# High Speed rail Negative

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### 1nc-Solvency F/L 1/3

#### 1. High-Speed rail is NOT competitive with other modes of transportation. Construction and operation eliminates any of its environmental benefits─

Randal O’Toole, May 4th, 2009, senior fellow with the Cato Institute, “High-speed rail is no solution,” <http://www.cato.org/publications/commentary/highspeed-rail-is-no-solution>

The facts do not bear out several aspects of President Barack Obama's desire to push high-speed rail projects with federal resources ($8 billion in the economic stimulus package, another $5 billion in his 2010 budget) — chiefly, that the rail projects are more efficient and more environmentally friendly than modes of travel now widely in use. Saving energy and reducing pollution are worthy goals, and if high-speed trains could achieve these goals, the president's plan might be a good one. But since they cannot, it isn't. Obama's proposal should really be called "moderate-speed rail." His $13 billion won't fund 200-mile-per-hour bullet trains. Instead, it is mostly about running Amtrak trains a little faster on existing freight lines. [T]here are likely to be no long-term environmental benefits from investment in high-speed rail. Outside of the Boston-Washington corridor, the fastest Amtrak trains have top speeds of about 80 to 90 miles per hour and average speeds of 40 to 50 miles per hour. Obama proposes to boost top speeds to 110 miles per hour in some places, which means average speeds no greater than 70 to 75 miles per hour. This is not an innovation. The Milwaukee Road, Santa Fe and other railroads routinely ran trains at those speeds 70 years ago — and still couldn't compete against cars and airlines. Moderate-speed trains will be diesel powered. They will consume oil and emit toxic and greenhouse gases, just like cars and planes. According to the Department of Energy, the average Amtrak train uses about 2,700 British thermal units (BTUs) of energy per passenger mile. This is a little better than cars (about 3,400 BTUs per passenger mile) or airplanes (about 3,300 BTUs per passenger mile). But auto and airline fuel efficiencies are improving by 2 percent to 3 percent per year (for example, a Toyota Prius uses less than 1,700 BTUs per passenger mile). By contrast, Amtrak's fuel efficiency has increased by just one-tenth of 1 percent per year in the past 10 years. This means, over the lifetime of an investment in moderate-speed trains, the trains won't save any energy at all. In fact, to achieve higher speeds, moderate-speed trains will require even more energy than conventional trains and probably much more than the average car or airplane 10 or 20 years from now. California wants to build a true high-speed rail line between San Francisco and Los Angeles, capable of top speeds of 220 miles per hour and average speeds of 140 miles per hour. The environmental analysis report for the California high-speed rail projects costs of $33 billion for 400 miles, while the Midwest Rail Initiative projects costs of $7.7 billion for 3,150 miles of moderate-speed rail. That's $82 million per mile for true high-speed rail (partly because the California project goes through some mountains) and only $2.4 million for moderate-speed rail. All else being equal, high-speed rail will cost 10 to 12 times more than moderate-speed rail. A true, national high-speed rail network would cost more than half a trillion dollars. Randal O'Toole is a senior fellow with the Cato Institute and author of The Best-Laid Plans: How Government Planning Harms Your Quality of Life, Your Pocketbook, and Your Future and "High-Speed Rail: The Wrong Road for America". More by Randal O'Toole Construction of such high-speed rails will consume enormous amounts of energy and emit enormous volumes of greenhouse gases. Since future cars and planes will be more energy efficient, there are likely to be no long-term environmental benefits from investment in high-speed rail. Electricity would power the California trains. But, because most U.S. electricity comes from coal or other fossil fuels, these high-speed trains won't reduce emissions of greenhouse gases. As we develop more renewable sources of electricity, we would do better using it to power plug-in hybrids or electric cars than high-speed rail. Americans who have ridden French or Japanese high-speed trains often wonder why such trains won't work here. The problem is, they don't work that well in France or Japan. France and Japan have each spent roughly (after adjusting for inflation) the same amount of money per capita on high-speed rail as the United States spent on the interstate highway system. Americans use the interstates to travel nearly 4,000 passenger miles and ship more than 2,000 ton-miles of freight per person per year. By comparison, high-speed rail moves virtually no freight and carries the average resident of Japan less than 400 miles per year, and the average resident of France less than 300 miles per year. It is likely that a few people use them a lot, and most rarely or not at all. Interstates paid for themselves out of gas taxes, and most Americans use them almost every day. Moderate or high-speed rail would require everyone to subsidize trains that would serve only a small elite. Which symbolizes the America that Obama wants to rebuild better?

### 1nc-Solvency F/L 2/3

#### 2. The only people who have the money to use the high-speed rail don’t need it

Martin Engel, writer for High Speed Train Talk, “A Summary Reality Check of Why High-Speed Rail is a Bad Idea,” June 25th, 2011, http://high-speedtraintalk.blogspot.com/2011/06/summary-reality-check-of-why-high-speed.html

7. It [the high-speed rail] serves only those who can afford it and don't need it. Ticket prices for high-speed rail, as we keep saying, are the highest of all railroad tickets, world-wide. Even in China. High-speed rail is luxury, premium, first-class travel for the affluent only. The government has no business pouring the tax-dollars collected from those who can't afford to ride this train, to build it for those who can. . . .and subsidize each of those tickets as well. As they say in the UK, the poor shouldn't be building a luxury train for the rich.

#### 3. population density is too low to ensure enough passengers and trains can’t quickly adapt routes─

O’Toole 2008 (Randall, Senior Fellow @ Cato, “High Speed Rail: The Wrong Road for America,” policy analysis 625, 10/31, http://www.cato.org/publications/policy-analysis/highspeed-rail-wrong-road-america)

Japanese and European cities are much denser than American cities, and most of them are served by much denser transit systems that rail passengers can rely on when they get to their destinations. If high-speed rail cannot capture or even maintain rail’s share of passenger travel from the automobile in Europe and Japan, how can it work in the United States? High-speed rail must be considered highly risky. A recent oversight report on the California high-speed rail project from that state’s Senate Transportation Committee pointed to many specific risks of high-speed rail, including fore- casting, rights-of-way, and safety risks.68 Unlike running a bus system or even an airline, building a rail line requires accurate long-range fore- casting. Planning and construction can take many years, and the service life of the rail line is measured in decades. A seemingly minor fore- casting error can turn what appears to be a productive asset into an expensive white elephant. The most obvious forecasting issue is cost. All of the cost estimates for the Midwest, Florida, and California rail projects were made before 2005. Since then, the prices of steel, concrete, and energy have risen dramatically. As a result, it is likely that projected costs need to be adjusted upwards by 50 percent or more. Denver’s 120-mile FasTracks rail project, which was planned at the same time as the Florida and California high-speed rail projects, is now estimated to cost 68 percent more than was projected in 2004.69 This is not unusual: according to a 2006 study by researchers at Northeastern University, U.S. rail transit costs average 40 percent more than their original approved budgets.70 The other forecasting problem, of course, has to do with ridership and other benefits. Danish planning professor Bent Flyvbjerg notes that U.S. rail projects typically overestimated ridership by an average of 100 percent. He also notes that “rail forecasts are substantially more inaccurate and biased than road forecasts.”72 Some of the questionable assumptions made in the Florida and California estimates of future ridership and other benefits include the following: 1. Cars and planes will not become more fuel-efficient in the future. 2. Airports will not become more efficient at moving people. 3. Cars that use alternative fuels will not become feasible or popular. 4. Downtowns will remain or be re- stored as preeminent job centers. 5. No new technologies will help reduce highway congestion. 6. People will want to go where the trains go. Assumptions 1 and 4 are clearly wrong: as previously noted, cars are likely to be at least 33 percent more fuel-efficient by 2030, and downtowns have been losing their importance as job centers since at least 1950. Many of the other assumptions are also likely to be wrong. Any forecasts of high-speed rail rider- ship, energy savings, and other benefits based on these assumptions are likely to be greatly overestimated. The last assumption—that people will want to go where the trains go—may be the riskiest of all. While many people travel between, say, San Francisco and Los Angeles, that does not mean that they travel from downtown to downtown, which will be the areas served by rail.

CONTINUES

### 1nc-Solvency F/L 3/3

CONTINUES

Jobs and people are spread throughout modern cities in a fine-grained pattern. As economist William Bogart observes, only about 10 to 15 percent of metropolitan jobs are located in central city downtowns. In Los Angeles, it’s less than 5 per- cent. Even when the suburban downtown areas are counted—only a small fraction of which would be served by high-speed rail—the total is still only 30 to 40 percent.73 That means most people will rarely, if ever, find high-speed rail to be convenient. This is particularly apparent with China’s Shanghai magnetic levitation (maglev) train, which travels 19 miles between Pudong Airport and downtown Shanghai. Reaching speeds of nearly 270 miles per hour, it is the fastest regularly scheduled train in the world. Yet ridership is well below expectations; rarely are more than one out of four seats filled. When the New York Times asked air travelers why they don’t use the train, they say it doesn’t go where they want to go. “It may take longer, but the taxi is more convenient,” says one. “Once you get to the train station, I’d just have to get a taxi there,” says another, “and I don’t want to change cars again.”74 Unlike bus or airline routes, rail is extremely costly to reroute in response to changing travel patterns. This has led many rail transit agencies to become land-use czars, demanding that developers build high-density projects near their rail stations and discouraging low- density jobs and housing elsewhere. Such policies intrude on people’s property rights, make housing less affordable, and create unfriendly business environments.75

#### 4. HSR fails—not interoperable with status quo tracks and too dangerous to be reliable

O’Toole 2008 (Randall, Senior Fellow @ Cato, “High Speed Rail: The Wrong Road for America,” policy analysis 625, 10/31, <http://www.cato.org/publications/policy-analysis/highspeed-rail-wrong-road-america>)

The January 2008 oversight report from the California senate committee pointed to a risky assumption that the California High- Speed Rail Authority would be able to build high-speed lines in the rights-of-way owned by private railroads such as BNSF and Union Pacific.76 The questionability of this assumption was confirmed by a May 2008 letter from the Union Pacific Railroad to the High-Speed Rail Authority explicitly denying the authority the right to use any of its right-of-way. “Union Pacific has carefully evaluated CHSA’s project,” says the letter, and “does not feel it is in Union Pacific’s best interest to have any proposed alignment located on Union Pacific rights-of-way. Therefore, as your pro- ject moves forward with its final design, it is our request that you do so in such a way as to not require the use of Union Pacific operating rights-of-way or interfere with Union Pacific operations.”77 One reason why the freight railroads may not want high-speed rail in their rights-of-way is safety. The California High-Speed Rail Authority presumed that it would use European-style rail equipment, which is very lightweight, in order to save energy. European and Japanese rail safety is based on an accident avoidance standard, that is, everything is very highly engineered to prevent accidents. This standard has worked well: there has only been one fatal high-speed rail accident, which turned out to be due to poorly engineered wheels. However, partly because of the light- weight equipment, that accident caused the deaths of more than 100 people.78 In contrast, American safety standards are based on accident survivability. This means American rail equipment is much heavier than foreign high-speed trains. The California senate over- sight report worried that this would create a regulatory problem: the Federal Railroad Administration would refuse to allow the use of the lightweight trains that the California High- Speed Rail Authority had in mind.79 But mixing American and European trains in the same rights-of-way, even if not on the same tracks, would also create a special liability problem for the railroads, as a derailment of a heavy American train could easily kill many people on an adjacent lightweight high-speed train. Indeed, many of the graphics on California’s official high-speed rail website show high-speed trains passing just a few feet away from standard freight and passenger trains.80

### 2nc-Solvency Ext-Can’t Compete

#### HSR doesn’t meet ridership forecasts

Amos et al 10[Paul Amos, Dick Bullock, and Jitendra Sondhi; “High-Speed Rail: The Fast Track to Economic Development” <http://www.wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2010/07/26/000334955_20100726032714/Rendered/PDF/558560WP0Box341SR1v08121jul101final.pdf>; pg. 14]

Despite the clear success of high-speed rail in increasing ridership and improving market share, even a good story can be oversold. High-speed projects have rarely met the full ridership forecasts asserted by their promoters, and in some cases have fallen woefully short (such as the forecasts for the Eurostar services between London and Paris and Brussels). A whole new area of behavioral research has been generated by the phenomenon of over-forecasting in transport, known as „optimism bias‟. But a brief reading of the early days of railway development in the U.S.A. and Europe would quickly reveal that optimism bias is actually an inherited trait, handed down over generations, which tends to emerge whenever the recessive gene of optimism becomes over-stimulated by the dominant gene of selfinterest. 14 The financial outturn for individual lines is an area where publicly available data is sometimes rather sparse, and it would take much more detailed study to draw other than the most general conclusions; but they are rather sobering. On the cost side, experience is that construction plus train-set costs, outside of China where the costs are significantly lower, typically range from USD 35-70 million/km, depending on the complexity of civil engineering works, the degree of urbanization along the route 15 and the total capacity of the rollingstock required (related to demand). Construction is generally cheaper where there is an existing rail corridor available, and when existing lines are used for the last few kilometers to bring trains into and out of an urban center. It is likely that there are economies from larger construction programs; certainly China has realized comparatively low unit rates on many components and processes due to the scale of the program, continuous working with few delays, and wage levels lower than in other countries where high-speed rail is being introduced.

### 2nc-Solvency Ext-HSR Fails-Laundry List

#### HSR costs billions, doesn’t relieve congestion and only serves the wealthy –it’ll be less energy-efficient by 2030

Randal O’Toole, May 20th, 2009, senior fellow with the Cato Institute, “A High-speed Rail Mirage,” http://www.cato.org/publications/commentary/highspeed-rail-mirage

At first glance, President Obama's enthusiasm for building a high-speed rail network linking major cities seems like a wise move. On closer inspection, however, it is clear that the plan would cost taxpayers billions of dollars and do little to reduce traffic congestion or improve the environment. Already California, Florida, Illinois and other states are applying for funds under the president's plan. But, except for rail contractors, Americans should find little reason to like this proposal. Although every taxpayer would share the cost of these trains, high-speed rails are not about serving the common people. Instead, they are aimed at the elite. Japanese and French high-speed trains are attractive to tourists, but they're not heavily used by local residents. Residents of Japan and France on average ride their bullet trains less than 400 miles a year. Pricey option Amtrak charges a minimum of $99 for its high-speed Acela from New York to Washington, but only $72 for its conventional train. Fares for unsubsidized buses on this route start as low as $20 (including free Wi-Fi), while airfares start at $99. Only the wealthy and those whose employers cover the cost will pay the $99 rail fare. Randal O'Toole is a senior fellow with the Cato Institute and author of The Best-Laid Plans: How Government Planning Harms Your Quality of Life, Your Pocketbook, and Your Future. More by Randal O'Toole Obama's 9,000-mile high-speed rail plan reaches just 33 states, yet the $13 billion he proposes to spend would cover about 2.5% to 25% of the cost, depending on how the system is built. In contrast with the interstate highway system, which paid for itself out of user fees, high-speed rail fares would not cover the capital costs and only part of the operating costs. Most of Obama's plan should really be called "moderate-speed rail," as it would upgrade existing freight lines to run passenger trains at top speeds of 110 mph. At around $5 million per mile, the total cost would come close to $50 billion. Not satisfied with moderate-speed trains, California says it wants half of all federal funds so it can build brand-new 220-mph rail lines. But it's unlikely other states will settle for the slower trains if California gets the faster ones. Building fast trains nationwide would cost at least $500 billion. (By comparison, and adjusting for inflation, the 47,000-mile interstate highway system cost about $425 billion.) Little congestion relief Besides the high costs, these trains do little to relieve congestion. "Not a single high-speed track built to date has had any perceptible impact on the road traffic" in Europe, says Ari Vatanen, a European Parliament member. California predicts its 220-mph trains would take just 3.5% of cars off of roads. California highway traffic grows that much every two years. Moderate-speed trains would do even less. Nor would such trains be good for the environment. Amtrak diesel trains are only a little more energy efficient than flying or driving, and pumping those trains up to 110 mph would reduce their efficiency. Because planes and cars are growing 2% more energy-efficient per year, rail would fare poorly by such measures over the next 15 to 20 years. Moreover, high-speed rail consumes enormous amounts of energy and emits enormous volumes of greenhouse gases. These would cancel out any operational savings over cars and planes. Interstates paid for themselves out of gas taxes, and most Americans use them almost every day. Rail requires huge tax subsidies and would regularly serve only a small elite. Which is the better symbol for the America President Obama wants to build?

### 2nc-Solvency-Ext-HSR Fails-Prefer our evidence

#### Prefer our evidence—long term megaprojects rely on false assumptions and strategic misrepresentation. Empirically proven in current HSR estimates

O’Toole 2008 (Randall, Senior Fellow @ Cato, “High Speed Rail: The Wrong Road for America,” policy analysis 625, 10/31, <http://www.cato.org/publications/policy-analysis/highspeed-rail-wrong-road-america>)

Incremental projects and megaprojects each have their own dangers and pitfalls. The problems with megaprojects have been well described by Bent Flyvbjerg and his colleagues in their book, Megaprojects and Risk.81 Large projects take years to implement and thus require long-term forecasting of costs, demand, and other benefits. The people doing the forecasting too often become advocates for the project and thus fall prey to optimism bias—the systematic tendency to be overly optimistic about the benefits and costs—and strategic misrepresentation—the tendency to distort or misstate facts in order to promote the project. One example of optimism bias in the California high-speed rail plan is in the use, or misuse, of sensitivity analyses. Long-term plans are necessarily based on many assumptions, and sensitivity analyses can determine how crucial those assumptions are. To do the analysis, one of the variables is changed and the forecast is recalculated. A significantly different result is a signal that the planners need to obtain more reliable data regarding that variable. The California High-Speed Rail Authority conducted a sensitivity analysis for its rider- ship and revenue forecasts. For the analysis, it assumed that all of the assumptions it had made for its forecasts were as cautious as possible. When it made any of the assumptions more liberal, the result was naturally an increase in the forecast ridership and revenues. The authority never considered the possibility that any of its assumptions should be made more conservative, which would have reduced the ridership and revenue forecasts.82 If, contrary to the plan’s assumption, automobiles become more fuel-efficient—and thus, less expensive to drive—ridership is likely to be lower than projected. Many examples of strategic misrepresentation in the California high-speed rail proposal have been mentioned above: the emphasis on the fact that the highway-airport straw-man alternative described in the EIS costs twice as much as the rail alternative, while barely mentioning that it also produces five times the benefits; using the “high” ridership projections in the energy analysis; and the assumption that future cars and planes will be no more energy-efficient than they are today. Denver’s “FasTracks” rail plan illustrates the dangers of megaprojects. This plan called for connecting Denver to its suburbs with six new rail lines. Suburban officials worried that, if the rail lines were built sequentially, cost overruns would delay or make impossible the completion of every line. So that no suburb would have to go without its rail connection, they insisted that the lines all be built simultaneously. To gain popular support, the transit agency promised it could build the project on time and on budget. The project was approved in 2004 at a projected cost of $4.7 billion. Since then, the estimated cost has risen by 68 percent to $7.9 billion. The sales taxes that were supposed to pay for the project are now projected to fall short of expectations by $2.8 billion.83 Instead of completing all the rail lines by 2017, as promised, the regional transit district now says completion may be delayed until 2034.84 In the mean- time, important but low-cost transportation improvements, such as traffic signal coordination, go unfunded because most of the region’s transportation funds are tied up in a project that will not see a single wheel turn for many years, if ever.

### 2nc-Solvency-Congestion Turn

#### HSR trades off with freight—increases congestion and fossil fuel use through trucks

O’Toole 2008 (Randall, Senior Fellow @ Cato, “High Speed Rail: The Wrong Road for America,” policy analysis 625, 10/31, http://www.cato.org/publications/policy-analysis/highspeed-rail-wrong-road-america)

On the other hand, Europe’s emphasis on using rails for moving passengers has had a profound effect on the movement of freight. While a little more than one-fourth of U.S. freight goes on the highway and more than a third goes by rail, nearly three-fourths of European freight goes on the road and just a sixth goes by rail (Table 3). Moreover, rail’s share of freight movement is declining in Europe, but increasing in the United States.Rail’s poor performance at carrying freight in both Japan and Europe suggests that a country or region can use its rail system for passenger or freight, but not both. Spending $100 billion a year on passenger rail might get a small percentage of cars off the road—but one possible consequence is to greatly increase the number of trucks on the road.

### 1nc-Energy Adv F/L

#### 1. No net environmental benefit—HSR is LESS fuel efficient than its status quo competitors, and does nothing to mitigate the impact of CO2 emissions

Albalate & Bel 10—Daniel Albalate and Germa Bel, University of Barcelona (“High Speed Rail: Lessons for Policy Makers from Experiences Abroad”, 2010, <http://danbyles.co.uk/conservatives/files/dan_byles/4.%20High%20Speed%20Rail%20Study%20-%20Barcelona%20Research%20Institute%20of%20Applied%20Economics.pdf>)

There has yet to be a detailed, systematic evaluation of the impact of an expanding HST network on the reduction in CO2 emissions at either an aggregate or country level. However, information is available on the environmental effects of HSTs, particularly as regards their energy consumption. According to estimates conducted by van Essen et al (2003), energy consumed per MJ/seat mile by air transport is 240% higher than that attributable to HSTs. However, the energy consumed by HSTs is 12.8% higher than a petrol-driven car when traveling on the motorway, 55.9% higher than a diesel-driven car on the motorway, and 140.9% higher than an intercity train. Other estimates (van Wee, van den Brink and Nijland, 2003) conclude that while energy use and emissions for HSTs are much higher than for conventional trains, they are relatively similar to those for cars and buses. In the most favorable analysis for HSTs –conducted by García Álvarez (2007) for Spain, HSTs and conventional trains were reported as producing similar emissions on two of the lines analyzed, while the conventional train was much more efficient on the remaining line. Clearly, the overall impact of HSTs on energy consumption is heavily dependent on the source of its traffic - whether it is newly generated or attracted from previously existing modes (and, in the case of road transportation, on whether it replaces cars or buses). However, HSR is not a particularly useful tool for fighting CO2 emissions, being less environmentally efficient than conventional modern trains. Further, building a new and separate HST line involves significant CO2 emissions that environmental HST analyses do not take into account. 15

#### 2. Turn: High Speed rail increases fossil fuel consumption because of long-term construction costs. Their evidence is all from biased sources looking to profit

O’Toole 2008 (Randall, Senior Fellow @ Cato, “High Speed Rail: The Wrong Road for America,” policy analysis 625, 10/31, http://www.cato.org/publications/policy-analysis/highspeed-rail-wrong-road-america)

Contrary to the apparent attraction of fast downtown-to-downtown travel times, the truth is that few people live or work in downtowns anymore. As a result, even a 200-mile- per-hour train won’t take more than 3 or 4 percent of cars off the highways it parallels. Instead, the main effect of this heavily subsidized train will be to put struggling (and relatively unsubsidized) short-haul airlines out of business. Although the electrically powered train might be somewhat more energy-efficient and (if the electricity does not come from fossil fuels) less polluting than airplanes, the energy and pollution cost of constructing the rail line (which will require huge amounts of fossil fuels) will be so great that it will take decades of operational savings to pay back that cost. And, soon after those decades are finally up, it will be time to completely rebuild the line—at a high energy as well as fiscal cost. In short, high-speed rail will require a huge amount of public money to build. The decision to build carries a huge risk both that the ultimate cost will be much greater than predicted, and that the ridership and other benefits will be lower—especially since the consulting firms hired to forecast those benefits expect to profit from rail construction. Once built, the environmental benefits will be miniscule and the main effect will be to reduce the availability of private, relatively unsubsidized modes of transportation.

### 2nc-Energy Adv-Can’t Solve Fossil Fuels

#### High Speed rail is worse for the environment—construction requires fossil fuels and trains lock us into energy inefficiency

O’Toole 2008 (Randall, Senior Fellow @ Cato, “High Speed Rail: The Wrong Road for America,” policy analysis 625, 10/31, http://www.cato.org/publications/policy-analysis/highspeed-rail-wrong-road-america)

The EIS’s energy analysis is flawed, however, by an assumption that autos and air- planes will be as energy intensive in the future as they are today. In fact, under the Energy Independence and Security Act of 2007, cars on the road in 2020 will be 21 percent more fuel-efficient than they are today, and by 2030 they will be 33 percent more fuel-efficient. If fuel prices remain high, these projections may end up being conservative. It is also reasonable to assume that air- plane manufacturers will respond to high fuel prices by making planes more energy- efficient. Boeing, for example, promises that its 787 plane will be 20 percent more fuel- efficient than comparable planes are today.54 If autos and airplanes become, over the life of the high-speed rail project, an average of 20 percent more fuel-efficient than they are today, then the payback period for high- speed rail rises to 25 years. This payback period also crucially depends on high-speed rail attracting the high number of riders that the authority has estimated. If ridership is lower, the payback period will be longer. And, since rail lines require expensive and energy-intensive reconstruction and rehabilitation about every 30 years, it is quite possible that high- speed rail will save no energy at all. Steven Polzin, of the University of South Florida’s Center for Urban Transportation Research, points out that autos and buses have relatively short life cycles, so they can readily adapt to the need to save energy or reduce pollution. “Modes where the vehicles and guideways are integrated systems”—meaning rail— “may be far more difficult or expensive to upgrade to newer, more efficient technologies,” Polzin adds.55 In other words, while the U.S. auto fleet completely turns over every 18 years and so can quickly become more fuel-efficient, builders of rail lines are stuck with whatever technology they select for decades. The EIS’s projections of other environmental benefits of high-speed rail are similarly problematic. The EIS estimates, for example, that rail will reduce California’s transportation-related air pollution, relative to the no- build alternative, by 0.7 percent (for particulates) to 1.5 percent (for nitrogen oxides), with other pollutants in between. Unlike energy, this does take into account improvements in pollution control technology. For example, the EIS reported that in 1997, cars, planes, trains, and electric utilities emitted more than 9,700 met- ric tons of carbon monoxide. Under the no- build alternative, the EIS projects that by 2020 the emissions will decline to 3,101 metric tons. High-speed rail would further reduce carbon monoxide emissions to 3,074 metric tons. Note that modest improvements in relatively low-cost pollution technologies are projected to reduce carbon monoxide pollution by nearly 70 percent, despite the growth in population and travel. By comparison, at a cost of at least $33 to $37 billion, high-speed rail reduces carbon monoxide pollution by a mere 0.9 percent. As a pollution-control device, high-speed rail is spectacularly cost ineffective. Similarly, the EIS projects that high-speed rail would reduce greenhouse gas emissions by 1.4 percent. In this case, however, the EIS failed to account for improvements in auto and air- plane energy efficiency or for the possibility of the widespread adoption of electric cars. For example, by substituting plug-in hybrid electric cars for some of their regular cars and relying on electric charges for just 1.5 percent of their driving, California drivers could reduce greenhouse gas emissions more than high- speed rail.

### 2nc-Energy Adv-HSR Can’t Replace Cars

#### High speed rail won’t change car use—Japan proves

O’Toole 2008 (Randall, Senior Fellow @ Cato, “High Speed Rail: The Wrong Road for America,” policy analysis 625, 10/31, http://www.cato.org/publications/policy-analysis/highspeed-rail-wrong-road-america)

One way to see how well high-speed rail might work in the United States is to examine the experiences in other countries. The natural place to start is Japan, which opened the world’s first high-speed rail line, the 130- mile-per-hour Shinkansen (or bullet trains), in 1964. Newer trains go as fast as 185 miles per hour. These trains had a significant impact on Japan’s national prestige, yet they did little to stop the growth of automobile traffic. In 1950, railroads were practically the only mechanized way of getting around Japan and accounted for more than 92 percent of all passenger travel, with most of the rest being bus travel. By 1960, when construction began on the Shinkansen, autos still accounted for less than 5 percent of Japanese travel, whereas rails made up 77 percent. But auto driving greatly accelerated after the Shinkansen opened, whereas the growth in train travel slowed and, after 1975, leveled off (see Figure 1).58 The state-owned Japanese National Rail- ways had earned a profit every year since it had been formed in 1949. But it went into the red after the Shinkansen opened. Raising fares to cover its costs only accelerated the loss in passengers to highway and air travel. On top of that, it was pressured by politicians from cities not on the Shinkansen line to extend high- speed rail service to their prefectures, which only added to the company’s debt and annual losses.59 By 1987, expansion of bullet-train service had increased Japanese National Railways’ debt to more than $200 billion. Facing a financial crisis, the government absorbed the debt and privatized the railway. Today, private operators earn a profit running the Shinkansen and other Japanese trains, but they do not have to repay the capital costs— and further capital expansions of high-speed rail service continue to receive extensive government subsidies.60 Privatization may have boosted ridership in the late 1980s, but it leveled off again after 1990. Meanwhile, driving continued to grow rapidly and surpassed rail as the predominant form of passenger travel around 1977. Billions of Passenger Kilometers Due to a recession and high fuel prices, auto driving in Japan has declined since 1999. Rail travel made up for only a small portion of this decline. The rest has been made up for by the rapid growth in motor- bikes and light motor vehicles, a special class of Japanese autos with engines smaller than 660 cubic centimeters (about 40 cubic inches). In other words, even in the face of high fuel prices, the Japanese continue to rely primarily on personal motorized transport rather than high-speed trains or other forms of mass transportation. As of 2007, trains carry 29 percent of passenger travel whereas autos, including light motor vehicles, carry 60 percent. The remainder is about equally divided between bus and domestic air. The tracks for Japan’s high-speed trains are a different width (gauge) than for its conventional trains, so there is no question of high- speed passenger trains interfering with freight traffic. Yet rails carry only about 4 percent of Japanese freight. Highways carry 60 percent and coastal shipping carries 36 percent.

### 2nc-Energy Adv-HSR Can’t Replace Cars

#### HSR won’t replace cars—Europe proves

O’Toole 2008 (Randall, Senior Fellow @ Cato, “High Speed Rail: The Wrong Road for America,” policy analysis 625, 10/31, http://www.cato.org/publications/policy-analysis/highspeed-rail-wrong-road-america)

While high-speed rail is convenient for tourists who want to travel through Europe without the expense of renting a car, it has done little to change European travel habits. In 1980, intercity rail accounted for 8.2 percent of passenger travel in the EU-15 (the 15 countries that were members of the European Union as of 2000). By 2000, intercity rail had declined to 6.3 percent. Auto driving gained almost exactly the same market share that rails lost in this time period, growing from 76.4 to 78.3 percent. This is a coincidence, as the real challenge to high-speed rail has come from low-cost airlines. Thanks to Europe’s “open skies” policies, domestic air travel increased from 2.5 percent of travel in 1980 to 5.8 per- cent in 2000. Intercity buses and urban transit both lost shares. Rail has continued to lose importance since 2000. In the EU-25 (the 25 members in the European Union as of 2005), rail’s share of travel declined from 6.2 percent in 2000 to 5.8 per- cent in 2004, while air’s share increased from 7.7 to 8.0 percent and autos’ share (including motorcycles) increased from 75.5 to 76.0 per- cent.62 At best, high-speed rail has slowed the decline of rail’s importance in passenger travel. Because of the prominence of high-speed rail in France and Germany, rail has a higher share of passenger travel in those countries than in the rest of Europe. But this is at the expense of bus travel; the automobile’s share of travel in both France and Germany is higher than in the rest of Europe.63 Rail’s declining importance in Europe has come about despite onerous taxes on driving and huge subsidies to rail transportation. European nations impose 300 to 400 percent taxes on motor fuel, and much of the revenue is effectively transferred to rail subsidies. “Rail is heavily subsidized,” says University of Paris economist Rémy Prud’Homme. “Users pay about half the total cost of providing the service.” Prud’Homme estimates that rail service in the EU-15 receives about 68 billion euros—or about $100 billion—of subsidies each year.64 Nor has the introduction of new high- speed rail service helped relieve highway congestion. “Not a single high-speed track built to date has had any perceptible impact on the road traffic carried by parallel motorways,” says Ari Vatanen, a member of the European Parliament, in his summary of a 2005 conference on European transport.65 However, the introduction of subsidized high-speed rail has caused some airlines to end service that parallels rail routes.66 Europe’s passenger travel mix is not much different from that of the United States (Table 2). European intercity rail carries a 5.7 percent larger share of the travel market than Amtrak. But it is not even clear that this is the result of the massive subsidies Europe is pouring into high-speed rail, since this percentage is steadily declining. European planners predict that rail and bus’s combined share will continue to decline between now and 2030.

### 2nc-Energy Adv-HSR Can’t Replace Cars

#### High-speed rail fails: won’t replace cars, environmentally dangerous, trades off with better stimulus plans

O’Toole 2008 (Randall, Senior Fellow @ Cato, “High Speed Rail: The Wrong Road for America,” policy analysis 625, 10/31, http://www.cato.org/publications/policy-analysis/highspeed-rail-wrong-road-america)

In the face of high energy prices and concerns about global warming, environmentalists and planners offer high-speed rail as an environmentally friendly alternative to driving and air travel. California, Florida, the Midwest, and other parts of the country are actively considering specific high-speed rail plans. Close scrutiny of these plans reveals that they do not live up to the hype. As attractive as 110- to 220-mile-per-hour trains might sound, even the most optimistic forecasts predict they will take few cars off the road. At best, they will replace for- profit private commuter airlines with heavily subsidized public rail systems that are likely to require continued subsidies far into the future. Nor are high-speed rail lines particularly environmentally friendly. Planners have predicted that a proposed line in Florida would use more energy and emit more of some pollutants than all of the cars it would take off the road. California planners forecast that high-speed rail would reduce pollution and greenhouse gas emissions by a mere 0.7 to 1.5 percent—but only if ridership reached the high end of projected levels. Lower ridership would nullify energy savings and pollution reductions. These assessments are confirmed by the actual experience of high-speed rail lines in Japan and Europe. Since Japan introduced high-speed bullet trains, passenger rail has lost more than half its market share to the automobile. Since Italy, France, and other European countries opened their high-speed rail lines, rail’s market share in Europe has dwindled from 8.2 to 5.8 percent of travel. If high-speed rail doesn’t work in Japan and Europe, how can it work in the United States? As megaprojects—the California high-speed rail is projected to cost $33 to $37 billion—high-speed rail plans pose serious risks for taxpayers. Costs of recent rail projects in Denver and Seattle are running 60 to 100 percent above projections. Once construction begins, politicians will feel obligated to throw good taxpayers’ money after bad. Once projects are completed, most plans call for them to be turned over to private companies that will keep any operational profits, while taxpayers will remain vulnerable if the trains lose money. In short, high-speed rail proposals are high- cost, high-risk megaprojects that promise little or no congestion relief, energy savings, or other environmental benefits. Taxpayers and politicians should be wary of any transportation projects that cannot be paid for out of user fees.

### 2nc-Energy Adv-Can’t Solve Pollution

#### HSR still causes pollution-the aff doesn’t account for power requirements

Levinson et al 97[David Levinson, Jean Michel Mathieu, David Gillen, Adib Kanafani; Institute of Transportation Studies @ UC Berkeley; “The full cost of high-speed rail: an engineering approach”, pg. 206]

Since high-speed rail systems are electrically powered, we assume that there are no air pollution externalities caused by the rail system, and that the cost of pollution is internalized in the electricity generation sector of the economy, which results in higher energy prices than would otherwise be found. While we do not consider pollution costs, we recognize this is an issue which is under debate. Some have argued that the incremental pollution due to the increase in power requirements from the public utility which supplies power to the HSR should be included as part of the social costs of HSR, because it represents an avoidable cost. With electrically powered trainsets, the pollution from power generation is moved backwards in the supply relationship. We argue that this pollution is properly associated with the electric power generation sector, in which additional pollution costs are, or should be, internalized.

#### HST contributes to air pollution and climate change

Givoni 06[Moshe, Professor of Transport Studies at Oxford; “Development and Impact of the Modern High-speed Train: A Review”; pg.606]

The impact of HST operations on the environment is usually portrayed in a positive light since it is considered to impact the environment less than other modes of transport, especially the aircraft. However, HST operations lead to negative environmental impacts including local air pollution (LAP), climate change, noise and land take. HSTs are predominantly electric powered and therefore emissions from HST operations are considered to be linearly related to energy consumption and the sources used to generate the electricity. The higher the level of renewable sources and nuclear power used to generate the electricity, the lower the level of emission associated with HST operations. Usually, it is assumed that the electricity is supplied from the national grid and emission is calculated based on the average electricity generation mix (Commission for Integrated Transport, 2001). The use of electric power also means virtually zero emissions from the HST along the line and at the stations. The most harmful pollutants related to HST operation are sulphur dioxide (SO2 ) and nitrogen oxides (NOx). The former affect the environment mainly by contributing to LAP, and the latter to both LAP and climate change. In general, HST operations are not considered to contribute significantly to climate change, while their contribution to LAP can be significant depending mainly on the levels of SO2 emission associated with HST operations (Givoni, 2005). These levels depend mainly on the share of coal used to generate the electricity (Button, 1993). Usually, power plants are located away from densely populated areas, which means that the actual impact from HST operation on LAP is lower then suggested by the mix and amount emitted due to the relatively low number of people exposed to the emission.

### 2nc-Energy Adv-Construction O/W Fuels Efficiency

#### construction causes numerous environmental disturbances

Albalate & Bel 10—Daniel Albalate and Germa Bel, University of Barcelona (“High Speed Rail: Lessons for Policy Makers from Experiences Abroad”, 2010, <http://danbyles.co.uk/conservatives/files/dan_byles/4.%20High%20Speed%20Rail%20Study%20-%20Barcelona%20Research%20Institute%20of%20Applied%20Economics.pdf>)

As HSR is more environmentally efficient than its natural competitor – the airline industry - making medium-distance transportation more environmental friendly is an obvious rationale for building HST networks. However, the building and operation of HSR systems are also responsible for environmental damage, in terms of land take, noise, visual disruption, air pollution and the increase in the global warming effect because of the high consumption of electric energy.

### 2nc-Energy Adv-No Fuel Efficiency

#### HSR is LESS fuel efficient than its status quo competitors, and does nothing to mitigate the impact of CO2 emissions

Albalate & Bel 10—Daniel Albalate and Germa Bel, University of Barcelona (“High Speed Rail: Lessons for Policy Makers from Experiences Abroad”, 2010, <http://danbyles.co.uk/conservatives/files/dan_byles/4.%20High%20Speed%20Rail%20Study%20-%20Barcelona%20Research%20Institute%20of%20Applied%20Economics.pdf>)

There has yet to be a detailed, systematic evaluation of the impact of an expanding HST network on the reduction in CO2 emissions at either an aggregate or country level. However, information is available on the environmental effects of HSTs, particularly as regards their energy consumption. According to estimates conducted by van Essen et al (2003), energy consumed per MJ/seat mile by air transport is 240% higher than that attributable to HSTs. However, the energy consumed by HSTs is 12.8% higher than a petrol-driven car when traveling on the motorway, 55.9% higher than a diesel-driven car on the motorway, and 140.9% higher than an intercity train. Other estimates (van Wee, van den Brink and Nijland, 2003) conclude that while energy use and emissions for HSTs are much higher than for conventional trains, they are relatively similar to those for cars and buses. In the most favorable analysis for HSTs –conducted by García Álvarez (2007) for Spain, HSTs and conventional trains were reported as producing similar emissions on two of the lines analyzed, while the conventional train was much more efficient on the remaining line. Clearly, the overall impact of HSTs on energy consumption is heavily dependent on the source of its traffic - whether it is newly generated or attracted from previously existing modes (and, in the case of road transportation, on whether it replaces cars or buses). However, HSR is not a particularly useful tool for fighting CO2 emissions, being less environmentally efficient than conventional modern trains. Further, building a new and separate HST line involves significant CO2 emissions that environmental HST analyses do not take into account. 15

### 1nc/2nc Peak Oil Defense

#### Zero risk of peak oil – reserves constantly increasing, technology means better extraction and exploration methods, price spikes lead to fast substitutes and efficiency eases demand.

Gorellick, 2009 (Steven M., Cyrus Fisher Tolman Professor in the School of Earth Sciences at Stanford University, *Oil Panic and the Global Crisis,* December, Pages 222-224)

Much evidence shows a declining trend in huge oil discoveries, and **oil is seemingly becoming harder to find. Yet, the amount of global oil reserves** (known and profitable resource) **continues to grow**, and the success rate of exploratory wells has increased. The debate continues, with some pointing to recent relatively high oil prices and the slow pace of addition to supplies compared to the past. But the low price of oil (less than $30 per barrel (2007$)) during the 1980s and 1990s discouraged exploration, a trend that reversed when oil prices rose in the first decade of this millennium. All the while, OPEC has tried to control its production and allow oil prices to climb as demand increased, while world events, ranging from striking workers to hurricanes, limited global production. Under these constraints of exploration and production, a snapshot of the high price of oil at a particular time is not a valid indicator of resource scarcity. This is most apparent in the long-term downward trend in the price of gasoline adjusted for inflation. Compared with the mass-balance and curve-fitting approach discussed above, is it not as scientific to develop a forecast of global oil production that: (1) is based on an unknown oil endowment, (2) allows for oil resources from unconventional sources, (3) considers the dynamics of demand for oil and the purposes oil serves, and (4) anticipates technology that will enhance discovery, recovery, use-efficiency, and the role of substitutes? Let us examine this approach. **Production trends of non-renewable Earth resources have depended on new technologies for discovery, resource development, and efficient use**. The difficulty with depending on future technology to make resources avail­able is the risk that advances will not be timely or not occur at all. After all, how can one predict the rate and significance of commercially viable break­throughs in resource discovery, production, and use-efficiency? One approach is to estimate the historical number of innovations based on inspection of spending on research and development. Another approach is to count patent activity. Both measures can provide some idea of the rate of innovation but are deficient because not all spending or ideas result in successful inventions in the form of new machines or methods, and the lag time between concept and implementation can be decades. **Studies of** technology in **the petroleum industry** have attempted to overcome these weaknesses by directly estimat­ing the number of innovative technologies historically brought to practice. The advantage of this approach is the ability to exclude the number of fail­ures from the total and record the implementation date. In two studies,**researchers**combed through trade journals and consulted with industry experts regarding advances in petroleum exploration and development from 1947 to 1965 and 1966 to 1990, respectively. Both studies**found an average of four to five such innovations per year**.74 What these results suggest is that innovations are not rare events. Predicting the likely impact of any new technology remains a challenge, but there appears to be a steady stream of inventions. Petroleum exploration, development, and refining processes have always been driven by technological advances. **From the beginning of the Oil Era, new ways have been used to deduce the presence of oil beneath the land or ocean and to advance the ability to drill, optimally produce oil, and more effectively refine i**t. In 1908, Howard Hughes, Senior, invented the "rock bit," whose 166 cutting edges enabled drilling deep wells for the first time.75 In 1913, a patent was issued on the process of distilling oil under pressure wherein heavier hydrocarbon molecules were cracked (broken down) to form lighter liquids. This breakthrough resulted in refining that doubled the amount of gasoline produced from a barrel of oil (40 percent versus 20 percent gasoline).76 Today, the oil industry is a high-tech business, with technological advances being adopted in areas ranging from discovery to recovery. Computer-aided visualization, 3D viewing, and new geophysical methods have accompanied major progress in the use of horizontal wells and precision directional drilling. Rather than leaving behind most of the oil after pumping, modern production can remove the majority of oil initially in place. Dismissing the consistent role played by technological advances and thereby unavoidably forecasting global depletion is to ignore historical data and processes that should be a part of a valid scientific analysis. The world has depended on technological advances in many industries, and to think that they will stop is nonsensical. Forecasts of global oil depletion should not depend on global endowment estimates that have not held up. Predictions should not rely so heavily on the convenient and simplistic projections of historical discovery and production data.**Increased transportation fuel efficiency is essential to reducing future oil demand**. In the 1970s, annual global oil production was about 5.1 barrels per person. **When the CAFE standards of 27.5 mpg improved new fuel economy** by 14 mpg, **annual global per capita production dropped to 4.l barrels per person**, and that figure has remained fixed for the past 25 years. Global oil use has grown at the same rate as the increase in population. If fuel efficiency were increased to 43 mpg, oil production might fall to 3 barrels per person per year. At that per capita rate, peak global oil production would occur during the anticipated period of maximum global population of 9.22 billion in 2075.77 Under that scenario, annual global oil production requirements would be 27.7 billion barrels, which is essentially the global production value seen in the past few years. Should the world of the future choose to use oil as we do today to power transportation, our current rate of production would be sufficient as long as vehicle fuel economy were improved by about 60 percent. This prospect seems likely. **Fuel economy improved by more than 60 percent in response to the original 1975 CAFE standards, and many small cars and hybrids already get 43 to 50 mpg** (5.5 to 4.7 liters per 100 km). The 2007 revised CAFE standard of 35 mpg by 2020 added 7.5 mpg, but at least another 7.5 mpg gain is needed, The rest of the world is ahead of the US on vehicle fuel economy, and the US must catch up and begin to take the lead. The Obama administration is aiming to shorten the time-line for fuel-economy compliance to 2016 and make the standard 35.5 mpg, roughly in line with the California requirement.' This is a move in the right direction, but it is not enough to facilitate a concerted effort to replace light-fleet vehicles with plug-in hybrids and electric cars. After a viable technology that improves efficiency is introduced, its adop­tion spreads. Typically, there is no widespread reversion to an older ineffi­cient approach. The global transfer of new technology affects oil recovery and consumption. **A rapid increase in oil prices can have a positive effect on technology and the direction of our oil-consumption path. High prices promote efficiency and the introduction of substitutes. As a consequence of innovation, the ultimate result of an increase in price is a sustainable lower price**. However, that progression will likely involve coping with oil-supply disruptions and oil-price volatility. Alternatively, a new model would be to actively promote oil-price stability and allow for the orderly transition to the most sensible transportation-fuel alternatives. If there is**a peak** and decline in global oil production during the next two decades, it **is more likely that it will reflect a decrease in global oil demand, rather than production choked by critically low global availability**. The state of global oil resources (listed above) suggests that improvements in technology and efficiency will allow for continued use of conventional oil resources. The line between conventional and unconventional sources of oil will blur as more unconventional sources come on line. However, issues other than availability have become increasingly important to our future use of oil. Driven by security, stability, and environmental concerns, major consuming nations may shift away from conventional oil as a transportation fuel. Based on the history of production of other non-renewable Earth resources,**a move away from today's conventional oil will take place long before the end of the global endowment is in sight**.

### 1nc/2nc-Resource Wars Defense

#### No resource wars – war has been abandoned as a method of controlling oil

Hossein-zadeh ‘8, Professor of economics at Drake University (Ismael, “Are they really oil wars?” June 25, http://www.atimes.com/atimes/global\_economy/JF25Dj05.html)

Not only do the two arguments contradict each other, but each argument is also wanting and unconvincing on its own grounds; not because the US does not wish for cheap oil, or because Big Oil does not desire higher oil prices, but because war is no longer the way to control or gain access to energy resources. Colonial-type occupationor direct control of energy resources is no longer efficient or economical and has, therefore, been abandoned for more than four decades. The view that recent US military adventures in the Middle East and the broader Central Asia are driven by energy considerations is further reinforced by the dubious theory of Peak Oil, which maintains that, having peaked, world oil resources are now dwindling and that, therefore, war power and military strength are key to access or control of the shrinking energy resources. Not only is Peak Oil theory unscientific, unrealistic, and perhaps even fraudulent; war and military force are no longer the necessary or appropriate means to gain access to sources of energy - resorting to military measures can, indeed, lead to costly, not cheap, oil. In fact, despite the lucrative spoils of warresulting from high oil prices and profits, Big Oil prefers peace and stability, not war and geopolitical turbulence, in global energy markets. Behind the drive to war and military adventures in the Middle East lie powerful special interests (vested in war, militarism, and geopolitical concerns of Israel) that use oil as an issue of "national interest" - as a facade or pretext - in order to justify military adventures to derive high dividends, both economic and geopolitical, from war.

### 1nc/2nc-Oil Wars Defense

#### No oil wars – rise of international markets makes control of the oil supply irrelevant

Hossein-zadeh ‘8 (Ismael, Teaches economics at Drake University, “Are they really oil wars?” June 25, http://www.atimes.com/atimes/global\_economy/JF25Dj05.html)

Secondly, and more importantly, **access to oil no longer requires control** of oil fields or oil producers - as was the case in times past. For more than a century, that is, from the early days of oil extraction in the United States in the 1870s until the mid-1970s, the price of oil was determined administratively, that is, by independent producers operating in different parts of the world without having to compete with each other. Under those circumstances, colonial or imperial **wars**of conquest and occupation **were crucial to the control of oil**(and other) resources. **Beginning with the**19**50s**, however, **that pattern**of local, non-competitive price determination **began to gradually change in favor of regional and/or international markets**. By the mid-1970s, **an internationally competitive oil market emerged that**effectively **ended the**century-old **pattern of local**, administrative **pricing**. Today, oil prices (like most other commodity prices) are determined largely by the forces of supply and demand in competitive global energy markets; and any country or company can have as much oil as they wish if they pay the going market (or spot) price.[13]

### 1nc/2nc-Oil Shocks Defense

#### No oil spikes.

Layne ‘6 Christopher Layne, Prof Intl Relations at Texas A&M, 2006

The Peace of Illusions, p. 179-180

Domestic instability in a major oil-producing state is another threat to US. interests in the Gulf In the form of civil unrest, **instabilitycould temporarily reduce** the **flow of oil** from an affected country and drive up prices. However**, because theoil industry is globally integrated**, **other** oil **producers would** increase their own production to **make up for** the **lost capacity.** Thus, any **spike in** oil **prices would be temporary**, and lost supplies would be replenished by other producers. In fact, past **experience shows** that **this is** precisely **what happens** when internal instability in an oil-producing state causes a temporary disruption in oil supplies.63 Instability in any of the Gulf oil producers, of course, could bring a hostile regime to power. Here, there are two things to keep in mind. First, it is unlikely that U.S. military intervention could forestall) such an event, and indeed it might make things worse. Second, the economic consequences of such an event are exaggerated. In an integrated, global oil market it is immaterial whether a hostile regime would sell oil directly to the United States. Because oil is fungible, all that matters is that such a regime make its oil available to the market. The chances of a hostile regime embargoing its oil are very low. All the major oil producers in the Gulf are economically dependent on their oil revenues. Even if a hostile regime in the Gulf wanted to embargo oil shipments to the United States or the West, it could not long do so without shooting itself in the foot economically. Moreover, if a hostile regime chose to behave in an economically irrational fashion by sacrificing income to achieve political or economic objectives, markets would adjust. Higher oil prices caused by an embargo would lead oil- consuming states like the United States to switch to alternative energy sources and use energy more efficiently, and also provide an incentive for other oil-producing states to increase the supply of oil in the market.64 Simply put, in relatively short order the supply-demand equilibrium would re-, turn to the marketplace, and oil prices would return to their natural marketplace level.

### 1nc/2nc-China War Defense

#### Interdependence makes China relations resilient.

Tung 3 – PhD, Center for IR @ National Chengchi University, Chen-Yuan, The Impact of Bilateral Economic Interdependence on US-China Relations,

**U.S.-China** economic **interdependence** has significantly **changed Beijing’s** perception of **national interests**, and thus, has shaped U.S.-China relations. A commentary in the Renmin Ribao in May 2001 pointed out, “The fast-developing Sino-U.S. economic cooperation and **trade has become the main stabilizing factor** and driving force **in** bilateral **relations**.”54 An international relations scholar in Beijing expounded, “Some criticized Beijing was too weak in dealing with the U.S. and Japan. But those critics did not see a historical change. China is heavily interdependent with the U.S. and West. The interdependence has significantly constrained Chinese foreign relations. China can not comprehensively antagonize the At a joint meeting with members of the Chinese People’s Political Consultative Conference on March 6, 2001, Vice Premier Qian **Qichen said** that **it was impossible to change** the **U.S**. basic **standpoint on** the **Taiwan and human rights** issues, **but** China and the United States had **common economic interests**. He emphasized that China **should bring** the **contradictions** between China and the United States **“under control and not have an outburst**. We should reason things out and, if we fail, we should put aside minor differences so as to seek common ground [economic interests].”56 An international relations senior scholar in Beijing stressed, “Sino-U.S. relations reflect the importance of economic development to China. China makes every effort to maintain stable Sino-U.S. relations. It is impossible for China to face off with the United States. The Sino-U.S. relationship is not an issue of face, but of economic development.”57 An American studies senior scholar in Beijing elaborated, “The Sino-U.S. economic relationship is very important for China. **Trade accounts for 40 percent of China’s GDP,** and 40 percent of China’s trade goes to the United States. As a result, China must maintain a good relationship with the United States. The importance of the U.S. to China is much greater than China’s importance to the United States. If Sino-U.S. relations worsen, it will bring severe damage to China.”58 In the two case studies, **Beijing tried to minimize** the **impact of** surging **nationalism** and public overreaction **on** its overall economic development and U.S.-China **relations. In the** case of the **embassy bombing, Beijing** only allowed “controlled” demonstrations and protests for two days, and then **strictly prohibited** any follow-up **demonstrations**. Afterward, Beijing tried to control the damage by reassuring the foreign investors and diverting the people’s focus back to economic development. Moreover, Beijing pragmatically and gradually normalized relations with the United States, despite its tough gesture of rejecting U.S. explanation of the bombing incident and demanding the U.S. severely punish the perpetrators. **In the case** **of the reconnaissance plane incident**, the U.S. government obviously did not meet China’s three demands: apologizing, taking responsibility, and stopping reconnaissance flights in airspace off China’s coastal areas. However, China strictly prohibited protests against the United States for fear of damaging its economic development. Furthermore, China frequently publicly expressed that **China took** **a** calm, **restrained**, and responsible **attitude** in handling the incident. In order to minimize a possible backlash from the Chinese public, Beijing twisted the language of a U.S. letter of regret into a fully-fledged apology, and thus, declared it a victory for Chinese dignity. Regarding the sharp contrast between Beijing’s rhetoric assertiveness and actual prudence, a Taiwan studies senior scholar in Beijing frankly stated, “The most important priority for China is economics. This is a prevailing consensus among the public and elite. Beijing should have acted stronger against the United States, Japan, and Taiwan, but Beijing had economic interests in mind.”59 Since Beijing was not willing to sternly respond to Washington because of economic interest concerns, Beijing had to at least rhetorically assure the Chinese people of its firm position, and then prudently minimize the impact of the incidents on U.S.-China relations. In the reconnaissance plane incident, because Washington did not meet any of three initial demands Beijing raised, Beijing finally twisted the language and declared a moral victory in order to bolster its domestic position, as well as to normalize U.S.-China relations. Many other Chinese scholars had the same perspective. For instance, an American studies senior scholar in Beijing emphasized, “Regarding the issue of the U.S. bombing of the Chinese embassy and the airplane collision, **China does not want conflict. All China wants is to develop its economy!”**60 Four international relations senior scholars in Beijing and an international relations senior scholar in Shanghai all agreed that economic interest is the essential consideration for China to deal with the issues of the U.S. bombing of both the Chinese embassy and the airplane collision.61 An U.S. senior official explained, “Since the mid-1990s, Taiwanese President Lee Teng- hui’s visit to the States, the U.S. mistaken bombing incident of Chinese embassy in Belgrade, and the collision incident between an U.S. reconnaissance plane and a Chinese fighter jet, all stirred strong reaction from Chinese officials and scholars. Nevertheless, with the prerequisite of maintaining U.S.-China economic interests, President Jiang Zemin finally intervened and emphasized that China had to do its best to maintain friendly relations with the United States. Beijing clearly recognized that Chinese economy heavily depended on U.S. economy. Sometimes, Washington reminded Beijing of this fact.”62 Looking into the future, Chinese U.S. policy would continue to be moderate and cooperative, in order to preserve the interests of bilateral economic interdependence. In the 16th National Congress of the Chinese Communist Party held in November 2002, Chinese leaders announced that, for the next twenty years, China would continue to focus on economic development. Beijing believes that a peaceful and stable international environment, particularly a stable U.S.-China relationship, is essential to China’s economic development. As a result, it is a consensus within China that Beijing will continue adopting cooperative attitudes and policies toward the United States in the future.63

### 1nc-Economy Adv F/L

#### 1. Their internal links are exaggerated-the economic impacts are marginal─

Albalate & Bel 10—Daniel Albalate and Germa Bel, University of Barcelona (“High Speed Rail: Lessons for Policy Makers from Experiences Abroad”, 2010, <http://danbyles.co.uk/conservatives/files/dan_byles/4.%20High%20Speed%20Rail%20Study%20-%20Barcelona%20Research%20Institute%20of%20Applied%20Economics.pdf>)

It is consistently reported that HSR does not generate any new activities nor does it attract new firms and investment, but rather it helps to consolidate and promote on-going processes as well as to facilitate intra-organizational journeys for those firms and institutions for whom mobility is essential. In fact, for regions and cities whose economic conditions compare unfavorably with those of their neighbors, a connection to the HST line may even result in economic activities being drained away and an overall negative impact (Givoni, 2006; Van den Berg and Pol 1998; Thompson 1995). Medium size cities may well be the ones to suffer most from the economic attraction of the more dynamic, bigger cities. Indeed, Haynes (1997) points out that growth is sometimes at the expense of other centers of concentration. Several reports describe the centralization of activities in big nodes, especially in the services sector. It is perhaps worth pointing out that only those cities with a significant weight of services in their economic structure appear to benefit from HSTs. In other words agricultural and industrial activities are indifferent to HST stops. Evidence of this lack of economic impact is the little attention given to a HST railway stations by firms in their location decisions, even those of service companies. Besides business journeys, tourism is the first sector to show an immediate effect following the inauguration of an HST line. Indeed, the number of tourists in cities linked to the network tends to increase thanks to this alternative mode of transport. However, the number of overnight stays falls due to easier same day travel, which also has a marked impact on business trips. Therefore, HSR impacts on the tourist industry by promoting the number of leisure travelers to connected cities but at the same time it reduces the number of nights spent in hotels. Finally, the reports reviewed also show that HSTs had only marginal impacts on population and housing growth.

#### 2. HSR will go at a loss-only 2 routes have made a profit

Braymer 11[Noel, Railway Passenger Association of California and Nevada,“Where are all those bankrupt High Speed Rail Countries?”]

There is nothing new about participants in a debate being selective in the “facts” they use to make their points. Much of the hysteria about High Speed Rail is based on the claim that around the world there are only 2 High Speed Rail routes that have made any money. The basis for this can be traced to a study by the Cato Institute (a libertarian think tank largely funded by Oil interests). The original Tokyo-Osaka Shinkansan line and the Paris-Lyon TGV line are the only 2 so far that have paid off all of their capital costs. That is because it takes time to pay off an investment, these are the oldest HSR lines, and most High Speed Rail services are new. If we used the criteria that a business need pay off all capital costs before being considered “profitable” then we would have few profitable businesses. Lenders are more than happy to lend money as long as an enterprise has the revenue to service the debt. All business depends on credit to function. So what is the real story? The new Spanish High Speed Rail service (RENFE AVE) despite the economic problems in that county (20% unemployment) posted a PROFIT for 2010. The new Russian High Speed Rail service between Moscow and St. Petersburg is the only profitable passenger rail service in Russia, averaging over 80% occupancy and is expected to pay off all capital cost in 16 years. In Britain all of the rail passenger services are operated by private companies who only stay in business if they make a profit. High Speed in Britain is “only 140 miles per hour tops” in most cases, but these operators are competing to run trains and make money. In Italy there is a privately owned railroad that is building a national high speed rail network which is starting service this year. It plans to make money competing with the Italian National Railroad. Both the French National Railroad (SNCF) and German National Railroad (DB) make money. Their most profitable services are their high speed rail passenger services. In fact both railroads are competing against each other. DB is pushing very hard to expand their High Speed Rail service to Paris and London from Germany. In Japan the old National JR railroad was split up years ago into 6 regional privately owned railroads each with their segments of High Speed Rail. All six companies are profitable and making money with High Speed Rail passenger service. Is any country losing money on High Speed Rail? There is Taiwan. They have a new beautiful national system that is very fast. It gets high ridership and there has been a noticeable decline in local air travel. But it is losing money at least for now. The problem for Taiwan is the politicians did go a bit overboard in construction particularly for some very beautiful new stations. Also there are legal limits to how much the trains can charge passengers. The losses are shrinking but it will be some time if ever before the Taiwan service makes an operating profit. But the point is despite the hysteria that our nation will become destitute subsidizing High Speed Rail service, this hasn’t been the experience of other counties. China has the largest High Speed Rail Program in the world. The former chief of China’s railroads was a con man who sought bragging rights by running the world’s fastest trains. He was recently fired, accused of fraud and accepting bribes while embezzling funds to pay for his many girlfriends. China is now lowering some of the speeds of their trains to save money, and lowering fares which many passengers felt were too high. Construction will go on for more High Speed Rail and even in Communist China the railroad is expected to at least break even.

### 2nc-Economy Adv-Cost Overruns

#### Cost overruns inevitable—HSR investment should only be considered for areas where popular support is highest to avoid sinking ourselves further down the Spiral of Deficit Doom

Albalate & Bel 10—Daniel Albalate and Germa Bel, University of Barcelona (“High Speed Rail: Lessons for Policy Makers from Experiences Abroad”, 2010, <http://danbyles.co.uk/conservatives/files/dan_byles/4.%20High%20Speed%20Rail%20Study%20-%20Barcelona%20Research%20Institute%20of%20Applied%20Economics.pdf>)

The development of an HSR network entails huge construction and operation costs. The key decision at the outset, as discussed above, concerns the complementarity of carrying passengers and freight. Complementarity with freight transport increases costs, since the track gradients have to be more carefully controlled. However, making freight carriage compatible with that of passengers can boost industrial productivity and increase connectivity between industrial areas and airports, ports, and logistic areas. Various costs need to be taken into account when considering the additional expenditure incurred from building HST lines. Land expropriation costs increase the initial investment substantially, and this is a key factor when HSR lines enter densely populated areas and downtown districts. For this reason, France chose to use conventional lines to access its major cities, given that construction and expropriation costs would have been exorbitant. Similarly, the provision of bridges and tunnels increases construction costs notably. Finally, cost overruns would seem to be high in almost all instances; administrations should be fully aware that eventual construction costs might far outstrip initial expectations. One issue that certainly should not be ignored are the political pressures that are brought to bear and which can lead to incremental costs and decreasing benefits. These political pressures might emerge from the supply side, with governments placing greater emphasis on political interests than on satisfying transport needs when planning the HST network, as illustrated by the Spanish case. While from the demand side, local and regional governments might exert pressures for an HST railway station, even if this runs contrary to sound transportation rationale. All these factors can combine to raise construction costs and lower the average commercial speed. According to estimates calculated by de Rus and Nombela (2007, p. 21), investment in HSR is difficult to justify when the expected first-year demand is below 8–10 million passengers for a line of 312.5 miles, a distance at which HSR’s competitive advantage over road and air transport is clear. The economic rationale for new HSR infrastructure depends heavily then on the expected volume of demand. Thus, building an HST line should only be considered in the case of links with high demand expectations for rail travel, i.e., routes connecting densely populated metropolitan areas, with severe problems of road congestion, and a deficient air connection. This economic framework hinders the use of public-private partnerships (PPPs) in HSR projects. This is clearly illustrated by the Italian case where the HSR was originally conceived as a PPP but was later nationalized owing to a shortage of additional private investments. The difficulties encountered in recouping costs and the need for higher subsidies increase the government role in the enterprise and the risks involved for private investors. Mobility impacts HSR provides significant travel time savings when compared to conventional rail services, but similar door-to-door timings are reported for air transportation on routes of around 400 miles. However, HSR provides a highly reliable service with average delays of just two minutes and it can offer considerable advantages in terms of comfort, the fact that passengers can use their electronic devices while in transit and are subject to less rigorous security restrictions and controls. Its comparative advantage would seem to lie on routes that range from between 100 to 500 miles. Over shorter distances, HSR finds it difficult to compete with road transportation, while over longer distances air transportation takes the upper hand. The modal distribution of traffic has been affected by the introduction of HSR in all the cases studied, having the greatest impact on the airline industry in France and Spain. As Table 5 highlights, immediately following the inauguration of the HST service, the share held by air transport fell significantly in both countries. Similarly, road transportation has suffered from competition from HST, albeit to a lesser extent. Surprisingly, the impact on the modal shares of the Paris-Lyon and Madrid-Seville lines were very similar according to the European Commission (1996). Recent data on the traffic between Barcelona and Madrid, the main air corridor in the Spanish airline market (and indeed in the entire world market, with almost five million passengers per year in 2007), show that after a year of HST service a third of air traffic has switched to rail.

### 2nc-Economy Adv-Cost Overruns

#### Overruns eliminate any economic benefits of the project

Albalate & Bel 10—Daniel Albalate and Germa Bel, University of Barcelona (“High Speed Rail: Lessons for Policy Makers from Experiences Abroad”, 2010, <http://danbyles.co.uk/conservatives/files/dan_byles/4.%20High%20Speed%20Rail%20Study%20-%20Barcelona%20Research%20Institute%20of%20Applied%20Economics.pdf>)

In this paper, we have highlighted the main questions that policy makers must consider when designing high speed rail networks to reduce traffic congestion, cut dependence on foreign oil and improve the environment. A number of obvious lessons can be drawn from the five cases we review here. First, the project design must take into consideration the specific characteristics of the urban patterns and economic structure of the country, including its traffic patterns, because of the overriding importance of a country’s mobility characteristics. Second, cost considerations are of central relevance when making choices concerning HSR projects and their implementation. The fixed costs of HSR investment are huge, and cost overruns notoriously high. In addition, political factors (on the supply as well as on the demand side) can contribute to further increase costs. Therefore, the potential demand for HSR services must be particularly high in order to make investment in HSR socially profitable. This means its main targets must be those corridors linking densely populated metropolitan areas, suffering severe road congestion problems, and deficient air links. These constraints also hinder the use of PPPs and governments must be prepared to intervene in constructing their HSR networks. While HSR is more environmentally efficient than air transportation and the use of the private car, it is responsible for more CO2 emissions than conventional intercity trains. For this reason, HSR is not a very useful tool for fighting CO2 emissions. Finally, the economic impacts of HSR are somewhat limited. The largest cities in the network might receive limited gains, but this is not the case for intermediate cities, which might see economic activities being drained away and suffer an overall negative impact. The present paper was based on a review of the main HSR experiences around the world. Future research should seek to draw on recent developments in U.S. transportation planning, which provides an increasing number of project analyses, including those already underway in California and Florida. Additionally, new lessons should be learned by comparing the American HSR planning process and the context in which it is being undertaken (political system, mobility patterns, energy policy, fiscal constraints) with the experiences and contexts of other countries around the globe.

### 2nc-Economy Adv-Property Values Turn

#### High-speed rails destroy the economy by tanking property values

Martin Engel, writer for High Speed Train Talk, “A Summary Reality Check of Why High-Speed Rail is a Bad Idea,” June 25th, 2011, http://high-speedtraintalk.blogspot.com/2011/06/summary-reality-check-of-why-high-speed.html

10. It [the high-speed rail] will be enormously harmful to the urban and rural environment. The train must pass through the population centers north and south in California. Tunneling, which would spare the environment, is off the table due to high costs. Elevated viaduct structures are preferred by the rail authority due to their low costs and engineering design problem solving. Business centers, residential areas, schools, parks, farmlands and industrial sites will all be adversely affected not only aesthetically, but economically with severe negative impact on property values. The construction impact on the environment will be devastating.

### Stimulus Fails-Laundry List

#### Stimulus fails – three reasons

Cochrane, Myron S. Scholes Professor of Finance @ U Chicago Booth School of Business, 2/27/’9 (John H, “Fiscal Stimulus, Fiscal Inflation, or Fiscal Fallacies?” <http://faculty.chicagobooth.edu/john.cochrane/research/Papers/fiscal2.htm>)

Most fiscal stimulus arguments are based on fallacies, because they ignore three basic facts.   First, if money is not going to be printed, it has to come from somewhere. If the government borrows a dollar from you, that is a dollar that you do not spend, or that you do not lend to a company to spend on new investment. Every dollar of increased government spending must correspond to one less dollar of private spending. Jobs created by stimulus spending are offset by jobs lost from the decline in private spending. We can build roads instead of factories, but fiscal stimulus can’t help us to build more of both[1](http://faculty.chicagobooth.edu/john.cochrane/research/Papers/fiscal2.htm#Fn1) . This form of  “crowding out” is just accounting, and doesn't rest on any perceptions or behavioral assumptions.    Second, investment is “spending” every bit as much as is consumption. Keynesian fiscal stimulus advocates want money spent on consumption, not saved.  They evaluate past stimulus programs by whether people who got stimulus money spent it on consumption goods rather than save it.  But the economy overall does not care if you buy a car, or if you lend money to a company that buys a forklift.    Third, people must ignore the fact that the government will raise future taxes to pay back the debt. If you know your taxes will go up in the future, the right thing to do with a stimulus check is to buy government bonds so you can pay those higher taxes.  Now the net effect of fiscal stimulus is exactly zero, except to raise future tax distortions. The classic arguments for fiscal stimulus presume that the government can systematically fool people.

### Stimulus Fails-Empirics

#### All empirics flow neg

Riedl, Senior Policy Analyst and Grover Hermann Fellow in Federal Budgetary Affairs, Thomas A. Roe Institute for Economic Policy Studies, B.A. Economics and Poli Sci @ U Wisconsin, M.A. Public Affairs @ Princeton, 1/5/’10 (Brian M, “Why Government Spending Does Not Stimulate Economic Growth: Answering the Critics,” <http://www.heritage.org/Research/Economy/bg2354.cfm>)

Proponents of President Barack Obama's $787 billion stimulus bill continue to insist that the massive government bailout played a decisive role in moving the economy out of the recession. Yet assuming no destructive government actions, the economy's self-correction mechanism was widely expected to move the economy out of recession in 2009 anyway. With a parade of "stimulus" bills the past two years (going back to President George W. Bush's tax rebate in early 2008), it was entirely predictable that some would link the expected end of the recession to whichever stimulus bill happened to come last. Indeed, President Obama's stimulus bill failed by its own standards. In a January 2009 report, White House economists predicted that the stimulus bill would create (not merely save) 3.3 million net jobs by 2010. Since then, 3.5 million more net jobs have been lost, pushing the unemployment rate above 10 percent.[[1]](http://www.heritage.org/Research/Economy/bg2354.cfm" \l "_ftn1" \o ") The fact that government failed to spend its way to prosperity is not an isolated incident: During the 1930s, New Deal lawmakers doubled federal spending--yet unemployment remained above 20 percent until World War II. Japan responded to a 1990 recession by passing 10 stimulus spending bills over 8 years (building the largest national debt in the industrialized world)--yet its economy remained stagnant. In 2001, President Bush responded to a recession by "injecting" tax rebates into the economy. The economy did not respond until two years later, when tax rate reductions were implemented. In 2008, President Bush tried to head off the current recession with another round of tax rebates. The recession continued to worsen. Now, the most recent $787 billion stimulus bill was intended to keep the unemployment rate from exceeding 8 percent. In November, it topped 10 percent.[[2]](http://www.heritage.org/Research/Economy/bg2354.cfm" \l "_ftn2" \o ") Undeterred by these repeated stimulus failures, President Obama is calling for yet another stimulus bill.[[3]](http://www.heritage.org/Research/Economy/bg2354.cfm" \l "_ftn3" \o ") There is every reason to expect another round to fail as miserably as the past ones, and it would bury the nation deeper in debt.

### Stimulus Fails-Can’t Create Money

#### There’s no way to create money out of nowhere – if you borrow from domestic investors, you decrease the investment part of the equation. If you borrow from foreigners, you raise net exports. This all leaves total output unchanged.

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Moving forward, the important question is why government spending fails to end recessions. Spending-stimulus advocates claim that Congress can "inject" new money into the economy, increasing demand and therefore production. This raises the obvious question: From where does the government acquire the money it pumps into the economy? Congress does not have a vault of money waiting to be distributed. Every dollar Congress injectsinto the economy must first be taxed or borrowed out of the economy. No new spending power is created. It is merely redistributed from one group of people to another.[[7]](http://www.heritage.org/Research/Economy/bg2354.cfm" \l "_ftn7" \o ") Congress cannot create new purchasing power out of thin air. If it funds new spending with taxes, it is simply redistributing existing purchasing power (while decreasing incentives to produce income and output). If Congress instead borrows the money from domestic investors, those investors will have that much less to invest or to spend in the private economy. If they borrow the money from foreigners, the balance of payments will adjust by equally raising net imports, leaving total demand and output unchanged. Every dollar Congress spends must first come from somewhere else. For example, many lawmakers claim that every $1 billion in highway stimulus can create 47,576 new construction jobs. But Congress must first borrow that $1 billion from the private economy, which will then lose at least as many jobs.[[8]](http://www.heritage.org/Research/Economy/bg2354.cfm" \l "_ftn8" \o ") Highway spending simply transfers jobs and income from one part of the economy to another. As Heritage Foundation economist Ronald Utt has explained, "The only way that $1 billion of new highway spending can create 47,576 new jobs is if the $1 billion appears out of nowhere as if it were manna from heaven."[[9]](http://www.heritage.org/Research/Economy/bg2354.cfm" \l "_ftn9" \o ") This statement has been confirmed by the Department of Transportation[[10]](http://www.heritage.org/Research/Economy/bg2354.cfm" \l "_ftn10" \o ") and the General Accounting Office (since renamed the Government Accountability Office),[[11]](http://www.heritage.org/Research/Economy/bg2354.cfm#_ftn11) yet lawmakers continue to base policy on this economic fallacy. Removing water from one end of a swimming pool and pouring it in the other end will not raise the overall water level. Similarly, taking dollars from one part of the economy and distributing it to another part of the economy will not expand the economy.

### AT: Consumer Spending Key

#### Countercyclical theory is wrong – people should save rather than spend, as banks redistribute the money to people who will spend

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Critics' Objection No. 1: People Are Saving Instead of Spending, and Banks Are Not Lending.By Borrowing and Spending these "Idle Savings," Government Can Circulate More Money Through the Economy. This is the most common defense of government stimulus cited by policymakers. Indeed, among proponents of government spending there is a strong focus on whether people are spending or saving, with the implication that spending circulates through the economy while savings effectively drop out. But savings do not drop out of the economy. Nearly all people put their savings in: (1) banks, which quickly lend the money to others to spend; (2) investments in stocks and bonds; or (3) personal debt reduction. In each of these situations, the financial system transfers one person's savings to someone else who can spend it. So all money is quickly spent regardless of whether it was initially consumed or saved. The only savings that drop out of the economy are those hoarded in mattresses and safes. Some contend that recession-weary banks are hoarding savings well beyond the legal minimum reserves. Yet even when banks hesitate to lend their deposits, they invest them in Treasury bills to keep them circulating through the economy and earning interest.[[14]](http://www.heritage.org/Research/Economy/bg2354.cfm" \l "_ftn14" \o ") In fact, the federal funds market--where banks lend each other any excess cash at the end of the day--exists because banks refuse to sit on unused cash even overnight. Thus, even in recessions, one person's savings quickly finances another person's spending.[[15]](http://www.heritage.org/Research/Economy/bg2354.cfm" \l "_ftn15" \o ") Advocates of the "idle savings" theory fail to specify the location of all these newly hoarded piles of dollar bills they believe have been shielded from spending in the financial system. Even more telling, they also fail to explain--even if there were massive amounts of idle savings--how the federal government is supposed to acquire them for injection as new spending. After all, even if individuals, businesses, and banks *were* hoarding dollar bills in mattresses and safes, why would they suddenly lend them to the government to finance a stimulus bill? The very idea of hoarding dollars suggests these people and businesses would not trust the financial system, and would be quite unlikely to attend the next Treasury bill auction.[[16]](http://www.heritage.org/Research/Economy/bg2354.cfm" \l "_ftn16" \o ") Stimulus spending advocates must be able to show that nearly all money lent to Washington would have otherwise sat idle in mattresses and bank safes. Otherwise, Washington is merely a middleman transferring purchasing power from one part of the economy to another--and the justification for government spending as stimulus collapses.

### AT-Multiplier Effect

#### No multiplier effect – crowds out spending from other areas, just shifts around funding

Riedl, Senior Policy Analyst and Grover Hermann Fellow in Federal Budgetary Affairs, Thomas A. Roe Institute for Economic Policy Studies, B.A. Economics and Poli Sci @ U Wisconsin, M.A. Public Affairs @ Princeton, 1/5/’10 (Brian M, “Why Government Spending Does Not Stimulate Economic Growth: Answering the Critics,” <http://www.heritage.org/Research/Economy/bg2354.cfm>)

Critics' Objection No. 3: Government Spending Has a Multiplier Effect That Allows the Money to Re-circulate Through the Economy Multiple Times. This point is correct but irrelevant to the question of stimulus. Yes, $100 in unemployment benefits can be spent at a grocery store, which, in turn, can use that $100 to pay salaries and support other jobs. The total amount of additional economic activity will be well above $100; but because government borrows the $100, that same money is now unavailable to the private sector--which would have spent the same $100 with the same multiplier effect. Consider a more comprehensive example. A family might normally put its $10,000 savings in a CD at the local bank. The bank would then lend that $10,000 to the local hardware store, which would then recycle that spending around the town, supporting local jobs. Suppose that the family instead buys a $10,000 government bond that funds the stimulus bill. Washington spends that $10,000 in a different town, supporting jobs there instead. The stimulus has not created new spending, jobs, or a multiplier effect. It has merely moved them to a new town. The mistaken view of fiscal stimulus persists because people can easily observe the factories and people put to work with government funds. By contrast, people cannot easily observe the jobs that would have been created or factories used elsewhere in the economy with those same dollars had they not been lent to Washington. In his 1848 essay, "What Is Seen and What Is Not Seen," French economist Frederic Bastiat termed this the "broken-window fallacy," a reference to a local myth that breaking windows would stimulate the economy by creating window-repair jobs. In reality, the window-repair spending comes out of funds that otherwise would have been spent (and created jobs) elsewhere in town. Today, the broken-windows fallacy explains why thousands of new stimulus jobs are not improving the total employment picture.

### Economic Model Defense

#### US economic model is resilient

Zakaria, 2009 (Fareed, Editor of Newsweek International, “The secrets of stability,” Newsweek, December 12, http://www.newsweek.com/2009/12/11/the-secrets-of-stability.html)

The first is the spread of great-power peace. Since the end of the Cold War, **the world's major powers have not competed with each other** in geomilitary terms. There have been some political tensions, but measured by historical standards the globe today is stunningly free of friction between the mightiest nations. This lack of conflict is extremely rare in history. You would have to go back at least 175 years, if not 400, to find any prolonged period like the one we are living in. The number of people who have died as a result of wars, civil conflicts, and terrorism over the last 30 years has declined sharply (despite what you might think on the basis of overhyped fears about terrorism). And no wonder—three decades ago, the Soviet Union was still funding militias, governments, and guerrillas in dozens of countries around the world. And the United States was backing the other side in every one of those places. That clash of superpower proxies caused enormous bloodshed and instability: recall that 3 million people died in Indochina alone during the 1970s. Nothing like that is happening today. Peace is like oxygen, Harvard's Joseph Nye has written. When you don't have it, it's all you can think about, but when you do, you don't appreciate your good fortune. Peace allows for the possibility of a stable economic life and trade. **The peace that flowed from the end of the Cold War had a much larger effect because it was accompanied by the discrediting of socialism. The world was left with a sole superpower but also a single workable economic model**—capitalism—albeit with many variants from Sweden to Hong Kong. This consensus enabled the expansion of the global economy; in fact, it created for the first time a single world economy in which almost all countries across the globe were participants. That means everyone is invested in the same system. Today, **while the nations of Eastern Europe might face** an economic **crisis, no one is suggesting that they abandon free-market capitalism and return to communism**. In fact, around the world **you see the opposite: even in the midst of this downturn, there have been few successful electoral appeals for a turn to socialism or a rejection of the current framework of political economy**. Center-right parties have instead prospered in recent elections throughout the West.

#### US innovation leadership and economic model inevitable

The Economist, 11/9/2010 (“Why is America so rich?” http://www.economist.com/blogs/freeexchange/2010/11/growth)

It's a difficult question to tackle because there's so very much to it. America jumped to a huge productivity lead early last century by developing a resource- and capital-intense, high-throughput style of manufacturing producing mass market goods. The fractious, class-riven European continent struggled to copy this technology, and while adoption of these methods eventually led to a period of rapid catch-up growth, the process of catch-up was never quite completed. And so that's one gap to explore. There's also the question of what exactly one is comparing. What if we take similar European and American metropolitan areas and adjust for human capital and hours worked? On that basis, the difference between America and northern Europe looks relatively small. One might then focus on the ways in which America's more integrated domestic market leads to a lower level of within-continent inequality, even though national inequality levels in Europe compare favourably with America's. The size of the market may be more important than we imagine. As Mr Smith notes, four of the top five HDI countries share the Common Law. They also speak English. In a world in which national and cultural barriers still bite, America's wealth could be chalked up to the fact that it's a uniquely large and uniform nation. Common rules, culture, language, and so on facilitate high levels of trade and mobility. National and cultural barriers within Europe, by contrast, work to limit the extent to which the economic potential of the continent can be reached. Mr Smith also gets at something important in discussing immigration and talent. **The economic geography of the world is lumpy, and talent likes to clump** together **into centres of innovation**. Through fortune and foresight, **America managed to** **develop world-leading centres of talent** in places like Silicon Valley, Boston, and New York. **Relatively open immigration rules and** the promise of a **safe harbour for** war **refugees**, including persecuted Jews, **helped build these** knowledge **centres. When one combines that innovative capacity with a system that makes it relatively easy to develop ideas** **and relatively lucrative to exploit them** economically, **the potential is** there for **rapid** and sustained **growth**.

### Economy Impact Defense

#### Economy is recovering now, US isn’t key to it and collapse won’t cause war

Barnet, 2009 (Thomas P.M., senior managing director of Enterra Solutions LLC and a contributing , “the new rules: security remains stable amid financial crisis,” APN, August 25, http://www.aprodex.com/the-new-rules--security-remains-stable-amid-financial-crisis-398-bl.aspx)

When the global financial **crisis struck** roughly a year ago, **the blogosphere was ablaze** **with** all sorts of scary **predictions of**, and commentary regarding, ensuing conflict and **wars** -- a rerun of the Great Depression leading to world war, as it were. Now, **as** global **economic news brightens and recovery** -- surprisingly **led by** China and **emerging markets** -- is the talk of the day, it's interesting to look back over the past year and realize how **globalization's first** truly **worldwide recession has had** virtually **no impact** whatsoever **on th**e international **security landscape**. **None of the** more than three-dozen **ongoing conflicts** listed by GlobalSecurity.org **can be** clearly **attributed to the global recession**. Indeed, the last new entry (civil conflict between Hamas and Fatah in the Palestine) predates the economic crisis by a year, and three quarters of the chronic struggles began in the last century. Ditto for the 15 low-intensity conflicts listed by Wikipedia (where the latest entry is the Mexican "drug war" begun in 2006). Certainly, the Russia-Georgia conflict last August was specifically timed, but by most accounts the opening ceremony of the Beijing Olympics was the most important external trigger (followed by the U.S. presidential campaign) for that sudden spike in an almost two-decade long struggle between Georgia and its two breakaway regions. Looking over the various databases, then, we see a most familiar picture: the usual mix of civil conflicts, insurgencies, and liberation-themed terrorist movements. Besides the recent Russia-Georgia dust-up, **the only two potential state-on-state wars** (North v. South Korea, Israel v. Iran) **are both tied to one side acquiring** a **nuclear** weapon **capacity** -- a process wholly **unrelated to** global **economic trends.** And with the United States effectively tied down by its two ongoing major interventions (Iraq and Afghanistan-bleeding-into-Pakistan), our involvement elsewhere around the planet has been quite modest, both leading up to and following the onset of the economic crisis: e.g., the usual counter-drug efforts in Latin America, the usual military exercises with allies across Asia, mixing it up with pirates off Somalia's coast). Everywhere else we find serious instability we pretty much let it burn, occasionally pressing the Chinese -- unsuccessfully -- to do something. Our new Africa Command, for example, hasn't led us to anything beyond advising and training local forces. So, **to sum up:** No significant uptick in mass violence or unrest (remember the smattering of urban riots last year in places like Greece, Moldova and Latvia?); The usual frequency maintained in civil conflicts (in all the usual places); **Not a single** state-on-state **war directly caused** (and no great-power-on-great-power crises even triggered); **No great** improvement or **disruption in great-power cooperation regarding** the emergence of **new nuclear powers** (despite all that diplomacy); A modest scaling back of international policing efforts by the system's acknowledged Leviathan power (inevitable given the strain); and **No** serious **efforts by any rising great power to challenge that Leviathan** or supplant its role. (The worst things we can cite are Moscow's occasional deployments of strategic assets to the Western hemisphere and its weak efforts to outbid the United States on basing rights in Kyrgyzstan; but the best include China and India stepping up their aid and investments in Afghanistan and Iraq.)

### Economy Impact Defense

#### International institutions prevent collapse from causing war.

Youngs 9 – FRIDE, Madrid, Richard, THE STRATEGIC CONSEQUENCES OF THE GLOBAL FINANCIAL AND ECONOMIC CRISIS ESFWORKING PAPER NO. 31 MARCH 2009

A second widespread prediction is that the financial crisis will hammer the final nail into the coffin of the ‘unipolar moment’. For analysts who have long seen the liberal world order underpinned by US hegemony, this is seen as a harbinger of global instability. The journey from unipolarity to ‘balanced multipolarity’ will certainly be difficult to navigate without events leading the world into far less benign forms of ‘competitive multipolarity.’ And certainly not a voyage best undertaken in the current storm of panic and confusion. However, that the crisis will unleash such a fundamental shift in relative power is by no means certain. Few commentators have resisted the temptation to draw parallels with 1929 and its subsequent global after-shocks. But **for the** current **financial crisis to end up triggering** serious international **conflict the whole framework of collective** **security put in place since the** 19**40s** **would have to unravel. The cushioning effect of international institutions and cosmopolitan civic organisations simply did not exist** to the same extent **in the** 19**30s** as today.

### Economy Impact Defense

#### Economic collapse doesn’t cause war – only rich nations can fight and shocks don’t cause lash out

Miller 2k

(Morris, economist, adjunct professor in the University of Ottawa’s Faculty of Administration, consultant on international development issues, former Executive Director and Senior Economist at the World Bank, Winter, Interdisciplinary Science Reviews, Vol. 25, Iss. 4, “Poverty as a cause of wars?” p. Proquest)

The financing required to engage in large-scale armed conflict is of an order of magnitude that compels a resort to exceptional sources such as drug dealing, diamond smuggling, and/or brigandry in general, and/or deal-making to gain the support of governments of neighboring countries and other countries whose leaders are motivated to help with money and/or soldiers on the basis of geo-political reasons and/or of religious, tribal or ethnic sympathy, and/or to secure a share of the loot. The reliance on illicit operations is well documented in a recent World Bank report that studied 47 civil wars that took place between 1960 and 1999, the main conclusion of which is that the degree of social inequality, the openness of the political system and even the extent of ethnic diversity are poor indicators in contrast to the availability of commodities to plunder. (That) is their single biggest common problem…The data suggests that whatever the original motivation, violent civil conflicts tended to be sustained by the pursuit of wealth. An illustration of this phenomenon is provided in a recent article in Toronto’s Globe & Mail of May 23, 2000 written by two "international peace scholars": In Central Africa right now, the continuation of bloodshed may be best understood as an instrument of enterprise, violence as a mode of accumulation….Warlords rely on access to global markets to peddle local resources in order to buy more guns and missiles…Companies (such as Shell operating in Nigeria and De Beers in Angola) want to get the resources out and will support whomever they have to in order to achieve this. Other cases in point could be cited as, for example, Columbia (with 12,000 paid fighters in control of a narcotic plant-growing region, the Revolutionary Armed Forces is estimated to be generating about $700 million in annual revenue from drug trafficking), Sierra Leone (control of diamond mines), and Nigeria (control of oil producing region). In most of such conflicts, the political and military leaders and their associated business elites have been reputed to have amassed huge personal fortunes. It is likely that the same observation led an anonymous author writing in The Encyclopedia Britannica on the theme of the causes of war to characterize the current type of intra-state war as "an instrument for gain or to maintain dominance, a weapon for greed and lust for power." The necessary condition for greed and power to become operative factors in the process leading to war is the opportunity to find the financial resources to make war. It could then be said that it is a condition of affluence - and/or an opportunity to gain affluence for the political leadership and associated elites - that provides the motivation and makes feasible the option to amass weaponry even when this diversion of funds to military purposes is inimical to the interests of the population-at-large. Thus, we find in the case of major inter-state wars that the antagonists were relatively wealthyin the sense that the leaders had at their command the very considerable resources necessary both to build up their armaments and their armies and to propagandize and repress to gain acceptance for policies that would lead to the use of those weapons. The role of the affluence factor is typified by the accounts in the Millennium edition of The Economist of the major wars that occurred over the span of the last millennium. Commenting on the war of 1914-18, The Economist wrote: the summer of 1914, the rulers of Europe, after a century of huge economic progress and a decade of rising tensions, marched their peoples…to the brink of collective suicide. In the same issue (on page 20) the commentary noted that almost three decades before, in 1887 on the occasion of Queen Victoria’s jubilee celebrations, The Economist had reported that there had been "fifty years of national progress and prosperity such as England has never known before." And they quoted a popular ditty that went like this: We don’t want to fight, but by jingo if we do, We’ve got the men, we’ve got the ships, We’ve got the money too. Perhaps one should ask, as some scholars do, whether it is not poverty as such but some dramatic event or sequence of such events leading to the exacerbation of poverty that is the factor that contributes in a significant way to the denouement of war. This calls for addressing the question: do wars spring from a popular reaction to an economic crisis that exacerbates poverty and/or from a heightened awareness of the poor of the wide and growing disparities in wealth and incomes that diminishes their tolerance to poverty? It seems reasonable to believe that a powerful "shock" factor might act as a catalyst for a violent reaction on the part of the people or on the part of the political leadership. The leadership, finding that this sudden adverse economic and social impact destabilizing, would possibly be tempted to seek a diversion by finding or, if need be, fabricating an enemy and setting in train the process leading to war. There would not appear to be any merit in this hypothesis according to a study undertaken by Minxin Pei and Ariel Adesnik of the Carnegie Endowment for International Peace. After studying 93 episodes of economic crisis in 22 countries in Latin America and Asia in the years since World War II they concluded thatMuch of the conventional wisdom about the political impact of economic crises may be wrong …..The severity of economic crisis- as measured in terms of inflation and negative growth **–** bore no relationship to the collapse of regimes**….(**or, in democratic states, rarely) to an outbreak of violence…In the cases of dictatorships and semi-democracies, the ruling elites responded to crises by increasing repression (thereby using one form of violence to abort another.)

### Economy Defense-No Diversionary War

No diversionary war

Boehmer, 2010 (Charles R., Associate Professor of Political Science at the University of Texas El Paso, “Economic Growth and violent international conflict: 1875-1999,” Defence and Peace Economics, Volume 21, Issue 3, June)

Russett ([1990](http://www.informaworld.com/smpp/section?content=a922235442&fulltext=713240928#CIT0067)) argues that democracies, especially major powers, are more conflict prone during economic downturns. He alleges that diversionary behavior is the root of this problem. Other studies have sought to examine the effect of strategic interactions as affected by opportunities to divert and/or the behavior of potential targets. **Leeds and Davis** ([1997](http://www.informaworld.com/smpp/section?content=a922235442&fulltext=713240928#CIT0044)), working at the dyadic level, **find no evidence for diversionary behavior** and argue that potential **opponents shy away from confronting democracies when they** would **appear** most **prone to** attempt **diversionary tactics**. **Miller** ([1995](http://www.informaworld.com/smpp/section?content=a922235442&fulltext=713240928#CIT0054)) found no evidence that lower growth rates increase the risk of democratic diversion. His 1999 **study supports the logic of Leeds and Davis** ([1997](http://www.informaworld.com/smpp/section?content=a922235442&fulltext=713240928#CIT0044)), where he looks at individual states that are already involved in crises, and finds that **autocracies experiencing lower growth rates are more likely to opportunistically join on side A or B of a dispute (but not originate**) and use military force, **whereas democracies were neither likely to originate nor join disputes and use force**. Bennett and Nordstrom ([2000](http://www.informaworld.com/smpp/section?content=a922235442&fulltext=713240928#CIT0004)) find that deprivation increases diversionary behavior for states in enduring rivalries. Foster ([2006](http://www.informaworld.com/smpp/section?content=a922235442&fulltext=713240928#CIT0022)) finds evidence that opponents of the USA behave strategically depending on the vulnerability of US presidents.

### Hege Defense

Collapse of hegemony will be peaceful.

MacDonald and Parent 11 – Asst Prof. of PoliSci @ Williams College and Parent, Asst Prof. PoliSci @ U of Miami, Paul and Joseph, “Graceful Decline?” International Security, 35.4, Project MUSE

Implications for Sino-U.S. Relations Our findings are directly relevant to what appears to be an impending great power transition between China and the United States. Estimates of economic performance vary, but most observers expect Chinese GDP to surpass U.S. GDP sometime in the next decade or two.91 This prospect has generated considerable concern. Many scholars foresee major conflict during a Sino-U.S. ordinal transition. Echoing Gilpin and Copeland, John Mearsheimer sees the crux of the issue as irreconcilable goals: China wants to be America's superior and the United States wants no peer competitors. In his words, "[N]o amount [End Page 40] of goodwill can ameliorate the intense security competition that sets in when an aspiring hegemon appears in Eurasia."92 Contrary to these predictions, our analysis suggests some grounds for optimism. **Based on the** **historical** track **record of great powers** **facing** acute relative **decline**, **the U**nited States should be able to retrench in the coming decades. In the next few years, the United States is ripe to overhaul its military, shift burdens to its allies, and work to decrease costly international commitments. It **is likely to** initiate and **become embroiled in fewer militarized disputes** than the average great power **and** to **settle these** disputes more **amicably**. Some might view this prospect with apprehension, fearing the steady erosion of U.S. credibility. Yet our analysis suggests that retrenchment need not signal weakness. Holding on to exposed and expensive commitments simply for the sake of one's reputation is a greater geopolitical gamble than withdrawing to cheaper, more defensible frontiers. Some observers might dispute our conclusions, arguing that hegemonic transitions are more conflict prone than other moments of acute relative decline. We counter that there are deductive and empirical reasons to doubt this argument. Theoretically, hegemonic powers should actually find it easier to manage acute relative decline. **Fallen hegemons still have formidable capability, which threatens** grave harm to **any state that tries to cross them**. Further, they are no longer the top target for balancing coalitions, and recovering hegemons may be influential because they can play a pivotal role in alliance formation. In addition, **hegemonic powers**, almost by definition, **possess more extensive overseas commitments; they should** be able to more **readily** identify and **eliminate extraneous burdens** without exposing vulnerabilities or exciting domestic populations. We believe the empirical record supports these conclusions. In particular, periods of hegemonic transition do not appear more conflict prone than those of acute decline. The last reversal at the pinnacle of power was **the Anglo-American transition**, which took place around 1872 and was **resolved without** armed **confrontation**. The tenor of that transition may have been influenced by a number of factors: both states were democratic maritime empires, the United States was slowly emerging from the Civil War, and Great Britain could likely coast on a large lead in domestic capital stock. Although **China and** **the** **U**nited **S**tates differ in regime type, similar factors may work to cushion the impending Sino-American transition. Both **are** **large**, relatively **secure continental** great **powers**, a fact **that mitigates** potential geopolitical **competition**.93 **China faces** a variety of **domestic political challenges**, including strains among rival regions, **which** may **complicate its ability to** sustain its economic performance or **engage in** foreign policy **adventurism**.94 Most important, the United States is not in free fall. Extrapolating the data into the future, we anticipate the United States will experience a "moderate" decline, losing from 2 to 4 percent of its share of great power GDP in the five years after being surpassed by China sometime in the next decade or two.95 Given the relatively gradual rate of U.S. decline relative to China, the **incentives for either** side **to run risks** by courting conflict **are minimal.** The **U**nited **S**tates **would still possess** upwards of **a third of** the share of **great power GDP**, and would have little to gain from provoking a crisis over a peripheral issue. Conversely, China has few incentives to exploit U.S. weakness.96 **Given** the **importance of the** U.S. **market** to the Chinese economy, in addition to the critical role played by the dollar as a global reserve currency, it is unclear how Beijing could hope to consolidate or expand its increasingly advantageous position through direct confrontation. In short, **the U**nited **S**tates **should be able to reduce** its **foreign** policy **commitments** in East Asia in the coming decades **without** **inviting** Chinese **expansionism**. Indeed, there is evidence that a policy of retrenchment could reap potential benefits. The drawdown and repositioning of U.S. troops in South Korea, for example, rather than fostering instability, has resulted in an improvement in the occasionally strained relationship between Washington and Seoul.97 U.S. moderation on Taiwan, rather than encouraging hard-liners in [End Page 42] Beijing, resulted in an improvement in cross-strait relations and reassured U.S. allies that Washington would not inadvertently drag them into a Sino-U.S. conflict.98 Moreover, Washington's support for the development of multilateral security institutions, rather than harming bilateral alliances, could work to enhance U.S. prestige while embedding China within a more transparent regional order.99 A policy of gradual retrenchment need not undermine the credibility of U.S. alliance commitments **or** unleash destabilizing regional **security dilemmas**. Indeed, even if Beijing harbored revisionist intent, **it is unclear** that **China will have** the **force projection capabilities** necessary **to take** and holdadditional **territory**.100 By incrementally **shifting burdens to** regional **allies and multilateral institutions, the U**nited **S**tates **can strengthen** the **credibility of its core commitments while accommodating** the interests of a rising **China**. Not least among the benefits of retrenchment is that it helps alleviate an unsustainable financial position. Immense forward deployments will only exacerbate U.S. grand strategic problems and risk unnecessary clashes.101 Conclusion This article has advanced three main arguments. First, retrenchment pessimists are incorrect when they suggest that retrenchment is an uncommon policy response to great power decline. States often curtail their commitments and mellow their ambitions as they fall in the ranks of great powers. Second and related, declining great powers react in a prompt and proportionate manner to their dwindling fortunes. They do this for the same reason that they tend to seize opportunities to expand: international incentives are strong inducements. [End Page 43] In the high-stakes world of great power politics, states can seldom afford to fool themselves or pamper parochial interests when relative power is perilously slipping away. Third, the rate of relative decline explains not only the extent of retrenchment but also the form. The faster the rate of decline, the more likely states are to reform their militaries, increase reliance on allies, and refrain from using force in international disputes. Taken together, these findings suggest that retrenchment is an attractive strategy for dealing with great power decline. Although we make no claim that the rate of relative decline explains everything, we suggest that our study represents a solid first cut and that domestic political factors loom too large in discussions of power transitions and hegemonic change.

### Hege Defense

Our evidence uses the best data.

MacDonald and Parent 11 – Asst Prof. of PoliSci @ Williams College and Parent, Asst Prof. PoliSci @ U of Miami, Paul and Joseph, “Graceful Decline?” International Security, 35.4, Project MUSE

Paul and Joseph, “Graceful Decline?”, International Security, 35.4, Project MUSE

In this article, we question the logic and evidence of the retrenchment pessimists. To date there has been neither a comprehensive study of great power retrenchment nor a study that lays out the case for retrenchment as a practical or probable policy. This article fills these gaps by systematically examining the relationship between acute relative decline and the responses of great powers. **We examine eighteen cases of** acute **relative decline** since 1870 and advance three main arguments. First, we challenge the retrenchment pessimists' claim that domestic or international constraints inhibit the ability of declining great powers to retrench. In fact, when states fall in the hierarchy of great powers, **peaceful retrenchment is the most common response**, even over short time spans. Based on the empirical record, we find that great powers retrenched in no less than eleven and no more than fifteen of the eighteen cases, a range of 61-83 percent. **When international conditions demand it, states** renounce risky ties, increase reliance on allies or adversaries, **draw down their military obligations**, and impose adjustments on domestic populations. Second, we find that the magnitude of relative decline helps explain the extent of great power retrenchment. Following the dictates of neorealist theory, great powers retrench for the same reason they expand: the rigors of great power politics compel them to do so.12 Retrenchment is by no means easy, but [End Page 9] necessity is the mother of invention, and declining great powers face powerful incentives to contract their interests in a prompt and proportionate manner. Knowing only a state's rate of relative economic decline explains its corresponding degree of retrenchment in as much as 61 percent of the cases we examined. Third, we argue that the rate of decline helps explain what forms great power retrenchment will take. How fast great powers fall contributes to whether these retrenching states will internally reform, seek new allies or rely more heavily on old ones, and make diplomatic overtures to enemies. Further, our analysis suggests that **great powers facing** acute **decline are less likely to initiate or escalate militarized** interstate **disputes**. Faced with diminishing resources, great **powers moderate their foreign policy** ambitions **and offer concessions in areas of lesser strategic value.** Contrary to the pessimistic conclusions of critics, retrenchment neither requires aggression nor invites predation. Great powers are able to rebalance their commitments through compromise, rather than conflict. In these ways, states respond to penury the same way they do to plenty: they seek to adopt policies that maximize security given available means. Far from being a hazardous policy, retrenchment can be successful. States that retrench often regain their position in the hierarchy of great powers. Of the fifteen great powers that adopted retrenchment in response to acute relative decline, 40 percent managed to recover their ordinal rank. In contrast, none of the declining powers that failed to retrench recovered their relative position

Retrenchment creates a concert of power – solves regional conflict.

Lind 7- JD, Guest Lecturer @ Harvard, Sr Fellow @ New America foundation, “Beyond American Hegemony”, New America Foundation, May, http://www.newamerica.net/publications/articles/2007/beyond\_american\_hegemony\_5381

**A concert-of-power strategy would permit the U**nited **S**tates **to** continue to **play a role in** Eurasian **power politics, without** any **need to treat** **some** Eurasian great powers **as allies** and others as de facto or formally identified enemies. Theodore Roosevelt, Woodrow Wilson and Franklin Roosevelt, along with thinkers like Edward House and Walter Lippmann, all saw a concert of power as an alternative to recurrent world wars among rival alliances (they did not imagine that U.S. global hegemony was possible). FDR’s hope for a post-World War II concert of the United States, Britain, the Soviet Union and nationalist China was thwarted. But the **conditions are** more **promising today** than they have ever been. The **conflicts of interest among the U**nited **S**tates, **China, Russia, Japan, India, Germany, France and Britain are limited, and they share common** **interests in combating terrorism, anarchy and aggression by lesser states.**

### Hege Defense

The security dilemma no longer operates—international co-operation precludes arms races.

Gartzke 9 - Prof PoliSci @ UC San Diego, Erik, "Power Shuffle", Current History, Nov

THE UNCERTAINTY DILEMMA

Consider the classic problem of the security dilemma. In a world in which it is possible that nations will act through force, security is provided by measures that are essentially indistinguishable from the actions of aggressors. Building up one's military forces or forming alliances might protect a nation from attack, but it can also frighten other nations, forcing them to adopt similar measures. The cycle of fear and overreaction can result in a conflict spiral, even if war was not really the intent of any country. In fact, **the security dilemma is not about security so much as uncertainty. War** often **ensues not because of relative power** or security, **but because opponents cannot tell which states have** **hostile intentions** and which do not. Being unsure—and cautious—can make war more likely, not less. **The solution** to this dilemma **would** appear to **be better information** about which states possess hostile intentions. But, of course, hostile states have incentives to conceal this information, while states with benign intentions cannot clearly dem¬onstrate that they pose no threat without at the same time making themselves vulnerable to attack from states that do in fact mean harm. The real dilemma is that aggressors benefit by concealing their status as aggressors, while non-aggressors cannot be believed if they build up their defenses. Modern scholarship refers to this situation as a pooling problem. Pooling can be resolved in one of two ways. First, a mutual incentive to find effi¬cient ways of resolving differences creates oppor¬tunities to cooperate. Avoiding war is in itself a mutual benefit, as long as fighting is costly for all involved. Second, **nations do not need to conceal their intentions if** their **interests are similar. Nations that have compatible goals can cooperate because there is little to be** **gained from fighting**. Students of international relations have traditionally been skeptical that such affinities among nations can last, but today scholars and political practitioners are increasingly aware that **more and more international interaction is non–zero-sum. Globalization has increased the mutual benefits of cooperation**.

### Politics Link-Obama Good-Plan Unpopular w/ GOP

#### Funding for new HSR projects is extremely unpopular-This guarantees heavy costs in political capital─

Fiscal Times 6-24-12. MERRILL GOOZNER “House Puts the Brakes on High Speed Rail” [http://www.thefiscaltimes.com/Articles/2012/06/24/House-Puts-the-Brakes-on-High-Speed-Rail.aspx#page1]

House Republicans, however, are blocking all new grants arguing that repairing current systems is the priority. “Funding should go to existing infrastructure needs rather than unrealistic new high-speed rail lines to nowhere,” the appropriations committee report accompanying the legislation said. The program, now funded by regular appropriations, was axed from the Transportation Department funding bill last week, drawing a veto threat from the president. The effort to cage the TIGER grants is only the latest effort by House conservatives to slow down or eliminate funding for mass transit, freight rail and high-speed rail projects, which they see as a waste of money on “trains to nowhere.” Last February, the initial House reauthorization of the surface transportation trust fund, which allocates the gasoline tax, eliminated the 20 percent set-aside for rail projects that was established by President Ronald Reagan in 1982. Only a revolt by Republican legislators from the suburbs outside New York City, Philadelphia and Chicago forced House Transportation Committee chairman John Mica, R-Fla., to withdraw the bill.

### Politics Link-Obama Good-Plan Unpopular-General

#### Plan unpopular---everyone hates on it.

The Examiner 12 (“HSR politics: The politician's vs. the public's view of the project”, January 13, 2012, <http://www.examiner.com/article/hsr-politics-the-politician-s-vs-the-public-s-view-of-the-project> |SK)

High-Speed Rail has become a political battle between Republicans and Democrats both at the state and federal level. With events changing rapidly at the high-speed rail authority, with Van Ark's resignation yesterday, there could be change in the wind as far as the decisions where to spend the federal money. There could be a more sprinkled approach considering the exclusive use of money for the central valley has been widely criticized. It could become the new North vs. South fight in Washington, D.C. a civil war if you will but just in California among Democrats. Both sides clammoring to grab federal dollars for their districts- either the Los Angeles end or the San Franciso end. See U.S. Senator Dianne Feinstein's note to Jerry Brown. However the public does not view this project politically. Example, there are more than seven citizen groups who watch this project on a daily basis. Some were established initially as watchdog groups such as Californians Advocating Responsible Rail Design (CARRD) who prides itself on transparency and process and Community Coalition on High Speed Rail (cc-hsr.org) whose original mantra was "do it right or don't do it" however as facts have come forward it’s clear to everyone that there is a major problem with this high-speed rail project. Others groups, established later emerged primarily to oppose the project because the facts simply didn’t justify the investment in the plan. All groups have slightly different agendas and approaches but they stay in touch. Frankly they have done a remarkable job, spending near nothing compared with the Authority's millions spent on public relations. An informal study of each group finds their political make-up was the same as their geography. In the Peninsula, they are composed of Democrats and Independents. Even in Senator Joe Simitian's district, 61% stated they would vote to end the project if construction costs and funding were uncertain-- one would assume they are primarily Democrats. Those in the Central Valley were mostly Republican members which echo the party alignment of that region. Strange alliances indeed: farmers, dairymen, religious leaders, artists, writers, professors, financial and economic experts and a ton of business, advertising and marketing executives, venture capitalists and attorneys all working together without pay and without corporate sponsorship. Frankly, it’s a situation of smart people joining forces to examine the project, regardless of their party affiliation. This reflects the August 2011 Probolsky Poll which found the more people knew about the project, the more likely they wanted to ditch it. http://www.examiner.com/transportation-policy-in-san-francisco/newest-high-speed-rail-poll-vs-the-authority-s-poll In the last year, critical data came forward that deserved more than a passing glance and yet no tipping point, no line in the sand, no watershed moment has occurred to push the legislature to deliver the consequences they keep hinting about. The newly published report by the Independent Peer Review Group was to be the true watershed moment. After all, they are required by law to give their expert opinion about the state of the project. But no, this critical report had no effect on the Governor and several key legislators around the state. See transportation expert Kenneth Orksi’s article which questions why there has been no effect. http://www.newgeography.com/content/002612-a-devastating-verdict-california-hsr •The Independent Peer Review Group concluded, “We cannot over-emphasize the fact that moving ahead on the HSR project without credible sources of adequate funding, without a definitive business model, without a strategy to maximize the independent utility and value to the State, and without the appropriate management resources, represents an immense financial risk on the part of the State of California.” •Every single independent agency has major problems with the Authority’s plan. See the first 90 seconds of this YouTube video of Senator Simitian where he lists every independent agency (5 of them at the time) which has issues the project: In a world of sanity, one without politics, with major issues being stated by every state agency including the LAO and the Peer Review Group objects, the legislature would have by now stopped the project in its tracks. The bottom line: the public—whether a democrat, independent or republican -- agrees after looking at the facts and come to the same conclusion as the peer group and others review bodies: the project should be stopped. The legislature is the only group that can de-fund the project today. The project isn’t what the voters voted for. What are they waiting for? Perhaps they will they take the easy way out and send it back to the voters but that would be shifting their responsibilities back at the voters. The public is weary and and are beginning to register their displeasure on http://revoterail.com/. It was created to re-call of the project.

### Politics Link-Obama Good-Plan Unpopular w/ Public

#### Public won’t get behind HSR initiatives─

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Unfortunately, vote trading for Interstate HSR is harder to come by due to public’s lack of knowledge about HSR benefits vs. costs. Today the narrative centers around HSR’s direct costs to taxpayers without mentioning the indirect costs or the costs of alternatives. Hearing only soundbites from news media, the average Joe or Jane will reflexively think, “No More Taxes“, when they don’t know existing taxes can pay for it and that HSR is cheaper than highway or airport expansion.