost.com/politics/bipartisan-vote-in-the-house-sets-up-showdown-with-senate-on-cybersecurity-bill/2012/04/27/gIQAingkkT_story.html

Schiff, a member of the House Intelligence panel, said he didn't think the House and Senate were far apart and expected the various factions to resolve such thorny issues as strengthening privacy protections, whether the government can require the private sector to take steps to protect infrastructure and the role of the Homeland Security Department.

5. Democrats are working to get Republican support for the cybersecurity legislation now.

Info Security Magazine, "Rockefeller opposes dropping cybersecurity mandates from Senate bill," May 10, 2012. Retrieved May 11, 2012 at <http://www.infosecurity-magazine.com/view/25700/rockefeller-opposes-dropping-cybersecurity-mandates-from-senate-bill/>

Reports from Capitol Hill indicate that the Senate Democrats were considering revamping their cybersecurity legislation in order to get enough Republican support to allow the bill to be brought up on the Senate floor for a vote.

6. Democrats are compromising to get the cyber-security legislation through the Senate.

Brendan Sasso (staff writer) "Senate Dems modifying cybersecurity bill to pick up GOP votes," May 6, 2012. Retrieved May 11, 2012 at <http://thehill.com/blogs/hillicon-valley/technology/225607-senate-dems-revamping-cybersecurity-bill>

Senate Democrats are quietly revamping cybersecurity legislation in an attempt to pick up Republican votes. The move is an acknowledgement that they currently lack the 60 votes needed to bring their preferred bill to the floor. "Undoubtedly we'll make some changes," a Senate Democratic aide told The Hill. But he said getting the legislation through the Senate "is not as hard of a lift as some people have made it out to be." The aide predicted that the entire Senate Democratic caucus will vote for the bill.

7. Democrats are modifying the cyber-security legislation to win over Republicans.

Brendan Sasso (staff writer) "Senate Dems modifying cybersecurity bill to pick up GOP votes," May 6, 2012. Retrieved May 11, 2012 at <http://thehill.com/blogs/hillicon-valley/technology/225607-senate-dems-revamping-cybersecurity-bill>

She said Democrats have insisted on including a provision to protect critical infrastructure but that they are open to adjusting the language to win over industry groups and Republicans. The industry official said the bill's sponsors have reached out to Sen. Jon Kyl (R-Ariz.) to discuss adding language to create new protections for the supply chain of materials used to build critical infrastructure systems.

8. Democrats and Republicans will be able to find common ground on the cyber-security legislation.

Brendan Sasso (staff writer) "Senate Dems modifying cybersecurity bill to pick up GOP votes," May 6, 2012. Retrieved May 11, 2012 at <http://thehill.com/blogs/hillicon-valley/technology/225607-senate-dems-revamping-cybersecurity-bill>

The Senate Democratic aide said the bill's sponsors have been in talks with "multiple members to make the bill more appealing." The industry official also expressed optimism that lawmakers will be able to find common ground on the privacy language.

9. Cyber-legislation will pass this year:

Dan Lohrmann (staff writer) "Will New Cybersecurity Legislation Pass in 2012?" March 8, 2012. Retrieved May 11, 2012 at <http://www.govtech.com/blogs/lohrmann-on-cybersecurity/Will-New-Cybersecurity-Legislation-030812.html>

The list of articles highlighting the need for cybersecurity legislation in 2012 goes on and on. So is this a done deal? Well ... this is an election year and partisan battles are raging. While some groups like ISPs and civil libertarians are still saying no new regulations are needed, the holdup seems to be dueling bills between the two sides of the isle. The public rhetoric emphasizes two extremes of a government Internet takeover on one side versus the very serious cyber threat to all critical infrastructures and our economy on the other. There is also debate over who should do what, such as should the National Security Agency (NSA) have control over domestic monitoring and/or information sharing – which would be a big change in policy. A recent Reuters article reported this: "A Senate aide, speaking on condition of anonymity, said the Senate is unlikely to pass either the McCain bill or the Democratic version and that talks on a possible compromise could begin in the coming weeks. President Obama's proposed legislation, like the omnibus bill Reid wants, would leave DHS in charge of cybersecurity. DHS could ask for help from the NSA, but would be subject to closer oversight than actions led by the NSA and other parts of the Defense Department." What do I think? My view is that cyber legislation deal will get done in 2012.

10. Cyber-security legislation will pass now:

Gerry Smith (staff writer) "Cybersecurity Bill Faces Uncertain Future In Fight Over Regulation," Mar. 19, 2012. Retrieved May 11, 2012 at http://www.huffingtonpost.com/2012/03/19/cybersecurity-bill-regulation_n_1362529.html)

Reps. Mike Rogers and Dutch Ruppersberger have sponsored a bill that gives companies and government agencies legal protection to share data on cyber threats. To assuage privacy and civil liberties groups, the measure would only include information pertaining to cybersecurity or national security. In December, the bill sailed through the House Intelligence Committee by a vote of 17 to 1 -- just one day after it was introduced. Such speed highlights a new sense of urgency among members of Congress, many of whom can recall the consequences of being unprepared on the national security front, Lewis said. "The one thing you can say about Congress is they've been persuaded that the threat is real," Lewis said. "There's a sense we don't want to make the mistake we made in the 1990s about al Qaeda and 9/11."

11. Now is the key time to pass cyber-security legislation.

Brendan Sasso (staff writer) "Senate Dems modifying cybersecurity bill to pick up GOP votes," May 6, 2012. Retrieved May 11, 2012 at <http://thehill.com/blogs/hillicon-valley/technology/225607-senate-dems-revamping-cybersecurity-bill>-

He said lawmakers have discussed tightening control over the supply chain and adding a requirement for firms to notify their customers in the event of a data breach. But Hodgkins noted that with the election just a few months away, the clock is ticking for Congress to get anything done this term. "The farther out on the calendar we get, the harder it is going to be to advance the bill because of the broader political context," Hodgkins said.

12. Obama won't veto any cyber-security legislation.

Jacquelyn Martin (staff writer) "Lawmakers optimistic about prospects for cybersecurity legislation," Apr. 27, 2012. Retrieved May 11, 2012 at http://www.washingtonpost.com/politics/bipartisan-vote-in-the-house-sets-up-showdown-with-senate-on-cybersecurity-bill/2012/04/27/gIQAingkkT_story.html

The White House, along with a coalition of liberal and conservative groups and some lawmakers, strongly opposed the bill, complaining that Americans' privacy could be violated. They argued that companies could share an employee's personal information with the government, and the data could end up in the hands of officials from the National Security Agency or the Defense Department. They also challenged the bill's liability waiver for private companies that disclose information, complaining that it was too broad. Despite the objections, Thornberry said he didn't take the veto threat seriously. "I cannot conceive of a president vetoing a bill on an issue that they talk about as being this serious, dealing with a part of the issue they support. They support information-sharing," he said.

B. REPUBLICANS WILL AGGRESSIVELY BLOCK TRANSPORTATION INFRASTRUCTURE PROJECTS.

1. Republicans are blocking transportation infrastructure now.

Dave Johnson (Fellow, Campaign for America's Future) "Transportation and Infrastructure = Immediate Jobs = Deficit Reduction," May 1, 2012. Retrieved May 11, 2012 at http://www.huffingtonpost.com/dave-johnson/transportation-infrastruc_b_1469356.html?ref=business

There are millions of infrastructure jobs that absolutely need doing. There are millions of people out of work who really, really need jobs. On top of that the cost of financing is the lowest ever. So maintaining and modernizing our infrastructure would immediately put millions of people to work. But wait, there's more! Modernizing our infrastructure would make our economy more efficient and our businesses more competitive, bringing returns for decades. So, of course, with all these points going for it Republicans are blocking it.

2. Conservatives oppose transportation spending.

Ezra Klein (staff writer) "Wonkbook: The House GOP's tax day lesson," Apr. 17, 2012. Retrieved May 11, 2012 at http://www.washingtonpost.com/blogs/ezra-klein/post/wonkbook-the-house-gops-tax-day-lesson/2012/04/17/gIQA7rNkNT_blog.html

The House GOP remains divided over the highway bill. "House GOP leaders face a bumpy road within their own party over the direction of a long-term transportation spending extension, even as they prepare for a vote Wednesday. Although Speaker John Boehner (Ohio) remains hopeful his team can round up enough GOP support to pass a 90-day extension -- a bill that would be used to start talks with the Senate on a longer extension -- conservatives continue to chafe at the idea, worried it will mean the Senate's version will prevail. Specifically, conservatives worry that because the bill is a 'clean' extension and does not include any of the reforms to highway and transit programs originally proposed by Boehner, they would automatically be precluded from being considered during a conference committee...Boehner has sought to sweeten the legislation with his latest offering by including language mandating the construction of the Keystone XL pipeline. But many conservatives have questioned the strength of the provision."

3. Republicans will accuse transportation spending as being a form of socialism.

Dave Johnson (Fellow, Campaign for America's Future) "Transportation and Infrastructure = Immediate Jobs = Deficit Reduction," May 1, 2012. Retrieved May 11, 2012 at http://www.huffingtonpost.com/dave-johnson/transportation-infrastruc_b_1469356.html?ref=business

We have been deferring infrastructure maintenance since the Reagan years, but in recent years Republicans have doubled down on blocking public investment, calling it "just more government spending" and even "socialism." And, they complain, construction projects help union members.

4. Republicans will specifically block efforts to build high speed rail.

Dave Johnson (Fellow, Campaign for America's Future) "Transportation and Infrastructure = Immediate Jobs = Deficit Reduction," May 1, 2012. Retrieved May 11, 2012 at http://www.huffingtonpost.com/dave-johnson/transportation-infrastruc_b_1469356.html?ref=business

So Republicans have blocked bill after bill to repair and modernize the infrastructure, or to maintain and modernize our aging transportation system, build high-speed rail, etc. The president discussed this obstruction in his speech, ... over the last year, I've sent Congress a whole series of jobs bills that would have put your members back to work. But time after time, Republicans have gotten together and said "no." I sent them a jobs bill that would have put hundreds of thousands of construction workers back to work repairing our roads, bridges, schools and transit systems, along with saving the jobs of cops, teachers, and firefighters, and creating a new tax cut for businesses. They said "no." Then, I sent them just the part of that bill that would have created those construction jobs. They said "no." And we're seeing it again right now. As we speak, House Republicans are refusing to pass a bipartisan bill that could guarantee work for millions of construction workers. Seeing a pattern here? That makes no sense. Congress should do the right thing and pass this bill right away.

C. OBAMA IS PUSHING CYBER-SECURITY LEGISLATION NOW.

Erik Kain (staff writer) "As CISA Nears A Vote, Can The Controversial Cyber-Security Legislation Be Stopped?" Apr. 24, 2012. Retrieved May 11, 2012 at <http://www.forbes.com/sites/erikkain/2012/04/24/as-cispa-nears-a-vote-can-the-controversial-cyber-security-legislation-be-stopped/>

"The Obama administration opposes Cisca," Alec Ross, a senior adviser for innovation to Hillary Clinton, told the Guardian. "The president has called for comprehensive cybersecurity legislation. There is absolutely a need for comprehensive cybersecurity legislation."

D. CYBER-SECURITY LEGISLATION IS NECESSARY TO SOLVE CYBER-ATTACKS.

1. Cyber-security legislation is necessary to combat cyber-terrorism.

Jacquelyn Martin (staff writer) "Lawmakers optimistic about prospects for cybersecurity legislation," Apr. 27, 2012. Retrieved May 11, 2012 at http://www.washingtonpost.com/politics/bipartisan-vote-in-the-house-sets-up-showdown-with-senate-on-cybersecurity-bill/2012/04/27/gIQAingkkT_story.html

Congressional leaders are determined to get a cybersecurity bill completed this election year. More than 10 years after the Sept. 11 terrorist attacks, lawmakers describe it as an initial step to deal with an evolving threat in the Internet age.

2. Rates of cyber-hacking are increasing now.

Bill Schmick (staff writer) "The Independent Investor: Cyber Attacks: Who Is On The Frontline?" May 10, 2012. Retrieved May 11, 2012 at http://www.iberkshires.com/blog/IndependentInvestortheMarket/1659/The-Independent-Investor-Cyber-Attacks-Who-Is-On-The-Frontline-.html?source=blogs_block

Unlike other wars the United States has fought, this one is on our territory and the frontline troops are increasingly the IT departments of American corporations. To date, those troops have been both outnumbered and outfought by the enemy. The rates of infiltration by organized gangs or state-sponsored hackers are escalating. In a multinational study by the Center for Strategic and International Studies, the three countries ranked as most vulnerable to attacks were the U.S., Russia and China, while the biggest potential source of attacks was our own country.

3. Cyber-security legislation needed to protect vs. cyber-threats.

Adam Levine, (staff writer) (staff writer, "Senators given taste of cyber scare," Mar. 8, 2012. Retrieved May 11, 2012 at <http://security.blogs.cnn.com/2012/03/08/senators-given-taste-of-cyber-scare/>)

In his State of the Union speech in January, the president urged Congress to pass cyber security legislation. "Only Congress can modernize our underlying laws and give us the full range of tools our cybersecurity professionals need to more effectively deal with this growing and increasingly sophisticated threat, including risk-based performance standards to ensure the nation's most vital of critical infrastructure systems meet a baseline level of security," Hayden said in an emailed statement.

4. Mandatory cyber-security measures needed to protect cyber-security.

Tom Gjelten (staff writer) "Cybersecurity Bill: Vital Need Or Just More Rules?" Mar. 22, 2012. Retrieved May 11, 2012 at <http://www.vpr.net/npr/149099866/>

McConnell is especially dismissive of the argument that the mandatory cybersecurity measures being proposed would be anti-business. "You got the same argument with virtually everything from seat belts to safety devices in electrical equipment," he says. "If you're out competing, and the competition is tough, you don't want to add any cost to your process, so your natural response to any regulatory talk is, 'It's more burden, and it's not worth it, and it would put me at a competitive disadvantage.'" Though McConnell calls himself "a free-market advocate," he argues that more government regulation is sometimes needed, including in the cyber domain. "This threat is so intrusive, it's so serious," he says. "If we don't address it, it's going to have a severe impact. I think we have no choice but to address it, and some of that process will be regulatory."

5. Cyber-security legislation needed to stop a catastrophic cyber attack.

Brendan Sasso, (staff writer) "FCC official endorses cybersecurity regulation," Mar. 28, 2012. Retrieved May 11, 2012 at <http://thehill.com/blogs/hillicon-valley/technology/218725-fcc-official-endorses-cybersecurity-regulation>

During Wednesday's hearing, Bono Mack argued that the government should be a "facilitator, not a regulator" of cybersecurity. But supporters of the Lieberman-Collins bill warn that without minimum standards for critical systems, the country is at risk of suffering a catastrophic cyber attack. The White House has endorsed the Lieberman-Collins bill and has warned Congress to not resort to "half-measures" to beef up cybersecurity.

6. Cyber-security legislation needed to protect vs. cyber-attacks.

Margo D. Beller, (staff writer) 3/22/2012 (staff writer, "US Unsure How Exposed Firms Are to Cyber Attacks: Official," Mar. 22, 2012. Retrieved May 11, 2012 at <http://www.cnbc.com/id/46822133>

Janet Napolitano, the U.S. secretary for Homeland Security, told CNBC Thursday she doesn't know how vulnerable U.S. businesses are to cyber attacks, because private companies aren't required to disclose that information. "I can't answer that question because they're not required to give us that information," Janet Napolitano said Thursday. "We know enough to say now we need to have some base standards that are met [and] real-time information sharing" between the government and private companies, particularly utilities. Napolitano wants Congress to enact tougher cyber-security measures to protect the nation's water, electrical and telecommunications grid. "There are online programs that in the hands of somebody with a modicum of cyber training can infiltrate other control systems," she said. "We live in a world right now where these kinds of attacks can occur, they do occur and that is why it is so important for the Congress to move."

7. Cyber-attacks are increasing now—legislation needed to stop them.

Margo D. Beller, (staff writer) 3/22/2012 (staff writer, "US Unsure How Exposed Firms Are to Cyber Attacks: Official," Mar. 22, 2012. Retrieved May 11, 2012 at <http://www.cnbc.com/id/46822133>

"Are we doing a lot of work already? Yes," she added. "We've responded to 106,000 attacks across the United States into various systems. We know they are going on, they're increasing in sophistication. We know that tactics and techniques are increasingly available online to wrongdoers so, again, we need a statutory push. We need help from Congress now."

8. Cyber-security legislation needed to protect vs. cyber-attacks.

Lisa Daniel, (staff writer) ("DOD Needs Industry's Help to Catch Cyber Attacks, Commander Says," Mar. 27, 2012. Retrieved May 11, 2012 at <http://www.defense.gov/news/newsarticle.aspx?id=67713>

The Defense Department needs private-sector cooperation in reporting computer network attacks in real time to stop what has been the "greatest transfer of wealth in history" that U.S. companies lose to foreign hackers, the head of U.S. Cyber Command told a Senate committee today. Army Gen. Keith B. Alexander, who also is the National Security Agency director, told the Senate Armed Services Committee that he supports legislation that would require private companies to report attacks, and added that such reporting needs to happen before an attack is complete. "We need to see the attack," he said. "If we can't see the attack, we can't stop it. We have to have the ability to work with industry -- our partners -- so that when they are attacked, they can share that with us immediately." Many cyber defense bills have stalled in Congress over concerns about privacy, overregulation and the military's role in cyber protection, Alexander and the senators noted. The general compared the current situation to a missile being fired into U.S. airspace with no radars to see it. "Today, we're in the forensics mode," he said. "When an attack occurs, we're told about it after the fact." Alexander added, though, that industry should be monitoring their own systems with help from Cyber Command and the Department of Homeland Security. "I do not believe we want the NSA or Cyber Command or the military in our networks, watching it," he said. Alexander explained the federal partnership of U.S. cyber security as one in which Homeland Security leads in creating the infrastructure to protect U.S. interests, Cyber Command defends against attacks, FBI conducts criminal investigations, and the intelligence community gathers overseas information that could indicate attacks. "Cyber is a team sport," he said. "It is increasingly critical to our national and economic security. ... The theft of intellectual property is astounding." The Defense Department's request of \$3.4 billion for Cyber Command in fiscal 2013 is one of the few areas of growth in the DOD budget, senators noted. The command has made progress toward its goals of making cyber space safer, maintaining freedom of movement there, and defending the vital interests of the United States and its allies, Alexander said. The command also is working toward paring down the department's 15,000 separate networks, he said. Cyber threats from nations -- with the most originating in China -- and non-state actors is growing, Alexander said. DOD computers receive some 6 million threatening probes each day, he said. "It is increasingly likely, as we move forward, that any attack on the U.S. will include a cyber attack," he said. "These are threats the nation cannot ignore. What we see ... underscores the imperative to act now."

E. CYBER ATTACKS DEVASTATE THE US ECONOMY.

1. Cyber-attacks cost the US billions of dollars each year.

Bill Schmick (staff writer) “The Independent Investor: Cyber Attacks: Who Is On The Frontline?” May 10, 2012. Retrieved May 11, 2012 at http://www.iberkshires.com/blog/IndependentInvestortheMarket/1659/The-Independent-Investor-Cyber-Attacks-Who-Is-On-The-Frontline-.html?source=blogs_block

There is a war being waged today in this country, one that could have severe repercussions for each and every one of us. It is costing us billions of dollars a year and yet neither business nor government wants to spend the money necessary to fight back. This week on Capitol Hill lawmakers are getting down to debating the pros and cons of passing one of several versions of a cyber-security bill. Everyone hopes the eventual legislation will launch a counterattack on an army of highly sophisticated hackers bent on some serious mayhem. The debate boils down to who is going to pay for a defense system that will prevent the bad guys from accomplishing a "fire sale," a la the last "Die Hard" film.

2. Cyber-attacks are costing American companies big money.

Bill Schmick (staff writer) “The Independent Investor: Cyber Attacks: Who Is On The Frontline?” May 10, 2012. Retrieved May 11, 2012 at http://www.iberkshires.com/blog/IndependentInvestortheMarket/1659/The-Independent-Investor-Cyber-Attacks-Who-Is-On-The-Frontline-.html?source=blogs_block

Today, we only hear of the biggest cyber-attacks such as the 2011 theft of over 200,000 customer names, account numbers and contact details from Citigroup or the 100 million accounts pilfered from Sony Online Entertainment's PlayStation Network. I was on the receiving end of the Citigroup theft, and believe me, it drives home the danger like nothing else. These attacks are costing American companies big money. It costs on average over \$7.2 million in costs (lost business, legal defense and compliance) or \$214 per customer record in costs. If it is a first time breach, it can cost 30 percent more, not to mention the inconvenience to its customers like me. Yet, the real danger is not in the consumer sector. It is in the potential for a breach in the nation's infrastructure system.

3. Inadequate cyber-security threatens US competitiveness:

Katrina Timlin, (Research Assistant for the Technology and Public Policy Program at the Center for Strategic and International Studies), “Partisanship jeopardizes U.S. cyber defense,” Feb. 24, 2012. Retrieved May 11, 2012 at <http://globalpublicsquare.blogs.cnn.com/2012/02/24/partisanship-jeopardizes-u-s-cyber-defense/>

These breaches show that no one is immune: the current cybersecurity infrastructure, based on voluntary security measures and marginal incentives, is woefully inadequate. The sum of exploitable vulnerabilities in U.S. critical infrastructure, financial, and defense contracting companies undermines U.S. national economic competitiveness. This is not a hypothetical or apoplectic assertion - weak cybersecurity has enabled U.S. adversaries to pilfer sensitive military technology and obtain information in advance of global summits, eroding America's economic, political, and military strength.

4. Hackers undermine US competitiveness:

Robert S. Mueller, (Director of FBI), “Changing Threats in a Changing World: Staying Ahead of Terrorists, Spies, and Hackers,” Nov. 17, 2011. Retrieved May 11, 2012 at <http://www.fbi.gov/news/speeches/changing-threats-in-a-changing-world-staying-ahead-of-terrorists-spies-and-hackers>

American companies are losing billions of dollars’ worth of intellectual property, research and development, and trade secrets. Outside attackers burrow into company networks and remain undiscovered for months or even years. It is much like having termites in your house—often, by the time you discover them, the damage is done. And “hacktivist” groups are pioneering their own forms of digital anarchy. Here in the Bay Area, you witnessed their work firsthand when individuals hacked the BART website and released personal data of BART customers. We also must consider that hostile nations or terrorist groups could launch cyber attacks against our critical infrastructure. The anonymity of the Internet makes it difficult to discern the identity, the motives, and the location of an intruder. And the proliferation of portable devices that connect to the Internet only increases the opportunity to steal vital information. We in the FBI cannot merely react to computer intrusions. Hackers will seek to exploit every vulnerability, and we must be able to anticipate their moves. Let me share one example. In April, the FBI brought down an international “botnet” known as Coreflood. Botnets are those networks of virus-infected computers controlled remotely by an attacker. To shut down Coreflood, the FBI took control of five servers the hackers had used to infect some two million computers with malware. This malware allowed the hackers to steal personal and financial information by recording users’ keystrokes. We not only shut down the servers—we took another unprecedented step. With court approval, the FBI responded to signals sent from infected computers in the United States. We sent those computers a command that stopped the malware, preventing harm to hundreds of thousands of users.

5. Cyber-attacks can wreck financial systems:

Richard Adhikari, (staff writer) (“Civilization’s High Stakes Cyber-Struggle: Q&A With Gen. Wesley Clark” 2009. Retrieved May 11, 2012 at <http://www.technewsworld.com/story/68787.html>)

Clark: That’s not the only threat, and you shouldn’t overstate the ease with which people can do this. An ordinary person can’t go in and wreck a financial system, but when you have skilled professionals with malign intent, with the right funding and the right technology -- and, maybe, inside information -- we don’t know what damage is possible. We suspect it could be significant and we have to expend a lot of effort to safeguard the system.

6. Cyber-warfare capabilities key to hegemony:

Stephanie Dreyer, (staff writer) (“Cyber Warfare: The War America is Losing,” Jan. 2012 <http://www.policymic.com/articles/3645/cyber-warfare-the-war-america-is-losing>)

This is a good first step. If we are going to defend ourselves from 21st century threats, we need to change the way we look at cyber warfare. We must educate Americans about the real dangers that cyber-attacks pose and encourage our students to study computer science to create a new generation of professionals who know how to safeguard our nation against cyber terrorism. In addition, we must not be afraid to use our intelligence and technology to our advantage. If America wants to remain a super power and maintain a strong geopolitical standing, we must use every weapon at our disposal to protect ourselves.

7. US Hegemonic decline causes Asian wars:

ZBIGNIEW BRZEZINSKI, (national security advisor under U.S. President Jimmy Carter) "After America," 2012. Retrieved May 11, 2012 at http://www.foreignpolicy.com/articles/2012/01/03/after_america

At some stage, however, a more assertive Chinese nationalism could arise and damage China's international interests. A swaggering, nationalistic Beijing would unintentionally mobilize a powerful regional coalition against itself. None of China's key neighbors -- India, Japan, and Russia -- is ready to acknowledge China's entitlement to America's place on the global totem pole. They might even seek support from a waning America to offset an overly assertive China. The resulting regional scramble could become intense, especially given the similar nationalistic tendencies among China's neighbors. A phase of acute international tension in Asia could ensue. Asia of the 21st century could then begin to resemble Europe of the 20th century -- violent and bloodthirsty.

SAUDI OIL DISADVANTAGE

Thesis: The thesis of this disadvantage is that improved transportation infrastructure in the United States will decrease oil prices, hurting Saudi Arabia's economy. The current US transportation system is a mess, leading to excess driving in the United States, pushing oil demand higher. However, solutions to this problem will decrease US oil dependence and hence global oil prices. While this may seem like a good thing, Saudi Arabia's economy is heavily reliant on high oil prices for its stability. A decline in the Saudi economy risks terrorism and Middle Eastern instability.

I. THE AFFIRMATIVE PLAN WILL DECREASE OIL PRICES—DEVASTATING SAUDI ARABIA'S ECONOMY.

A. UNIQUENESS: THE STRONG OIL SECTOR IS KEEPING SAUDI ARABIA'S ECONOMY AFLOAT NOW.

Faisal Alsayrafi (staff writer) "Saudi Arabia: Economy heading for robust growth," 2012. Retrieved May 8, 2012 at <http://www.ggforum.com/corporate-finance/business-opportunities/68-saudi-arabia-economy-heading-for-robust-growth>

Saudi Arabia's economy is heading for a robust growth this year as it has embarked on various development projects to keep its economic momentum going. Despite unrest in the region, Saudi Arabia maintained its economic projects intact and continued its economic policies uninterrupted. The Kingdom's real GDP (gross domestic product) growth is expected to expand by 5.3 percent in 2011 as the expansion in the oil sector is projected to complement the non-oil sector, which will positively contribute to overall growth. The oil sector remains the core of economic activity in Saudi Arabia, providing the financial underpinning for government expenditure plans and broader economic confidence. The increase in oil revenues will prop up the fiscal and current account balances to register 3.2 percent and 20.9 percent to GDP, respectively. Real GDP growth is expected to rise by 5.3 percent, largely driven by the vibrant non-oil sector and partially due to the increase in oil production level.

B. IMPROVED TRANSPORTATION INFRASTRUCTURE WOULD DECREASE US OIL DEMAND.

General P.X. Kelley (USMC) "Transportation Policies for America's Future," February 2011. Retrieved May 8, 2012 at http://www.secureenergy.org/sites/default/files/SAFE-Transportation-Policies-for-Americas-Future_0.pdf

The Energy Security Leadership Council believes that America's energy security can be fundamentally improved through major reductions in oil demand. More stringent fuel efficiency standards and the rapid expansion in the use of alternative fuels are just two critical components of an overall strategy. The third is our surface transportation infrastructure itself. Our transportation network exists almost in a vacuum, with virtually no connection between how it is designed, how it is funded, and how American families and businesses use it every day. The result is an inefficient system in which system needs are out of alignment with investment, cost is out of alignment with usage, and congestion is threatening to undermine the potential gains associated with recent improvements in vehicle technology and fuel diversification. We require a system based more closely on a true supply and demand model, in which assets are allocated based on needs, and costs are aligned with use, helping to restore the mobility upon which our dynamic economy depends.

C. IMPACT: HIGH OIL PRICES ARE KEY TO SAUDI ARABIA'S ABILITY TO CHECK TERRORISM.

1. High oil prices are key to Saudi Arabia's ability to check extremism and terrorist groups.

J. MICHAEL MCCONNELL (Director of National Intelligence) "CQ Congressional Testimony," Feb. 27, 2008. Retrieved Apr. 18, 2008, Lexis/Nexis.

In Saudi Arabia, the long-term challenge from Islamic extremism has been checked for now, and the government benefits from steady, oil price-driven economic growth. Saudi security forces have achieved notable successes against al-Qa'ida networks inside the Kingdom since 2003, killing or capturing al-Qa'ida's original Saudi-based leadership and degrading its manpower, access to weapons, and operational capability.

2. Terrorist groups will use nuclear weapons, threatening retaliation to a full scale nuclear war.

Mohamed Sid-Ahmed, (staff writer) "Extinction!" 2004. Retrieved May 8, 2012 at <http://weekly.ahram.org.eg/2004/705/op5.htm>

What would be the consequences of a nuclear attack by terrorists? Even if it fails, it would further exacerbate the negative features of the new and frightening world in which we are now living. Societies would close in on themselves, police measures would be stepped up at the expense of human rights, tensions between civilisations and religions would rise and ethnic conflicts would proliferate. It would also speed up the arms race and develop the awareness that a different type of world order is imperative if humankind is to survive. But the still more critical scenario is if the attack succeeds. This could lead to a third world war, from which no one will emerge victorious. Unlike a conventional war which ends when one side triumphs over another, this war will be without winners and losers. When nuclear pollution infects the whole planet, we will all be losers.

II. THE AFFIRMATIVE RESPONSES TO THE DISADVANTAGE ARE INADEQUATE.

A. SAUDI ARABIA'S ECONOMY IS STRONG NOW.

1. Saudi Arabia's economy is strong now.

Faisal Alsayrafi (staff writer) "Saudi Arabia: Economy heading for robust growth," 2012. Retrieved May 8, 2012 at <http://www.ggiform.com/corporate-finance/business-opportunities/68-saudi-arabia-economy-heading-for-robust-growth>

The International Monetary Fund is also optimistic about Saudi Arabia's economic growth. The IMF said economic growth in Saudi Arabia is set to increase to 6.5 percent this year, up from 4.1 percent in 2010. Saudi Arabia's economic strategy is clear as Finance Minister Ibrahim Al-Assaf indicated recently that the Kingdom would invest SR1.44 trillion in the implementation of its development plans for the ninth five-year program till 2014. Saudi Arabia will also overspend its budget by up to 15 percent this year due to supplementary spending on construction and job-creation measures.

2. Growth will be strong in Saudi Arabia now.

Faisal Alsayrafi (staff writer) "Saudi Arabia: Economy heading for robust growth," 2012. Retrieved May 8, 2012 at <http://www.ggiform.com/corporate-finance/business-opportunities/68-saudi-arabia-economy-heading-for-robust-growth>

Saudi Arabia's pledge to spend an estimated SR487.5 billion, or around 30 percent of its annual economic output, on new houses, creating jobs, unemployment benefits and other measures, will give an added impetus to economic growth. The Kingdom responded to the global economic crisis with one of the most forceful stimulus packages among the leading economies.

3. Saudi Arabia's economy is strong now.

Faisal Alsayrafi (staff writer) "Saudi Arabia: Economy heading for robust growth," 2012. Retrieved May 8, 2012 at <http://www.ggiform.com/corporate-finance/business-opportunities/68-saudi-arabia-economy-heading-for-robust-growth>

Saudi Arabia's net foreign assets also showed a rising trend in recent years. Net foreign assets of the central bank expanded by 13.2 percent year on year to SR1.76 trillion (\$468.34 billion), a record and the highest annual growth in two years.

4. Saudi economy is strong now, multiple reasons why.

Dr Jasim Ali (Member of Parliament in Bahrain) "GCC Focus: Mighty Saudi economy getting stronger," May 6, 2012. Retrieved May 8, 2012 at http://uk.zawya.com/story/GCC_Focus_Mighty_Saudi_economy_getting_stronger-ZAWYA20120506044308/

Numerous indications point to the steady growth of the Saudi economy, thereby further strengthening the global position of the kingdom's gross domestic product (GDP). These factors include relatively high oil prices, solid oil output, and strong spending.

B. IMPROVED TRANSPORTATION INFRASTRUCTURE WILL DECREASE OIL PRICES.

1. Improving transportation infrastructure would decrease US oil dependence.

Kevin Brooks (President and CEO of THiNKGREEN! Global Advisors, Inc) “The American Transportation Grid; The Good, The Bad & The Ugly... The Uglier... and The Ugliest,” Jan. 22, 2012. Retrieved May 8, 2012 at <http://iicleantech.com/blog/2012/01/22/american-transportation-grid-good-bad-ugly-uglier-ugliest/>

In 2010, SAFE examined a long-neglected element of oil dependence: the fuel wasted due to inefficient, outdated transportation infrastructure, and the steps needed to reroute our transportation future. Transportation infrastructure and energy policy have historically been debated in two entirely separate spheres in American politics, and a coherent, unified strategy for the federal surface transportation system has largely been absent since the construction of the interstate highway system. Characterized by indirect fees, misaligned incentives, burdensome regulations, and inefficient capital investments, today the system faces major funding, decision-making, and performance challenges. Road congestion in particular severely threatens the potential gains associated with more efficient vehicles and alternative fuels.

2. Weak transportation infrastructure increases fuel prices.

Dave Johnson (Fellow, Campaign for America's Future) “Transportation and Infrastructure = Immediate Jobs = Deficit Reduction,” May 1, 2012. Retrieved May 11, 2012 at http://www.huffingtonpost.com/dave-johnson/transportation-infrastruc_b_1469356.html?ref=business

Our aging infrastructure costs our economy. As things break down it gets harder to get things done. It is harder to start new businesses and our businesses are less competitive in the world. Shipments are delayed, etc. There are other costs. Cars have to be repaired from driving on our substandard roads, people have to pay higher fuel costs as they try to get where they are going on clogged streets or taking detours around closed bridges, etc. People's time is wasted, which also costs. As we move toward third-world status, property values decline, we lose tourism, etc.

3. Improved transportation infrastructure would decrease oil consumption.

Kevin Brooks (President and CEO of THiNKGREEN! Global Advisors, Inc) “The American Transportation Grid; The Good, The Bad & The Ugly... The Uglier... and The Ugliest,” Jan. 22, 2012. Retrieved May 8, 2012 at <http://iicleantech.com/blog/2012/01/22/american-transportation-grid-good-bad-ugly-uglier-ugliest/>

Solution: Transportation Policies for America’s Future proposes reforms designed to transform the nation’s transportation policy, introducing a more market-oriented model and instituting oil consumption as a key metric by which decisions are made and evaluated. Policies to promote more stable road speed conditions in particular are crucial to lowering sectorial oil consumption. Reforms are also required to promote smarter capital investments in highways, transit systems, and advanced technologies that encourage higher operating efficiency. Successful measures can empower users by giving clear signals of the cost of travel decisions, and expand the menu of travel options. The result is a U.S. transportation system in which assets are allocated based on needs and costs are aligned with use, helping to restore the mobility upon which our dynamic economy depends.

4. Transportation is a key factor in US oil consumption.

Kevin Brooks (President and CEO of THiNKGREEN! Global Advisors, Inc) "The American Transportation Grid; The Good, The Bad & The Ugly... The Uglier... and The Ugliest," Jan. 22, 2012. Retrieved May 8, 2012 at <http://iicleantech.com/blog/2012/01/22/american-transportation-grid-good-bad-ugly-uglier-ugliest/>

The must read report concludes; Reliance on petroleum has created unsustainable risks to American economic and national security. Much of the oil we consume is produced in hostile nations and unstable regions. Its price is increasingly volatile. As a result, the economy is left at the mercy of events and actors beyond U.S. control. The U.S. transportation system and U.S. energy use are, to a very significant extent, irrevocably linked. Efforts must therefore be refocused on developing transportation policies that transform the way projects are funded and chosen, using oil consumption as a principal metric. The current approach is unsustainable for the U.S. transportation system, national energy security, and the growth of the American economy. It is time for policymaking that emphasizes the crucial interaction between transportation policy and U.S. oil dependence.

5. High speed rail would decrease oil consumption.

American Association of State and Highway Transportation Officials. (2009). INTERCITY PASSENGER RAIL, 2009, 3.

According to the latest edition of the Transportation Energy Data Book by the Oak Ridge National Laboratory: In 2005, Amtrak consumed 17% less energy per passenger-mile than domestic airlines and 21.4% less energy than cars.

Petra Todorovich, (Dir., America2050), HIGH-SPEED RAIL: INTERNATIONAL LESSONS FOR U.S. POLICY MAKERS, 2011, 19-20.

High-speed rail is the only available mode of long-distance travel that currently is not dependent on motor fuels. High-speed rail is powered by electricity, which is not without environmental problems depending on its source. If it is powered by electricity generated from fossil fuels, such as coal or natural gas that discharge harmful greenhouse gas emissions, then its environmental benefits are limited. However, electricity is generally considered an improvement over petroleum-generated power and provides a crucial advantage as the United States aims to reduce its dependence on foreign oil.

6. High speed rail would decrease oil dependence.

Siena Kaplan, (Analyst, U.S. Public Interest Research Group), THE RIGHT TRACK: BUILDING A 21ST CENTURY HIGH-SPEED RAIL SYSTEM FOR AMERICA, 2010, 11.

America's existing intercity passenger rail network already contributes to reducing America's oil dependence, removing an estimated 8 million cars from the road and eliminating the need for 50,000 passenger airplane trips each year." Intercity passenger rail—even when powered by diesel fuel—is more fuel-efficient than car or air travel, particularly for trips in the 100 to 500-mile range.

Siena Kaplan, (Analyst, U.S. Public Interest Research Group), THE RIGHT TRACK: BUILDING A 21ST CENTURY HIGH-SPEED RAIL SYSTEM FOR AMERICA, 2010, 11. A modernized passenger rail network in the future will also likely use less oil than American passenger rail service does today. As a high-speed rail network is developed in the United States, it will rely more on electricity and less on diesel fuel. Currently, about 40 percent of American intercity passenger rail is powered by electricity, while 80 percent of European rail service is electric.

7. High speed rail eliminates the need for oil in transportation.

Daniel Wood, (Staff), CHRISTIAN SCIENCE MONITOR, Feb. 8, 2011. Retrieved Mar. 20, 2012 from Nexis.

To supporters of high-speed rail expansion, however, US transportation must move beyond its reliance on oil. High-speed rail is the only form of intercity transportation that has a 45-year record of moving people without oil, says Anthony Perl, professor of political science at Simon Fraser University in Vancouver, Canada, and a fellow at the Post Carbon Institute. "That's why 30 countries around the world have done this and the US and Canada are just laggards," he says. "If people want to get where they are going between cities they are going to need high-speed rail because flying and driving will only become more and more costly."

Siena Kaplan, (Analyst, U.S. Public Interest Research Group), *THE RIGHT TRACK: BUILDING A 21ST CENTURY HIGH-SPEED RAIL SYSTEM FOR AMERICA*, 2010, 11.

Finally, the location of passenger rail hubs in downtown areas can encourage and support land-use patterns that reduce the need to drive, further curbing oil use. Placing a passenger rail station in a downtown area provides an inducement for businesses to locate nearby—just as airports spur development of office parks for businesses seeking close proximity to transportation and the construction of hotels and other traveler services. Unlike airports, however, passenger rail hubs would likely be located in existing downtown areas, where workers would be more likely to get to work via transit or other transportation alternatives.

8. Transportation drives US oil consumption.

World-Crisis.net, “World Oil Crisis: Driving forces, Impact and Effects,” 2008. Retrieved May 8, 2012 at <http://world-crisis.net/oil-crisis.html>.

Energy demand is distributed amongst four broad sectors: transportation, residential, commercial, and industrial. In terms of oil use, transportation is the largest sector and the one that has seen the largest growth in demand in recent decades. This growth has largely come from new demand for personal-use vehicles powered by internal combustion engines. This sector also has the highest consumption rates, accounting for approximately 68.9% of the oil used in the United States in 2006, and 55% of oil use worldwide as documented in the Hirsch report. Transportation is therefore of particular interest to those seeking to mitigate the effects of Peak oil.

9. Decreased oil demand will decrease oil prices.

Jessica Rettig (staff writer) “Dip in Global Oil Demand Lowers Gas Prices,” Sept. 28, 2011. Retrieved May 8, 2012 at <http://www.usnews.com/opinion/blogs/on-energy/2011/09/28/dip-in-global-oil-demand-lowers-gas-prices>

Slow economic growth around the world, especially in the United States, Europe, and even China, has pushed down both the demand for and the price of crude oil, a major component of gasoline, says Neil Gamson, an energy forecast expert at the U.S. Energy Information Administration. “The economic growth outlook has not been as optimistic as it was several months ago,” he says. “That has slowed down the growth in the demand for the oil, and as a result, it has put less pressure on prices.”

C. DECLINING OIL PRICES WILL UNDERMINE SAUDI ARABIA’S ECONOMY.

1. Strong oil prices are key to a strong Saudi economy.

Dr Jasim Ali (Member of Parliament in Bahrain) “GCC Focus: Mighty Saudi economy getting stronger,” May 6, 2012. Retrieved May 8, 2012 at http://uk.zawya.com/story/GCC_Focus_Mighty_Saudi_economy_getting_stronger-ZAWYA20120506044308/

Certainly, strong oil prices add strength to the Saudi economy. In fact, oil prices having been hovering around \$100 per barrel for the past few years, certainly a new phenomenon. Happily enough, the high oil prices are occurring at a time of ever stronger oil output for the kingdom. Looking forward, steady public sector spending provides a supportive hand. The budget for fiscal year 2012 puts spending at \$184 billion, a conservative figure when compared to actual spending of \$214 billion in 2011. However, if history is any guide, actual spending is likely to be considerably higher, something put on display in fiscal year 2011. Conservative Saudi Arabia is noted for putting out notable unadventurous statistics with regard to both revenues and expenditures. In reality, the assumed oil figure for fiscal year 2012 can only be guessed, a questionable policy. On a negative note, the well-being of the Saudi economy remains heavily at the mercy of developments in the oil sector. Currently, the petroleum industry accounts for more than two thirds of treasury income and exports as well as one third of GDP.

2. 86% of Saudi Arabia's revenue comes from oil.

Glen Carey (staff writer) "Saudi Arabia's Economy Will Expand 5.3% on Oil Prices, NCB Says," May 15, 2011. Retrieved May 8, 2012 <http://www.bloomberg.com/news/2011-05-15/saudi-arabia-s-economy-will-expand-5-3-on-oil-prices-ncb-says.html>

The kingdom, which depends on oil for 86 percent of its revenue, announced increases in government spending in March as protests calling for more job opportunities and democracy engulfed the Middle East. The package included \$67 billion on housing and funds for the military and religious groups that backed the government's ban on domestic protests, and followed a \$36 billion handout announced on Feb. 23.

3. High oil prices power the Saudi economy.

Glen Carey (staff writer) "Saudi Arabia's Economy Will Expand 5.3% on Oil Prices, NCB Says," May 15, 2011. Retrieved May 8, 2012 <http://www.bloomberg.com/news/2011-05-15/saudi-arabia-s-economy-will-expand-5-3-on-oil-prices-ncb-says.html>

Saudi Arabia's economy will expand 5.3 percent this year, powered by higher oil prices and more government spending in the Arab world's largest economy, National Commercial Bank said.

4. High oil prices will cause Saudi growth now.

Glen Carey (staff writer) "Saudi Arabia's Economy Will Expand 5.3% on Oil Prices, NCB Says," May 15, 2011. Retrieved May 8, 2012 <http://www.bloomberg.com/news/2011-05-15/saudi-arabia-s-economy-will-expand-5-3-on-oil-prices-ncb-says.html>

The economy will grow 4.2 percent in 2012, the Jeddah, Saudi Arabia-based bank said in an e-mailed report today. The kingdom will "benefit from the recent positive oil price shock" as it raises output 6.2 percent to average 8.8 million barrels a day this year, compared with last, the bank said.

5. Oil is keeping Saudi Arabia's economy strong now.

Dr Jasim Ali (Member of Parliament in Bahrain) "GCC Focus: Mighty Saudi economy getting stronger," May 6, 2012. Retrieved May 8, 2012 at http://uk.zawya.com/story/GCC_Focus_Mighty_Saudi_economy_getting_stronger-ZAWYA20120506044308/

Returning to the article's subject, Saudi GDP grew by an extraordinary 28 per cent in 2011 mainly due to developments in the oil sector.

6. Higher oil prices are key to Saudi Arabia's budget surplus.

Glen Carey (staff writer) "Saudi Arabia's Economy Will Expand 5.3% on Oil Prices, NCB Says," May 15, 2011. Retrieved May 8, 2012 <http://www.bloomberg.com/news/2011-05-15/saudi-arabia-s-economy-will-expand-5-3-on-oil-prices-ncb-says.html>

With higher oil prices, Saudi Arabia will record a budget surplus of 62.8 billion riyals (\$16.8 billion), National Commercial said. Oil revenue this year is expected at 828.2 billion riyals, it said.

7. Saudi Arabia's economy is bolstered by higher oil prices.

Glen Carey (staff writer) "Saudi Arabia's Economy Grew 6.6 Percent in Fourth Quarter," Apr. 11, 2012. Retrieved May 8, 2012 at <http://www.businessweek.com/news/2012-04-11/saudi-arabia-s-economy-grew-6-dot-6-percent-in-fourth-quarter>

Saudi Arabia's gross domestic product expanded 6.6 percent in the fourth quarter from a year earlier on additional government spending and higher oil prices.

8. Oil revenues are bolstering the Saudi economy now.

The Economist, "The royal house is rattled too," Mar. 3, 2011. Retrieved May 8, 2012 at <http://www.economist.com/node/18291511>

IN NORMAL times a government sitting on \$440 billion in foreign reserves would have few cares. Even in the present season of turmoil in the Middle East, Saudi Arabia is lucky. With the price of oil up by \$10 a barrel since January, and the Saudis squirting out spare stuff to make up for the slump in Libya's output, the world's largest oil exporter is raking in a windfall. Feeling generous following his return in February after three months' convalescence abroad, King Abdullah announced an extra \$36 billion to be spent on welfare and public services.

9. Higher oil prices are bolstering Saudi Arabia's economy.

Chika Amanze-Nwachuku, (staff writer) "OPEC Oil Export Earnings to Hit \$1trillion in 2011," Aug. 16, 2011. Retrieved May 8, 2012 at <http://www.thisdaylive.com/articles/opec-oil-export-earnings-to-hit-1trillion-in-2011/96523/>

Higher crude oil prices could boost the Organisation of Petroleum Exporting Countries (OPEC's) earnings from oil export to \$1,011 trillion in 2011, the United States Energy Information Administration (EIA) has said. Last year, the group earned \$778 billion in net oil export revenues, a 35 percent increase from 2009. Saudi Arabia earned the largest share of these earnings, \$225 billion, representing 29 percent of total OPEC revenues.

D. OIL PRICES CHECK SAUDI INSTABILITY.

1. Higher oil prices check instability in Saudi Arabia.

Rachel Bronson, (vice president of programs and studies at the Chicago Council on Global Affairs), "Could the next Mideast uprising happen in Saudi Arabia?" Washington Post, Feb. 26, 2011. Retrieved May 8, 2012 at <http://www.washingtonpost.com/wp-dyn/content/article/2011/02/25/AR2011022506590.html>

Further emphasizing that concern, Saudi leaders were reportedly furious that the Obama administration ultimately supported regime change in Egypt, because of the precedent it could set. Before Egyptian President Hosni Mubarak left office, the Saudis offered to compensate his faltering regime for any withdrawal of U.S. economic assistance - aiming to undermine Washington's influence in Egypt and reduce its leverage. As Saudi leaders look across the region, they have reason to believe that they won't find themselves confronting revolutionaries at their own doorstep. The upheaval in Egypt, Libya, Bahrain and elsewhere is driven by popular revulsion with sclerotic, corrupt leadership. These countries do not have clear succession plans in place. They do have organized opposition movements, both inside and outside their borders, that are exploiting new means and technologies to challenge the governments. Their leaders are vulnerable to independent militaries. Their economies are weak, and educational opportunities are few. These conditions seem to be present in Saudi Arabia, too, but the country is different in some important ways. First, its economic situation is far better. Egypt's per capita gross domestic product is slightly more than \$6,000, and Tunisia's is closer to \$9,000. For Saudi Arabia, it is roughly \$24,000 and climbing (up from \$9,000 a little more than a decade ago). The Saudi regime also has resources to spend on its people. Oil prices are high and rising. On Wednesday, the king announced massive social benefits packages totaling more than \$35 billion and including unemployment relief, housing subsidies, funds to support study abroad and a raft of new job opportunities created by the state. Clearly the king is nervous, but he has goodies to spread around. Poverty is real in Saudi Arabia, but higher oil prices and slowly liberalizing economic policies help mask it. When I met then-Crown Prince Abdullah in 1999, he told a group of us that unemployment was "the number one national security problem that Saudi Arabia faced." He was right then and remains right now. According to an analysis by Banque Saudi Fransi, joblessness among Saudis under age 30 hovered around 30 percent in 2009. Still, many of the king's key policy decisions - joining the World Trade Organization, creating new cities with more liberal values, promoting education and particularly study abroad - have sought to solve these problems. The country may be on a very slow path toward modernization, but it is not sliding backward like many others in the Middle East.

2. Instability is possible in Saudi Arabia.

Rachel Bronson, (vice president of programs and studies at the Chicago Council on Global Affairs), "Could the next Mideast uprising happen in Saudi Arabia?" Washington Post, Feb. 26, 2011. Retrieved May 8, 2012 at <http://www.washingtonpost.com/wp-dyn/content/article/2011/02/25/AR2011022506590.html>

A shocked Saudi royal family watched helplessly as one of its members, directly in line to become king, claimed solidarity with the revolution and took up residence in Egypt for a few years. That prince, Talal bin Abdul Aziz al-Saud, a son of the kingdom's founder and a half-brother of the king, is now reintegrated into the Saudi elite - and on hand to remind the monarchy that it is not immune to regional revolts. Unless problems facing Saudi Arabia are solved, what happened and is still happening in some Arab countries, including Bahrain, could spread to Saudi Arabia, even worse," Prince Talal recently told the BBC.

FREE MARKETS DISADVANTAGE

Thesis: The thesis of this disadvantage is that federal spending for transportation infrastructure will undermine a free market approach to transportation infrastructure, undermining the effectiveness and efficiency in free market investment in transportation infrastructure. Currently, 85% of infrastructure spending is non-federal spending. However, when the federal government gets involved, it distorts decision-making away from the most profitable ventures to the ones that the government happens to be supporting. Not only does this lead to worse infrastructure, but it undermines the economy as investment is channeled into unprofitable ventures.

I. THE AFFIRMATIVE PLAN WILL SQUEEZE OUT INVESTMENT BY THE FREE MARKET: UNDERMINING THE US ECONOMY.

A. UNIQUENESS: 85% OF INFRASTRUCTURE IS CONTROLLED BY THE FREE MARKET NOW.

Jena Baker McNeill, (Policy Analyst @ Heritage Foundation) “Building Infrastructure Resiliency: Private Sector Investment in Homeland Security,” September 23, 2008. Retrieved Apr. 13, 2012 at <http://www.heritage.org/research/reports/2008/09/building-infrastructure-resiliency-private-sector-investment-in-homeland-security>

Currently, 85 percent of critical U.S. infrastructure is privately owned[18] -- though subject to increased government bureaucracy. It is logical to assume this property right drives the private sector's quest to be profitable. Improving infrastructure allows economic gains, as long as the private sector is not forced to spend all of its assets on protection-based actions. The government should not stand in the way of this pursuit and should encourage both new infrastructure ownership and pre-existing ownership investment so that adequacy gains can be achieved.

B. LINK: FEDERAL SUBSIDIES DISTORT PRIVATE INVESTMENT DECISION-MAKING.

Chris Edwards (director of tax policy studies at Cato Institute) “Federal Infrastructure Investment,” Nov. 16, 2011. Retrieved Apr. 12, 2012 from <http://www.cato.org/publications/congressional-testimony/federal-infrastructure-investment>

In its report on the state of U.S. infrastructure, the American Society of Civil Engineers gives America a grade of "D."³⁷ However, the ASCE report mainly focuses on infrastructure provided by governments, so if you believe that this low grade is correct, then it is mainly due to government failures. The ASCE lobbies for more federal spending, but OECD data shows that public-sector spending on infrastructure is about the same in this country as in other high-income nations. Some of the infrastructure shortcomings in the United States stem from mismanagement and misallocation by the federal government, rather than a lack of taxpayer support. So part of the solution is to decentralize infrastructure financing, management, and ownership as much as possible. State and local governments and the private sector are more likely to make sound investment decisions without the federal subsidies and regulations that distort their decisionmaking.

C. IMPACT: FREE MARKET SOLUTIONS SOLVE THE NATION’S INFRASTRUCTURE PROBLEMS BETTER THAN THE FEDERAL GOVERNMENT.

1. Private infrastructure solves the nation’s infrastructure problems:

Steve H. Hanke, (Professor of Applied Economics at Johns Hopkins University) “In Praise of Private Infrastructure,” 2008. Retrieved Apr. 12, 2012 from <http://www.cato.org/publications/commentary/praise-private-infrastructure>)

Most nations face daunting infrastructure problems. To solve them, well-tested methods of private provision must be embraced. Private infrastructure franchises that are properly designed and strictly policed hold the key for infrastructure provision.

2. Government involvement in infrastructure spending undermines economic growth.

Chris Edwards (director of tax policy studies at Cato Institute) “Federal Infrastructure Investment,” Nov. 16, 2011. Retrieved Apr. 12, 2012 from <http://www.cato.org/publications/congressional-testimony/federal-infrastructure-investment>

Thus, the important thing about infrastructure is to focus on allocating funds efficiently, not to maximize the amount of government spending. If infrastructure funding flows to low-value activities, it doesn't aid economic growth, nor does it help industries such as manufacturing. Experience shows that Washington often does a poor job at allocating infrastructure spending, in part because its decisions are far removed from market-based demands and price signals.

II. THE AFFIRMATIVE ANSWERS TO THE DISADVANTAGE ARE INADEQUATE.

A. THE PRESENT SYSTEM RELIES HEAVILY ON FREE MARKET APPROACHES TO INFRASTRUCTURE SPENDING.

Dr. Jean-Paul Rodrigue, “The Financing of Transportation Infrastructure,” Jan. 1, 2012. Retrieved Apr. 13, 2012 at <http://people.hofstra.edu/geotrans/eng/ch7en/appl7en/ch7a2en.html>

Facing the growing inability of governments to manage and fund transport infrastructure, the last decades has seen deregulation and more active private participation. Many factors have placed pressures on public officials to consider the privatization of transport infrastructure, including terminals: Fiscal problems. The level of government expenses in a variety of social welfare practices is a growing burden on public finances, leaving limited options but divestiture. Current fiscal trends clearly underline that all levels of governments have limited if any margin and that accumulated deficits have led to unsustainable debt levels. The matter becomes how public entities default on their commitments. Since transport infrastructures are assets of substantial value, they are commonly a target for privatization. This is also known as “monetization” where a government seeks a large lump sum by selling or leasing an infrastructure for budgetary relief.

B. FEDERAL INFRASTRUCTURE DECISIONS UNDERMINE FREE MARKET APPROACHES.

1. Federal infrastructure spending is often misallocated.

Chris Edwards (director of tax policy studies at Cato Institute) “Federal Infrastructure Investment,” Nov. 16, 2011. Retrieved Apr. 12, 2012 from <http://www.cato.org/publications/congressional-testimony/federal-infrastructure-investment>

The high federal infrastructure spending of the 1960s was unique. A large share of that spending was for building the Interstate Highway System, which is now complete. Also note that substantial federal infrastructure spending at that time was misallocated to dubious or harmful activities. For example, federal funding of urban redevelopment and high-rise public housing schemes often had damaging social and economic effects. Also, federal spending on water infrastructure, such as dams, peaked in the mid-20th century, and a substantial part of that spending made little sense from an economic or an environmental perspective.

2. Federal infrastructure spending goes to low value and dubious activities:

Chris Edwards (director of tax policy studies at Cato Institute) “Federal Infrastructure Investment,” Nov. 16, 2011. Retrieved Apr. 12, 2012 from <http://www.cato.org/publications/congressional-testimony/federal-infrastructure-investment>

There are calls today for more federal spending on infrastructure, but advocates seem to overlook the downsides of past federal efforts. Certainly, there have been federal infrastructure successes, but there has also been a history of pork barrel politics and bureaucratic bungling in federal investment spending. A substantial portion of federal infrastructure spending has gone to low-value and dubious activities.

3. Federal projects are subject to massive cost overruns:

Chris Edwards (director of tax policy studies at Cato Institute) “Federal Infrastructure Investment,” Nov. 16, 2011. Retrieved Apr. 12, 2012 from <http://www.cato.org/publications/congressional-testimony/federal-infrastructure-investment>

Federal infrastructure projects have often suffered from large cost overruns.⁸ Highway projects, energy projects, airport projects, and air traffic control projects have ended up costing far more than originally promised. Cost overruns can happen on both public and private infrastructure projects, but the problem is exacerbated when multiple levels of government are involved in a project because there is less accountability. Boston's Big Dig — which exploded in cost to five times the original estimate — is a classic example of mismanagement in a federal-state project.⁹

C. THE FREE MARKET WILL SOLVE BETTER THAN THE PUBLIC SECTOR IN INFRASTRUCTURE.

1. Free market approaches solve better than the public sector in infrastructure.

Chris Edwards (director of tax policy studies at Cato Institute) “Federal Infrastructure Investment,” Nov. 16, 2011. Retrieved Apr. 12, 2012 from <http://www.cato.org/publications/congressional-testimony/federal-infrastructure-investment>

Despite its smaller magnitude, public-sector infrastructure spending is also very important to the U.S. economy. But the usual recommendation to simply spend more federal taxpayer money on infrastructure is misguided. For one thing, the government simply can't afford more spending given its massive ongoing deficits. More importantly, much of the infrastructure spending carried out by Washington would be more efficiently handled by devolving it to state and local governments and the private sector.

2. Public sector spending is the root cause of the infrastructure crisis.

Ronald Utt, (Senior Research Fellow in Economic Policy Studies @ Heritage Foundation) “Infrastructure 'Crisis' is About Socialism,” Dec. 13, 2011. Retrieved Apr. 13, 2012 at <http://www.heritage.org/research/commentary/2011/12/infrastructure-crisis-is-about-socialism>

By contrast, those important elements of infrastructure that are not in "crisis" are those in private hands and subject to market forces. They, more often than not, experience the crisis of overproduction, the opposite problem confronting public infrastructure. Who would argue that we have too few cars on the road? The main farm policy conundrum is too much food production. And we can trace the recent collapse of the housing market and the subsequent decline in home prices to having more new single-family homes than qualified borrowers. Obviously, none of the proposed government infrastructure initiatives have identified a shortage of privately provided infrastructure as a cause for concern. Instead, they focus on areas that have been government's responsibility for as far back as a century. But in doing this neither the president nor a bipartisan majority in Congress have yet to experience their Pogo moment and discover that the problem stems from the public sector's mismanagement of our accumulated wealth. Privately provided infrastructure is abundant and well maintained because of the competitive market's incentives and signals. By contrast, the public provision of infrastructure is wholly detached from anything the consumer might actually want.

D. THE FREE MARKET WILL BEST SOLVE THE ECONOMY.

1. The free market for infrastructure bolsters the economy.

Tad DeHaven, “Obama and Infrastructure,” October 11, 2010. Retrieved Apr 13, 2012 at <http://www.cato-at-liberty.org/obama-and-infrastructure/>

For more on this topic, interested readers should check out our essays on the Department of Transportation. Also, an essay on privatization argues that “The benefits to the federal budget of privatization would be modest, but the benefits to the economy would be large as newly private businesses would innovate and improve their performance.”

2. Free market infrastructure investment best bolsters the economy.

Chris Edwards (director of tax policy studies at Cato Institute) “Federal Infrastructure Investment,” Nov. 16, 2011. Retrieved Apr. 12, 2012 from <http://www.cato.org/publications/congressional-testimony/federal-infrastructure-investment>

For new infrastructure investments, well-structured PPP or full privatization appears to be a winning approach for taxpayers, governments, and the broader economy. Taxpayers win because subsidies to infrastructure users are minimized. Governments win because they get new facilities built. And the economy wins because private investment is more likely to be cost-efficient and well-targeted than traditional government investments.

3. Free market infrastructure spending avoids government deficits.

Chris Edwards (director of tax policy studies at Cato Institute) “Federal Infrastructure Investment,” Nov. 16, 2011. Retrieved Apr. 12, 2012 from <http://www.cato.org/publications/congressional-testimony/federal-infrastructure-investment>

The federal government cannot afford to expand its infrastructure spending because of today's massive deficits. Many states are also in a budget squeeze. Fortunately, the global trend is toward partly or fully privatizing the financing and ownership of infrastructure. U.S. policymakers should study the recent innovations in infrastructure investment, and then start unloading the financing and ownership of our infrastructure to the private sector.

4. Free market infrastructure approaches avoids federal deficits.

Tad DeHaven, “Obama and Infrastructure,” October 11, 2010. Retrieved Apr 13, 2012 at <http://www.cato-at-liberty.org/obama-and-infrastructure/>

The President is continuing his push for the federal government to go deeper into debt in order to fund infrastructure projects. While nobody disputes that the country has infrastructure needs, the precarious nature of federal and state finances indicate that policymakers need to start thinking outside the box. Specifically, policymakers should be looking to make it easier for the private sector to fund and operate infrastructure projects.

5. The competition involved in the free market makes private infrastructure investments profitable.

Jena Baker McNeill, (Policy Analyst @ Heritage Foundation) “Building Infrastructure Resiliency: Private Sector Investment in Homeland Security,” September 23, 2008. Retrieved Apr. 13, 2012 at <http://www.heritage.org/research/reports/2008/09/building-infrastructure-resiliency-private-sector-investment-in-homeland-security>

Presently, several actors are looking to continue the private-sector tradition by building a second bridge span. Instead of looking to the federal government, the new bridge will be built entirely with private dollars by the Ambassador Bridge Company. Estimated to cost \$400 million, the new bridge will require significant investment -- and will most surely translate into even more commercial gains. The competition associated with the second span can only lead to positive benefits for both the private sector and the public.

6. A free market approach best responds to consumer demands.

Ronald Utt, (Senior Research Fellow in Economic Policy Studies @ Heritage Foundation) “Infrastructure 'Crisis' is About Socialism,” Dec. 13, 2011. Retrieved Apr. 13, 2012 at <http://www.heritage.org/research/commentary/2011/12/infrastructure-crisis-is-about-socialism>

Sure, some would argue that in the pseudo-market of a democratic system consumers- voters can demand higher taxes to fund public infrastructure, and their leaders would provide it. But in today's America the consumers know better. Whereas a competitive, private restaurant chain would respond to an increase in sales of apple pies by providing more apple pies, the same chain managed by a congressional transportation committee would respond by providing more salad, albeit with a few apple bits in the dressing.

7. The free market decreases the costs of transportation infrastructure.

Dr. Jean-Paul Rodrigue, “The Financing of Transportation Infrastructure,” Jan. 1, 2012. Retrieved Apr. 13, 2012 at <http://people.hofstra.edu/geotrans/eng/ch7en/appl7en/ch7a2en.html>

Equalization. Since public investments are often a political process facing pressures from different constituents to receive their “fair share”, many investments come with “strings attached” in terms of budget allocation. An infrastructure investment in one region must often be compensated with a comparable investment in another region or project, even if this investment may not be necessary. This tends to significantly increase the general cost of public infrastructure investments, particularly if equalization creates non-revenue generating projects. Thus, privatization removes the equalization process for capital allocation as private enterprises are less bound to such a forced and often wasteful redistribution.

8. The free market decreases costs through efficiency gains.

Dr. Jean-Paul Rodrigue, “The Financing of Transportation Infrastructure,” Jan. 1, 2012. Retrieved Apr. 13, 2012 at <http://people.hofstra.edu/geotrans/eng/ch7en/appl7en/ch7a2en.html>

One of the core goals of privatization concerns the derived efficiency gains compared to the transaction costs of the process. Efficiency gains involve a higher output level with the same or fewer input units, implying a more productive use of the infrastructure. Transaction costs are the costs related to the exchange (from public to private ownership) and could involve various buyouts, such as compensations for existing public workers. For public infrastructure, they tend to be very high and involve delays due to the regulatory changes of the transaction.

9. The free market in infrastructure reduces the federal deficit.

Clifford Winston (senior fellow in the economic studies program at the Brookings Institution) “The Private Sector Can Improve Infrastructure with Privatization not a Bank,” Sept. 29, 2010. Retrieved Apr. 13, 2012 at <http://economics21.org/commentary/private-sector-can-improve-infrastructure-privatization-not-bank>

The Administration could improve the nation’s infrastructure—and also improve its standing with Wall Street and the business community—by selling some roads and airports outright to the private sector. Privatizing infrastructure would also help cut the federal deficit by raising revenues and reducing expenditures.

10. The free market will minimize infrastructure costs.

Clifford Winston (senior fellow in the economic studies program at the Brookings Institution) “The Private Sector Can Improve Infrastructure with Privatization not a Bank,” Sept. 29, 2010. Retrieved Apr. 13, 2012 at <http://economics21.org/commentary/private-sector-can-improve-infrastructure-privatization-not-bank>

Privatization of the system would have at least three positive effects. First, private operators would have the incentive to minimize the costs of providing transportation service and can begin the long process of ridding the system of the inefficiencies that have developed from decades of misguided policies. Second, private operators would introduce services and make investments that are responsive to travelers’ preferences. Third, private operators would develop new innovations and expedite implementation of current advances in technology, including on-board computers that can improve highway travel by giving drivers real-time road conditions, satellite-provided information to better inform transit riders and drivers of traffic conditions, and a satellite-based air traffic control system to reduce air travel time and carrier operating costs and improve safety. The technology is there. But it hasn’t been deployed in a timely fashion because government operators have no incentive to do so. The private sector does.

11. Ambassador Bridge proves the economic benefits of free market infrastructure.

Jena Baker McNeill, (Policy Analyst @ Heritage Foundation) “Building Infrastructure Resiliency: Private Sector Investment in Homeland Security,” September 23, 2008. Retrieved Apr. 13, 2012 at <http://www.heritage.org/research/reports/2008/09/building-infrastructure-resiliency-private-sector-investment-in-homeland-security>

The Ambassador Bridge connecting the United States and Canada is a model for private-sector investment in infrastructure because it demonstrates how to improve infrastructure while achieving national security and economic gains. Built in the 1920s, this bridge was the work of two private financiers. At the time, the bridge cost only \$23.5 million. The bridge furthers commerce between the two countries and today functions as a key DHS border checkpoint.

12. Free market infrastructure reduces operating costs of transportation infrastructure.

Dr. Jean-Paul Rodrigue, “The Financing of Transportation Infrastructure,” Jan. 1, 2012. Retrieved Apr. 13, 2012 at <http://people.hofstra.edu/geotrans/eng/ch7en/appl7en/ch7a2en.html>

High operating costs. Mainly due to managerial and labor costs issues, the operating costs of public transport infrastructure, including maintenance, tend to be higher than their private counterparts. Private interests tend to have a better control of technical and financial risks, are able to meet construction and operational guidelines as well as providing a higher quality of services to users. If publicly owned, any operating deficits must be covered by public funds, namely through cross-subsidies. Otherwise, users would be paying a higher cost than a privately managed system. This does not provide much incentives for publicly operated transport systems to improve their operating costs as inefficiencies are essentially subsidized by public funds. High operating costs are thus a significant incentive to privatize.

13. America’s energy economy best controlled by the free market.

Nicholas Loris, (Research Fellow, Institute for Economic Policy Studies, Heritage Foundation), HERITAGE BACKGROUNDER NO. 2656, FEB. 28, 2012, 7.

Unsurprisingly, President Obama's budget proposal for energy is largely a carbon copy of last year's, with an even stronger government push for renewable energy and energy-efficiency programs. It hands the DOE unprecedented control over America's energy economy, which has successfully been driven by the private sector. The DOE budget proposal does not need a scalpel taken to it; it needs a hatchet.

14. The free market best solves for air traffic control.

Chris Edwards (director of tax policy studies at Cato Institute) “Federal Infrastructure Investment,” Nov. 16, 2011. Retrieved Apr. 12, 2012 from <http://www.cato.org/publications/congressional-testimony/federal-infrastructure-investment>

One reason that privatized infrastructure is efficient is that private companies can freely tap debt and equity markets to build capacity and meet market demands. By contrast, government investment suffers from the politics and uncertainties of the federal budget process. You can see the problems with our air traffic control system, which needs long-term investment but the Federal Aviation Administration can't count on a stable funding stream. For its part, the FAA's management of ATC investment has been poor. The agency has a history of delays and cost overruns on its technology upgrade projects. The solution is to privatize our air traffic control system, as Canada has done with very favorable results.³¹

E. THE FREE MARKET WILL BEST SOLVE THE ENVIRONMENT.

Jena Baker McNeill, (Policy Analyst @ Heritage Foundation) “Building Infrastructure Resiliency: Private Sector Investment in Homeland Security,” September 23, 2008. Retrieved Apr. 13, 2012 at <http://www.heritage.org/research/reports/2008/09/building-infrastructure-resiliency-private-sector-investment-in-homeland-security>

Free Market Front and Center. The constitutional case for private-sector investment is not the end of the argument. The free market is one of the best means of countering regulatory inadequacy. In the environmental arena, the free market has been used to solve a multitude of regulatory dilemmas.