# Growth Good

# Growth Sustainable

## Growth Good – Sustainable – 2AC

### Resource scarcity is self-correcting

Haynes, BYU economics professor, 2008

(Beth, “Finite Resources vs. Infinite Resourcefulness”, 8-19, <http://wealthisnottheproblem.blogspot.com/2008/08/finite-resources-vs-infinite.html>)

It’s common sense. Save today in order to have some available tomorrow. It’s how our bank accounts work, so it seems logical to apply the same reasoning to resource use. But there is a catch. All of economic history, up to and including today, demonstrates that the more we exploit our natural resources, the more available they become. (3-7) How can this possibly be? If we use our “limited, non-renewable resources” we have to end up with less, right? Actually, no. And here is why. We don’t simply “use up” existing resources; we constantly create them. We continually invent new processes, discover new sources, improve the efficiency of both use and extraction, while at the same time we discover cheaper, better alternatives. The fact that a particular physical substance is finite is irrelevant. What is relevant is the process of finding ways to meet human needs and desires. The solutions, and thus what we consider resources, are constantly changing. Oil was a nuisance, not a resource, until humans discovered a use for it. In order to survive and flourish, human beings must succeed at fulfilling certain needs and desires. This can be accomplished in a multitude of ways using a multitude of materials. The requirements of life set the goals. How these goals are met does not depend on the existence or the availability of any particular material. Limits are placed not by the finiteness of a physical substance, but by the extent of our knowledge, of our wealth, and of our freedom. Knowledge. Wealth. Freedom. These are the factors which are essential to solving the problems we face. “The Stone Age didn’t end because we ran out of stones.” (8) Think for a minute about how we have solved the problem of meeting basic needs throughout history: Transportation: from walking to landing on the moon Communication: from face-to-face conversations to the World Wide Web. Food: from hunting and gathering to intravenous feeding and hydroponics. Shelter: from finding a cave to building skyscrapers Health care: from shamans to MRIs and neurosurgery. How does progress happen? A synopsis of the process is provided by the main theme of Julian Simon’s book, The Ultimate Resource 2: More people, and increased income, cause resources to become more scarce in the short run. Heightened scarcity causes prices to rise. The higher prices present opportunity and prompt inventors and entrepreneurs to search for solutions. Many fail in the search, at cost to themselves. But in a free society, solutions are eventually found. And in the long run, the new developments leave us better off than if the problems had not arisen, that is, prices eventually become lower than before the scarcity occurred. (9) This idea is not just theory. Economists and statisticians have long been analyzing the massive amounts of data collected on resource availability. The conclusion: our ability to solve the problems of human existence is ever-expanding. Resources have become less scarce and the world is a better place to live for more and more people. (3-7) Overall, we create more than we destroy as evidenced by the steady progress in human well being and there is no evidence for concluding that this trend can't and won't continue. Doomsday predictions have been with us since ancient times and they have consistently been proven wrong.

## Growth Good – Sustainable – 1AR

### Growth sustainable-their warrants are speculative not empirical.

Taylor, CATO natural resource studies, 2002

(Jerry, “Sustainable Development: A Dubious Solution in Search of a Problem”, 8-26 www.cato.org/pubs/pas/pa449.pdf)

If resources are growing more abundant while the concentration of pollutants in air sheds and watersheds continues to decline, how can we explain the proliferation of various stylized sustainability indices that point to a deterioration of the planet’s resource base? There are five common weaknesses with such reports. First, they are almost always built upon a selective but fundamentally arbitrary or irrelevant set of indicators. Second, they are often built not upon actual resource data but upon hypotheses or theories about resource health that do not comport with the data or that rest upon highly suspect data fundamentally inconsistent with the larger data sets available to analysts. Third, they ignore the well-documented propensity of capitalist societies to create and invent new resources when old resources become relatively more scarce (that is, they assume that resources are fixed and finite when they are not). Fourth, they are highly aggregated and often subjective calculations of data sets that lack common denominators. Finally, they are frequently heavily biased by ideological assumptions about politics and government action. Accordingly, they provide little help to policy analysts or political leaders

### Growth sustainable for keeping national wealth intact

Farzin, Ag and Resource Econ Professor at UC Davis, ‘4

 (Y Hossein, February, “Is an Exhaustible Resource Economy Sustainable?” Review of Development Economics, Vol 8 No 1, p 33-46, Wiley Interscience)

I have argued that whether an economy is sustainable or not depends crucially on the speciﬁc concept of sustainability adopted. To sharpen this argument, I have focused on a purely exhaustible resource economy and examined the possibility of its sustainability according to two alternative concepts: (a) permanently maintaining a constant consumption (utility) path, and (b) keeping the value of national wealth intact. I have shown that sustainability in the latter sense requires that the value of resources extracted and consumed should always be equal to the imputed interest income from the resource asset, or, equivalently, the extraction rate should decline over time at a rate equal to the market rate of interest. What seems appealing about these equivalent conditions are that: (i) they are empirically easily testable, and (ii) the former may be interpreted as dual to the Solow–Hartwick rule of reinvesting resource rents to sustain a constant consumption level, and the latter as dual to the Hotelling “r-percent” price rule. Further, I have explicitly shown the relationship between the two sustainability criteria, and particularly that the sustainability of consumption ﬂow requires that the resource asset value always appreciates at the market interest rate. Accordingly, while sustainability in the sense of constant consumption ﬂow is not possible for an exhaustible resource economy, **sustainability in the sense of keeping the value of national wealth intact is, provided preferences are presented by a logarithmic utility function**. More generally, the relationship between the two sustainability criteria turns out to depend crucially on the magnitude of the social discount rate and the degree of social aversion to intergenerational inequality. Interestingly, for plausibly small values of the former and reasonably large values of the latter, the implied optimal path can be quite close to paths implied by alternative concepts of sustainability. Much in the spirit of Heal’s (2001) conclusion, this ﬁnding may lessen to some degree concerns about alternative concepts of sustainability and about sustainability versus optimality. However, and perhaps ironically, such an outcome is more likely for the rich resource based economies than for the very poor ones. It is important to be cautious in interpreting the conclusions reached here based on a simpliﬁed model of a purely exhaustible resource economy. For one thing, augmenting such an economy with services of renewable natural resources (e.g., ﬁsheries, forests, land and water sources, and renewable energy resources) and human-made capitals (e.g., manufactured capital, human capital, and social capital), provided their utilization rates remain within their respective regenerative capacities or reproduction limits, not only can ease the constraint of resource exhaustibility on sustaining reasonably high living standards, it can also narrow down the gap between the utilitarian optimal and sustainable development paths. On the other hand, steady and high population growth rates, as have been experienced by many poor developing countries, can act in the opposite direction, unless technological advances continue at sufﬁciently high rates to increase the productivities of natural and human-made capitals and enhance the possibilities of substituting the latter types of capitals for the former ones. What seems fundamental in this process of technological advancement to offset the effect of population growth, and poses a principal challenge for development policy, is the role of investment to transform a given population from its primitive form of raw labor with low productivity to its higher form of human capital (knowledge stock) with fantastically higher productivity

## Growth Good – Sustainable – 1AR

### Growth reduces overpopulation-key to sustainable transition

Golkany, CATO senior fellow, 1995

(Indur, “STRATEGIES TO ENHANCE ADAPTABILITY: TECHNOLOGICAL CHANGE, SUSTAINABLE GROWTH AND FREE TRADE”, http://goklany.org/library/Goklany%201995%20Climatic%20Change.pdf)

Another critical point that needs to be made regarding economic growth is that, while in the short run it increases the rate of population growth due to reductions in mortality rates, in the long run it helps moderate future population growth by helping create conditions whereby many families would voluntarily choose to have fewer children, i.e., just as it enables a society to move through an environmental transition, it also enables society to move through a demographic transition.\* Factors that help reduce fertility rates include: (a) greater participation by women in the work place outside the home; (b) greater education for women; (c) lower dependency of individuals upon their families for their social security needs because of the existence of broader based programs; (d) greater availability of technologies and programs for birth control; (e) reduced infant and overall mortality rates; and (f) longer period of training before children begin participation in the work force coupled with the reduced need for children to be productive (e.g., in fanning) due to technologically-driven improvements in productivity (World Bank, 1984; Goklany, 1992, 1993; Livi-Bacci, 1992; Robey et aL, 1993; Roush, 1994).\*\* All of these factors are more easily obtained in richer societies, and, hence, there is a relatively good negative correlation between fertility rate and GDP per capita (see, e.g., World Bank, 1984; Livi-Bacci. 1992). This ties in directly to the mitigation (i.e., limitation) of global change. It has some times been pointed out by examining the case of Kerala in India, Sri Lanka and China, that affluence is not a necessary condition for reducing fertility (World Bank, 1984; Livi-Bacci, 1992; Sen, 1993; Robey etal., 1993; Roush, 1994). That indeed may be true, but all things considered, it is a lot easier if the society is affluent, which is why there is a negative correlation between fertility rate and per capita GDP and~ as noted in Section 3, reducing population growth rates ought to help limit global change and reduce vulnerability to any such change. Sustainable economic growth will make adaptation and mitigation measures more affordable and reduce vulnerability to global change, particularly in developing nations. It will increase the demand for environmental cleanup. It could also accelerate the reduction in the rate of population growth which, in turn, would moderate future greenhouse gas emissions and demands on natural resources. Hence, sustainable economic growth and reducing poverty are a must

### Growth solves mindset shift – prevents overconsumption

Bainbridge, Left Green Network, 1997

(Alex, "Yes, abundance is sustainable," GREEN LEFT WEEKLY #271, 1997, http://www.greenleft.org.au/node/15002)

My disagreement with Trainer (and possibly Guignard?) lies in his belief that this can occur successfully only in "largely self-sufficient" neighbourhoods. Sustainable production methods can be used on a large scale (e.g. permaculture in Cuba), at the same time making the gains from specialisation and division of labour. Democratically planned, sustainable industry directed towards meeting people's needs (something very different to the industry we see around us now) would give people more leisure time. This would be a big improvement in most people's quality of life. It would also make possible the "rational abundance" which socialists consider so important. The question then remains: even if industry is placed under democratic control, purged of polluting and wasteful production methods and directed towards social needs instead of corporate profit, will there be enough resources to supply goods and services in abundance? Lets be clear on what abundance means. When socialists talk about abundance, we are not talking about Rolls-Royces, ocean-going yachts or gold-plated toilet seats. That is the consumerism of a profit-driven capitalism — continually anxious to convince people to consume things they don't need. What we are talking about is satisfying people's needs and wants. It is true that resources are limited. It is also true (contrary to popular mythology) that there are limits to how much people can consume. This holds true not only for food. In any given period, there is a limit to how many movies you can see, clothes you can wear, kilometres of road you can travel, heart by-pass operations you can have, wardrobes you can store in your house. We already have the means to provide more than enough of many consumer items — especially the most important. If our productive wealth were democratically owned and managed by society as a whole, then it would be possible to gradually supply a greater and greater number of goods and services free. Over time, and as the number of these items increased, there would be a profound change in people's psychology and a breaking down of the acquisitive traits fostered by capitalism. Paradoxically, abundance will lead to reduced consumption of many items. For example, if "tool libraries" and/or well-supplied neighbourhood workshops were provided free (as Trainer recommends), many people might decide that they did not want their own personal tools.

# Growth Good Impacts

## Growth Good – Impact – Environment – Frontline

### Economic decline kills the environment – cuts conservation funding and short circuits clean tech.

Butler, founder of Mongabay.com, 2009

(Rhett, “What does slowing economy mean for rainforest conservation?”, 1-26, http://news.mongabay.com/2009/0127-economy\_deforestation.html)

Still the downturn is not entirely good news for environmentalists. New funds for conservation and research are drying up as donations dwindle and endowments swoon with stock market turmoil (the Wildlife Conservation Society for example saw its endowment fall 27% in 2008 and faces the prospect of 100% cut in state funding for its New York facilities in 2010). Law enforcement, including park protection and monitoring, may suffer from lack of funding, while "green" initiatives by governments and private entities that are "nice to have" in times of plenty) become an afterthought as the economy sours. The same goes for premium "green" products like certified timber and fair trade coffee — demand is expected to decline as consumers rein in their spending. In places where work is scarce there may be increased pressure on natural resources for subsistence use including fuelwood harvesting and slash-and-burn cultivation. Low prices in the carbon market don't bode well for nascent "avoided deforestation" projects that would compensate tropical countries for reducing their deforestation rates, nor do low oil prices support development of low-carbon energy technologies. Finally the current economic climate offers opportunities for still-healthy firms to buy up forest land and assets at a discount from distressed companies and cash-strapped communities, enlarging their resource pools to exploit once recovery — no matter how green environmentalists try to make it — is on the horizon.

## Growth Good – Impact – Environment – EXTN (1/4)

### 1. Decline hurts the environment cuts off funding for conservation and inhibits clean tech because it isn’t as cost effective-that’s Butler.

### 2. Reverse causal-growth improves the environment.

Adler, Professor of Law and Director of the Center for Business Law and Regulation at the Case Western Reserve University, 2008

(Jonathan, “Green Bridge to Nowhere”, The New Atlantis, Fall, http://www.thenewatlantis.com/publications/green-bridge-to-nowhere)

The first item on his agenda is the replacement of modern capitalism with some undefined “non-socialist” alternative. “The planet cannot sustain capitalism as we know it,” he warns, calling for a fundamental transformation. But he does not understand the system he wants to reform, let alone what he would substitute in its place. According to Speth, “most environmental deterioration is a result of systemic failures of capitalism.” This is an odd claim, as the least capitalist nations of the world also have the worst environmental records. The ecological costs of economic statism are far worse than those of economic liberty. The environmental record of the various Soviet regimes amply bears this out: The West’s ecological nightmares were the Soviet bloc’s environmental realities. This is not due to any anomaly of the Soviet system. Nations with greater commitment to capitalist institutions experience greater environmental performance. While Speth occasionally acknowledges pockets of environmental progress, he hardly stops to consider the reasons why some environmental resources have been conserved more effectively than others. Fisheries are certainly declining throughout much of the world—some 75 percent of fisheries are fully or over-exploited—but not everywhere. It is worth asking why. Tropical forests in less-developed nations are declining even as most temperate forests in industrialized nations are rebounding. Recognizing these different trends and identifying the key variables is essential to diagnosing the real causes of environmental deterioration and prescribing a treatment that will work. Speth acknowledges that much of the world is undergoing “dematerialization,” such that economic growth far outpaces increases in resource demand, but seems not to appreciate how the capitalist system he decries creates the incentives that drive this trend. Were it not for market-driven advances in technological capability and ecological efficiency, humanity’s footprint on the Earth would be far greater. While modern civilization has developed the means to effect massive ecological transformations, it has also found ways to produce wealth while leaving more of the natural world intact. Market competition generates substantial incentives to do more with less—thus in market economies we see long and continuing improvements in productive efficiency. This can be seen everywhere from the replacement of copper with fiber optics (made from silica, the chief component in sand) and the light-weighting of packaging to the explosion of agricultural productivity and improvements in energy efficiency. Less material is used and disposed of, reducing overall environmental impacts from productive activity. The key to such improvements is the same set of institutional arrangements that Speth so decries: property rights and voluntary exchange protected by the rule of law—that is, capitalism. As research by Wheaton College economist Seth Norton and many others has shown, societies in which property rights and economic freedoms are protected experience superior economic and environmental performance than those societies subject to greater government control. Indeed, such institutions have a greater effect on environmental performance than the other factors, such as population growth, that occupy the attention of Speth and so many other environmental thinkers. Speth complains that capitalism is fundamentally biased against the future; but the marketplace does a far better job of pricing and accounting for future interests than the political alternative. “Future generations cannot participate in capitalism’s markets [today],” says Speth. Fair enough, but they cannot vote or engage in the regulatory process either. Thus the relevant policy question is what set of institutions does the best—or least bad—job of accounting for such concerns, and here there is no contest. However present-oriented the marketplace may be, it is better able to look past the next election cycle than any plausibly democratic alternative.

## Growth Good – Impact – Environment – EXTN (2/4)

### 3. Empirics prove.

Andel, senior trade policy analyst at Heritage, 2009

(Daniella, “Opportunity at Copenhagen -- Nations Should Promote Free Trade at the Climate Conference”, 12-4, http://www.heritage.org/Research/EnergyandEnvironment/sr0074.cfm)

As economies grow and income levels rise as a consequence of trade liberalization, the desire -- and more importantly, the resources available -- to adopt environmental protections become stronger and can result in policies that accommodate the sustainable development needs of the country. In contrast, when economic contraction drives families, businesses, and governments to focus resources on the necessities, survival takes precedence over the luxury of capping emissions, retrofitting government buildings with energy-efficient light bulbs, or investing in research for the next best automobile battery. Engaging in freer trade is a fundamental part of a strategy to better promote the evolution of sensible environmental regulations by empowering countries with the economic opportunity to develop and raise living standards. The positive relationship between trade and the environment can be demonstrated by comparing the openness of a nation's trade regime to how well it protects the environment. An examination of trade freedom scores from the upcoming 2010 Index of Economic Freedom and national environmental performance measured in the 2008 Environmental Performance Index reveals that countries with freer trade polices also do more to protect the environment. (See Chart 1.) Engaging in freer trade increases the supply and decreases the price of environmental goods and services and is a fundamental part of a strategy to better promote the evolution of sensible environmental regulations. Economic growth raises living standards and the demand for environmental protection.[12] However, the need on the part of developing countries to reduce market barriers to climate- and environment-friendly products is just as critical. The global market for environmental goods and services is worth between $550 billion and $613 billion per year, yet in some countries the bulk of this trade can face tariffs of up to 70 percent on climate- and environment-related technologies.[13] The onus of freeing trade in environmental goods and services is shared by all nations. Gaining additional access to environmental goods and services through open markets not only supplies nations with products aimed at mitigating emissions, but also helps spread technological know-how around the world. The current call by developing nations to weaken intellectual property protections as a means to obtain technology and to bolster sustainable development, climate mitigation, and adaptation would reduce the level of research and innovation and thus reduce the opportunity for technological advances to improve productivity and growth around the world. Instead, developing countries should focus on eliminating non-tariff barriers to technology trade, strengthen and enforce intellectual property protections, adopt economic and infrastructure reforms that promote innovation, and invest in human capital.[14]

### 4. Kuznets curve proves.

Glassman, resident fellow American Enterprise Institute, 2002

(James, Moving on from "Sustainablity", 8-12, http://www.aei.org/news/newsID.14186/news\_detail.asp)

There is a direct, close and logical correlation between economic prosperity and an improved environment. You can see this through simple observation: few, if any, rich countries have environments as poor as the poorest countries. The U.S., Canada, Australia, Europe and Japan have the cleanest environments; nations like Haiti, China and India have the worst. Thirteen of the 15 most polluted cities in the world are in developing Asia. Academic studies have found, not simply that wealth makes environmental health, but more specifically that pollution rises in poorer countries until their inhabitants achieve an average per-capita income of about $5,000. Then, pollution begins falling rapidly. If we plotted pollution vs. income on a graph, the resulting line would be called a Kuznets Curve, a bell-shaped curve. It makes sense for public policy to be directed toward getting nations over the $5,000 hump and onto the downslope of the this curve. An important new paper in the Journal of Economic Perspectives called "Confronting the Environmental Kuznets Curve," by Susmita Dasgupta of the World Bank and three other researchers, demonstrates the link among economic growth, rising living standards and environmental health. And the distinguished climate scientist, Jack M. Hollander of the Lawrence Berkeley Laboratories, will elaborate on the theme in a book to be published in January, The Real Environmental Crisis: Why Poverty, Not Affluence, Is the Environment's Number One Enemy (University of California Press). With prosperity comes a desire to improve one's air and water--and, in addition, a greater moral awareness of the dangers and evils of pollution. Think of clean air and water as goods that a society can purchase--but only after it has satisfied its basic needs for food, shelter and rudimentary income. It is unfair for developed countries to deny developing countries the tools with which to improve the lives of their citizens. Those tools sometimes pollute--temporarily. But pollution per unit of production drops sharply once citizens receive a comfortable income. Advances in recent years--thanks to technology, greater wealth and education--have produced spectacular reductions in air and water pollution in richer, and even in poorer, nations. For example, lead emissions have dropped 95 percent in the U.S. in the past two decades. New Delhi and Beijing today are less polluted than London in the 1930s and 1940s. SO2 and smoke levels in London today are below those in the 16th century. None of this should be surprising because of the link I noted at the outset: Poverty has been relieved more in the past 50 years than in the preceding 500.

## Growth Good – Impact – Environment – EXTN (3/4)

### 5. Complementary policies solve

Munasinghe, Professor of Environment Management at the University of Colombo, 1999

(Mohan, “Is environmental degradation an inevitable consequence of economic growth: tunneling through the environmental Kuznets curve” Ecological Economics, Vol 29 Issue 1, p 89-109, Science Direct)

Some linkages between economy-wide policies and the environment that illustrate the interplay of both price and income effects are summarized briefly below (see Munasinghe, 1995, for details). Consider a relatively stagnant economy which has open access forest areas, as depicted in Fig. 1. Initially, the demand for timber is given by the usual downward sloping curve D0 in the figure, where the demand is assumed to be a function of both price p and income Y [i.e. D‑D(p,Y)]. At the effective (subsidized) price pS which represents the marginal cost of logging, the initial rate of deforestation is Q0. Suppose QL is the safe limiting rate of deforestation beyond which serious ecological damage occurs. As long as Q0BQL, the situation may continue undetected and uncorrected. Next, suppose an economic reform package stimulates growth and shifts the timber demand curve outward to D1. This ‘income effect’ could be the result of increased domestic demand (e.g. timber required by a construction boom), and:or higher timber exports (e.g. due to trade liberalization and devaluation that make such exports more profitable). Now, the deforestation rate could quickly shift to QS, greatly exceeding the safe limit QL and causing serious environmental harm. Clearly, the remedy is not to stop growth (especially in a poor country), but rather to introduce complementary measures that establish a proper market price for timber. As a first step, property rights may need to be re-established in open access areas and an ‘efficient’ stumpage fee imposed— to eliminate the economic subsidy (ES) and correctly reflect the opportunity cost of the timber. The resulting efficient price (pE) would reduce the logging rate to QE, which still exceeds QL. The next step might be to impose an additional externality cost (EC) that reflects the loss of biodiversity or damage to watersheds, and thereby establish the full environmentally adjusted price (pEN). The deforestation rate would now fall to QENBQL. Exactly analogous reasoning would apply if we considered fuel prices and polluting emissions from urban transport or industry. In this case, pS might be a subsidized diesel price, pE the equivalent import (or export) opportunity cost, pEN the full price including a tax to cover the externality cost of air pollution, and QL the health-determined safety standard. This rather simple example helps to clarify how the expansionary effects of economic reform policies could combine with hitherto neglected economic distortions to cause environmental harm. It also indicates that environmental damage need not be inextricably linked to economic growth (as suggested by the EKC), but might be moderated by sound policy measures. Thus the parallel introduction of complementary measures that address the specific distortions would allow the broader reforms to proceed without adverse environmental impacts. Such additional environmental measures would need to be built (ex-ante) into the overall reform package, rather than introduced as an afterthought. The structure of economic growth is another important determinant of environmental degradation. Numerous studies during the past three or four decades have established that low income economies depend primarily on agriculture and primary products. As development accelerates, manufacturing becomes a more important contributor to the gross national product (GNP), starting with light industries (such as garments) and moving to heavy industries including steel and cement. In this stage corresponding to middle income or newly industrializing countries (NICs), the intensity of natural resource use increases to support urban–industrial centers, and pollution levels rise rapidly—especially where growth rates of GNP exceeding 5% per annum are commonplace. Finally, as countries move into the more mature, post-industrial phase of development like most of the western market economies, the share of information technology and services in GNP rises, while industrial activity flattens out. Reductions in the intensity of raw material use and polluting emissions per unit of economic activity help to diminish the environmental burden.

## Growth Good – Impact – Warming (1/3)

### Economic growth solves for CO2 Emissions

Tamazian, Department of Financial Economics and Accounting, University of Santiago de Compostela, 2009

(Artur, “Does higher economic and financial development lead to environmental degradation: Evidence from BRIC countries”, Volume 37, Issue 1, January, Science Direct)

We show that the economic development decreases the environmental degradation with higher levels of economic growth. This finding confirms empirically the EKC existence for the countries under consideration. In addition, while the majority of the existing research is focused on consequences of economic growth on environmental degradation, we show that financial development might play a determinant role for environmental disclosure in developing economies. Our findings show that financial development is associated with decline in CO2 per capita emissions. Particularly, we find that capital market and banking sector development along with higher levels of FDI help to achieve lower CO2 per capita emissions. In this sense, it is noteworthy that the government can help the markets by establishing a strong policy framework that creates long-term value for greenhouse gas emissions reductions and consistently supports the development of new technologies that lead to a less carbon-intensive economy. Moreover, well-developed capital markets are very important; because firms can reduce the liquidity risk and can mobilize the funds required which is extremely useful in developing technology in the long run. Our overall results suggest some important policy recommendations. We believe that policies directed to financial openness and liberalization to attract higher levels of R&D-related foreign direct investment can decrease the environmental degradation. Our results supports the findings of Copeland and Taylor (2004) who claims that it would be unwise for countries to use trade protection as a means to improve their environment. This is important because the higher degree of economic and financial openness strengthen the institutional framework creating incentives for the firms to act upon. Therefore, addressing these issues might lead to higher energy efficiencies through technological advances as suggested by Blanford (2008) and possibly reduce the CO2 emissions in BRIC countries. Finally, we recognize that the technological change, R&D investment, environmental degradation and growth are not simply related. While our results pretend to be only an empirical evidence, it is worth noting that we were handicapped to capture the effects of R&D because we did not have the aggregate private sector; public sector and foreign firm level data on R&D spending and their investments in development of technologies. Yet, it is beyond the scope of this study to find exact mechanism through which financial system development leading to technological development through technological choice of the firms. Here, we would like to highlight that in the last two decades there has emerged a large macro-economic literature that builds on the above concepts to produce models of overall economic growth based on technological change (Romer, 1994; Grossman and Helpman, 1994; Solow, 2000). Our argument with respect to financial development and environment degradation is that higher degree of financial system development and openness prop up technological innovations by increasing spending on energy conservation R&D which results in energy efficiency and hence it may lower emissions.

## Growth Good – Impact – Warming (2/3)

### Only a market based system can generate solutions to addressing the green problem

Steinberg, Case Western history professor, 2010

(Ted, “Can Capitalism Save the Planet?”, Radical History Review 2010 2010(107):7-24, ebsco)

The global crisis in environmental relations with its effects on everything from biodiversity to forest cover — substantial as it is — is nothing that the capitalist system cannot handle. The new project in the United States — “Code Green,” as Friedman calls it — is about creating the right market incentives for green innovation to take place. At almost every turn Friedman seeks to naturalize the free market. As he explains, only the “free market” can lead us down the path to clean energy. “**Only the market can generate and allocate enough capital fast enough and efficiently** enough to get 10,000 inventors working in 10,000 companies and 10,000 garages and 10,000 laboratories to drive transformational breakthroughs; **only the market can then commercialize the best of them** and improve on the existing ones at the scope, speed, and scale we need.”55 At points in the book Friedman seems to be renouncing the emphasis on individual initiative that also characterizes green liberalism. He makes fun of tracts such as “205 Easy Ways to Save the Earth” and “40 Easy Ways to Save the Planet.” If only environmental reform were so easy, explains Friedman. While urging readers to “personally lead as environmentally sustainable a life as you can,” he also advocates for a more “systemic approach” to environmental reform — reforms such as properly factoring price into the cost of goods and seeing that externalities are absorbed within the financial equation. But since Friedman is not advocating any structural transformation it is impossible to see how, for example, corporations — which are legally obligated to operate in the financial best interests of their shareholders — would relinquish the idea that plants, soil, water, forests, and other natural resources are anything but a form of capital. Nor is it clear how Friedman’s prescription for the world’s ecological ills can come about without renouncing the pro-growth ideology that has governed capitalism since at least the nineteenth century. What Friedman means by fundamental change is, at most, “changes in our lifestyle,” not in the prevailing mode of production.56 In Friedman’s “Code Green” world, more companies would presumably behave like Wal-Mart, which has been greening its trucking fleet and pushing consumers in the direction of compact-florescent bulbs. On the surface it seems hard to disagree with Friedman’s conclusion that the superstore’s “growth be as green as possible.”57 And yet Wal-Mart’s entire business plan centers around a particular strategy of labor and environmental management. Just as anti-unionism has enabled the company to externalize the cost of labor, the company’s push for new roads and drainage systems on the urban fringe for its big-box stores allows it to profit — at public expense — from the high traffic that is the signal feature of the retailer’s success. How likely is it that a company like Wal-Mart will internalize the true environmental and labor costs of its operations when its entire business plan is predicated on externalizing those costs? Will a planet filled with green-thumbed CEOs, bowing down to Smith and his faith in free markets, really be able to address ecological problems such as global warming, species extinction, and the alteration of the global nitrogen cycle?58 Friedman’s best-selling prescription for the world is of course a long way from the ideas of people like Schumacher who wrote Small Is Beautiful thirty-five years earlier. The popularity of the two books at their various points in time represents the distance environmental politics has traveled over the past several decades. Unlike Friedman, Schumacher, an economist though he was, believed the question of how to reform capitalism in the name of social justice and ecology remained at its core a question of politics. Schumacher put his trust in small-scale economic entities, but he did not believe in small government or small ideas. It might surprise today’s devotees of the neoliberal, neo-appropriate-technology worldview that their pioneering intellectual figure reckoned that corporations “live parasitically on the labour of others” and argued for an end to private ownership, at least among largescale enterprises.59 If in these Friedmanesque times such ideas sound like so much Joe Hill pie in the sky, it is worth taking a moment to remember that Schumacher, too, in his day, was a best-selling author — even if his road was not taken.

## Growth Good – Impact – Warming (3/3)

### More ev

Anderson et al., fellow at the Hoover Institution, 2004

(Terry, “The Environment: Cooling the Global-Warming Debate”, 4-29, http://www.hoover.org/publications/digest/3020801.html)

In the March 2004 issue of Scientific American, National Aeronautics and Space Administration global-warming expert James Hansen notes that greenhouse gas emissions and global-warming projections are “consistently pessimistic.” Hansen suggests that projections do not take into account the lower carbon dioxide and methane emissions that have resulted from technological advancements. He explains that the lower carbon dioxide emissions result from increased energy efficiency following the energy crisis in the 1970s and the lower methane emissions, from technological changes in agriculture. Hansen’s essay concludes on an optimistic note, saying “the main elements [new technologies] required to halt climate change have come into being with remarkable rapidity.” This statement would not have surprised economist Julian Simon. He saw the “ultimate resource” to be the human mind and believed it to be best motivated by market forces. Because of a combination of market forces and technological innovations, we are not running out of natural resources. As a resource becomes more scarce, prices increase, thus encouraging development of cheaper alternatives and technological innovations. Just as fossil fuel replaced scarce whale oil, its use will be reduced by new technology and alternative fuel sources. Market forces also cause economic growth, which in turn leads to environmental improvements. Put simply, poor people are willing to sacrifice clean water and air, healthy forests, and wildlife habitat for economic growth. But as their incomes rise above subsistence, “economic growth helps to undo the damage done in earlier years,” says economist Bruce Yandle. “If economic growth is good for the environment, policies that stimulate growth ought to be good for the environment.” The link between greenhouse gas emissions and economic prosperity is no different. Using data from the United States, Professor Robert McCormick finds that “higher GDP reduces total net [greenhouse gas] emissions.” He goes a step further by performing the complex task of estimating net U.S. carbon emissions. This requires subtracting carbon sequestration (long-term storage of carbon in soil and water) from carbon emissions. Think of it this way: When you build a house, the wood in it stores carbon. In a poor country that wood would have been burned to cook supper or to provide heat, thus releasing carbon into the atmosphere. McCormick shows that economic growth in the United States has increased carbon sequestration in many ways, including improved methods of storing waste, increased forest coverage, and greater agricultural productivity that reduces the acreage of cultivated land. Because rich economies sequester more carbon than poor ones, stored carbon must be subtracted from emissions to determine an economy’s net addition to greenhouse gas emissions. McCormick’s data show that “rich countries take more carbon out of the air than poorer ones” and that “the growth rate of net carbon emission per person will soon be negative in the United States.” Put differently—richer may well be cooler. Global-warming policy analysts agree that greenhouse gas regulations such as those proposed at Kyoto would have negative impacts on the economy. Therefore, as McCormick warns, we should take great care that regulations in the name of global warming “not kill the goose that lays the golden eggs.”

## Growth Good – Impact – War – Frontline

### Global economic crisis causes war---strong statistical support

Royal, director of Cooperative Threat Reduction at the U.S. Department of Defense, 2010

(Jedediah, Economics of War and Peace: Economic, Legal, and Political Perspectives, pg 213-215)

Less intuitive is how periods of economic decline may increase the likelihood of external conflict. Political science literature has contributed a moderate degree of attention to the impact of economic decline and the security and defense behavior of interdependent states. Research in this vein has been considered at systemic, dyadic and national levels. Several notable contributions follow. First, on the systemic level, Pollins (2008) advances Modelski and Thompson’s (1996) work on leadership cycle theory, finding that rhythms in the global economy are associated with the rise and fall of a pre-eminent power and the often bloody transition from one pre-eminent leader to the next. As such, exogenous shocks such as economic crises could usher in a redistribution of relative power (see also Gilpin, 1981) that leads to uncertainty about power balances, increasing the risk of miscalculation (Fearon 1995). Alternatively, even a relatively certain redistribution of power could lead to a permissive environment for conflicts as a rising power may seek to challenge a declining power (Werner, 1999). Separately, Pollins (1996) also shows that global economic cycles combined with parallel leadership cycles impact the likelihood of conflict among major, medium and small powers, although he suggests that the causes and connections between global economic conditions and security conditions remains unknown. Second, on a dyadic level, Copeland’s (1996, 2000) theory of trade expectations suggest that “future expectation of trade” is a significant variable in understanding economic conditions and security behavior of states. He argues that interdependent states are likely to gain pacific benefits from trade so long as they have an optimistic view of future trade relations. However, if the expectations of future trade decline, particularly for difficult to replace item such as energy resources, the likelihood for conflict increases, as states will be inclined to use force to gain access to those resources. Crises could potentially be the trigger for decreased trade expectations either on its own or because it triggers protectionist moves by interdependent states. Third, others have considered the link between economic decline and external armed conflict at a national level. Blomberg and Hess (2002) find a strong correlation between internal conflict and external conflict, particularly during periods of economic downturn. They write, The linkages between internal and external conflict and prosperity are strong and mutually reinforcing. Economic conflict tends to spawn internal conflict, which in turn returns the favor. Moreover, the presence of a recession tends to amplify the extent to which international and external conflicts self-reinforce each other. (Blomberg and Hess, 2002, p. 89) Economic decline has also been linked with an increase in the likelihood of terrorism (Blomberg, Hess and Weerapana, 2004), which has the capacity to spill across borders and lead to external tensions. Furthermore, crises generally reduce the popularity of a sitting government. “Diversionary theory” suggests that, when facing unpopularity arising from economic decline, sitting governments have increased incentives to fabricate external military conflicts to create a “rally around the flag” effect. Wang (1996), DeRouen (1995) and Blomberg, Hess and Thacker (2006) find supporting evidence showing that economic decline and use of force are at least indirectly correlated. Gelpi (1997), Miller (1999), and Kisangani and Pickering (2009) suggest that the tendency towards diversionary tactics are greater for democratic states than autocratic states due to the fact the democratic leaders are generally more susceptible to being removed from office due to lack of domestic support. De DeRouen (2000) has provided evidence showing that periods of weak economic performance in the United States and thus weak Presidential popularity are statically linked to an increase in the use of force. In summary, recent economic scholarship positively correlates economic integration with an increase in the frequency of economic crises, whereas political science scholarship links economic decline with external conflict at systemic, dyadic and national levels. This implied connection between integration, crises and armed conflict has not featured prominently in economic-security debate and deserves more attention. This observation is not contradictory to other perspectives that link economic interdependence with a decrease in the likelihood of external conflict, such as those mentioned in the first paragraph of this chapter. Those studies tend to focus on dyadic interdependence instead of global interdependence and do not specifically consider the occurrence of and conditions created by economic crises. As such the view presented here should be considered ancillary to those views.

## Growth Good – Impact – War – EXTN (1/3)

### 1. Decline causes war—causes transitions that cause miscalc, decrease trade expectations, cause terrorism and encourages diversionary actions

### Prefer our arguments because they are all supported with decades of statistical support-that’s Royal.

### 2. Recession doubles the risk of war

Bloomberg and Hess, Wellesley and Oberlin economics professors, 2002

(S. Brock and Gregory D., “The Temporal Links between Conflict and Economic Activity”, Journal of Conflict Resolution, Volume 46, Number 1)

Using an unbalanced panel of 152 countries from 1950 to 1992, we estimate a Markov probability model to investigate the joint determination of internal conflict, external conflict, and the economy. We begin with a simple model that allows for a two-variable relationship: internal conflict and recessions, external conflict and recessions, and internal conflict and external conflict. We find that these are not independent events. In particular, we find that recessions play an important role in determining internal conflict, especially in Africa and for nondemocratic countries. In this case, the occurrence of a recession causes an increase in the probability of internal conflict starting in a given year to almost double. We then extend the model to allow for a three-variable relationship: internal conflict, external conflict, and recessions. In the more complicated system, we continue to find an important link. In this case, we find that the presence of a recession coupled with an external war will actually cause the probability of an internal conflict starting in a given year to increase between two- and threefold. If this study is to convince readers and policy makers of anything, it is that the linkages between internal and external conflict and prosperity are strong and mutually reinforcing. Economic conflict tends to spawn internal conflict, which in turn returns the favor. Moreover, the presence of a recession tends to amplify the extent to which internal and external conflicts self-reinforce each other. However, the ability of government organizations to stop the spread of internal conflict to external conflict and vice versa by helping to reduce the incidence of recessions may be quite limited. Economic aid that is to improve a nation’s productive capacity is likely to be difficult to identify and implement in just such circumstances.

### 3. Their evidence ignores social pressures that spillover to cause war.

Strauss-Kahn, Managing Director, International Monetary Fund, 2009

(Dominique, “Economic Stability, Economic Cooperation, and Peace - the Role of the IMF,” 10-23, http://www.imf.org/external/np/speeches/2009/102309.htm)

Let me stress that the crisis is by no means over, and many risks remain. Economic activity is still dependent on policy support, and a premature withdrawal of this support could kill the recovery. And even as growth recovers, it will take some time for jobs to follow suit. This economic instability will continue to threaten social stability. The stakes are particularly high in the low-income countries. Our colleagues at the United Nations and World Bank think that up to 90 million people might be pushed into extreme poverty as a result of this crisis. In many areas of the world, what is at stake is not only higher unemployment or lower purchasing power, but life and death itself. Economic marginalization and destitution could lead to social unrest, political instability, a breakdown of democracy, or war. In a sense, our collective efforts to fight the crisis cannot be separated from our efforts guard social stability and to secure peace. This is particularly important in low-income countries. War might justifiably be called “development in reverse”. War leads to death, disability, disease, and displacement of population. War increases poverty. War reduces growth potential by destroying infrastructure as well as financial and human capital. War diverts resources toward violence, rent-seeking, and corruption. War weakens institutions. War in one country harms neighboring countries, including through an influx of refugees. Most wars since the 1970s have been wars within states. It is hard to estimate the true cost of a civil war. Recent research suggests that one year of conflict can knock 2-2½ percentage points off a country’s growth rate. And since the average civil war lasts 7 years, that means an economy that is 15 percent smaller than it would have been with peace. Of course, no cost can be put on the loss of life or the great human suffering that always accompanies war. The causality also runs the other way. Just as wars devastate the economy, a weak economy makes a country more prone to war. The evidence is quite clear on this point—low income or slow economic growth increases the risk of a country falling into civil conflict. Poverty and economic stagnation lead people to become marginalized, without a stake in the productive economy. With little hope of employment or a decent standard of living, they might turn instead to violent activities. Dependence on natural resources is also a risk factor—competition for control over these resources can trigger conflict and income from natural resources can finance war. And so we can see a vicious circle—war makes economic conditions and prospects worse, and weakens institutions, and this in turn increases the likelihood of war. Once a war has started, it’s hard to stop. And even if it stops, it’s easy to slip back into conflict. During the first decade after a war, there is a 50 percent chance of returning to violence, partly because of weakened institutions.

## Growth Good – Impact – War – EXTN (2/3)

### 4. Empirical studies prove-growth solves conflict.

Gartzke, Columbia political science professor, 2005

(Erik, “Future Depends on Capitalizing on Capitalist Peace”, 10-1, http://www.cato.org/pub\_display.php?pub\_id=5133)

With terrorism achieving "global reach" and conflict raging in Africa and the Middle East, you may have missed a startling fact - we are living in remarkably peaceable times. For six decades, developed nations have not fought each other. France and the United States may chafe, but the resulting conflict pitted french fries against "freedom fries," rather than French soldiers against U.S. "freedom fighters." Tony Blair and Jacques Chirac had a nasty spat over the EU, but the English aren't going to storm Calais any time soon. The present peace is unusual. Historically, powerful nations are the most war prone. The conventional wisdom is that democracy fosters peace but this claim fails scrutiny. It is based on statistical studies that show democracies typically don't fight other democracies. Yet, the same studies show that democratic nations go to war about as much as other nations overall. And more recent research makes clear that only the affluent democracies are less likely to fight each other. Poor democracies behave much like non-democracies when it comes to war and lesser forms of conflict. A more powerful explanation is emerging from newer, and older, empirical research - the "capitalist peace." As predicted by Montesquieu, Adam Smith, Norman Angell and others, nations with high levels of economic freedom not only fight each other less, they go to war less often, period. Economic freedom is a measure of the depth of free market institutions or, put another way, of capitalism. The "democratic peace" is a mirage created by the overlap between economic and political freedom. Democracy and economic freedom typically co-exist. Thus, if economic freedom causes peace, then statistically democracy will also appear to cause peace. When democracy and economic freedom are both included in a statistical model, the results reveal that economic freedom is considerably more potent in encouraging peace than democracy, 50 times more potent, in fact, according to my own research. Economic freedom is highly statistically significant (at the one-per-cent level). Democracy does not have a measurable impact, while nations with very low levels of economic freedom are 14 times more prone to conflict than those with very high levels. But, why would free markets cause peace? Capitalism is not only an immense generator of prosperity; it is also a revolutionary source of economic, social and political change. Wealth no longer arises primarily through land or control of natural resources. New Kind of Wealth Prosperity in modern societies is created by market competition and the efficient production that arises from it. This new kind of wealth is hard for nations to "steal" through conquest. In days of old, when the English did occasionally storm Calais, nobles dreamed of wealth and power in conquered lands, while visions of booty danced in the heads of peasant soldiers. Victory in war meant new property. In a free market economy, war destroys immense wealth for victor and loser alike. Even if capital stock is restored, efficient production requires property rights and free decisions by market participants that are difficult or impossible to co-ordinate to the victor's advantage. The Iraqi war, despite Iraq's immense oil wealth, will not be a money-maker for the United States. Economic freedom is not a guarantee of peace. Other factors, like ideology or the perceived need for self-defence, can still result in violence. But, where economic freedom has taken hold, it has made war less likely. Research on the capitalist peace has profound implications in today's world. Emerging democracies, which have not stabilized the institutions of economic freedom, appear to be at least as warlike - perhaps more so - than emerging dictatorships. Yet, the United States and other western nations are putting immense resources into democratization even in nations that lack functioning free markets. This is in part based on the faulty premise of a "democratic peace." It may also in part be due to public perception. Everyone approves of democracy, but "capitalism" is often a dirty word. However, in recent decades, an increasing number of people have rediscovered the economic virtues of the "invisible hand" of free markets. We now have an additional benefit of economic freedom - international peace. The actual presence of peace in much of the world sets this era apart from others. The empirical basis for optimistic claims - about either democracy or capitalism - can be tested and refined. The way forward is to capitalize on the capitalist peace, to deepen its roots and extend it to more countries through expanding markets, development, and a common sense of international purpose. The risk today is that faulty analysis and anti-market activists may distract the developed nations from this historic opportunity.

## Growth Good – Impact – Democracy (1/2)

### Growth key to democracy-strong empirical support

Baumol et al., NYU economics professor, 2007

(William, Good Capitalism, Bad Capitalism, and the Economics of Growth and Prosperity, 129-131)

Now, ask the question the other way around: does economic growth lead to democracy? Certainly the experience of South Korea, which for decades after World War II was essentially a benevolent autocracy but eventually became a democratic form of government, supports this view (Glaser et al., 2004). As incomes grow, so does a country’s middle class, which is more likely and able to demand political freedom. Conversely, there is ample evidence that countries already democratic are likely to backslide from that form of government when their economics perform poorly. It is striking, for example, that three-fourths of the collapses of democracies since 1977 were preceded by stagnant growth. But skeptics remain about the inevitability of democracy following strong economic growth. China has become a flash point. To some, continued growth in China may only strengthen the hand of the state and make it easier to deny political freedom (Bueno de Mesquita and Downs, 2005). Or as China gains economic strength, it will have more resources to pursue expansionist military objectives. At this point, of course, it is impossible to know whether the optimists or pessimists will prove to be correct about China. Our own view is that the odds are with the optimist-namely, that economic growth eventually will help democratize China, as it will other countries but there can be no guarantee of this result. One reason for being optimistic is to look to America’s early history and especially the experiences of many of the country’s founding fathers, which demonstrate that business skills can hone the talents needed to achieve and maintain self-governance. Benjamin Franklin, one of the authors of the Declaration of Independent, left copious writing describing how he had developed his diplomatic skills in the course of establishing himself as a printer. Paul Revere, a silversmith, was a consummate networker who used business contacts to coordinate the revolutionary effort. Alexander Hamilton, who managed clerical office while still in his teens, later applied those skills to organize the Department of the Treasury. Even Thomas Jefferson, Hamilton’s adversary, who argued that America should remain a nation of farmers, was hardly the stereotypical rustic at the plow. He managed a sizable plantation and sought more scientific ways to cultivate it. In short, he was much like the best American entrepreneurs: a striver and learner, often brimming with ego and unconventional opinions, but civic-minded and, in the end, a farsighted philanthropist. In short, the experience of economic freedom seems to breed both the skills and the inclination for political freedom. China’s business leaders may not be able to steer their country in the same way. But does that possibility mean that other countries-the United States, in particular-should do their best to thwart economic growth in China (or in other autocratically ruled countries, for that matter)? In our view, such a course is a recipe for a much more dangerous world. Autocrats who are shunned by rich countries would thus be given easy scapegoats for their countries’ poor economic performance. The politics of “blaming foreigners” has a long and unfortunately successful history. Why give autocrats such easy ammunition? We believe the better course is to urge autocracies at least to recognize economic rights- in particular, the ability to start a business and be rewarded if successful. The odds in our view suggest that political rights eventually will follow.

### Collapse causes democratic backsliding and resource wars

Tilford, History PhD from George Washington University, 2008

(Earl, “Critical Mass: Economic Leadership or Dictatorship”, 10-6, <http://www.visionandvalues.org/2008/10/critical-mass-economic-leadership-or-dictatorship/>)

Could it happen again? Bourgeois democracy requires a vibrant capitalist system. Without it, the role of the individual shrinks as government expands. At the very least, the dimensions of the U.S. government economic intervention will foster a growth in bureaucracy to administer the multi-faceted programs necessary for implementation. Bureaucracies, once established, inevitably become self-serving and self-perpetuating. Will this lead to “socialism” as some conservative economic prognosticators suggest? Perhaps. But so is the possibility of dictatorship. If the American economy collapses, especially in wartime, there remains that possibility. And if that happens the American democratic era may be over. If the world economies collapse, totalitarianism will almost certainly return to Russia, which already is well along that path in any event. Fragile democracies in South America and Eastern Europe could crumble. A global economic collapse will also increase the chance of global conflict. As economic systems shut down, so will the distribution systems for resources like petroleum and food. It is certainly within the realm of possibility that nations perceiving themselves in peril will, if they have the military capability, use force, just as Japan and Nazi Germany did in the mid-to-late 1930s. Every nation in the world needs access to food and water. Industrial nations—the world powers of North America, Europe, and Asia—need access to energy. When the world economy runs smoothly, reciprocal trade meets these needs. If the world economy collapses, the use of military force becomes a more likely alternative. And given the increasingly rapid rate at which world affairs move; the world could devolve to that point very quickly.

## Growth Good – Impact – Democracy (2/2)

### Economic growth strengthens democracy.

Delong, economics professor at UC Berkeley, 2006

(J. Bradford, “Growth is Good”, Harvard Magazine, January/February, http://harvardmagazine.com/2006/01/growth-is-good.html)

Benjamin M. Friedman ’66, Jf ’71, Ph.D. ’71, Maier professor of political economy, now fills in this gap: he makes a powerful argument that—politically and sociologically—modern society is a bicycle, with economic growth being the forward momentum that keeps the wheels spinning. As long as the wheels of a bicycle are spinning rapidly, it is a very stable vehicle indeed. But, he argues, when the wheels stop—even as the result of economic stagnation, rather than a downturn or a depression—political democracy, individual liberty, and social tolerance are then greatly at risk even in countries where the absolute level of material prosperity remains high. Consider just one of his examples—a calculation he picks up from his colleague Alberto Alesina, Ropes professor of political economy, and others: in an average country in the late twentieth century, real per capita income is falling by 1.4 percent in the year in which a military coup occurs; it is rising by 1.4 percent in the year in which there is a legitimate constitutional transfer of political power; and it is rising by 2.7 percent in the year in which no major transfer of political power takes place. If you want all kinds of non-economic good things, Friedman says—like openness of opportunity, tolerance, economic and social mobility, fairness, and democracy—rapid economic growth makes it much, much easier to get them; and economic stagnation makes getting and maintaining them nearly impossible. The book is a delight to read, probing relatively deeply into individual topics and yet managing to hurry along from discussions of political order in Africa to economic growth and the environment, to growth and equality, to the Enlightenment thinkers of eighteenth-century Europe, to the twentieth-century histories of the major European countries, to a host of other subjects. Yet each topic’s relationship to the central thesis of the book is clear: the subchapters show the virtuous circles (by which economic growth and sociopolitical progress and liberty reinforce each other) and the vicious circles (by which stagnation breeds violence and dictatorship) in action. Where growth is rapid, the movement toward democracy is easier and societies become freer and more tolerant. And societies that are free and more tolerant (albeit not necessarily democratic) find it easier to attain rapid economic growth. Friedman is not afraid to charge head-on at the major twentieth-century counterexample to his thesis: the Great Depression in the United States. Elsewhere in the world, that catastrophe offers no challenge to his point of view. Rising unemployment and declining incomes in Japan in the 1930s certainly played a role in the assassinations and silent coups by which that country went from a functioning constitutional monarchy with representative institutions in 1930 to a fascist military dictatorship in 1940—a dictatorship that, tied down in a quagmire of a land war in Asia as a result of its attack on China, thought it was a good idea to attack, and thus add to its enemies, the two superpowers of Britain and the United States. In western Europe the calculus is equally simple: no Great Depression, no Hitler. The saddest book on my shelf is a 1928 volume called Republican Germany: An Economic and Political Survey, the thesis of which is that after a decade of post-World War I political turmoil, Germany had finally become a stable, legitimate, democratic republic. And only the fact that the Great Depression came and offered Hitler his opportunity made it wrong.

## Growth Good – Impact – Resource Wars

### Economic decline increases odds of resource grabs

Harris and Burrows, counselor of the U.S. National Intelligence Council and member of the NIC’s Long Range Analysis Unit, 2009

(Matthew and Jennifer, Revisiting the Future: Geopolitical Effects of the Financial Crisis” http://www.ciaonet.org/journals/twq/v32i2/f\_0016178\_13952.pdf)

Types of conflict that the world continues to experience, such as over resources, could reemerge, particularly if protectionism grows and there is a resort to neo-mercantilist practices. Perceptions of renewed energy scarcity will drive countries to take actions to assure their future access to energy supplies. In the worst case, this could result in interstate conflicts if government leaders deem assured access to energy resources, for example, to be essential for maintaining domestic stability and the survival of their regime. Even actions short of war, however, will have important geopolitical implications. Maritime security concerns are providing a rationale for naval buildups and modernization efforts, such as China’s and India’s development of blue water naval capabilities. If the fiscal stimulus focus for these countries indeed turns inward, one of the most obvious funding targets may be military. Buildup of regional naval capabilities could lead to increased tensions, rivalries, and counterbalancing moves, but it also will create opportunities for multinational cooperation in protecting critical sea lanes. With water also becoming scarcer in Asia and the Middle East, cooperation to manage changing water resources is likely to be increasingly difficult both within and between states in a more dog-eat-dog world.

# De-Dev Answers

## Growth Good – No Alternative – 2AC

### No alternatives to sustainable growth-localization is a utopian impossibility.

Barnhizer, Cleveland State University law professor, 2006

(David, “Waking from Sustainability's "Impossible Dream": The Decisionmaking Realities of Business and Government”, 18 Geo. Int'l Envtl. L. Rev. 595, lexis)

We face a combination of ecological, social, and economic crises. These crises involve the ability to fund potentially conflicting obligations for the provision of social benefits, health care, education, pensions, and poverty alleviation. They also include the need for massive expenditures to "fix" what we have already broken. n59 Part of the challenge is that in the United States and Europe we have made fiscal promises that we cannot keep. We also have vast economic needs for [\*620] continuing wealth generation as a precondition for achieving social equity on national and global levels. Figuring out how to reduce some of those obligations, eliminate others, and rebuild the core and vitality of our system must become a part of any honest social discourse. Even Pollyanna would be overwhelmed by the choices we face. There will be significant pain and sacrifice in any action we take. But failing to take prompt and effective action will produce even more catastrophic consequences. The scale of social needs, including the need for expanded productive activity, has grown so large that it cannot be shut off at all, and certainly not abruptly. It cannot even be ratcheted down in any significant fashion without producing serious harms to human societies and hundreds of millions of people. Even if it were possible to shift back to systems of local self-sufficiency, the consequences of the transition process would be catastrophic for many people and even deadly to the point of continual conflict, resource wars, increased poverty, and strife. What are needed are concrete, workable, and pragmatic strategies that produce effective and intelligently designed economic activity in specific contexts and, while seeking efficiency and conservation, place economic and social justice high on a list of priorities. n60 The imperative of economic growth applies not only to the needs and expectations of people in economically developed societies but also to people living in nations that are currently economically underdeveloped. Opportunities must be created, jobs must be generated in huge numbers, and economic resources expanded to address the tragedies of poverty and inequality. Unfortunately, natural systems must be exploited to achieve this; we cannot return to Eden. The question is not how to achieve a static state but how to achieve what is needed to advance social justice while avoiding and mitigating the most destructive consequences of our behavior. Many developing country groups involved in efforts to protect the environment and resist the impacts of free trade on their communities have been concerned with the harmful effects of economic change. Part of the concern is the increased scale of economic activity. Some concerns relate to who benefits and who loses in the changing context imposed by globalization. These concerns are legitimate and understandable. So are the other deep currents running beneath their political positions, including those of resistance to change of any kind and a [\*621] rejection of the market approach to economic activities. In the system described inaccurately as free market capitalism, economic activity not only breaks down existing systems, it creates new systems and--as Joseph Schumpeter observed--continually repeats the process through cycles of "creative destruction." n61 This pattern of creative destruction unfolds as necessarily and relentlessly as does the birth-maturation-death-rebirth cycle of the natural environment. This occurs even in a self-sufficient or autarkic market system capable of managing all variables within its closed dominion. But when the system breaks out of its closed environment, the ability of a single national actor to control the system's dynamics erodes and ultimately disappears in the face of differential conditions, needs, priorities, and agendas. Globalization's ability to produce wealth for a particular group simultaneously produces harms to different people and interests and generates unfair resource redistribution within existing cultures. This is an unavoidable consequence of globalization. n62 The problem is that globalization has altered the rules of operation of political, economic, and social activities, and in doing so multiplied greatly our ability to create benefit and harm. n63 While some understandably want the unsettling and often chaotic effects of globalization to go away, it can only be dealt with, not reversed. The system in which we live and work is no longer closed. There are few contexts not connected to the dynamics of some aspect of the extended economic and social systems resulting from globalization. This means the wide ranging and incompatible variables of a global economic, human rights, and social fairness system are resulting in conflicts and unanticipated interpenetrations that no one fully understands, anticipates, or controls. n64 Local [\*622] self-sufficiency is the loser in this process. It can remain a nostalgic dream but rarely a reality. Except for isolated cultures and niche activities, there is very little chance that anyone will be unaffected by this transformational process. Change is the constant, and it will take several generations before we return to a period of relative stasis. Even then it will only be a respite before the pattern once again intensifies.

## Growth Good – No Alternative – 1AR

### Human Nature

Beckerman, emeritus fellow at Balliol College, Oxford, 1995

(Wilfred, “Through green-colored glasses: environmentalism reconsidered”, pg 21)

Most criticisms of economic growth not only contain errors of logic or fact. They are also divorced from political reality. Even if it could be demonstrated that economic growth does not lead to a rise in welfare, it would still not follow that we should try to bring growth to a halt. For, I the absence of some transformation in human attitudes, the like of which has never been seen in spite of constant admonitions by powerful religions for thousands of years, human nature has not yet abandoned the goal of increased prosperity. To some people this goal is a denial of holiness. But to others it is a testament of the infinite variety of the human spirit. And to some it is an opportunity to rid the world of poverty and drudgery. This means that if growth were to be abandoned as an objective of policy, democracy too would have to be abandoned. And, as the experience of the 1980’s has demonstrated, even totalitarian regimes cannot, in the end, survive if they fail to deliver the increase in living standards to which their populations aspire.

### Politics and drive for prosperity make growth inevitable

Lockwood, Associate Director at the Institute for Public Policy Research, 2010

(Matthew, “The limits to environmentalism – Part 2”, 2-28, <http://politicalclimate.net/2010/02/28/the-limits-of-environmentalism-part-2/>)

The final weakness in GiP is in some ways the biggest – it’s the politics, stupid. The NEF authors say another of their reports – The Great Transition – demonstrates that even with declining GDP, it is possible to see “rises in social and environmental value”. The problem is that, outside of the ranks of committed greens, no-one really believes this, and there is no even vaguely convincing intellectual and political case made here. There is no serious attempt to engage with the political difficulties that changing carbon intensive consumerism presents. There is no credible vision of an alternative, no analysis of the groups that would be for and against such an alternative, and no practical programme for how to find allies, build support and neutralise opponents. There is also no recognition that economic growth has produced the middle classes who provide the constituency for environmentalism. The reason why these absences matter so much is that the alternative economic model offered in GiP is so radically different from the status quo. In the final section on the alternative to growth, the NEF authors draw heavily on Herman Daly’s notion of a “steady state economy”, but it is hard to see how a capitalist economy can be in a steady state. Capitalist economies cycle between growth and recession, sometimes very deep recessions. Financial and other asset markets are prone to bubbles and crashes, as we have recently seen. In current real-world politics, no growth means pain – rising unemployment, people losing their homes, businesses closing, cuts in public services. It’s not surprising that politicians aren’t queuing up to explore a no-growth platform. The implication is that the serene steady state economy is a radical departure from capitalism. In a sense it would have to be, because the productivity growth at the heart of capitalism would otherwise mean inexorably rising unemployment. Indeed at points it seems as if GiP is endorsing a reversal of the Industrial Revolution, approvingly quoting Daly’s description of a steady state economy leading to “the substitution of labor for energy in production processes and consumption patterns, thus reversing the historical trend of replacing labour with machines…” This seems so much of a political dead end, one cannot help but think that GiP is not really about a taking the opportunity of the climate crisis to produce a coherent reformulation of the environmentalist critique of growth to win over a wider audience, but is rather preaching to the converted, safely inside its green comfort zone.

### Catastrophe doesn’t cause mindset shift-Black Death proves

Caldwell, PhD political science, 2000

(Joseph, “Can America Survive?” November 21, 2000, <http://www.foundationwebsite.org/canam4x.htm>)

What would be accomplished by a nuclear war? If the planet continues to be governed by scores or hundreds of countries after the war, nothing will have changed. Mankind [sic] will simply rebuild its destroyed cities, and human population and industrial activity will continue as before. The ultimate size of the population will be no more affected than it was by the “black plague,” that killed a third of Europe’s population in the middle ages – the population quickly rebounded, and soared even higher as though nothing had happened. A nuclear war – small or large – will by itself accomplish nothing

## Growth Good – No Alternative – 1AR

### Civilization transition impossible-people will deny it and scapegoat

Milbrath, Buffalo political science professor, 1989

(Lester, “Envisioning a Sustainable Society” pg 346)

Elgin paints a scenario as to why and how people would resist change and thus contribute to stagnation. Some will deny that it is a time of fundamental civilization transition, insisting instead that the current distress is merely a short-term aberration. Others will feel helpless and look for scapegoatsand blame some group “out there” for the problems. Some will look for a way for themselves and their friends to escape. Others will fatalistically accept what seems to be an unstoppable process of disintegration. <continues…> The mass media, particularly television, will be used to divert public attention from the pressing realities of the world. Critical issues will continue to be pushed aside in favor of more traditional and more profitable passive entertainment programming. In depth exploration of alternative ways of living and working seldom appear. People will turn inwardly to their own family and/or indulge in escapism fantasies.

## Growth Good – Technology – 2AC

### Can’t abandon growth, past the limits of growth-only way to avert extinction is through technological progress

AtKisson, former executive editor of In Context: A Quarterly of Humane Sustainable Culture, 2003

(Alan, “Sustainability is Dead— Long Live Sustainability”, 3-20, <http://www.rrcap.unep.org/uneptg06/course/Robert/SustainabilityManifesto2001.pdf>)

At precisely the moment when humanity’s science, technology, and economy has grown to the point that we can monitor and evaluate all the major systems that support life, all over the Earth, we have discovered that most of these systems are being systematically degraded and destroyed . . . by our science, technology, and economy. The evidence that we are beyond the limits to growth is by now overwhelming: the alarms include climatic change, disappearing biodiversity, falling human sperm counts, troubling slow-downs in food production after decades of rapid expansion, the beginning of serious international tensions over basic needs like water. Wild storms and floods and eerie changes in weather patterns are but a first visible harbinger of more serious trouble to come, trouble for which we are not adequately prepared. Indeed, change of all kinds—in the Biosphere (nature as a whole), the Technosphere (the entirety of human manipulation of nature), and the Noösphere (the collective field of human consciousness)—is happening so rapidly that it exceeds our capacity to understand it, control it, or respond to it adequately in corrective ways. Humanity is simultaneously entranced by its own power, overwhelmed by the problems created by progress, and continuing to steer itself over a cliff. Our economies and technologies are changing certain basic structures of planetary life, such as the balance of carbon in the atmosphere, genetic codes, the amount of forest cover, species variety and distribution, and the foundations of cultural identity. Unless we make technological advances of the highest order, many of the destructive changes we are causing to nature are irreversible. Extinct species cannot (yet) be brought back to life. No credible strategy for controlling or reducing carbon dioxide levels in the atmosphere has been put forward. We do not know how to fix what we’re breaking. At the same time, some of the very products of our technology— plutonium, for instance—require of us that we maintain a very high degree of cultural continuity, economic and political stability, and technological capacity and sophistication, far into the future. To ensure our safety and the safety of all forms of life, we must always be able to store, clean up, and contain poisons like plutonium and persistent organic toxins. Eventually we must be able to eliminate them safely. At all times, we must be able to contain the actions of evil or unethical elements in our societies who do not care about the consequences to life of unleashing our most dangerous creations. In the case of certain creations, like nuclear materials and some artificially constructed or genetically modified organisms, our secure custodianship must be maintained for thousands of years. We are, in effect, committed to a high-technology future. Any slip in our mastery over the forces now under our command could doom our descendants—including not just human descendants, but also those wild species still remaining in the oceans and wilderness areas—to unspeakable suffering. We must continue down an intensely scientific and technological path, and we can never stop.

## Growth Good – Technology – 1AR

### Tech innovation solves extinction – we don’t endorse gendered language

Heaberlin, led the Nuclear Safety and Technology Applications Product Line at the Pacific Northwest National Laboratory, 2004

(Scott W., A Case for Nuclear-Generated Electricity pg 45-6)

Cohen looked at all the various population estimates and concluded that most fell into the range of 4 to 16 billion. Taking the highest value when researchers offered a range, Cohen calculated a high median of 12 billion and taking the lower part of the range a low median of 7.7 billion. The good news in this is 12 billion is twice as many people as we have now. The bad news is that the projections for world population for 2050 are between 7.8 and 12.5 billion. That means we have got no more than 50 years before we exceed the nominal carrying capacity of the earth. Cohen also offers a qualifying observation by stating the "First Law of Information," which asserts that 97.6% of all statistics are made up. This helps us appreciate that application of these numbers to real life is subject to a lot of assumptions and insufficiencies in our understanding of the processes and data. However, we can draw some insights from all of this. What it comes down to is that if you choose the fully sustainable, non-fossil fuel long-term options with only limited social integration, the various estimates Cohen looked at give you a number like 1 billion or less people that the earth can support. That means 5 out of 6 of us have got to go, plus no new babies without an offsetting death. On the other hand, if you let technology continue to do its thing and perhaps get even better, the picture need not be so bleak. We haven't made all our farmland as productive as it can be. Remember, the Chinese get twice the food value per hectare as we do in the United States. There is also a lot of land that would become arable if we could get water to it. And, of course, in case you need to go back and check the title of this book, there are alternatives to fossil fuels to provide the energy to power that technology. So given a positive and perhaps optimistic view of technology, we can look to some of the high technology assumption based studies from Cohen's review. From the semi-credible set of these, we can find estimates from 19 to 157 billion as the number of people the earth could support with a rough average coming in about 60 billion. This is a good time to be reminded of the First Law of Information. The middle to lower end of this range, however, might be done without wholesale social reprogramming. Hopefully we would see the improvement in the quality of life in the developing countries as they industrialize and increase their use of energy. Hopefully, also this would lead to a matching of the reduction in fertility rates that has been observed in the developed countries, which in turn would lead to an eventual balancing of the human population. The point to all this is the near-term future of the human race depends on technology. If we turn away from technology, a very large fraction of the current and future human race will starve. If we just keep on as we are, with our current level of technology and dependence on fossil fuel resources, in the near term it will be a race between fertility decrease and our ability to feed ourselves, with, frankly, disaster the slight odds-on bet. In a slightly longer term, dependence on fossil fuels has got to lead to either social chaos or environmental disaster. There are no other end points to that road. It doesn't go anywhere else. However, if we accept that it is technology that makes us human, that technology uniquely identifies us as the only animal that can choose its future, we can choose to live, choose to make it a better world for everyone and all life. This means more and better technology. It means more efficient technology that is kinder to the planet but also allows humans to support large numbers in a high quality of life. That road is not easy and has a number of ways to screw up. However, it is a road that can lead to a happier place, a better place.

## Growth Good – Technology – 1AR

### Tech key to solve warming-no alternative

Lockwood, Associate Director at the Institute for Public Policy Research, 2010

(Matthew, “The limits to environmentalism – Part 1”, 2-25, <http://politicalclimate.net/2010/02/25/the-limits-to-environmentalism-part-1/>)

In all of this, paradoxically for a supposedly radical organisation like NEF, the thinking is surprisingly conservative. Energy efficiency has historically improved only at a certain rate per year, so it will continue to do so in future. Energy infrastructure conventionally has a really long life, and replacement can’t be speeded up because it hasn’t been in the past. Existing technologies are the only ones we’ll ever have, new technology will never work. The idea that we are only just beginning to transform our energy technologies, and that we already have some movement in costs and some interesting new technological options, seems to be completely alien to GiP. This dismissal of innovation, and an assumption that energy systems simply cannot be decarbonised speedily, is central to GiP, and leads to the tautological conclusion that only an end to economic growth can provide an ecologically sustainable future. Except that it can’t. Because even if economic growth were to stop, you would still need to deploy low- and zero-carbon technologies, rapidly and at large scale if you want to get on a sustainable emissions trajectory. This can be seen in GiP’s own rather obscure modelling (based on some re-hashing of World Energy Outlook scenarios) of carbon emissions out to 2050. Figure 14 on page 67 of the report shows that to achieve a target peak CO2 concentration of less than 400 ppm on a no-growth scenario will require significant decarbonisation. More intuitively, since global energy systems are already highly carbon intensive (think of all that coal-fired power generation in the US, China and Europe), even if growth stopped tomorrow, we’d still have to undertake a massive transformation to get emissions on a sustainable trajectory. To repeat, the real, and serious problem facing us is how to decarbonise energy, which will only come from an unprecedented application of innovation and an equally unprecedented, rapid and undoubtedly costly speeding up of the replacement of capital in the energy sector. The only other possibility is not “no growth” but a serious shrinking in the global economy.

### Market economy key-only way to produce necessary advancement.

AtKisson, former executive editor of In Context: A Quarterly of Humane Sustainable Culture, 2003

(Alan, “Sustainability is Dead— Long Live Sustainability”, 3-20, <http://www.rrcap.unep.org/uneptg06/course/Robert/SustainabilityManifesto2001.pdf>)

At the heart of most descriptions of globalization is the market economy. It has often been fashionable to blame the market for the environmental crisis, and in particular to blame the market’s tendency to concentrate power within the large, independent capital structures we call “corporations.” But we need corporations, and the market, to accomplish the change we seek. To develop and spread innovations for sustainability at transformation speed, we need corporate-scale concentrations of research, production, and distribution capacity. We need the market's speed, freedom, and incentive structures. Clearly, we also need governors on the spread of destructive development, and the enormous fleet of old and dangerous innovations—from the internal combustion engine to the idea that cynical nihilism is “cool”—that are increasing our distance from the dream of sustainability at an accelerating rate. But if we can alter globalization so that it turns the enormous power of the market and the corporation in a truly sustainable direction, we will watch in awe as our world changes for the better with unimaginable speed.