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## 1NC

#### Permanent Normal Trade Relations will pass now – without human rights concessions from Obama.

Inside U.S. Trade 6/29, 2012 FOREIGN RELATIONS APPROVES MAGNITSKY BILL, KERRY WANTS MORE TWEAKS Lexis

Kerry raised objections over a provision in the revised Cardin bill that would allow the administration to list names secretly in a "classified annex." But he said he was confident that the work still remaining on the Magnitsky bill will not hold up the markup of the Russia MFN legislation in the Finance Committee, where chairman Max Baucus (D-MT) has said he wants to include the human rights bill during a markup he hopes to hold in July. Kerry made it clear he wants to have more talks about the bill with the administration, which opposes it. "We're going to be right on it, I've already been talking to some folks in the State Department, White House and elsewhere," Kerry said. "We're trying to figure out the best way to go forward." Cardin, for his part, said he is not worried that the legislation will get watered down and that Kerry's concerns are "to make this bill even more effective." Secretary of State Hillary Clinton on June 27 said the administration is "very keen" on lifting Russia from the Jackson-Vanik amendment and said she expected that legislation to move. In an apparent reference to the Magnitsky bill, she acknowledged that accompanying legislation "to reflect the Congress' concerns" will be passed as well. Clinton said there is a way to address human rights concerns without "derailing" the U.S.-Russia relationship. "That is what we are working with our Congress to do, and we have every reason to believe we can accomplish that," she said. The administration, Baucus and business supporters of the Jackson-Vanik bill want to have the final vote on the bill to remove Russia from the Jackson-Vanik amendment before the August recess

#### Plan drains Presidential capital. Even once-popular transportation issues now hurt the White House.

Freemark ‘12

(Yonah – Master of Science in Transportation from the Massachusetts Institute of Technology; Bachelor of Arts in Architecture, Department of Civil and Environmental Engineering, Yale University with Distinction. Also a freelance journalist who has been published in Planning Magazine; Next American City Magazine; Dissent; The Atlantic Cities; Next American City Online; and The Infrastructurist – He created and continues to write for the website The Transport Politic – The Transport Politic – “On Infrastructure, Hopes for Progress This Year Look Glum” – January 25th, 2012 – http://www.thetransportpolitic.com/2012/01/25/on-infrastructure-hopes-for-progress-this-year-look-glum/)

President Obama barely mentions the need for improvements in the nation’s capital stock in his State of the Union. The contributions of the Obama Administration to the investment in improved transportation alternatives have been significant, but it was clear from the President’s State of the Union address last night that 2012 will be a year of diminished expectations in the face of a general election and a tough Congressional opposition. Mr. Obama’s address, whatever its merits from a populist perspective, nonetheless failed to propose dramatic reforms to encourage new spending on transportation projects, in contrast to previous years. While the Administration has in some ways radically reformed the way Washington goes about selecting capital improvements, bringing a new emphasis on livability and underdeveloped modes like high-speed rail, there was little indication in the speech of an effort to expand such policy choices. All that we heard was a rather meek suggestion to transform a part of the money made available from the pullout from the Afghanistan and Iraq conflicts — a sort of war dividend whose size is undefined — to “do some nation-building right here at home.” If these suggestions fell flat for the pro-investment audience, they were reflective of the reality of working in the context of a deeply divided political system in which such once-universally supported policies as increased roads funding have become practically impossible to pursue. Mr. Obama pushed hard, we shouldn’t forget, for a huge, transformational transportation bill in early 2011, only to be rebuffed by intransigence in the GOP-led House of Representatives and only wavering support in the Democratic Senate. For the first term at least, the Administration’s transportation initiatives appear to have been pushed aside. Even so, it remains to be seen how the Administration will approach the development of a transportation reauthorization program. Such legislation remains on the Congressional agenda after three years of delays (the law expires on March 31st). There is so far no long-term solution to the continued inability of fuel tax revenues to cover the growing national need for upgraded or expanded mobility infrastructure. But if it were to pass, a new multi-year transportation bill would be the most significant single piece of legislation passed by the Congress in 2012. The prospect of agreement between the two parties on this issue, however, seems far-fetched. That is, if we are to assume that the goal is to complete a new and improved spending bill, rather than simply further extensions of the existing legislation. The House could consider this month a bill that would fund new highways and transit for several more years by expanding domestic production of heavily carbon-emitting fossil fuels, a terrible plan that would produce few new revenues and encourage more ecological destruction. Members of the Senate, meanwhile, have for months been claiming they were “looking” for the missing $12 or 13 billion to complete its new transportation package but have so far come up with bupkis. The near-term thus likely consists of either continued extensions of the current law or a bipartisan bargain that fails to do much more than replicate the existing law, perhaps with a few bureaucratic reforms.

#### Pol. Cap is key to pass Permanent Normal Trade Relations

NYT 11.[“Russia, in From the Cold” November 12 -- http://www.nytimes.com/2011/11/13/opinion/sunday/russia-in-from-the-cold.html]

The agreement reached Thursday is widely expected to be approved at a meeting of the W.T.O.’s entire membership in Geneva next month. But for the United States to enjoy normal trade relations with Russia after it joins the trade organization, Congress must exempt Russia from the 1974 Jackson-Vanik amendment, which limits trade with countries that restrict emigration. President Obama has said that he would work with Congress to end the application of that law to Russia. Some lawmakers **remain skeptical**. On Thursday, some members of Congress sent a letter to Ron Kirk, the United States trade representative, expressing “significant concerns” about whether Russia would respect American intellectual property rights. In supporting the Russian deal, Mr. Obama **will have to convince lawmakers** that American interests — including its intellectual property rights — will be better protected with Russia inside the W.T.O. than if it remains outside.

#### Failure to repeal Jackson Vanik independently collapse US Russian relations – this will spill over to the entire reset.

Makovsky et al January 2012 Dr. Michael Makovsky Director of the National Security Project Jonathan Ruhe Senior Policy Analyst Blaise Misztal Associate Foreign Policy Director Marissa McCauley Administrative Assistant Bipartisan Policy Center A Bull in Bear’s Clothing: Russia, WTO and Jackson-Vanik Task Force Paper | January 2012 http://bipartisanpolicy.org/library/staff-paper/bull-bear%E2%80%99s-clothing-russia-wto-and-jackson-vanik

Importance of Graduation The primary importance to the United States of graduating Russia from Jackson-Vanik relates to WTO membership rules. The WTO requires all members extend unconditional free trade to all other members and, if it is not granted, mandates the non-fulfilling member invoke the principle of “non-application.” In essence, the benefits of Russian accession would not be applied to the United States. Furthermore, the non-application principle is reciprocal, and thus Moscow could discriminate against U.S. trade and take a less constructive interpretation of its obligations under the 2006 Bilateral Market Access Agreements. This could cause the United States to lose its existing market share to European and other competitors in key areas like industrial and agricultural exports.70 Beyond the economic rationale, bilateral relations could suffer more generally if Russia is not graduated from Jackson-Vanik. Moscow views Jackson-Vanik as a Cold War anachronism at best, and a symbol of abiding U.S. ill intentions toward Russia at worst. Prior to Russia, Moldova was the only WTO member whom the United States had not granted PNTR status, and in terms of self-perception Moscow certainly does not view itself as of a kind with that country. Should Washington not match its support for accession with PNTR status for Russia, Moscow could view U.S. offers for cooperation and improved relations as empty gestures, and could seek to retaliate on any number of issues.

#### US-Russian relations are critical for global security, preventing proliferation, sustaining US leadership and averting nuclear war.

Allison and Blackwill 10-30-11 Graham Allison, Director, Belfer Center for Science and International Affairs; Douglas Dillon Professor of Government; Faculty Chair, Dubai Initiative, Harvard Kennedy School, Robert D. Blackwill, International Council Member, Belfer Center for Science and International Affairs "10 Reasons Why Russia Still Matters"http://belfercenter.ksg.harvard.edu/publication/21469/10\_reasons\_why\_russia\_still\_matters.html

That central point is that Russia matters a great deal to a U.S. government seeking to defend and advance its national interests. Prime Minister Vladimir Putin’s decision to return next year as president makes it all the more critical for Washington to manage its relationship with Russia through coherent, realistic policies. No one denies that Russia is a dangerous, difficult, often disappointing state to do business with. We should not overlook its many human rights and legal failures. Nonetheless, Russia is a player whose choices affect our vital interests in nuclear security and energy. It is key to supplying 100,000 U.S. troops fighting in Afghanistan and preventing Iran from acquiring nuclear weapons. Ten realities require U.S. policymakers to advance our nation’s interests by engaging and working with Moscow. First, Russia remains the only nation that can erase the United States from the map in 30 minutes. As every president since John F. Kennedy has recognized, Russia’s cooperation is critical to averting nuclear war. Second, Russia is our most consequential partner in preventing nuclear terrorism. Through a combination of more than $11 billion in U.S. aid, provided through the Nunn-Lugar Cooperative Threat Reduction program, and impressive Russian professionalism, two decades after the collapse of the “evil empire,” not one nuclear weapon has been found loose. Third, Russia plays an essential role in preventing the proliferation of nuclear weapons and missile-delivery systems. As Washington seeks to stop Iran’s drive toward nuclear weapons, Russian choices to sell or withhold sensitive technologies are the difference between failure and the possibility of success. Fourth, Russian support in sharing intelligence and cooperating in operations remains essential to the U.S. war to destroy Al Qaeda and combat other transnational terrorist groups. Fifth, Russia provides a vital supply line to 100,000 U.S. troops fighting in Afghanistan. As U.S. relations with Pakistan have deteriorated, the Russian lifeline has grown ever more important and now accounts for half all daily deliveries. Sixth, Russia is the world’s largest oil producer and second largest gas producer. Over the past decade, Russia has added more oil and gas exports to world energy markets than any other nation. Most major energy transport routes from Eurasia start in Russia or cross its nine time zones. As citizens of a country that imports two of every three of the 20 million barrels of oil that fuel U.S. cars daily, Americans feel Russia’s impact at our gas pumps. Seventh, Moscow is an important player in today’s international system. It is no accident that Russia is one of the five veto-wielding, permanent members of the U.N. Security Council, as well as a member of the G-8 and G-20. A Moscow more closely aligned with U.S. goals would be significant in the balance of power to shape an environment in which China can emerge as a global power without overturning the existing order. Eighth, Russia is the largest country on Earth by land area, abutting China on the East, Poland in the West and the United States across the Arctic. This territory provides transit corridors for supplies to global markets whose stability is vital to the U.S. economy. Ninth, Russia’s brainpower is reflected in the fact that it has won more Nobel Prizes for science than all of Asia, places first in most math competitions and dominates the world chess masters list. The only way U.S. astronauts can now travel to and from the International Space Station is to hitch a ride on Russian rockets. The co-founder of the most advanced digital company in the world, Google, is Russian-born Sergei Brin. Tenth, Russia’s potential as a spoiler is difficult to exaggerate. Consider what a Russian president intent on frustrating U.S. international objectives could do — from stopping the supply flow to Afghanistan to selling S-300 air defense missiles to Tehran to joining China in preventing U.N. Security Council resolutions. So next time you hear a policymaker dismissing Russia with rhetoric about “who cares?” ask them to identify nations that matter more to U.S. success, or failure, in advancing our national interests.

# Neg - Extensions

## Uniqueness/ Internal Link Extensions

### PNTR - Will pass

#### Jackson-Vanik Repeal will happen

**Inside u.s. trade 6-29-12** ( inside u.s. trade Remarks By Secretary Of State Hillary Clinton Posted: June 28, 2012 http://insidetrade.com/201206282403143/WTO-Documents/Text-Document/clinton-expects-action-on-magnitsky-to-move-with-jackson-vanik-repeal/menu-id-174.html

SECRETARY CLINTON:These are the kind of multi-part questions that my friends ask me, and then I have to test my memory. With respect to Magnitsky – and for our Finnish friends – in order for the United States to benefit from the accession to the WTO by Russia, we have to make some legislative changes because we have some preexisting legislation derived from the past that imposed certain burdens on Russia unless they released Jews who could then leave the former Soviet Union and migrate to Israel, Europe, the U.S., and other places. It’s called the Jackson-Vanik bill. And so we are very keen in the Administration of repealing the Jackson-Vanik bill, because we want to open the doors to greater trade and investment between our two countries. However, there is great concern in our country, and in particular in our Congress, over human rights in Russia, and in particular the case of the lawyer, Mr. Magnitsky, who died in prison. There’s a lot of interest in our Congress over a full, transparent investigation of the circumstances of his death in prison. And so our Congress, while they are being asked by the Administration to repeal Jackson-Vanik, want to pass legislation that will require the United States Government to take action against any persons who are connected with the death of Mr. Magnitsky. That’s probably more than you want to know, but that’s the background to the question. And so we expect something to move on the repeal of Jackson-Vanik and something to move to reflect the Congress’s concerns. Now, we discussed this directly with President Putin when I was with President Obama in Mexico. We made it very clear that we do have concerns about human rights in Russia and we have concerns in particular about this case. But again, to go back to the original question, we think there is a way expressing those concerns without derailing the relationship. And that is what we are working with our Congress to do, and we have every reason to believe we can accomplish that.

#### Will pass- Russia’s OECD membership overcomes any objections.

VOA 6/29 (Website for news and policy editorials “US-Russia Expand Trade” http://www.voanews.com/policy/editorials/US---Russia-Expand-Trade-160887635.html\_

At the recent G-20 summit in Los Cabos, Mexico, the United States and Russia announced an ambitious agenda to expand bilateral trade and investment relations. An important step in this direction is Russia’s membership in the World Trade Organization, or WTO. The Administration is working with the Congress to terminate the application of the Jackson-Vanik Amendment and extend Permanent Normal Trade Relations to Russia to ensure that the WTO Agreement applies to U.S.-Russia trade. This step will ensure that American manufacturers, farmers, innovators, creators, service providers and exporters are not placed at a disadvantage relative to their foreign competitors in Russia’s growing market. As soon as Russia becomes a Member of the WTO, it will be required to comply with all of the provisions of the WTO Agreement, as well as specific commitments in its accession protocol. Russia has already taken steps to implement its commitments by adopting and/or amending its domestic legal regime to reflect the WTO rules and its specific commitments. The United States looks forward to working with Russian authorities in the rules-based regime of the WTO. The United States welcomes Russia’s efforts to join the Organization for Economic Cooperation and Development (OECD). Membership would represent another major step in Russia’s broader integration into international rules-based institutions. The process of joining supports Russia’s efforts to modernize and diversify its economy, as well as improve its business and investment climate. The level of investment between the United States and Russia remains below its potential, and the United States supports continued technical discussions on a bilateral investment treaty that would provide additional protections to investors in both countries. A bilateral investment treaty is also designed to facilitate good governance, the rule of law, and transparency. The United States will also continue to work with its Russian counterparts to expand innovation between both countries on a government-to-government level and in cooperation with the private sector.  
The United States and Russia are committed to working together to expand bilateral trade and investment as a means to foster mutual economic growth and prosperity.

#### PNTR will pass now.

Needham 06/24/12 (Vicki, The Hill, “Business groups see progress in moving Russia trade bill,” http://thehill.com/blogs/on-the-money/1005-trade/234439-business-groups-see-progress-on-russia-trade-bill)

Business groups say they feel encouraged that Congress will approve Russian trade legislation before the August recess. The groups said the Obama administration will have to work quickly to bridge their differences to pass the legislation, but the groups expressed confidence it would get done. “A lot of progress was made this week,” said David Thomas, vice president for trade policy, with the Business Roundtable. Lawmakers on Capitol Hill along with trade officials are trying to balance the passage of permanent normal trade relations (PNTR) for Russia with a push by a broad coalition of lawmakers to link the measure with human rights legislation. The latter bill would withhold visas for Russian officials accused of human rights violations. Hearings at the House Ways and Means and Senate Finance committees this week revealed the gap between lawmakers and the White House, which opposes the linkage and finds itself in an unlikely partnership with Capitol Hill Republicans. U.S. Trade Representative Ron Kirk and House Republicans are calling for lawmakers to pass a clean repeal of the Jackson-Vanik provision, which would grant Russia permanent normal trade relations. But it increasingly looks the two measures will be coupled in some way — at least informally — to ensure approval. Ways and Means Subcommittee on Trade Chairman Kevin Brady (R-Texas), who has supported a clean bill, said earlier this week that linking the two may be necessary to win passage. A Senate bill combining the two, he said, would be progress. “I would prefer them not to be linked myself, but clearly at the end of the day if the will of the House and the Senate is to pass the Magnitsky bill, then it will be necessary,” he said. Still, Brady has called passage of the trade bill a “heavy lift.” Deputy Secretary of State William Burns told the Senate Finance Committee on Thursday that there is an ongoing “constructive dialogue” with lawmakers and that the administration's concerns are being considered. Many took his words as encouragement. Sen. Ben Cardin (D-Md.), author of the human rights bill, also acknowledged that talks were progressing with administration officials. “I can eventually see them acquiescing to some type of link, preferably, from their standpoint, an implicit one between the two bills,” said Ed Gerwin, senior fellow for trade and global economic policy, Third Way. The National Foreign Trade Council has criticized the human rights bill named after Russian attorney Sergei Magnitsky, who died while in police custory. NFTC President Bill Reinsch said his group doesn't have much objection to linking the trade legislation with Magnitsky, but they want a narrowly focused human rights bill targeting abuses in Russia. “Linking them guarantees that at least the good part passes as well as the bad,” Reisch told The Hill. He said his group would prefer that the trade bill be approved first, but if the two bills are linked “there is a level of comfort that both will happen.” Russia has warned the Magnitsky bill would harm U.S.-Russia relations. On Friday, Deputy U.S. Trade Representative Miriam Sapiro urged Russia not to retaliate over the legislation. “I’ve heard from several Russian counterparts their concern about the Magnitsky legislation,” she said in an interview in St. Petersburg, according to news reports. “I certainly hope that if Magnitsky were to pass, that there would not be such measures.” The House Foreign Affairs Committee passed the legislation earlier this month, and the Senate Foreign Relations Committee is set to vote Tuesday.

#### Congress will pass the PNTR bill and repeal the JV amendment.

Kaminski, Matthew. "A Russian Rights Deal." Online.wsj.com. The Wall Street Journal, 6/13/ 2012. Web. <http://online.wsj.com/article/SB10001424052702303822204577464342713418700.html>.

Senate leaders unveiled an agreement on Tuesday to revoke Cold War-era restrictions on trade with Russia and adopt new human rights legislation despised by the Kremlin. Democratic Sen. Max Baucus, who chairs the Finance Committee, introduced a bill to establish permanent normal trade relations (PNTR) with Russia and repeal the 1974 Jackson-Vanik amendment, which was originally meant to pressure the Kremlin to treat Soviet Jews better. Ahead of Russia's accession this summer to the World Trade Organization, U.S. companies will be disadvantaged on the Russian market without PNTR. But the Obama administration will have to swallow new human rights legislation to replace Jackson-Vanik. In a letter, Sen. Baucus on Tuesday promised to include the so-called Magnitsky Act in the PNTR bill. Magnitsky sets out sanctions, including visa bans and asset freezes, for Russian officials implicated in human rights abuses. Sen. Ben Cardin, a Maryland Democrat, introduced the bill in 2010 after the death in police custody of Russian lawyer and whistle blower Sergei Magnitsky the previous year.Senators John McCain (R) and Joe Lieberman (I) made their support for PNTR contingent on passage of Magnitsky. The White House had leaned on Democratic senators to stop or water down the legislation. President Obama has invested a lot of time and capital in the "reset" of relations with Russia, which has threatened to retaliate for Magnitsky. A new draft of the bill circulated by Sen. Cardin's staff last week weakened some provisions, angering its Republican supporters. Addressed to Senators McCain, Cardin, Lieberman and Republican Roger Wicker, the Baucus letter promises that the final Magnitsky text will have GOP support. They intend to restore the original, stronger language of Magnitsky. In return, Sen. McCain agreed to co-sponsor the repeal of Jackson-Vanik. His support can help bring along Republicans skeptical of PNTR. "As we take steps to liberalize U.S. trade with Russia, as we should, we must also maintain our long-standing support for human rights and the fight against corruption in Russia," Sen. McCain said. The deal avoids Democratic Sen. John Kerry's Foreign Relations Committee, which had refused to move on the Magnitsky bill. The administration on Tuesday signaled its grudging acceptance by welcoming the introduction of the PNTR legislation. Sen. Baucus said he hopes to get his bill a Senate floor vote before the August recess. The House last week moved its version of Magnitsky out of the Foreign Affairs Committee without PNTR included. A final package will likely have to be hashed out in House-Senate conference.

#### Will pass from corporation push

PR Newswire 6-27 (United Business Media, “CEOs of Business Coalition Urge Congress to Ensure Passage of Russia PNTR after July 4 Recession” [**http://www.marketwatch.com/story/ceos-of-business-coalition-urge-congress-to-ensure-passage-of-russia-pntr-after-july-4-recess-2012-06-27**](http://www.marketwatch.com/story/ceos-of-business-coalition-urge-congress-to-ensure-passage-of-russia-pntr-after-july-4-recess-2012-06-27))

CEOs of major corporations active in the Coalition for U.S.-Russia Trade ( www.usrussiatrade.org ) - a broad-based group of U.S. corporations, trade associations and small businesses actively seeking to increase U.S. exports and jobs with increased trade with Russia - today called upon the U.S. Congress to work together and move swiftly after the July 4 recess to enact Permanent Normal Trade Relations (PNTR) with Russia. "It's time for Congress to move forward with legislation to make sure U.S. companies have the same access to Russia's market as our competitors," said Klaus Kleinfeld, Chairman and CEO of Alcoa Inc. and Chairman of the U.S.-Russia Business Council, which serves as the Secretariat of the Coalition for U.S.-Russia Trade. John Faraci, Chairman and CEO of International Paper, also a Coalition Co-Chair, said, "Russia is an important market for International Paper. We have invested over $1 billion in Russia and make and sell products there. WTO accession will help develop the Russian economy and enhance IP's investment in Russia. I fully support Russia joining the WTO and believe Congress should act expeditiously to grant Russia PNTR status."

Russia is the 9th largest world economy, home to approximately 140 million highly-educated and discerning consumers and an import market of more than $320 billion. "American workers and businesses see significant opportunities in Russia. It is one of Amway's strongest markets. In order for us and other U.S. businesses to protect and increase exports to Russia we need to enjoy the full benefit of Russia's accession to the WTO," said Amway Chairman Steve Van Andel. "Russia will join the WTO in August but U.S. companies will not benefit from the protection of WTO rules unless Congress acts. Prompt Congressional action on PNTR for Russia will help protect U.S. jobs, support U.S. businesses, and enable us and many other U.S. businesses expand exports to the Russian market."

#### Russia has satisfied the point of Jackson Vanik- Even Israel wants it lifted

Kempaea, Ron, 6-22-12, Israel backs lifting Jackson-Vanik, http://www.jta.org/news/article/2012/06/22/3098876/israel-backs-lifting-jackson-vanik

WASHINGTON (JTA) -- Israel endorsed removing Russia from Jackson-Vanik trade restrictions. "Israel supports Russia's graduation from Jackson-Vanik," a senior Israeli official told JTA this week. "The reasons Russia is included in Jackson-Vanik are no longer relevant."The official made the comment in the wake of a bill introduced in the U.S. Senate earlier this week by a bipartisan slate of senators that would find Russia "in full compliance with the freedom of emigration requirements" of the law. The original amendment, named for the late U.S. Sen. Henry Jackson (D-Wash.) and the late U.S. Rep. Charles Vanick (D-Ohio) was passed in the early 1970s -- over the strident objections of the Nixon administration -- at a time when the former Soviet Union was inhibiting Jewish emigration. Russia wants the 1970s-era restrictions on trade lifted to facilitate its joining the World Trade Organization. The WTO in November invited Russia to join. NCSJ: Advocates on Behalf of Jews in Russia, Ukraine, the Baltic States & Eurasia also back the repeal bill."Russia has satisfied the central requirement of the amendment's intent: the right to emigrate," NCSJ Chairman Richard Stone said in a statement. "Jews are able to decide to emigrate or to choose to remain in Russia, where they can practice Judaism and participate in Jewish culture without reservation." A number of human rights groups oppose lifting Jackson-Vanik. Legislation is under consideration in the U.S. House of Representatives that would sanction officials implicated in human rights abuse.

#### Congress will pass PNTR due to bipartisan support

Palmer, Doug. "Senators Pair Russia Trade, Human Rights Bills." *Reuters*. Thomson Reuters, 6/12 2012. Web. <http://www.reuters.com/article/2012/06/12/us-usa-russia-trade-idUSBRE85B0W620120612>.

If Congress refuses, Russia could under world trade rules deny U.S. exporters some of the market-opening concessions it made to join the WTO. That would give other suppliers in Europe, Asia and Latin America a big advantage in the Russian market. Although Jewish emigration from Russia is no longer a problem, many members of Congress are reluctant to remove Russia from the old human rights legislation without passing a new law to address current human rights concerns. "The extension of Permanent Normal Trade Relations status and the repeal of the Jackson-Vanik amendment for Russia must be accompanied by passage of the Magnitsky Act," McCain said, referring to legislation already approved by the House of Representatives Foreign Relations Committee that would penalize Russian officials for human rights abuses. Senator Jon Kyl, the No. 2 Republican in the Senate, told reporters legislation to normalize trade relations with Russia could not move without the Magnitsky bill. Russian officials have warned that approval of the Magnitsky Act, named for a Russian anti-corruption lawyer who died in prison, would worsen relations. U.S. business groups worry it will hurt exports even if PNTR is approved. Republican presidential challenger Mitt Romney has dubbed Russia the United States' "number one geopolitical foe". His campaign team on Tuesday did not respond to a request for Romney's position on the Russia PNTR bill. However, Romney is expected to be pressed on the issue on Wednesday when he meets with the Business Roundtable, a group of corporate executives that has been aggressively lobbying Congress for approval of the bill. The group's president, John Engler, told reporters he was "pretty optimistic" Congress would come together to pass PNTR because members increasingly realized that U.S. companies will be hurt if the bill is not approved. "We're really seeing very little pushback," Engler said, shortly before the Republican senators released their letter. Bill Lane, head of Caterpillar's Washington office, said he believed both the House and Senate could pass PNTR in "a late July vote."

#### PNTR will pass but there will be a fight

Pecquet and Needham 6-13 (Reporters for the Hill news blog “Russian sale of attack helicopters to Syria endangers trade deal” http://thehill.com/blogs/global-affairs/trade/232697-weapons-sales-to-syria-put-russia-trade-deal-in-danger)

Lawmakers who were wary of losing one of their few levers of influence over Russia had vowed to link the trade deal with legislation penalizing Russian human-rights violators with travel and financial restrictions. But now, in the wake of the arms shipments to Syria, even that might not be enough to win their support. “Just because we want to give U.S. businesses the advantages that come from Russia joining WTO does not mean that we are going to ignore this issue,” said Rep. Charles Rangel (D-N.Y.), the former chairman of the House tax and trade panel and a co-sponsor of the human-rights bill. “It will make it harder for the U.S. to establish normal trade relations with Russia.” Russia says it’s merely respecting existing contracts with the Syria sale, but observers on the ground say President Bashar al-Assad’s forces are using helicopters to shoot at rebel forces and civilians. House Foreign Affairs Committee Chairwoman Ileana Ros-Lehtinen (R-Fla.), a longtime Russia hard-liner, said Congress should scrap the trade bill entirely. “In light of Russia’s policy in Syria, the Obama administration’s string of concessions to Moscow must stop, including the latest effort to … give Russia preferential trade benefits,” she said in statement after Secretary of State Hillary Clinton first raised the helicopter allegations on Tuesday. “I think it’s important to establish that we expect certain standards of conduct from countries that we grant PNTR [permanent normal trade relations] to,” said Sen. Orrin Hatch (Utah), the top Republican on the Finance Committee, which has jurisdiction over trade. “I would like to do PNTR, but I’d like to do it under the right circumstances.” Hatch is one of eight committee Republicans who signed a letter to committee Chairman Max Baucus (D-Mont.) on Tuesday warning that the panel will have to “satisfactorily address” the arms issue “if Congress is to successfully navigate a path toward granting PNTR to Russia.” And Sen. Kelly Ayotte (R-N.H.), a freshman mentioned as a possible running mate for Mitt Romney, on Wednesday said President Obama should “take a very, very hard line” with his counterpart Vladimir Putin when they meet at the G-20 summit in Mexico next week. Obama, Ayotte told MSNBC, should “be very clear to him that we are not going to accept Russia sending arms to Syria and there are going to be grave consequences to our relationship if they continue.” The flare-up comes as relations with Russia are already strained over a proposed European missile defense shield, the 2008 war in Georgia and other issues. In another sign of increased tensions, Sen. John Cornyn (R-Texas) is blocking the confirmation of the Army’s new acquisition chief over the Pentagon’s relationship with a Russian defense firm that is supplying weapons and support to Syria and Iran. Some of Russia’s toughest critics acknowledge the United States has more to gain than to lose by granting normal trade ties. Asked if the trade bill should have language related to Syria in it, Sen. John McCain (R-Ariz.) told The Hill, “I would not think that would be the case. “I don’t know how exactly you punish Russia. It calls for us to start looking at Russia from a more realistic viewpoint, and stop pushing the reset button.” Ben Cardin (D-Md.), the Senate sponsor of the human-rights bill, told The Hill the trade deal should still move forward. “The actions of Russia of late have made it more difficult to look at more normal relations between the United States and Russia — that’s understandable,” he said. But the human-rights bill, he said, will still signal U.S. disappointment. John Engler, president of the pro-trade-deal Business Roundtable, said he’s seen “very little pushback” and remains optimistic Congress will pass a bill before the August recess.

### Will pass now – A2 Magnitsky

#### Clean bill will pass now.

Inside U.S. Trade 6/29, 2012 BROWN, FINANCE MEMBERS PROMOTE RUSSIA WTO ENFORCEMENT PROVISION Lexis

The bill, called the Russian World Trade Organization Commitments Act (S. 3327), is co-sponsored by Finance Committee members Sens. Charles Schumer (D-NY), Debbie Stabenow (D-MI) and Jay Rockefeller (D-WV). Those senators did not attend a June 21 Finance Committee hearing on Russia, during which a number of members raised doubts that Russia would live up to its WTO commitments. Meanwhile, none of the members present at the hearing pushed for specific enforcement language to be added to the bill that will remove Russia from the Jackson-Vanik amendment. This will allow the administration to extend permanent most favored nation status to Russia as it enters the WTO, which has the effect of ensuring that U.S. exporters can benefit from all of Russia's concessions. Finance Committee Chairman Max Baucus (D-MT) has said he prefers a clean Jackson-Vanik bill without amendments except for a human rights bill to be marked up by the Senate Foreign Relations Committee this week. In the House, Ways and Means Committee Dave Camp (R-MI) has also said he favors a "clean bill," while Ranking Member Sander Levin (D-MI) has said that he wants provisions in the MFN bill that would lay out the extent of Russia's commitments and the congressional expectations for Russia to fulfill them (Inside U.S. Trade, June 22).

#### Uniqueness – Jackson-Vanik will pass without Magnitsky interference.

HELSINKI, 6/27 2012, The Associated Press, CNBC, Clinton cites concerns over human rights in Russia, http://www.cnbc.com/id/47977969

U.S. Secretary of State Hillary Rodham Clinton says she's optimistic that relations with Moscow will not suffer despite planned legislation in Congress that would impose tough sanctions on Russian human rights violators. Clinton says she expects "something to move" on both the repeal of the Jackson-Vanik law and on Congress' concerns about Russian human rights. She told reporters in Finland on Wednesday that the concerns could be expressed "without derailing the relationship (with Moscow) and that is what we are working with our Congress to do and we have every reason to believe we can accomplish that." The 1974 Jackson-Vanik Act tied trade with the then-Soviet Union to Moscow's willingness to allow Jews and other minorities to leave the country. The repeal of Jackson-Vanik is necessary if U.S. businesses are to enjoy lower tariffs and increased access to Russian markets when Russia joins the World Trade Organization this summer.

#### Uniqueness -- it’ll pass – top of the agenda – separate from Magnitsky.

Wasson and Needham 5-25. [Erik, Vicki, Hill reporters, “Russia trade, farm bill not on House summer calendar” The Hill -- http://thehill.com/blogs/on-the-money/1005-trade/229563-russia-trade-farm-bill-not-on-house-summer-calendar]

Meanwhile, House Ways and Means Committee Chairman Dave Camp (R-Mich.) has said he plans to hold a June hearing on granting permanent normal trade relations to Russia. Camp and Trade Subcommittee Chairman Kevin Brady (R-Texas) have urged the White House to focus its efforts on convincing skeptical lawmakers that the long-standing and outdated Jackson-Vanik should be repealed and normal trade relations granted to Russia as that nation votes to join the World Trade Organization this summer. U.S. trade officials have said that ending Jackson-Vanik is a top priority of the White House because Russia joining the WTO gives the United States a new tool to enforce and handle any disputes over trade laws. Granting Russia permanent normal trade relations does not require the United States to make any changes to its tariffs and, if not completed, would leave U.S. exporters at a disadvantage with other international trading partners that would enjoy reduced duties. President Obama and Russian President Vladimir Putin are scheduled to meet at the Group of 20 meeting next month in Mexico where the topic is likely to be discussed. The Russian Duma has until July 23 to vote on WTO membership and is currently scheduled to adjourn on July 15. Once the Duma votes, and Russia quickly notifies the WTO, its membership goes into effect in 30 days. Camp and Senate Finance Chairman Max Baucus (D-Mont.) have said they would not hold up PNTR with Russia over questions of human-rights issues that they say would only hurt U.S. trade interests by indefinitely delaying lower tariffs for U.S. exporters with Russia. "Our ongoing relationship with Russia is a complex one, but to obtain the benefits of the concessions Russia made to join the WTO, we must grant Russia permanent normal trade relations," Camp said in April.

### A2 – Magnitsky Turns relations

#### Russia won’t overreact to the Magnitsky bill- all their evidence is dramatization.

Interfax 6/27/12 news agency, Moscow, BBC Worldwide Monitoring June 27, 2012 Wednesday Russian experts say Moscow should not "overreact" to USA's Magnitskiy Bill Lexis

Overreaction and dramatization In Kremenyuk's opinion, Russia should not overreact. "The interests of some 100 [Russian] officials would be damaged. Is it a good reason to spoil relations with the States? This is the important question - our relations with the largest and the strongest country." Editor-in-chief of "Russia in Global Politics" magazine, Fedor Lukyanov, doubted that adoption of the Magnitskiy Bill would have any practical effect: "The State Department and the White House have shown little interest in adopting the bill. They even tried to reduce a possible damage that the document could cause to the USA." Nikolay Zlobin, the director of Russian and Asian programmes at the US World Security Institute, told RIA Novosti on 27 June that Russia should not dramatize the situation around Magnitskiy bill. "Any country is free to restrict any foreign citizen from stepping on its territory." "If it is in Russia's interest to ban a certain number of the US citizens from coming to Russia, then it should be done because of the national interest and not because of the Magnitskiy list." The expert recalled that most senators and congressmen viewed the bill as a genuine attempt to help the Russian leadership to fight corruption. "It will be very difficult to explain to them why Russia takes a symmetrical action in response ," he added. "People on Magnitskiy list who are allegedely involved in Magnitskiy's death have already been denied entry to the USA regardless of the prospects of the Magnitskiy bill being adopted. Congress wants to introduce this law, so Obama does not change his mind on banning ban these people," the pundit concluded. "Therefore, Russia has to react calmly, intellegently and delicately instead of bursting with emotions and blowing a small issue into a large-scale drama."

### Obama will push PNTR

#### JV will pass independent of amendments – administration officials.

**Needham 6-10**. [Vicki, reporter, “Human rights concerns complicated efforts to ramp up Russia trade” The Hill -- http://thehill.com/blogs/on-the-money/1005-trade/231947-human-rights-concerns-complicate-efforts-to-ramp-up-russia-trade]

Some lawmakers have suggested they would support repealing Jackson-Vanik as a trade-off in exchange for passage of the so-called Magnitsky bill. "There is growing recognition in the business community and on the Hill to do something meaningful and send a message on human rights," Gerwin said. "The Russians are hacked off about it but they can't deny us any trade rights because then they would be in violation of WTO rules," he said. "We've got a good track record at the WTO so it's unlikely Russia would do something blatant." **Kirk said repealing Jackson-Vanik is a top priority for his office this year but he is opposed to linking it to** a Magnitsky bill. “Our priority is for the Congress to lift Jackson-Vanik in a clean bill which deals only with the issue relevant to our ability to maintain our competitiveness,” Kirk said. The administration will "continue our work" with lawmakers concerned about human rights, Kirk said. Senate Finance Chairman Max Baucus (D-Mont.) has talked about linking his chamber's measure. Still, while **a human rights bill** gives Congress an opportunity to express its dissatisfaction with Russia's track record on human rights, it is separate from the repeal and no bearing on the results for businesses of getting rid of Jackson-Vanik, Gerwin said.

#### The Obama admin wants to pass PNTR

**Cohen, 6/29**/12 (Ariel Cohen, Ph.D. is a Senior Research Fellow for Russian and Eurasian Studies and International Energy Policy, The Kathryn and Shelby Cullom Davis Institute for International Studies, 6/29/12, The Foundry, “Magnitsky Act: Congress Should Uphold America’s Commitment to Human Rights”, http://blog.heritage.org/2012/06/29/magnitsky-act-congress-should-uphold-americas-commitment-to-human-rights/)

The Russian government’s inability, procrastination, or unwillingness to prosecute human rights abusers has prompted the U.S. Congress to take action. It doesn’t really matter that the individuals responsible for Magnitsky’s death might not even think of visiting the U.S. or keeping their money in U.S. banks. The Magnitsky bill is aimed at human rights abusers not only in the Magnitsky case, and not only in Russia, but around the globe. The bill is also meant to signal that the U.S. will always support those who value the rule of law and freedom worldwide. **The Obama Administration** has viewed the Magnitsky bill as a threat to its “reset” policy toward Russia. The Administration **wants to extend** permanent normal trade relations (**PNTR**) **to Russia without passing the Magnitsky legislation as Russia prepares to join the** World Trade Organization (**WTO) in August**. Last week, the Senate and House held hearings on Russia’s looming WTO entry. Senator Max Baucus (D–MT), who chaired the Senate Finance Committee hearing, rightly said in his statement that the U.S. should not disregard human rights and democracy and pledged to include the Magnitsky bill in the PNTR legislation.

#### Despite international tensions, Obama is pushing for Jackson-Vanik’s immediate repeal.

Mozgovaya 6/19 – (Natasha, chief U.S. correspondent for Haaretz, “Obama and Putin express support for a 'political transition to a democratic, pluralistic political system in Syria'”, http://www.haaretz.com/blogs/focus-u-s-a/obama-and-putin-express-support-for-a-political-transition-to-a-democratic-pluralistic-political-system-in-syria-1.437193)

One issue that strained the discussion between the two leaders was a recent Congress initiative to replace the Jackson-Vanik amendment, which linked trade relations between the U.S. and the Soviet Union with the USSR's treatment of its Jewish population, with a new law, named after Sergei Magnitsky, a lawyer that exposed corruption in Russia and was apparently beaten to death in prison. The Magnitsky law is supposed to deny visas to Russian officials accused of human rights violations. It was harshly criticized by the Kremlin, which warned that its passage would hurt relations between the two countries and could even lead to possible retaliatory steps. Obama and Putin didn't mention the Magnitsky law after their meeting, but Obama did say he emphasized his "priority of having Congress repeal Jackson-Vanik, provide permanent trade relations status to Russia so that American businesses can take advantage of the extraordinary opportunities now that Russia is a member of the WTO."

### A2 – Magnitsky

#### Repeal of Jackson-Vanik is possible only with the passage of a modified Magnitsky bill, softening any Russian retaliation.

Ivanov 6/21 – (Eugene, writer for Russia Beyond the Headlines, 2012, “Will the Magnitsky bill “replace” the Jackson-Vanik amendment?,” http://rbth.ru/articles/2012/06/21/will\_the\_magnitsky\_bill\_replace\_the\_jackson-vanik\_amendment\_15927.html)

From the very beginning, the Obama administration has been opposed to the Magnitsky bill, arguing that it would negatively affect U.S.-Russia relations. In a preventive measure of sorts, the State Department composed its own list of 60 individuals related to the Magnitsky case whose entry in the U.S. would be banned. With this list in place, the White House claimed that the Magnitsky bill was “redundant.” In a parallel track, the administration put pressure on the bill’s major sponsor, Sen. Cardin. This has worked: recently, Cardin came up with a modified version of the bill addressing some of the administration’s concerns. In particular, the updated version makes it more difficult to add names to the list of human right violators that the bill would create. The major contentious point is the identity of the people on the Magnitsky list: the State Department doesn’t want to disclose names of individuals it would ban from entering the U.S., while the Magnitsky bill would make the names of the “offenders” public. Now, the White House is actively pushing for a provision in the bill that would allow the State Department keep some names on the list confidential on the ground of “national security interests.” In recent weeks, the Magnitsky bill has come to the forefront of congressional attention – the reason is Russia’s upcoming accession to the World Trade Organization. Congress has to respond to Russia’s WTO membership by passing legislation granting Russia permanent normal trade relations (PNTR) status. Failure to grant Russia PNTR status will hurt the interests of U.S. multinational corporations, which risk losing business in Russia to their European and Japanese competitors. Standing in the way of the PNTR status, however, is the Jackson-Vanik amendment, a notorious relic of the Cold War that still deprives Russia of the PNTR status as a punishment for restricting Jewish emigration in the 1970s. And here things get complicated. Congressional Republicans refuse to just repeal the Jackson-Vanik amendment; they insist that something else should be put in place to hold Moscow accountable for what they routinely describe as “human-rights abuses.” Many consider the Magnitsky bill as a natural replacement for the Jackson-Vanik amendment. The situation looks especially peculiar in the House of Representatives, where the Republicans hold a majority. On June 7, the Foreign Relations Committee of the House approved its version of the Magnitsky bill, clearing the way for the bill to be taken up by the full House. Characteristically, Committee Chairman Ileana Ros-Lehtinen (Republican–Florida) has so far refused to schedule a hearing on the PNTR legislation. It is therefore possible that the House will adopt the Magnitsky bill without repealing the Jackson-Vanik amendment, a scenario that would be a nightmare for the White House. In the Senate, with the Democrats in majority, events are developing more favorably to the administration. Recognizing political realities on the ground, Sen. Max Baucus (Democrat-Montana), whose Senate Finance Committee is in charge of passing the PNTR legislation, has proposed to link both bills: to pass the PNTR legislation – while simultaneously repealing the Jackson-Vanik amendment – along with passing the Magnitsky bill. This approach looks increasingly like a winning proposal, especially since Baucus secured the support of Sen. John McCain (Republican-Arizona), the leading anti-Russian voice in the Senate.

#### Business benefits will trump congressional human rights concerns.

David C. Speedie 2/3/12 Russia Bulletin, Issue 2 February 3, 2012 http://www.carnegiecouncil.org/resources/russia\_bulletin/00002

We've spoken of this before: the superannuated Cold War legislative relic that punished the Soviet Union for [a] being a non-free market economy and [b] restricting Jewish emigration. While both of these causes for sanction have manifestly disappeared (quite apart that the punitive measures now illogically apply to a different country, Russia) the Jackson-Vanik Amendment remains on the books, for unabashedly political, rather than economic reasons. What is remarkable here is that everyone on the political spectrum, from those to the left of the White House to arch-Cold warrior Richard Perle, agrees that Jackson-Vanik should be consigned to the rubbish heap of history. In one of the few references to Russia in his January 25 State of the Union address, President Obama called for "permanent normal trade relations with Russia," adding: "This Congress should make sure that no foreign company has an advantage over American manufacturing when it comes to accessing finance or new markets like Russia." So why the delay in doing the right thing? Ever alert to the possibilities for domestic political point scoring, some members of Congress are intent on playing the human rights card at Russia's expense. Thus, Jackson-Vanik repeal may be held hostage to a replacement law, as it were. This would be the Magnitsky Law, and would impose travel bans on Russian officials suspected of involvement in the mysterious death in prison of human rights lawyer Sergei Magnitsky. While one obviously hopes that this will be fully investigated-in, by, and for Russia-such questions arise as: Who are these officials? How wide is the net? And just a thought: if our elected representatives are thus stirred by human rights issues and their relation to trade, perhaps they should look into the case of Mr. Liu Xiaobo and seek similar sanctions on Chinese officials. In the end, Jackson-Vanik should be, and is, an economic, not a political issue. For this reason, the merits of the case must be argued by the business community and not be left entirely to our sage Congress. The U.S.-Russia Business Council has taken a welcome lead, enlisting such others as the Business Roundtable and the U.S. Chamber of Commerce in a full-court press to put the issue before the key Congressional committees.

### A2 – Uniqueness Overwhelms the Link

#### JV will pass- but there will be a fight

Dougherty and Crawford 6-21 (News reporters for CNN.com “U.S. could feel effects of amendment meant to hurt Russia” http://security.blogs.cnn.com/2012/06/21/u-s-could-feel-effects-of-amendment-meant-to-hurt-russia/?iref=allsearch)

Almost four decades ago, as the Cold War raged, the U.S. Congress passed an amendment to the Trade Act of 1974 aimed squarely at the Soviet Union's policy preventing Jews from emigrating from the USSR. The Jackson-Vanik amendment, which denied favorable trade relations to the Soviet Union, worked. In 1991, Russia stopped slapping exit fees on Jews who wished to emigrate and they have been free to leave ever since. But the amendment has stayed on the books even though it has outlived its purpose, a Cold War relic that infuriated the Kremlin. In reality, it was only symbolic; since 1994, presidents, Republicans and Democrats have certified annually that Russia complies with the amendment. In fact, the U.S. maintains normal trade relations with Russia. As part of its "reset" with Moscow, the Obama administration urged Congress to abolish the amendment, to "graduate" Russia from Jackson-Vanik. Now, there's an economic reason to do it. Last December, after 18 years of trying, Russia was given the green light to join the World Trade Organization. Russia's Parliament is expected to ratify and approve entry, and President Vladimir Putin to sign it by the end of July. Once that happens, the Jackson-Vanik amendment could end up hurting the U.S. instead of Russia. Having it on the books means the U.S. is in violation of WTO rules requiring all members to grant other members "immediate and unconditional free trade." The U.S. would not be able to take advantage of all the concessions Russia will make as a WTO member – including market liberalization, transparency, committing to intellectual property protection, eliminating nontariff barriers and other provisions – and that would mean higher tariffs for American businesses seeking access to Russian markets. The Obama administration and many members of Congress have called for the amendment's repeal, moving forward with a permanent normal trade relations pact with Russia. But disagreements between the U.S. and Russia over human rights, missile defense, Syria, Georgia and other issues are complicating that move.

### A2: Israel will block

#### Israel supports lifting Jackson-Vanik

JTA, 6/22/12, JTA: Jewish & Israel News, “Israel backs lifting Jackson-Vanik,” <<http://www.jta.org/news/article/2012/06/22/3098876/israel-backs-lifting-jackson-vanik>> Accessed: 6/29/22, wh

"Israel supports Russia's graduation from Jackson-Vanik," a senior Israeli official told JTA this week. "The reasons Russia is included in Jackson-Vanik are no longer relevant." The official made the comment in the wake of a bill introduced in the U.S. Senate earlier this week by a bipartisan slate of senators that would find Russia "in full compliance with the freedom of emigration requirements" of the law. The original amendment, named for the late U.S. Sen. Henry Jackson (D-Wash.) and the late U.S. Rep. Charles Vanick (D-Ohio) was passed in the early 1970s -- over the strident objections of the Nixon administration -- at a time when the former Soviet Union was inhibiting Jewish emigration. Russia wants the 1970s-era restrictions on trade lifted to facilitate its joining the World Trade Organization. The WTO in November invited Russia to join. NCSJ: Advocates on Behalf of Jews in Russia, Ukraine, the Baltic States & Eurasia also back the repeal bill. "Russia has satisfied the central requirement of the amendment's intent: the right to emigrate," NCSJ Chairman Richard Stone said in a statement. "Jews are able to decide to emigrate or to choose to remain in Russia, where they can practice Judaism and participate in Jewish culture without reservation."

## Political Capital key

#### Obama needs to step it up on JV repeal – his leadership is key.

Inside US Trade 3/2/12 Camp Says Administration Must Work Harder For Russia Permanent MFN http://insidetrade.com/Inside-US-Trade/Inside-U.S.-Trade-03/02/2012/camp-says-administration-must-work-harder-for-russia-permanent-mfn/menu-id-172.html

House Ways and Means Committee Chairman Dave Camp (R-MI) this week called on the administration to step up its efforts for advancing legislation to extend permanent normal trade relations (PNTR) to Russia as it enters the World Trade Organization, both on commercial and foreign policy grounds. "I am not dissatisfied with their work, but they need to do more," Camp said following a Feb. 29 hearing on the administration's trade policy agenda. In his opening statement in the hearing, he said that he "looks to the administration to build confidence and provide leadership on the economic and non-economic issues" in the fight for PNTR with Russia, also known as permanent most favored nation (MFN) status. Camp said his committee would have to "carefully consider" Russia MFN and said that extending it to Russia would not pose a cost to the United States, but instead would provide some benefits. "We would give up nothing -- not a single U.S. tariff -- but we would obtain a new enforcement tool and bring our two countries closer on multiple fronts," Camp said. His counterpart in the Senate, Finance Committee Chairman Max Baucus (D-MT) has stepped forward to champion permanent MFN for Russia since last month and is expected to hold a March 15 hearing in his committee. Under the General Agreement on Tariffs and Trade, the U.S. is obligated to extend permanent MFN to all members of the WTO, which would require the U.S. Congress to vote to remove Russia from the Jackson-Vanik amendment. That provision of U.S. law makes U.S. tariffs on Russian goods subject to emigration conditions, though the U.S. has for years found that Russia meets those conditions. But technically that constitutes conditional MFN, and Russia has said it will not apply WTO commitments to its trade with the United States unless the U.S. extends MFN on a permanent basis. During the Feb 29 hearing, U.S. Trade Representative Ron Kirk made the case that extending permanent MFN to Russia will benefit U.S. exporters and will allow the U.S. to use the WTO dispute settlement process against Russia. "If we were to grant Russia, which I hope we will, permanent normal trade status and lift the Jackson-Vanik restrictions, the good thing is not one thing is required from the United States," he said. This vote is "singularly" in our commercial interest, Kirk said.

#### Political capital is key to separate Jackson-Vanik from human rights concerns

New York Times 2/27/12 (<http://www.nytimes.com/2012/02/28/opinion/a-costly-anachronism.html>)

This is not an easy time for President Obama to be arguing on behalf of anything that benefits the Russian government. Prime Minister Vladimir Putin’s autocratic ways are chilling as is his decision to promote his presidential campaign with a particularly scurrilous anti-Americanism. The Kremlin is also the top supporter and arms merchant to President Bashar al-Assad of Syria. More than two dozen members of Congress have endorsed legislation that would deny travel visas to Russian officials linked to human rights abuses and say they will attach it to any bill granting permanent normal trade status with Russia. The inspiration is Sergei Magnitsky, a Russian lawyer who was arrested and died in prison after trying to expose a huge tax fraud by government officials. The White House should press Russia publicly and privately on this case and other human rights abuses. But it is time to deal with the trade issue on its own.

#### Capital key to overcome GOP opposition to Russia.

Joshua Foust 2/21/12 a fellow at the American Security Project “It's Time for the U.S. to Finally Make Economic Peace With Russia“ <http://www.theatlantic.com/international/archive/2012/02/its-time-for-the-us-to-finally-make-economic-peace-with-russia/253278/>

The real barrier to normalizing trade relations with Russia isn't economic, it's political, and it's domestic. Ever since President Obama's proclamation of a "reset" in U.S.-Russian relations, a group of Republicans has worked to undo that Reset. While the Congressional Russophobes are vocal in their opposition to any rapprochement with Russian -- they seem to prefer to believe Russia is still an adversary to be opposed (like when John McCain referred to the "old Russian Empire" during the 2008 Presidential campaign) -- the reality is, recent relations with Russia have been better than in almost a decade.

### Yes Issue Spillover

#### Yes issue spillover – even if PNTR is an economic no brainer – non-economic foreign policy issues will get dragged into the debate.

Wall Street Journal 2/17/12 Tensions With Russia Loom Over Trade Debate http://blogs.wsj.com/economics/2012/02/17/tensions-with-russia-loom-over-trade-debate/

Baucus is expected to schedule a hearing on Russian trade sometime next month, with legislation to restore permanent trade relations potentially introduced in the next couple of months, the aide said. “Holding Russia to its promises as it enters the WTO and seeking a greater share of the Russian market is a one-way economic benefit for the United States and an absolute no-brainer,” said Baucus in a statement. “This trip will help lead Russia to end its unfair trade practices that hurt American businesses, ranchers and farmers.” U.S. exports to Russia could double within five years, from around $9 billion, he said. To prepare, he plans to meet not only with Russian officials, but also U.S. and Russian business executives as well as civil society and pro-democracy groups. Baucus isn’t planning to meet with Prime Minister Vladimir Putin, who is widely expected to return to office in March for a third term as president. “The focus of the trip will be mainly economic, what it will mean for the U.S. economy and U.S. jobs to have this important market open for our exporters,” the aide said. “And also getting up to speed on the non-economic issues, that while not strictly part of the PNTR legislation, no doubt will surround the debate in the Congress.”

## Links

### Link – Transportation Hurts Political Capital

#### ( ) Plan drains Presidential capital. Even once-popular transportation issues now hurt the White House.

Freemark ‘12

(Yonah – Master of Science in Transportation from the Massachusetts Institute of Technology; Bachelor of Arts in Architecture, Department of Civil and Environmental Engineering, Yale University with Distinction. Also a freelance journalist who has been published in Planning Magazine; Next American City Magazine; Dissent; The Atlantic Cities; Next American City Online; and The Infrastructurist – He created and continues to write for the website The Transport Politic – The Transport Politic – “On Infrastructure, Hopes for Progress This Year Look Glum” – January 25th, 2012 – http://www.thetransportpolitic.com/2012/01/25/on-infrastructure-hopes-for-progress-this-year-look-glum/)

President Obama barely mentions the need for improvements in the nation’s capital stock in his State of the Union. The contributions of the Obama Administration to the investment in improved transportation alternatives have been significant, but it was clear from the President’s State of the Union address last night that 2012 will be a year of diminished expectations in the face of a general election and a tough Congressional opposition. Mr. Obama’s address, whatever its merits from a populist perspective, nonetheless failed to propose dramatic reforms to encourage new spending on transportation projects, in contrast to previous years. While the Administration has in some ways radically reformed the way Washington goes about selecting capital improvements, bringing a new emphasis on livability and underdeveloped modes like high-speed rail, there was little indication in the speech of an effort to expand such policy choices. All that we heard was a rather meek suggestion to transform a part of the money made available from the pullout from the Afghanistan and Iraq conflicts — a sort of war dividend whose size is undefined — to “do some nation-building right here at home.” If these suggestions fell flat for the pro-investment audience, they were reflective of the reality of working in the context of a deeply divided political system in which such once-universally supported policies as increased roads funding have become practically impossible to pursue. Mr. Obama pushed hard, we shouldn’t forget, for a huge, transformational transportation bill in early 2011, only to be rebuffed by intransigence in the GOP-led House of Representatives and only wavering support in the Democratic Senate. For the first term at least, the Administration’s transportation initiatives appear to have been pushed aside. Even so, it remains to be seen how the Administration will approach the development of a transportation reauthorization program. Such legislation remains on the Congressional agenda after three years of delays (the law expires on March 31st). There is so far no long-term solution to the continued inability of fuel tax revenues to cover the growing national need for upgraded or expanded mobility infrastructure. But if it were to pass, a new multi-year transportation bill would be the most significant single piece of legislation passed by the Congress in 2012. The prospect of agreement between the two parties on this issue, however, seems far-fetched. That is, if we are to assume that the goal is to complete a new and improved spending bill, rather than simply further extensions of the existing legislation. The House could consider this month a bill that would fund new highways and transit for several more years by expanding domestic production of heavily carbon-emitting fossil fuels, a terrible plan that would produce few new revenues and encourage more ecological destruction. Members of the Senate, meanwhile, have for months been claiming they were “looking” for the missing $12 or 13 billion to complete its new transportation package but have so far come up with bupkis. The near-term thus likely consists of either continued extensions of the current law or a bipartisan bargain that fails to do much more than replicate the existing law, perhaps with a few bureaucratic reforms.

#### ( ) Transportation Infrastructure Spending drains capital – escalates *fights with GOP*.

Tomasky ‘11

(Newsweek/Daily Beast special correspondent Michael Tomasky is also editor of Democracy: A Journal of Ideas – Newsweek – September 19, 2011 – lexis)

Finally, Barack Obama found the passion. "Building a world-class transportation system is part of what made us an economic superpower," he thundered in his jobs speech on the evening of Sept. 8. "And now we're going to sit back and watch China build newer airports and faster railroads? At a time when millions of unemployed construction workers could build them right here in America?" Obama's urgency was rightly about jobs first and foremost. But he wasn't talking only about jobs when he mentioned investing in America--he was talking about our competitiveness, and our edge in the world. And it's a point he must keep pressing. In a quickly reordering global world, infrastructure and innovation are key measures of a society's seriousness about its competitive drive. And we're just not serious. The most recent infrastructure report card from the American Society of Civil Engineers gives the United States a D overall, including bleak marks in 15 categories ranging from roads (D-minus) to schools and transit (both D's) to bridges (C). The society calls for $2.2 trillion in infrastructure investments over the next five years. On the innovation front, the country that's home to Google and the iPhone still ranks fourth worldwide in overall innovation, according to the Information Technology & Innovation Foundation (ITIF), the leading think tank on such questions, which conducts a biannual ranking. But we might not be there for long. In terms of keeping pace with other nations' innovation investments--"progress over the last decade," as ITIF labels it--we rank 43rd out of 44 countries. What's the problem? It isn't know-how; this is still America. It isn't identifying the needs; they've been identified to death. Nor is it even really money. There are billions sitting around in pension funds, equity funds, sovereign wealth funds, just waiting to be spent. The problem--of course--is politics. The idea that the two parties could get together and develop bold bipartisan plans for massive investments in our freight-rail system--on which the pro-business multiplier effects would be obvious--or in expanding and speeding up broadband (it's eight times faster in South Korea than here, by the way) is a joke. Says New York University's Michael Likosky: "We're the only country in the world that is imposing austerity on itself. No one is asking us to do it." There are some historical reasons why. Sherle Schwenninger, an infrastructure expert at the New America Foundation, a leading Washington think tank, says that a kind of anti-bigness mindset developed in the 1990s, that era in which the besotting buzzwords were "Silicon Valley" and "West Coast venture capital." Wall Street began moving away from grand projects. "In that '90s paradigm, the New Economy-Silicon Valley approach to things eschewed the public and private sectors' working together to do big things," Schwenninger says. "That model worked for software, social media, and some biotech. But the needs are different today." That's true, but so is the simple point that the Republican Party in Washington will oppose virtually all public investment. The party believes in something like Friedrich von Hayek's "spontaneous order"--that is, get government off people's backs and they (and the markets they create) will spontaneously address any and all problems. But looking around America today, can anyone seriously conclude that this is working?

#### ( ) Any transportation legislation drains capital. Angers the GOP

Freemark ‘10

(Yonah – Master of Science in Transportation from the Massachusetts Institute of Technology; Bachelor of Arts in Architecture, Department of Civil and Environmental Engineering, Yale University with Distinction. Also a freelance journalist who has been published in Planning Magazine; Next American City Magazine; Dissent; The Atlantic Cities; Next American City Online; and The Infrastructurist – He created and continues to write for the website The Transport Politic – The Transport Politic – “Growing Conservative Strength Puts Transit Improvements in Doubt” – December 1st, 2010 – http://www.thetransportpolitic.com/2010/12/01/growing-conservative-strength-puts-transit-improvements-in-doubt/)

The next few years are likely to be difficult for advocates of public transportation because of increased hostility to government investment. 1987, 1991, 1995, 1998, and 2005 share a significant feature: In each of those years, members of Congress were able to come together to pass a multi-year bill that codified how the U.S. government was to collect revenues for and allocate expenditures on transportation. Not coincidentally, in each of those years, one political party controlled both the House and Senate. In the 112th Congress, set to enter office in just one month, Democrats will run the Senate and Republicans the House. This split control will make passing any legislation difficult. Unlike in those aforementioned years, there is little chance that this group of legislators will be able to pass a multi-year transportation bill either in 2011 or 2012. These circumstances, combined with increasingly strident conservative rhetoric about the need to reduce government expenditures, may fundamentally challenge the advances the Obama Administration and the Democratic Congress have been able to make over the past two years in expanding the nation’s intercity rail network, promoting a vision for livable communities, and reinforcing funding for urban transit. Continuing those efforts would require identifying sources of increased revenue and a steadfast commitment to reducing the role of the automobile in American society. But there is little support for increased taxes from any side of the political table and there is a fundamental aversion from the mainstream Republican Party to the investments that have defined the government’s recent transportation strategy. Meanwhile, declining power of the purse resulting from a fuel tax last increased in 1993 means that the existing situation is unacceptable, at least if there is any sense that something must be done to expand investment in transportation infrastructure. Gridlock — and myopic thinking about how to improve mobility in the United States — will ensue.

### Link –Transp. Angers the GOP

#### ( ) Transportation infrastructure unpopular with GOP – election year politics and spending squabbles.

Lowy ‘12

Joan Lowy is a reporter covering transportation issues for the Associated Press including FAA, NTSB and the department of transportation – Associated Press Financial Wire – May 1, 2012 -- lexis

The bill is driven partly by election-year politics. Both Congress and President Barack Obama have made transportation infrastructure investment the centerpiece of their jobs agendas. But the political imperative for passing a bill has been complicated by House Republicans' insistence on including a mandate for federal approval of the Keystone XL oil pipeline. The White House has threatened to veto the measure if it retains the Keystone provision. And there are other points of disagreement between the GOP-controlled House and Democratic-controlled Senate, including how to pay for transportation programs and how much leverage the federal government should have over how states spend their aid money. Transportation Secretary Ray LaHood has said it's unlikely Congress will pass a final bill until after the November elections.

### Links - Spending

#### Link – Spending bills unpopular in senate

Russell Berman, American professor of German Studies and Comparative Literature, 7/3/12, The Hill, “Congress faces slim window for passage,”

(<http://thehill.com/homenews/house/236017-congress-faces-slim-window-to-pass-bills->) Accessed: 7/3/12

Congress is poised to tackle a handful of high-profile bills between now and Election Day, but the measures face an uphill climb. Lawmakers face a tight window for action on the remaining agenda items, including a farm bill, postal reform and appropriations legislation. The House is scheduled to be in session for just seven weeks in the four months before Nov. 6, and the mix of expiring tax provisions and looming spending cuts is expected to dominate the post-election lame-duck session. Congress has been surprisingly productive during the first half of 2012 on bills ranging from highways to student loans to a ban on insider trading for lawmakers. But most on Capitol Hill believe that trend is in jeopardy**.**  For a number of bills that have been in the works since the beginning of the 112th Congress, the next several weeks will be crucial. And those measures will have to compete for floor time with political messaging votes — like House moves to repeal the 2010 healthcare law and extend the full slate of Bush tax rates — that will take up a bulk of the election-season legislative calendar. Here’s a look at some of the issues left on Congress’s plate: FARM BILL: The pressure is on the House to act on a farm bill after the Senate in June passed a measure with a 10-year price tag of nearly $1 trillion. Whether the House can pass more than a one-year extension off the floor remains unclear. Conservatives have been leery of any legislation authorizing hundreds of billions in spending, and while the Senate bill cuts current spending levels, House Republicans are likely to push for far deeper cuts, particularly to the food stamp program. The cuts contained in the Senate version, which passed on a bipartisan 64-35 vote, are less than those called for in President Obama’s budget. The Agriculture Committee, led by Chairman Frank Lucas (R-Okla.), has scheduled a markup for July 11. Ominously, the farm bill was not included in a May memo from House Majority Leader Eric Cantor (R-Va.) outlining the summer floor schedule. The current farm bill expires on Sept. 30. POSTAL REFORM:The House is also playing catch-up with the Senate on legislation overhauling the Postal Service, which is in fiscal straits. The upper chamber approved its postal reform bill in April on a bipartisan vote, while the House has yet to act on its own version, spearheaded by Reps. Darrell Issa (R-Calif.) and Dennis Ross (R-Fla.) in the Oversight and Government Reform Committee. A House GOP leadership aide said on Monday that the postal reform and farm bills were still being worked on and that there is “no firm date for when they will be on the floor.” VIOLENCE AGAINST WOMEN ACT: Unlike the farm and postal measures, both the House and Senate have passed bills reauthorizing the Violence Against Women Act. Yet the talks remain mired in a stalemate. The House says the Senate bill is unconstitutional because it raises revenue, and legislation that raises revenue must originate in the lower chamber. Senate Democratic leaders say the House-passed bill is unacceptable because it does not contain provisions protecting Native American, LGBT and immigrant women. The fourth-ranking Senate Democrat, Patty Murray (Wash.), held a press conference last week to say she would not compromise on those issues. APPROPRIATIONS: All of the action on appropriations has thus far been in the House. The lower chamber has passed six annual spending bills for fiscal 2013, and another five have passed out of the Appropriations Committee. Of those, two more bills are expected to hit the House floor before the August recess— most likely those dealing with defense and financial services. Because the Senate has made little headway in passing spending bills, a continuing resolution providing stopgap government funding through the November elections is considered inevitable before the end of the current fiscal year on Sept. 30.FEDERAL RESERVE AUDIT:Three-time presidential candidate Rep. Ron Paul (R-Texas) should get a rare turn in the House spotlight this month when his bill to audit the Federal Reserve receives a vote on the floor. The Oversight and Government Reform Committee signed off on the legislation last week, clearing the way for floor consideration. The timing could give a boost to Paul a month before the Republican National Convention, where he is expected to make his presence felt.

#### Public hates spending

Cauto and Paul 6/6/12, (Neil Cavuto,  the Senior Vice President of Business News, and Senator Rand Paul, 6/6/12, Fox News, “Sen. Paul: Politicians can win on principles”, http://www.foxnews.com/on-air/your-world-cavuto/2012/06/07/sen-paul-politicians-can-win-principles)

And are there any bridges to Madison in this country, because despite Wisconsin **voters' clear preference to rein in spending** there, talk of more spending here, which got investors buying like crazy here, which is really nutty when you consider the capitalist **crowd rails against big spending anywhere**, that is, unless it benefits them. And apparently they think the Central Bank's spending hundreds of millions of more dollars to bolster the world economy will do just that. But I think you can stand up and say, look, the emperor has no clothes, **we're out of money, and we're going to have conserve money. And you can get reelected**. **But that message hasn't completely soaked in here in Washington.** The argument for what Scott Walker did last night and pulled off in Wisconsin to avoid being the first governor called in a recall election and surviving it, is that people have had it with the spending.

### Links – Transportation Spending – Capital

#### Transportation spending unpopular

Newman ’11 (Rick Newman, Chief business correspondent US News and World Report, September 9, 2011, US News, http://www.usnews.com/news/blogs/rick-newman/2011/09/09/who-would-win-under-obamas-jobs-plan)

No industry has suffered more than construction, with nearly two million workers losing their jobs since the recession began at the end of 2007. Obama wants to hire back some of them, by spending $15 billion to refurbish foreclosed homes, $25 billion to modernize 35,000 schools, $5 billion to upgrade community colleges and $50 billion to improve roads, railways, airports bridges and other parts of the nation's infrastructure. He'd also use $10 billion in federal money to seed an "infrastructure bank" that would draw private funds used to invest in more rebuilding projects. Economists generally applaud this kind of spending, because it fixes problems that would go unaddressed if the government didn't tackle them, while boosting the economy and helping improve the backbone of business. Prospects: Weak. When Republicans complain that Obama's plan contains "more of the same," this is what they're talking about. The 2009 stimulus plan that they routinely deride contained about $100 billion in transportation and infrastructure spending, which Republicans contend did nothing to help the economy. It probably did help some, but the difficulty of being able to point to tangible results makes **this kind of spending unpopular among many in Congress.**

#### Transportation Spending unpopular and drains PC

Szakonyi 3/20 (Mark, Associate Editor for the Journal of Commerce, “Focusing on the Reporting of Rail and Intermodal Issues, Regulation and Policy out of the JOC's Washington, D.C”, Bureau. Journal of Commerce, 20 March 2012 – lexis)

House Republicans are considering a short-term extension of the surface transportation bill instead of adopting the Senate's two-year plan. The decision to seek an extension as the March 31 deadline nears signals that **the fight over transportation spending could become even more partisan** as the presidential election nears. House Republicans are looking to push an extension of current spending for the ninth time, House Transportation and Infrastructure Committee Chairman John Mica, R.-Fla., told attendees of an American Association of Port Authorities conference, where he was honored as Port Person of the Year. His statement on Tuesday was a clear sign that Republicans won't heed Senate leaders' and President Obama's call to adopt the Senate's $109 billion plan. Mica said he hoped the extension would be exempt from riders, which helped lead to a shutdown of the Federal Aviation Administration last summer .

#### New transportation spending unpopular– too large and expensive

Puentes 10 (Robert, Senior Fellow at the Metropolitan Policy Program at Brookings, “Moving Past Gridlock: A Proposal for a Two-Year Transportation Law”, December 2010, http://www.brookings.edu/~/media /research/files/blogs /2011/4/18%20transportation%20puentes/1214\_transportation\_puentes.pdf)// KB

Yet the nation’s surface transportation law is caught in political logjam. Despite an unusually rich three year policy discussion and a draft reauthorization proposal from the House of Representatives, the prospects for the passage of a long term law in the near future are bleak. This is partly because of **concerns about the size of the deficit,** a deep philosophical difference between the parties on the proper role of government, and the unwillingness to increase the federal tax on gasoline—the primary source of revenue for the program. The nation is instead facing the prospect of years of unpredictable and erratic extensions to the current law in order to avoid a shutdown of the program. Those extensions have historically made it difficult for states, metropolitan areas, and private contractors to plan for projects, delaying much needed infrastructure improvements and thwarting employment and economic recovery efforts.

### Links – Transportation Spending – GOP

#### House republicans hate transportation spending – attempts to ruin Obama by stalling the economy.

Olympian 6/13/12, ( THE OLYMPIAN, news about everything, 6/13/12, The Olympian, “GOP selfish in stalling transportation bill”, http://www.theolympian.com/2012/06/13/2138607/gop-selfish-in-stalling-transportation.html)

**Democrats and Republicans reached bipartisan support in the U.S. Senate on a transportation spending bill** that would send $44 million next year to Washington state for construction on roads, bridges, rail and public transit, creating an estimated 30,000 jobs. After last week’s weak jobs report, you’d think our national leaders couldn’t wait to pass a bill that puts so many Americans back to work. And if U.S. senators reached bipartisan support, **what’s the problem**? Two words: **House Republicans**. While the Senate achieved bipartisan support, the GOP-majority in the House didn’t even pass a bill of its own. It has preferred to throw up obstacles to the Senate bill,unless Congress and the Obama administration approve the oil pipeline stretching from Canada to Texas. Such tactics suggest Republicans **are intentionally stalling economic recovery, which they will then shamelessly blame on** President Barack **Obama in an effort to weaken his chances at re-election** in November. That’s not just dirty politics. Stalling transportation spending hurts individuals and families who can’t make house or car payments. It hurts local businesses. It forces even more people to seek unemployment benefits, and everyone pays the cost of that. It hurts our nation.

#### Increase in DOT budget unpopular among Republicans

Kapsanis 2/14 Writer and Editorial director of Paintsquare, a newspaper reporting on many industries (Karen, “DOT Budget Plan Built on Infrastructure”, Paintsquare, 14 February 2012. <http://www.paintsquare.com/news/?fuseaction=view&id=7174>.)

President Obama has unveiled a 2013 transportation budget proposal that would nearly double infrastructure spending over the next six years and step up the federal investment in pipeline safety. The centerpiece of the $74 billion plan is the roll-out of a six-year surface transportation reauthorization proposal for highway, bridge and mass transit projects. Pipeline safety, a growing national concern, would also see significant additional funding. The Department of Transportation says the budget “would be fully paid for, using half of the six-year savings achieved from ramping down the wars in Iraq and Afghanistan, with the other half used to pay down the national debt.” The 2013 DOT budget proposal is a 2 percent increase over 2012. 6 Years, $476B The surface transportation proposal totals $476 billion over six years. It includes: • $305 billion to build and repair U.S. roads and bridges (a 34 percent increase over the previous authorization) using accelerated programs; • $108 billion in funding for what DOT calls “affordable, sustainable, and efficient transit options”—a 105 percent increase over the previous authorization; • $47 billion for high-speed rail; and • $12.3 billion for safety programs. The plan also streamlines many DOT programs, consolidating 55 highway programs into five and five transit programs into two. The initial investment would be $50 billion in 2012. Pipeline & Hazmat Safety The 2013 DOT request also seeks $276 million for the Pipeline and Hazardous Materials Safety Administration (PHMSA), a $75 million increase over the FY 2012 allocation. The request includes $177 million for the administration’s Pipeline Safety Reform initiative, launched in 2011 in the wake of several deadly pipeline explosions and environmentally damaging leaks. The request—$67 million more than allocated in FY2012—would beef up federal pipeline inspection ranks and invest $13 million in R&D. Those funds would allow PHMSA to “amend its project evaluation and decision process so there is no industry participation,” the agency said. Critics have accused PHMSA of being too cozy with the pipeline industry, allowing inspection, testing and maintenance lapses that led to serious accidents. On the hazmat side, additional funding would go for investigators and personnel to review and process hazmat transportation applications. The budget also anticipates a new Special Permit and Approvals user fee from companies that transport hazardous materials. The additional funding request follows bipartisan enactment of the 2011 Pipeline Safety, Regulatory Certainty, and Job Creation Act, which the President signed in January. Maritime Administration The DOT budget proposes $146 million—$10 million less than the 2012 allocation—for the federal Maritime Administration, which includes the U.S. Merchant Marine Academy and six State Maritime Academies. The $10 million requested for ship disposal would add $4 million to that program. The Maritime Security Program would receive $186 million; no additional funds are requested for the Assistance to Small Shipyards program. Cheers, Jeers DOT Secretary Ray LaHood said the plan would “enable us to build the American infrastructure we need for tomorrow while putting people back to work today.” “A strong American economy depends on the roadways, runways, and railways that move people and goods from coast to coast and around the globe,” said LaHood. Republicans immediately denounced the proposal as election-year pandering. Senate Republican Leader Mitch McConnell of Kentucky called it a “campaign document” that would “make the economy worse.” “The president is shirking his responsibility to lead and using this budget to divide,” McConnell said in a statement. House Speaker John Boehner called Obama’s budget plan “a gloomy reflection of his failed policies” and a “collection of rehashes, gimmicks, and tax increases” that is “bad for job creation, our economy, and America’s seniors.” Budget Cuts Obama noted that the transportation plan depends in part on cuts from other agencies— “difficult cuts that, frankly, I wouldn’t normally make if they weren’t absolutely necessary,” he said in remarks at Northern Virginia Community College outside Washington, D.C. “What that allows us to do is to invest in the things that will help grow our economy right now,” he said. “We can’t cut back on those things that are important for us to grow. We can’t just cut our way into growth.”

### Link – Transportation – Elections Magnify

#### ( ) Transportation spending drains capital – *election* magnifies the link

Szakonyi ‘12

(Mark Szakonyi is an Associate Editor for the Journal of Commerce – focusing on the reporting of rail and intermodal issues, regulation and policy out of the JOC's Washington, D.C., bureau. Journal of Commerce – March 20, 2012 – lexis)

House Republicans are considering a short-term extension of the surface transportation bill instead of adopting the Senate's two-year plan. The decision to seek an extension as the March 31 deadline nears signals that the fight over transportation spending could become even more partisan as the presidential election nears. House Republicans are looking to push an extension of current spending for the ninth time, House Transportation and Infrastructure Committee Chairman John Mica, R.-Fla., told attendees of an American Association of Port Authorities conference, where he was honored as Port Person of the Year. His statement on Tuesday was a clear sign that Republicans won't heed Senate leaders' and President Obama's call to adopt the Senate's $109 billion plan. Mica said he hoped the extension would be exempt from riders, which helped lead to a shutdown of the Federal Aviation Administration last summer .

### Link – Transportation - Demographics

#### ( ) Transportation policy ensures loss of political capital – party demographics prove

Freemark ‘11

(Yonah – Master of Science in Transportation from the Massachusetts Institute of Technology; Bachelor of Arts in Architecture, Department of Civil and Environmental Engineering, Yale University with Distinction. Also a freelance journalist who has been published in Planning Magazine; Next American City Magazine; Dissent; The Atlantic Cities; Next American City Online; and The Infrastructurist – He created and continues to write for the website The Transport Politic – The Transport Politic – “Understanding the Republican Party’s Reluctance to Invest in Transit Infrastructure”

January 25th, 2011 – http://www.thetransportpolitic.com/2011/01/25/understanding-the-republican-partys-reluctance-to-invest-in-transit-infrastructure/)

Conservatives in Congress threaten to shut down funding for transit construction projects and investments in intercity rail. One doesn’t have to look far to see why these programs aren’t priorities for them. Late last week, a group of more than 165 of the most conservative members of the House of Representatives, the Republican Study Committee, released a report that detailed an agenda to reduce federal spending by $2.5 trillion over ten years. Spurred on by increasing public concern about the mounting national debt, the group argues that the only choice is to make huge, painful cuts in government programs. With the House now in the hands of the Republican Party, these suggestions are likely to be seriously considered. Transportation policy is prominent on the group’s list, no matter President Obama’s call for investments in the nation’s transportation infrastructure, expected to be put forward in tonight’s state of the union address. Not only would all funding for Amtrak be cut, representing about $1.5 billion a year, but the Obama Administration’s nascent high-speed rail program would be stopped in its tracks. A $150 million commitment to Washington’s Metro system would evaporate. Even more dramatically, the New Starts program, which funds new rail and bus capital projects at a cost of $2 billion a year, would simply disappear. In other words, the Republican group suggests that all national government aid for the construction of new rail or bus lines, intercity and intra-city, be eliminated. These cuts are extreme, and they’re not likely to make it to the President’s desk, not only because of the Democratic Party’s continued control over the Senate but also because some powerful Republicans in the House remain committed to supporting public transportation and rail programs. But how can we explain the open hostility of so many members of the GOP to any federal spending at all for non-automobile transportation? Why does a transfer of power from the Democratic Party to the Republicans engender such political problems for urban transit? We can find clues in considering the districts from which members of the House of Representatives of each party are elected. As shown in the chart above (in Log scale), there was a relatively strong positive correlation between density of congressional districts and the vote share of the Democratic candidate in the 2010 elections. Of densest quartile of districts with a race between a Democrat and a Republican — 105 of them, with a density of 1,935 people per square miles or more — the Democratic candidate won 89. Of the quartile of districts with the lowest densities — 98 people per square mile and below — Democratic candidates only won 23 races. As the chart below demonstrates (in regular scale), this pattern is most obvious in the nation’s big cities, where Democratic Party vote shares are huge when densities are very high. This pattern is not a coincidence. The Democratic Party holds most of its power in the nation’s cities, whereas the GOP retains greater strength in the exurbs and rural areas. The two parties generally fight it out over the suburbs. In essence, the base of the two parties is becoming increasingly split in spatial terms: The Democrats’ most vocal constituents live in cities, whereas the Republicans’ power brokers would never agree to what some frame as a nightmare of tenements and light rail. What does this mean? When there is a change in political power in Washington, the differences on transportation policy and other urban issues between the parties reveal themselves as very stark. Republicans in the House of Representatives know that very few of their constituents would benefit directly from increased spending on transit, for instance, so they propose gutting the nation’s commitment to new public transportation lines when they enter office. Starting two years ago, Democrats pushed the opposite agenda, devoting billions to urban-level projects that would have been impossible under the Bush Administration. Highway funding, on the other hand, has remained relatively stable throughout, and that’s no surprise, either: The middle 50% of congressional districts, representing about half of the American population, features populations that live in neighborhoods of low to moderate densities, fully reliant on cars to get around. It is only in the densest sections of the country that transit (or affordable housing, for instance) is even an issue — which is why it appears to be mostly of concern to the Democratic Party. Republicans in the House for the most part do not have to answer to voters who are interested in improved public transportation. This situation, of course, should be of significant concern to those who would advocate for better transit. To put matters simply, few House Republicans have any electoral reason to promote such projects, and thus, for the most part they don’t. But that produces a self-reinforcing loop; noting the lack of GOP support for urban needs, city voters push further towards the Democrats. And sensing that the Democratic Party is a collection of urbanites, those from elsewhere push away. It’s hard to know how to reverse this problem. Many Republicans, of course, represent urban areas at various levels of government. No Democrat, for instance, has won the race for New York’s mayoralty since 1989. And the Senate is a wholly different ballgame, since most states have a variety of habitation types. As Bruce McFarling wrote this week, there are plenty of reasons for Republicans even in places of moderate density to support such investments as intercity rail. But the peculiar dynamics of U.S. House members’ relatively small constituent groups, in combination with the predilection of state legislatures to produce gerrymandered districts designed specifically to ensure the reelection of incumbents, has resulted in a situation in which there is only one Republican-controlled congressional district with a population density of over 7,000 people per square mile. And that’s in Staten Island, hardly a bastion of urbanism. With such little representation for urban issues in today’s House leadership, real advances on transport issues seem likely to have to wait.

### Link – Fights over Keystone

#### ( ) Specific link turns don’t matter – even popular infrastructure bills will get sucked-into *fights over Keystone.*

Schor ‘12

Elana Schor is a reporter with Greenwire and environment and energy daily. She covers budget issues – Environment and Energy Daily – January 30, 2012 – lexis

The House GOP this week will edge closer to a high-stakes, two-track confrontation with Senate Democrats and the Obama administration with a politically popular infrastructure measure serving as the battlefield. House Speaker John Boehner (R-Ohio) announced yesterday that he will seek to override the president's veto of the Keystone XL pipeline as part of a long-term transportation bill -- if the oil link is not already advanced during bicameral payroll tax-cut talks. The move adds a second volatile issue to a typically noncontroversial infrastructure package that his chamber wants to pay for in part by expanding offshore and Alaskan drilling, which is opposed by most Democrats and the White House (see related stories). "If [Keystone XL is] not enacted before we take up the American Energy and Infrastructure Jobs Act, it will be part of it," Boehner said of the pipeline in an interview with ABC's "This Week," referring to the GOP's title for its drilling-and-transportation package. Boehner's comments stand to put new pressure on his Senate counterparts to go beyond the bipartisan, middle-ground approach to the infrastructure measure taken so far by their Environment and Public Works Committee. A two-year federal transportation bill passed unanimously last year by panel Chairwoman Barbara Boxer (D-Calif.) and ranking Republican James Inhofe of Oklahoma did not include language allowing new coastal oil production and in the Arctic National Wildlife Refuge (Greenwire, Nov. 9, 2011).

### Link – Fiscal Discipline

#### ( ) GOP exploits guise of fiscal moderation to oppose *any* increase in transportation spending.

Freemark ‘12

(Yonah – Master of Science in Transportation from the Massachusetts Institute of Technology; Bachelor of Arts in Architecture, Department of Civil and Environmental Engineering, Yale University with Distinction. Also a freelance journalist who has been published in Planning Magazine; Next American City Magazine; Dissent; The Atlantic Cities; Next American City Online; and The Infrastructurist – He created and continues to write for the website The Transport Politic – The Transport Politic – “If Washington Can’t Commit, Chicago is Ready to Go It Alone” – April 2nd – http://www.thetransportpolitic.com/2012/04/02/if-washington-cant-commit-chicago-is-ready-to-go-it-alone/)

What a contrast to the U.S. Congress, an allusion to which I can hardly overlook in this context. Last week, House and Senate officials pushed forward an extension of the existing surface transportation legislation — the ninth such extension since SAFETEA-LU, the previous law, originally was supposed to expire in 2009. The problem, suffice it to say, is not cowardice or nonsense political wheeling-dealing, but rather relatively minor — but painfully partisan — differences in perspective on the national transportation system. Over in the House, Republicans have campaigned for no increase in spending on mobility infrastructure (under the guise of fiscal moderation, with the goal of remaining within the constraints imposed by revenues provided by the Highway Trust Fund). Transit and other alternative mobility programs have been put under threat. In the Senate, Democrats promoted (and passed) a small increase in overall funding through a diversion of money from general (non-gas tax) revenues.

### Links - Mass Transit

#### Link – Congress agrees to spend money on other transportation infrastructure except Mass transit

Mark GRUENBERG 07/02/12 (the editor of Press Associates Inc. (PAI), a union news service. http://peoplesworld.org/congress-agrees-on-for-roads-bridges-but-not-mass-transit/ 7/2/12)

WASHINGTON (PAI) -- Construction unions facing high rates of unemployment hailed the apparent congressional agreement on June 28 on a 2-year $109 billion measure to fund reconstruction of the nation's [roads and bridges](http://peoplesworld.org/laborers-say-build-america-so-america-works/). But Amalgamated Transit Union (ATU) President Larry Hanley warned that it makes a bad situation worse for [bus, subway and commuter rail systems](http://peoplesworld.org/memo-to-obama-s-auto-task-force-build-mass-transit/) and their riders. Lawmakers reached the deal with just two days to spare before the authority to collect money for such projects, through the federal gas tax, ran out. That would have brought construction to a dead halt, right in the midst of the best season for building -- and at a time when more than one of every seven construction workers is jobless**.** Key GOP hang-ups, which were apparently dropped from the final version of the legislation, included Republican insistence on construction of the controversial [Keystone XL oil pipeline](http://peoplesworld.org/six-reasons-to-oppose-keystone-pipeline/) from the U.S.-Canada border to refineries of the Texas Gulf Coast. Construction unions strongly support Keystone, both because of the jobs it would create and because its Canadian owner, years ago, signed a Project Labor Agreement to have union labor construct the pipeline. But the Transport Workers, several other unions and environmentalists oppose Keystone. They argueit would increase pollution by bringing in extremely "dirty" oil from Alberta's tar sands. Operating Engineers President James Callahan called the deal on the highway-mass transit bill "welcome news to Operating Engineers and thousands of other construction workers." It's "the nation's most important jobs bill," he said. Independent analysts say it also may be the only jobs bill this Congress approves this year. Callahan said Senate Environment and Public Works Committee Chair Barbara Boxer, D-Calif., had a "laser-like focus on putting thousands of Americans back to work. Her tenacity and leadership led to this deal." He urged lawmakers to back the bill. "Unemployment in the construction industry, which reached over 27 percent in Feb. 2010, is still over 14 percent," Callahan noted. "One in every five jobs in the 'highway, street and bridge' subsector of construction associated with transportation has vanished since the start of the recession. We are entering the heart of construction season throughout this country. It's time to put party politics aside and put people back to work." But ATU's Hanley called the measure "a death blow" to mass transit riders. The legislation "not only does nothing to address the mass transit crisis, but will make it much worse...It will impose hidden taxes on commuters and transit riders by raising fares while forcing cash-strapped transit systems to cut more service." Hanley explained that congressional negotiators dumped Senate provisions to let all mass transit systems use their federal funding for operations, as well as buying new equipment. Using federal money for operations "keeps service on the street and creates jobs," he said. ATU lobbied hard and mobilized riders for that cause. Bargainers also did not reinstate a prior federal tax credit for people who use mass transit, available through their employers. Drivers get a tax credit through employers for parking expenses. That's retained. "Our government is spending $2 billion a week to fight wars and rebuild cities halfway across the world, while Congress lets our own cities and their transit systems get worse by the day," Hanley said. "From Pittsburgh to Boston to Detroit to Charleston, more and more transit-dependent Americans are stranded at bus stops and rail stations as cities implement some of the most severe [service cuts](http://peoplesworld.org/video-la-bus-riders-protest-transportation-cuts/) and fare increases in history." While congressional bargainers agreed on the bill, whether the tea party-run Republicans who rule the House will heed even their own leaders - including conservatives such as GOP House Speaker John Boehner and Oklahoma Sen. James Inhofe, top Republican on Boxer's panel - is open to question. Many tea partiers want to kill all highway and mass transit funding, on ideological grounds.

### Links – High Speed Rail

#### High Speed Rail policy would suck-in the White House and drain capital.

Freemark ’11 (Yonah – Master of Science in Transportation from the Massachusetts Institute of Technology; Bachelor of Arts in Architecture, Department of Civil and Environmental Engineering, Yale University with Distinction. Also a freelance journalist who has been published in Planning Magazine; Next American City Magazine; Dissent; The Atlantic Cities; Next American City Online; and The Infrastructurist – He created and continues to write for the website The Transport Politic – The Transport Politic – February 8th, 2011 – http://www.thetransportpolitic.com/2011/02/08/the-white-house-stakes-its-political-capital-on-a-massive-intercity-rail-plan/)

The White House Stakes Its Political Capital on a Massive Intercity Rail Plan $53 billion proposed for investments over the next six years. The President wants to “Win the Future,” but will his Republican opponents relax their opposition to rail spending? Vice President Joe Biden spoke in Philadelphia this morning to announce that the Obama Administration intends to request from Congress $8 billion in federal funds for the advancement of a national high-speed rail system as part of a six-year transportation reauthorization bill. The White House’s commitment to fast trains has been evident throughout the Administration’s two-year lifespan, beginning with the addition of $8 billion for the mode in the 2009 stimulus bill and continued with $2.5 billion included in the Fiscal Year 2010 budget. Yet this new funding, which would add up to $53 billion over the six-year period, is remarkable for its ambition. It is clear that President Obama’s 2012 re-election campaign, already being framed in terms of “winning the future,” will hinge partially on whether voters agree with his assessment of the importance of investing in the nation’s rail transport infrastructure. In his speech, Mr. Biden argued that American wealth was founded on “out-building” the competition. Infrastructure, he noted, is the “veins and the arteries of commerce.” The President and his team will be making this case to the American people the next two years, hoping that the public comes to endorse this message of national advancement through construction. Whether the proposal — to be laid out in more detail with next week’s introduction the President’s full proposed FY 2012 budget — has any chance of success is undoubtedly worth questioning. Republicans have campaigned wholeheartedly against rail improvement projects in Iowa, Ohio, and Wisconsin; even Florida’s project, which would require no operating subsidies once in service, hangs in the balance. But as part of the larger transportation reauthorization legislation, which is apparently slated to move forward by this summer, a real expansion in high-speed rail funding seems possible, especially if Mr. Obama pressures the Democratic-controlled Senate to push hard for it.

#### Link – High speed rail drains political capital due to opposition from both Republicans AND Congress.

Judy Lin, Bakersfield Now, "High-speed Rail Project up for Contentious Vote This Week," Associated Press, 6/2/2012, (http://www.bakersfieldnow.com/news/local/High-speed-rail-project-up-for-contentious-vote-this-week-161121205.html) Accessed: 7/3/12

Gov. Jerry Brown's ambitious plan to start building the nation's first dedicated high-speed rail line is set for a pivotal vote by the Legislature this week with some state lawmakers still skeptical about spending billions in the Central Valley. The Democratic governor is pushing lawmakers to authorize $2.7 billion in voter-approved state bonds for construction on the first 130-mile stretch of high-speed rail from Madera to Bakersfield. Brown has made the massive infrastructure project one of his priorities for the year and says the state has to act fast in order to capture billions of dollars in additional federal support. "Suck it in," Brown told an audience gathered last month for the 75th anniversary of the Golden Gate Bridge. "We got to build, we got to do it right." While Democratic leaders who control both houses of the Legislature support the bullet train, they concede that a legislative vote to authorize state bonds faces a tight vote, particularly in the Senate. Because Republicans oppose the project, at least 21 Democratic senators are needed to pass legislation on a simple majority vote. The project also faces GOP opposition in Congress. "We'll see where it goes," Senate President Pro Tem Darrell Steinberg of Sacramento said last week. Critics of high-speed rail say it's not clear where most of the construction funding will come from. They call the project too expensive and unnecessary. Recent polls show tepid support for a bullet train even though California voters authorized a total of $9 billion in what was intended to be the first round of bond financing back in 2008. Once complete, the $68 billion bullet train would connect Los Angeles with San Francisco. Dissenting Democratic lawmakers have suggested instead using bonds to improve existing rail systems within those densely populated areas. Sen. Mark DeSaulnier, chairman of the Senate Transportation and Housing Committee, said he won't support the plan because there's too much risk in placing the line in the Central Valley and too much uncertainty that the whole project will get done. He said with resources stretched, the state should focus on other needs such as education and health care. "Sometimes it's like a car you really wanted and it was a really good deal, and you're walking away from a good deal but you just can't afford it," said the lawmaker from Concord. "I've always said I was prepared to support high-speed rail done right," said Sen. Joe Simitian, D-Palo Alto, another skeptic. "But frankly the High-Speed Rail Authority has struggled to deliver a project that fits that description." Lawmakers are under pressure from labor groups that say the project is sorely needed because it will bring jobs, particularly to the Central Valley region that has higher-than-average unemployment. The Obama administration has threatened to rescind $3.3 billion in federal grants if the Legislature doesn't appropriate its share of funding. The governor is counting on those federal funds and the $2.7 billion in state bonds for a total of $6 billion to build the first segment. California was able to secure more than expected after Florida, Ohio and Wisconsin turned down federal money. Transportation Secretary Ray LaHood met with legislative leaders in Sacramento last month and told them not to delay the decision. The Federal Railway Administration has said the money must be used for the Central Valley segment. Steinberg, the Senate leader, said the Legislature will vote this week to authorize the state bond. Another $800 million or so will be dedicated for upgrades in Northern and Southern California. "I get the argument that to start in the Central Valley creates a risk because there's no guarantee of future funding," Steinberg said.

#### Link – High speed rail unpopular – HSR in California proves costly and failure

The Economist 6/5/12, The Economist, “California’s Failing Project Could Spell The End Of High-Speed Rail For The Whole Country", (http://www.businessinsider.com/californias-failing-project-could-spell-the-end-of-high-speed-rail-for-the-whole-country-2012-6) Accessed: 7/3/12

As high-speed rail projects across America have run into political trouble or been cancelled, California's the largest and most ambitious has continued to move forward. But now even California's plan is in jeopardy. Its ambition has been scaled back and its projected [costs](http://www.businessinsider.com/californias-failing-project-could-spell-the-end-of-high-speed-rail-for-the-whole-country-2012-6) have increased. Part of what's happened here is that high-speed rail, like almost everything promoted by President Barack Obama, has become an intensely partisan issue in America. Republican governors across the country have criticized high-speed projects and rejected federal [money](http://www.businessinsider.com/californias-failing-project-could-spell-the-end-of-high-speed-rail-for-the-whole-country-2012-6) to fund rail development. Mr. Obama, meanwhile, has redistributed the rejected money to states like California that are run by Democrats and are more receptive to high-speed rail. All this makes sense. Mr. Obama made high-speed-rail funding a big part of his 2008 stimulus package, and political scientists generally believe that a president weighing in on an issue polarizes people's opinions about it. In California, 76% of Republicans now oppose the high-speed-rail project, compared to just 47% of Democrats. The other problem, of course, is that powerful local and regional interests are threatened by the high-speed-rail plans. Airlines, freight transporters and not-in-my-backyard activists all have problems with the project. High-speed rail's opponents smell blood and are not going to fall in line, and the train plan is many years from completion. Unless California's leaders are truly committed to pushing high-speed rail forward and spending political capital to do so, this plan is probably doomed. And when it comes to high-speed rail, as goes California, so goes the nation.

#### HSR unpopular

The Economist 6/12/12

http://www.economist.com/blogs/gulliver/2012/06/high-speed-rail-california

AS HIGH-SPEED-RAIL projects across America have run into political trouble or been cancelled, California's—the largest and most ambitious—has continued to move forward. Proponents of fast trains hoped that a successful line in California could spur development elsewhere. But now even California's plan is in jeopardy. Its ambition has been scaled back and its projected costs have increased. Even voters have turned on it. A new survey by USC-Dornsife and the Los Angeles Times found that if given a second chance to vote on the 2008 $9 billion bond issue that is funding the early stages of the project, 59% of survey respondents would vote it down. Part of what's happened here is that high-speed rail, like almost everything promoted by President Barack Obama, **has become an intensely partisan issue in America.** Republican governors across the country have criticised high-speed projects and rejected federal money to fund rail development. Mr Obama, meanwhile, has redistributed the rejected money to states like California that are run by Democrats and are more receptive to high-speed rail. All this makes sense. Mr Obama made high-speed-rail funding a big part of his 2008 stimulus package, and political scientists generally believe that a president weighing in on an issue polarises people's opinions about it. In California, 76% of Republicans now oppose the high-speed-rail project, compared to just 47% of Democrats.

#### Costs capital

McClatchy 4/20 (McClatchy Newspapers, “Congress poised to reject high-speed rail funding,” http://www.mcclatchydc.com/2012/04/20/146185/congress-poised-to-reject-high.html

The Obama administration sought $1 billion for high-speed rail next year; Congress is on track to provide zip. In a bad sign -- but not a killing blow -- for California’s speedy rail ambitions, senators this week joined their U.S. House counterparts in dismissing the administration’s funding request. The bicameral blow-off means a fiscal 2013 transportation spending bill will omit the high-speed rail dollars President Barack Obama wanted. On its face, the omission of new high-speed support does not directly impede California’s program. The state already has received some $3.3 billion in federal funds to get the project started, and no additional funds were planned on for the new fiscal year that starts Oct. 1. “This is something we anticipated,” Dan Richard, chair of the California High-Speed Rail Authority, said in an interview Friday. “In our business plan, we do not expect any additional federal funds for at least three years.”

### Link – High Speed Rail – Oil

#### ( ) Oil lobby link:

#### They strongly-oppose HSR

RePass ‘11

(James P. RePass - Principal Executive of the National Corridors Initiative, a bi-partisan business and environmental transportation advocacy group. Primarily engaged in operating the non-profit National Corridors Initiative since its founding in 1989, he has a private-sector background and broad private-sector experience. Providence Journal – June 9, 2011 – lexis)

Recently, word began to dribble out of the Midwest that a game-changing event regarding the future of America s high-speed-rail program might be afoot. Since the election of Barack Obama, pro-rail stories have made the national news more than at any time in decades; keeping his campaign promise, the new president committed $8 billion in stimulus funds in his April 2009 high-speed-rail plan, which identified 10 initial corridors ranging from 100 to 600 miles long. Another $5 billion in federal capital for new rail programs was also created that year. That $13 billion is kick-starting high-speed rail as the first Interstate Highway System construction programs did: States that organized and asked, got the money, and built their segments first. That s the technique President Eisenhower used, pitting one region against another in a competition to get superhighways built. There is, however, a big difference between rail now and highways then: Rail has a well-funded enemy, the oil lobby. It pays experts to issue reports that debunk rail, loudly and dishonestly. Still, America is going forward with high-speed rail, just as we did with the Interstate Highway System a half century ago, and the competition to be first is starting to get hot.

#### Oil lobby key to agenda and causes vote-switching

Stein ‘11

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In the month leading up to an early May vote over whether to expand oil drilling in the Gulf of Mexico and open the coastal waters of Virginia for exploration, three of the nation's top oil companies made donations through their political action committees to 26 House lawmakers. All but one of those lawmakers, including five Democrats, ended up supporting the oil-industry-backed bill. The 26th lawmaker, Rep. Sam Johnson (R-Tex.), abstained from voting, according to data compiled for The Huffington Post by the good government group Public Campaign. The House of Representatives ultimately passed the Restarting American Offshore Leasing Now Act by a 266 to 149 margin, meaning that even if these 26 lawmakers had flipped their votes, the measure would have passed anyway. The amount donated by Exxon, Chevron and ConocoPhillips -- information for other oil company PACs has not yet been made public -- was a relative pittance: Just $40,000 in total was distributed among the 26 House members in the month leading up to the vote. By contrast, the 67 co-sponsors of the Restarting American Offshore Leasing Now Act have received a combined total of $8.8 million in campaign contributions from the oil and gas industry over the course of their careers. That said, the last minute tending the oil industry paid to House members is emblematic of how invested it was in the outcome of that particular legislation and its ability to quickly flex its political clout. "The pattern doesn't get more clear than this -- those who sided with Big Oil received campaign contributions," said David Donnelly, National Campaigns Director for Public Campaign Action Fund. "Those who didn't got nothing. Oil companies walk away with record profits while sticking it to Americans at the pump. But it's really these politicians who are in the tank."

### Oil Lobby Key

#### ( ) Fossil Fuel lobby has enormous influence on Congress

Cobb ‘11

(Kurt Cobb is a columnist who writes frequently on energy and the environment. His column appears on the Paris-based science news site Scitizen and his work has been featured on Energy Bulletin, Common Dreams, Le Monde Diplomatique, and many other sites. He is a founding member of the Association for the Study of Peak Oil and Gas — and serves on the board of the Arthur Morgan Institute for Community Solutions. Economic Forecasts & Opinions – August 13, 2011 – lexis)

And so, I do agree with my economist acquaintance that taxation could be an elegant method for facilitating an energy transition. But is such taxation practical and even adequate? One might point to Europe where extremely high fuel taxes have been part of the reason that the average European uses one-half the amount of energy of the average American. Whether high fuel taxes could become a reality in the United States is an open question. So far no American politician has dared to propose a level of taxation comparable to Europe. The main reason for this is that the United States still has enormous fossil fuel reserves and as a consequence a well-funded fossil fuel lobby that has a stranglehold on the U.S. Congress. Europe is now largely bereft of fossil fuels and therefore has a fossil fuel lobby without the necessary influence to prevent high energy taxes and heavy expenditures on public transportation.

### Links – Bridges

#### Public don’t like to spend on bridges – they hate huge spending

Cauto and Paul 6/6/12, (Neil Cavuto,  the Senior Vice President of Business News, and Senator Rand Paul, 6/6/12, Fox News, “Sen. Paul: Politicians can win on principles”, http://www.foxnews.com/on-air/your-world-cavuto/2012/06/07/sen-paul-politicians-can-win-principles)

And **are there any bridges** to Madison **i**n this country, because despite Wisconsin voters' clear preference to rein in spending there, talk of more spending here, which got investors buying like crazy here, which is really nutty when you consider the capitalist crowd rails against big spending anywhere, that is, unless it benefits them. And apparently they think the Central Bank's spending hundreds of millions of more dollars to bolster the world economy will do just that. But I think you can stand up and say, look, the emperor has no clothes, we're out of money, and we're going to have conserve money. And you can get reelected. But that message hasn't completely soaked in here in Washington**.** The argument for what Scott Walker did last night and pulled off in Wisconsin to avoid being the first governor called in a recall election and surviving it, is that people have had it with the spending.

### Links - National Infrastructure Bank

#### Link – NIB is dead on arrival strongly opposed by congress

Keith Laing, national political journalist, 10/12/11, The Hill, “House Republicans: White House plan for infrastructure bank ‘dead on arrival’”, (http://thehill.com/blogs/transportation-report/highways-bridges-and-roads/187049-gop-infrastructure-bank-dead-on-arrival-in-the-house-) Accessed: 7/3/12

President Obama’s national infrastructure bank is dead on arrival, the Republican chairman of the House Transportation Committee said Wednesday. At a hearing ostensibly held to discuss the merits of the bank, Rep. John Mica (R-Fla.) ridiculed the proposal as something that would cost more jobs than it would create. “A national infrastructure bank, as proposed … is dead on arrival in the House of Representatives,” Mica said. “If you want a recipe to not get people to work, adopt that proposal.” Democrats fired back by questioning why Mica was holding a subcommittee hearing on the proposal when it appeared he had already decided against the plan. “The majority seems to have already made up its mind about this proposal,” said Rep. Eddie Bernice Johnson (D-Texas). The evidence, Johnson said, was in the very name of the hearing: “National Infrastructure Bank: More Bureaucracy and More Red Tape.” The infrastructure bank is a key component of Obama’s jobs package, which Senate Democrats are now breaking into smaller parts after the measure failed to move forward in the upper chamber on Tuesday night. Obama would invest $10 billion to create the bank and a national fund for transportation projects. Advocates say the money could be used to lure investment in public-private partnerships that are increasingly popular in the transportation sector. Obama has tried to sell the proposal, which was introduced in the upper chamber this spring by Sens. John Kerry (D-Mass.) and Kay Bailey Hutchison (R-Texas), as a bipartisan idea that would create jobs quickly. But Mica said Wednesday that 33 states already have infrastructure banks of their own. The problem, he said, is keeping them adequately funded. “You’ll hear from the Oklahoma transportation secretary in a minute … he’ll tell you they have the bank, they don’t have the money,” Mica told members of the subcommittee. States are “up against the wall,” he said. “They don’t have the money to finance a national infrastructure bank,” Mica argued. For his part, Oklahoma Secretary of Transportation Gary Ridley called the proposal for a national infrastructure bank “untimely and unnecessary.” “For financing transportation projects, the states only require clear federal guidance in the law and the continued and enhanced utilization of existing financing opportunities,” he said in written testimony submitted to the subcommittee. “A bold, new vision will be necessary to meet the increasing transportation challenges ahead, and it is unlikely that such a vision will be defined by an easy payment plan.” Ridley said his state has had an infrastructure bank since the 1990s, “but it’s not capitalized.” “We haven’t had a use for it,” he said. Making the case for including the infrastructure bank in his $447 billion American Jobs Act, Obama has tried to argue that not only is the plan backed by lawmakers from both parties, but also by normally adversarial advocacy groups. “The idea for a big boost in construction is supported by America’s largest business organization and America’s largest labor organization,” he said in a September speech to Congress. “It’s the kind of proposal that’s been supported in the past by Democrats and Republicans alike. You should pass it right away.” But Republicans on the House subcommittee weren’t buying it Wednesday. “ ‘Shovel-ready’ has become a national joke, because we don’t have projects that are shovel-ready,” Mica said. The infrastructure bank is joined by $50 billion in infrastructure spending in Obama’s jobs act proposal. The complete jobs act bill was voted down Tuesday night in the Senate on a mostly party-line vote.

#### New infrastructure banks unpopular in congress

New Civil Engineer 11 New Civil Engineer[Premier magazine specializing in infrastructure developments]/Obama's National Infrastructure Bank plan slammed/Oct 13, 2011 ProQuest

US congressman and transport officials and experts have slammed Obama's plan for a National Infrastructure Bank, claiming it would add to the amount of red tape and federal bureaucracy that already slows down and diverts funding away from transport and infrastructure projects. Members of the Congress Transportation Committee - and witnesses speaking to a committee hearing - highlighted existing federal programmes and authorities that could be strengthened to finance infrastructure projects more effectively than simply increasing the size of the government. Thirty-three state infrastructure banks already exist. "We must use every responsible mechanism possible to move projects and expand our capacity to finance infrastructure maintenance and improvements, but a National Infrastructure Bank is dead on arrival in Congress," said Republican committee chairman John Mica. "Thirty-three state infrastructure banks already exist and we can ensure financing and build upon this foundation without creating a new level of federal bureaucracy. "We do not need to create more federal bureaucracy. In fact, with over 100 separate federal surface transportation programmes, we need less bureaucracy," he said, "The federal government also has existing financing programs that serve the same purpose as a National Infrastructure Bank, such as TIFIA, RRIF and others, that we can improve and strengthen. " .

#### Infrastructure bank unpopular among Republicans, that’s key

Johnson 11 Fawn Johnson[Editor for the National Journal]/Slow Going on Infrastructure Funding/Feb 3, 2011 ProQuest

Even when politicians use the same words, they can be talking about different things. Take a topic that's getting increasing attention in transportation circles. Both the Obama administration and Republicans in Congress are calling for more private-sector investment in highways, bridges, railroads, and pipelines. The two parties' statements on the topic are eerily similar. Both tout "public-private partnerships" as an answer to the country's perennial infrastructure shortfalls. But Democrats' and Republicans' use of the same stock phrase creates the false impression that they agree on what it means, when, in fact, they do not. Their definitions are far apart. For President Obama, the term means government first. For most Republicans, it means business first. Republicans believe that the way to attract Wall Street investment in infrastructure is to reduce the government's involvement: A limited, streamlined federal role creates fertile ground for business investment to grow. Private-equity firms put up money to help big transportation projects get off the ground, then get a return on their investment through tolls or fares. This concept dovetails nicely with House GOP leaders' intention to cut federal spending, particularly nondefense discretionary spending. The Obama administration, on the other hand, envisages a government role in transportation that is far from minimal. When officials tout the idea of public-private partnerships, they are talking about massive government-blessed and taxpayer-financed projects in which Wall Street investors can, if they choose, put some of their money. Private-sector involvement isn't required to bring these projects to fruition, in the White House plan. If public-private deals did occur, they would be almost incidental to Obama's main goal, which is to support large endeavors that employ several modes of transit and create jobs. In the coming months, these contrasting visions will collide. From one direction, Obama is making a renewed push for more infrastructure spending and a national infrastructure bank or fund that will reflect his view of the most effective government-business partnership. From the other direction, the House Republicans' focus on major cuts in discretionary domestic spending--and the possibility of reauthorizing transportation-infrastructure legislation that has been operating on stopgap extensions since 2009--will force the GOP to clarify its approach to building roads, bridges, and other public works. In many ways, the argument over transportation policy is a microcosm of the debate that's being joined in Washington and around the nation over the appropriate role of government. Which level of government should play the dominant role in setting policy--federal or state. Should federal spending on long-term projects such as roads and bridges forge ahead despite massive budget deficits, or should it take a backseat to deficit-reduction efforts. Should government maintain its traditional control over infrastructure or turn over some of its functions to private enterprise. Similar questions punctuate debates over education, health care, telecommunications, energy, and other policy areas. How they get answered over the next couple of years will help determine whether the pressures of mounting national debt and increased Republican clout at the federal and state levels will fundamentally reshape the role of government. When it come to transportation, at least, it could be that both parties have part of the answer--that increasing private-sector involvement and maximizing state and local decision-making are key, but so also is the federal government's ability to provide seed money and expertise that local officials often lack.

#### Infrastructure Bank unpopular in Congress

Cama 11 Timothy Cama[Staff Reporter for Transport Topics]/Oct 17, 2011 ProQuest

WASHINGTON -President Obama's proposal for a $10 billion national infrastructure bank is "dead on arrival," the chairman of the House transportation committee said last week, and other Republicans on the panel said the bank was unnecessary because its goals could be achieved through other means. "A national infrastructure bank, as proposed . . . is dead on arrival in the House of Representatives," Rep. John Mica (R-FIa. ), chairman of the House Transportation and Infrastructure Committee, said at an Oct. 12 hearing of that panel's highways subcommittee. Obama proposed the bank in early September to "leverage private and public capital and to invest in a broad range of infrastructure projects of national and regional significance, without earmarks or traditional political influence," the White House said. Congress has not passed a new transportation spending authorization Dill since the previous one expired in September 2009 and instead has passed seven extensions, the most recent last month. House Republicans and Senate Democrats have proposed vastly different bills for a long-term reauthorization. "The White House plan already duplicates the plan in the Transportation Infrastructure Finance and Investment Act," Rep. Howard Coble (R-N. C. ) said, referring to an existing Department of Transportation program, known as TIFIA, which provides loans and loan guarantees for highway projects. "It makes no sense . . . to create a completely new bureaucracy, costing upwards of $270 million, when the [TIFIA] already accomplishes that goal," he said. The infrastructure bank, part of the proposed American Jobs Act, is modeled after the Building and Upgrading Infrastructure for Long- Term Development Act, introduced by a bipartisan group of senators in March (3-28, p. 5). The bank would provide direct loans and loan guarantees to state and local governments for various infrastructure projects, not only in transportation. Supervised by a board of seven selected by the president, the bank would get an initial capitalization of $10 billion. "I think the infrastructure bank . . . could make an excellent addition to our armory of tools to address our infrastructure needs," Rep. Jerrold Nadler (D-N. Y. ) said. The House highways panel also heard from experts on transportation financing, and all but one of them spoke in opposition to the proposal.

### Links – Keystone

#### Link – Passing construction of Keystone Pipeline will drain political capital. Obama has repeatedly rejected the proposal for construction.

AFP 6/15/12 "US Begins Review of New Keystone Pipeline Route." US Begins Review of New Keystone Pipeline Route. Phys.org, 15 June 2012. Web. <http://phys.org/news/2012-06-keystone-pipeline-route.html>

President [Barack Obama](http://phys.org/tags/barack+obama/) rejected the initial proposal for the $7 billion pipeline early this year, saying he could not vouch for its safety in time for a deadline despite intense election-year pressure. Republican presidential hopeful Mitt Romney lashed out at Obama's rejection, saying the incumbent fighting for a second term in November elections "demonstrates a lack of seriousness about bringing down unemployment, restoring economic growth and achieving [energy independence](http://phys.org/tags/energy+independence/)." House Republicans also seized on the issue and passed legislation in April mandating construction of the pipeline. In February, TransCanada said it would go ahead with building part of the pipeline between Oklahoma and the Texas coast that does not require US presidential approval. It said work should begin this summer and take about a year. TransCanada then submitted a new permit application in May for the northern portion of the pipeline with a revised route that would avoid Nebraska's environmentally sensitive Sand Hills. The State Department issued a notice of intent Friday that it will prepare an environmental review of the new proposal which would extend from the border crossing at Phillips, Montana to Steele City, Nebraska. It will also review the proposal to determine whether the pipeline will have an impact of historic preservation sites and has invited Indian tribes and other interested parties to comment. Environmentalists fear an accident along the 1,700-mile (2,700-kilometer) pipeline would spell disaster for [aquifers](http://phys.org/tags/aquifers/) in central US Great Plains states. They also oppose the project because exploiting the [oil sands](http://phys.org/tags/oil+sands/) requires energy that generate a large volume of [greenhouse gases](http://phys.org/tags/greenhouse+gases/) and say a change of the route will not lessen the pipeline's dangers. "Keystone XL is a commitment to dirty fuels and pollution for decades," said Joe Mendelson, director of climate and energy policy at the National Wildlife Federation.

#### Link – Keystone pipeline rejected from transportation bill

Reuters, 6/27/12, “Keystone pipeline not in U.S. transport bill deal: aide,” (<http://www.reuters.com/article/2012/06/27/us-usa-congress-pipeline-idUSBRE85Q17V20120627>) Accessed: 7/3/12

(Reuters) - A massive transportation funding bill that the U.S. Congress is trying to pass by week's end will not include a Republican proposal forcing quick approval of the Canada-to-U.S. Keystone oil pipeline, a senior Democratic aide said on Wednesday. "Keystone is out," said the aide, who asked not to be identified. The aide added that while House-Senate negotiators are close to an overall deal on the transportation bill, they have not yet wrapped it up. The House and Senate aim to pass the bill by Friday to fund road, bridge and mass transit funding projects. It also is likely to contain a provision to extend low student loan rates for another year.

#### Link – Keystone pipeline unpopular with environmentalists, unions, and democrats

The Hill 3/09 “Exxon CEO: 'Political calculations' halted Keystone pipeline”

<http://thehill.com/blogs/e2-wire/e2-wire/215217-exxon-ceo-political-calculations-halted-keystone-pipeline>, Accessed 7/03/12

Environmentalists and a number of Democrats strongly oppose Keystone because of greenhouse gas emissions from extracting and burning oil sands, forest damage from the massive projects and fear of spill along the pipeline route. While a number of unions back Keystone, a few also oppose it, a split that has led the umbrella AFL-CIO to steer clear of taking a position. Republicans have launched a coordinated political assault against the White House over the pipeline rejection, alleging President Obama is missing a chance to boost U.S. energy security and create thousands of jobs. On Thursday the Senate narrowly blocked a GOP-led bill to approve construction of Keystone, voting 56-42 for the measure when 60 were needed for passage. But the majority vote — and support of 11 Democrats for the plan — will provide Keystone backers fuel to continue pressing Obama on the matter.

#### Keystone is a partisan issue --- causes massive fights

**Clayton**, 3/9/**2012** (Mark – staff writer for the Christian Science Monitor, How much would Keystone pipeline help US consumers, MSNBC, p. http://www.msnbc.msn.com/id/46689167/ns/us\_news-christian\_science\_monitor/t/how-much-would-keystone-pipeline-help-us-consumers/#.T-pMTbVYt2A)

Often lost in the political wrangling over the controversial Keystone XL pipeline – on hold after President Obama rejected TransCanada’s initial construction proposal – are some key findings that run counter to the rosy picture of abundant supply and lower prices so often painted by US politicians. Canadian companies backing the Keystone XL – touted as enhancing US energy security with a big new surge of imported Canadian oil – actually expect it to supply more lucrative Gulf Coast export markets as well as raise Midwest oil prices by reducing “oversupply” in that region. These little-publicized findings are contained in the studies and testimony of experts working for TransCanada, the company that wants to build the pipeline from Alberta’s tar sands across America’s heartland to Gulf Coast refineries. Some of these concerns popped up, albeit briefly, in US congressional testimony last year on the pipeline project, and have given rise to a recent proposal to bar the sale of Keystone oil overseas. In the latest round of Capitol Hill fighting over the pipeline, Senate Democrats on Thursday defeated a Republican amendment to the transportation bill that would have fast-tracked the project by stripping the State Department of its approval authority and giving it to Congress. In February, legislation to force US approval of the pipeline passed the House 237-187. That bill would strip the president of authority to block the project and give the Federal Energy Regulatory Commission 30 days to approve the pipeline. But most of the heated partisan rhetoric over job creation and gasoline prices glosses over what Keystone would or wouldn’t do for the US.

#### The plan will be a fight in the Senate

**The Hill**, 3/8/**2012** (Senate rejects Keystone in 56-42 vote, p. http://thehill.com/blogs/e2-wire/e2-wire/215051-senate-blocks-keystone-pipeline-approval-plan)

The Senate has rejected a GOP plan to approve construction of the Keystone XL oil pipeline after President Obama made personal calls to Democrats urging them to oppose it. The 56-42 vote staves off an election-year rebuke of Obama, but will give political ammunition to backers of TransCanada Corp.’s plan to build a pipeline connecting Alberta’s massive tar sands projects to Gulf Coast refineries. Despite Obama's efforts, 11 Democrats brushed off Obama on the vote and sided with Republicans.

#### Keystone is politically toxic --- major backlash

**Barber**, 1/18/**2012** (Nigel – biopsychologist and blogger, Keystone Pipeline: Gift Horse or Threat to America, Huffington Post, p. <http://www.huffingtonpost.com/nigel-barber/keystone-pipeline_b_1214122.html>)

The Keystone pipeline pits jobs for Americans versus environmentalism and is politically toxic to the Obama administration, which is why Obama wanted to kick the can down the road whereas Republicans want to force an early Presidential decision on the project that can be used as a stick to beat him with during the election. Now Obama seems poised to reject the pipeline based on objection to the route, leaving the door open to a new application.

#### Flip-flop –

#### A) Obama has staked political capital on blocking Keystone.

**Washington Post**, 3/8/**2012** (Senate rejects expediting Keystone pipeline, p. http://www.washingtonpost.com/national/health-science/senate-rejects-expediting-keystone-pipeline/2012/03/08/gIQAjDilzR\_story.html)

In the wake of lobbying by President Obama and Senate Democratic leaders, the Senate Thursday defeated legislation to speed up construction of a U-S.-Canadian oil pipeline. The White House victory came after the president started personally calling Democratic senators Wednesday night. The vote underscored the extent to which rising gas prices and energy supply have become a central political issue. Republicans--along with the oil industry, which is running a nationwide advertising campaign about energy supplies -- have been attacking Obama on the campaign trail for failing to fully exploit traditional oil and gas resources while Americans are financially stretched. Democrats and their environmental supporters counter that the president must weigh the benefits of fossil fuels against their environmental impact and the importance of promoting renewable energy.

#### B) Flip-flops destroy political capital

**Cohen 1997** (Jeffrey – professor of political science at Fordham University, Presidential Responsiveness and Public Policy Making, p. 123)

A president cannot, without good reason, **alter his policy stance**. And even if he has good reason to change his policy position on an issue, he may have to **bear some costs** from doing so. The public and other political elites may view him as waffling, indecisive, weak, uncommitted, and/or duplicitous. This seems very much to be one of the major charges against Bill Clinton’s presidency. After abandoning his campaign promise of a middle-class tax cut because of budget deficit pressures, Clinton reoffered a tax cut in the wake of the devastating 1994 midterm elections, in which his party lost control of Congress. From being publicly cool toward the North American Free Trade pact during his presidential election campaign, he became an ardent promoter of that policy once in the Oval Office. From these, and many other occasions, Clinton has developed an image of a waffling politician, one who is forever changing his mind, perennially trying to stake out the most popular position with the public and not necessarily a **president who is able to lead**.

### Links – Arctic Tunnel

#### Congress won’t want to fund the plan

Exner-Pirot 11 [Heather Exner-Pirot, September 5, 2011, “More rumors about elusive Bering Strait tunnel: Will it ever happen?”, Alaska Dispatch, [www.alaskadispatch.com/article/more-rumors-about-elusive-bering-strait-tunnel-will-it-ever-happen](http://www.alaskadispatch.com/article/more-rumors-about-elusive-bering-strait-tunnel-will-it-ever-happen)]

It is difficult to imagine the U.S. Congress approving a jointly-financed project with Russia, especially given the recent backlash over the failed B.P. – Rosneft partnership, which Congressman Ed Markey (D – Mass) lampooned as turning the gas giant into "Bolshoi Petroleum."

#### **Bipartisan opposition to Russia cooperation**

Josh Rogin, 3/16/12 **(reporter on national security and foreign policy from the Pentagon to Foggy Bottom, the White House to Embassy Row, for The Cable, More senators oppose lifting trade sanctions on Russia,** [**http://thecable.foreignpolicy.com/posts/2012/03/16/more\_senators\_oppose\_lifting\_trade\_sanctions\_on\_russia**](http://thecable.foreignpolicy.com/posts/2012/03/16/more_senators_oppose_lifting_trade_sanctions_on_russia)**, S.O.)**

Four more senators joined the opposition to repealing the Jackson-Vanik trade sanctions law against Russia on Friday, unless that repeal is accompanied by a new law specifically targeting human rights violators inside the Russian government. Sens. Ben Cardin (D-MD), Joe Lieberman (I-CT), John McCain (R-AZ), and Roger Wicker (R-MS) wrote a letter Friday to Senate Finance Committee heads Max Baucus (D-MT) and Orrin Hatch (R-UT) to let them know that they oppose Baucus's effort to repeal the 1974 Jackson-Vanik law unless it is replaced with the Sergei Magnitsky Rule of Law Accountability Act of 2011 -- legislation meant to promote human rights in Russia that is named for the anti-corruption lawyer who died in a Russian prison, after allegedly being tortured, two years ago. Without repeal of the Jackson-Vanik law, U.S. businesses can't take full advantage of Russia's accession to the World Trade Organization, but the senators believe that the Magnitsky bill is needed to ensure the Russian government is not let off the hook for their deteriorating record on human rights, democracy, and the rule of law. "In the absence of the passage of the Magnitsky legislation, we will strongly oppose the lifting of Jackson-Vanik," the senators wrote. "Human rights abuses in Russia are widespread and severe, and a legitimate area of focus for U.S. foreign policy. For this reason, what is urgently needed is not merely the elimination of Jackson-Vanik, but its replacement with legislation that is appropriately tailored to the contemporary human rights problems facing the people of Russia. That is precisely the role that the Sergei Magnitsky Rule of Law Accountability Act would service." The opposition to a straight repeal of Jackson-Vanik now includes these four senators, Senate Minority Whip Jon Kyl (R-AZ), large portions of the Washington human rights community, and leading Russian opposition figures such as Solidarity movement leader Boris Nemtsov. Those who support repealing Jackson-Vanik without any replacement human-rights legislation include the Obama administration, large sections of the business community, and the Russian government. Moscow has already praised and promoted the officials accused of torturing Magnitsky for their investigation into the case, and has now begun retrying Magnitsky for criminal tax violations -- even though he is dead. "While some in the Russian government may be upset if the United States adopts the Magnitsky bill, we believe most Russians will be happy to see us deny the most abusive and corrupt individuals in their country the ability to travel and move their ill-gotten gains overseas," the senators wrote. UPDATE: A Baucus spokesperson sent in the following statemet regarding Baucus's position on human rights in Russia as it relates to the repeal of Jackson-Vanik: Chairman Baucus certainly shares the concerns about the human rights situation and he is working with his colleagues to find the best ways to address them. He has met with democracy and human rights activists in Russia and heard directly from them that one way to help improve both democracy and human rights is to repeal Jackson-Vanik and pass PNTR to remove an anti-America propaganda tool and open Russia to transparency. And he has expressed willingness to consider other legislation as well.

#### U.S.-Russia relations opposed in congress

Guy Chazan, 1/17/11 (Financial Times' energy reporter, BP, Rosneft Deal Draws Criticism, <http://online.wsj.com/article/SB10001424052748704511404576085932247348132.html>, S.O.)

BP BP +0.29% PLC has hailed its $16 billion share swap with state-owned Russian oil giant OAO Rosneft as a ground-breaking maneuver in the oil industry, but the deal already has drawn criticism in Washington over its potential implications for U.S. national security. The deal makes Rosneft the single largest BP shareholder. Under the tie-up, announced Friday, the two companies will jointly explore for oil and gas in the Russian Arctic, one of the world's last remaining unexplored hydrocarbon basins. Rosneft will be issued new BP shares equivalent to a 5% stake, valued at $7.8 billion, while BP will receive a 9.5% stake in Rosneft, in addition to the 1.3% it already holds. BP described it as the first cross-shareholding between a state-owned national oil company and a western oil major. Bob Dudley, BP's chief executive, called it "a new template for how business can be done in our industry." The deal is a bold move for a company that just a few months ago was fighting for its very survival. BP's shares are still nearly 25% below where they were when the Deepwater Horizon drilling rig blew up last April in the Gulf of Mexico, setting off one of the worst offshore oil spills in U.S. history. The company estimates spill-related costs at around $40 billion. The deal entrenches BP's position in Russia, at a time when the Gulf spill has raised doubts about the company's ability to grow in the U.S. In an interview, Mr. Dudley denied that in the wake of Deepwater Horizon the company was now turning away from America. The U.S. was still a "core heartland for BP," he said, accounting for one quarter of its global oil and gas production and one quarter of its assets. Yet the Rosneft tie-up could end up exacerbating BP's already fraught relations with U.S. authorities. Already, some U.S. politicians have expressed concern about the national security implications of a share swap between a Kremlin-controlled oil firm and a company that in 2009 was the top supplier of petroleum to the U.S. military. Rep. Edward Markey, the top Democrat on the House Natural Resources Committee, called for the deal to be analyzed by the Committee on Foreign Investment, a branch of the Treasury Department. "BP once stood for British Petroleum," he said. "With this deal, it now stands for Bolshoi Petroleum." Republican Congressman Michael Burgess, who sits on the House Energy and Commerce Committee, also said the deal "deserves some analysis and scrutiny." Under the tie-up, BP and Rosneft will jointly explore three license blocks owned by Rosneft in the South Kara Sea, an area covering 125,000 square kilometers. BP said the license area was comparable to the U.K. North Sea —which contains some 60 billion barrels of oil and gas—in terms of its size and potential. The two firms will form a joint operating company two-thirds owned by Rosneft and a third by BP and will spend up to $2 billion in the initial phase on seismic testing and drilling wells. The deal gives BP access to an area long seen as the final frontier for energy exploration. A 2008 report by the U.S. Geological Survey found that the area north of the Arctic Circle contains just over a fifth of the world's undiscovered, recoverable oil and gas resources. It said the Arctic has an estimated 1,670 trillion cubic feet of gas—nearly two-thirds the proved gas reserves of the entire Middle East—and 90 billion barrels of oil. The report found that a lot of the gas in the Arctic is in Russian waters, largely in the South Kara Sea and the South Barents Basin—both geological extensions of onshore areas that are rich in gas. Arctic exploration is likely to reinforce Russia's dominance of the global natural gas industry. Mr. Dudley said BP and Rosneft had been discussing teaming up to explore in the Arctic since 2005 but the idea of a share swap was first raised by the Russians in high-level meetings just three months ago. "They were looking for a way to differentiate," he said. "They had a desire to do something not traditional." BP mulled the idea and ultimately decided it would be "mutually beneficial," he added. All western oil majors were keen to improve their ties with the big national oil companies, or NOCs, which own the lion's share of the world's oil and gas reserves, he said. "Relationships with the NOCs is a trend for the future, and I can't think of a better one than BP-Rosneft," Mr. Dudley said. In London BP shares fell 4.20 pence, or less than 1%, to 499.5 pence Friday. Its American Depositary Receipts rose $1.71, or 3.6%, to $49.25 at 4 p.m. on the New York Stock

#### **Congress doesn’t want US-Russia cooperation**

Pete Kasperowicz, 5/18/12 (writer for Thomson Financial, Rueters and The Hill, House votes to limit Obama on nuclear-weapons reductions, cooperation with Russia, <http://thehill.com/blogs/floor-action/house/228305-house-votes-to-limit-obama-on-nuclear-weapons-reductions-cooperation-with-russia>, S.O.)

The House on Friday voted to limit the Obama administration's flexibility to reduce the U.S. nuclear stockpile or work with Russia on nuclear nonproliferation activities. Approval of the Republican amendments to the National Defense Authorization Act (NDAA) were a measure of retaliation against President Obama, who was caught telling Russian President Dmitry Medvedev that he would have "more flexibility" on European missile defense after the 2012 election. Republicans took that as a sign that Obama would weaken plans for a missile defense system in Europe to satisfy Russia, and as a further indication that the president might act to reduce the capacity of the United States to wage nuclear war. After Obama's open-microphone gaffe, he reiterated that he does support a smaller American nuclear arsenal. In debate early Friday morning, Rep. Tom Price (R-Ga.) brought forward an amendment that prohibits the president from making unilateral reductions to U.S. nuclear weapons, and cited Obama's comments to Medvedev as the reason for his amendment. Price's amendment was approved 241-179, and was supported by eight Democrats. Shortly after that, Rep. Trent Franks (R-Ariz.) brought forward his language to limit the availability of funds for nuclear nonproliferation activities with the Russian Federation until the government confirms that Russia has taken steps to reduce weapons proliferation. That language passed in a 241-181 vote. In the same series of votes, the House turned away two nuclear-related amendments from Rep. Hank Johnson (D-Ga.) that went the other way. One of these would have required the secretary of Defense to report by early 2013 on whether nuclear-weapon reductions are in the national-security interests of the United States. That amendment failed, 175-245. Johnson's other amendment would add a finding to the bill that the deployment of tactical nuclear weapons to South Korea would destabilize the region, but the House voted it down, 160-261.

### Links – Clean Energy

#### Congress hates clean energy programs – both parties disregard Obama

**Associated Press, 6/6**/12 (Associated Press, news on politics, republican and democratic alike, 6/6/12, “Latest House GOP spending cuts mixed in with some increases”, http://www.foxnews.com/politics/2012/06/06/latest-house-gop-spending-cuts-mixed-in-with-some-increases/)

Conservative **House Republicans** are again **going after President Barack Obama's** budget to regulate Wall Street, build rural water projects and send food aid overseas as the latest in a **series of spending bills** get under way. **Clean energy programs unpopular with Republicans** also take a hit in a bill funding the Energy Department and water projects that passed the House on Wednesday on a 255-165 vote. The House promptly turned to a bipartisan, $39 billion measure funding the Homeland Security Department. **Democrats also blasted a move to cut renewable energy programs $886 million below Obama's request** and a move to eliminate Obama's $150 million request for rebuilding blighted housing projects

**A2: Winners Win**

#### Winners win thesis is not true for Obama

GALSTON ‘10.

[William, Senior Fellow, Governance Studies, Brookings, “President Barack Obama’s First Two Years: Policy Accomplishments, Political Difficulties” Brookings Institute -- Nov 4]

Second, the administration believed that success would breed success—that the momentum from one legislative victory would spill over into the next. The reverse was closer to the truth: with each difficult vote, it became harder to persuade Democrats from swing districts and states to cast the next one. In the event, House members who feared that they would pay a heavy price if they supported cap-and-trade legislation turned out to have a better grasp of political fundamentals than did administration strategists.

**Winners don’t win on controversial issues – the hill is too polarized.**

**MANN 10**. [Thomas, Senior Fellow, Governance Studies, “American Politics on the Eve of the Midterm Elections” Brookings Institute -- November]

That perception of failure has been magnified by the highly contentious process by which Obama’s initiatives have been adopted in Congress. America has in recent years developed a highly polarised party system, with striking ideological differences between the parties and unusual unity within each. But these parliamentary-like parties operate in a governmental system in which majorities are unable readily to put their programmes in place. Republicans adopted a strategy of consistent, unified, and aggressive opposition to every major component of the President’s agenda, eschewing negotiation, bargaining and compromise, even on matters of great national import. The Senate filibuster has been the indispensable weapon in killing, weakening, slowing, or discrediting all major legislation proposed by the Democratic majority.

**Winners Lose For Obama – Loses The Spin Game.**

**BAKER 10**. [Peter, foreign policy reporter, author of Kremlin Rising: Vladimir Putin and Russian Counter-Revolution, “Education of a President” New York Times]

But it is possible to win the inside game and lose the outside game. In their darkest moments, White House aides wonder aloud whether it is even possible for a modern president to succeed, no matter how many bills he signs. Everything seems to conspire against the idea: an implacable opposition with little if any real interest in collaboration, a news media saturated with triviality and conflict, a culture that demands solutions yesterday, a societal cynicism that holds leadership in low regard. Some White House aides who were ready to carve a new spot on Mount Rushmore for their boss two years ago privately concede now that he cannot be another Abraham Lincoln after all. In this environment, they have increasingly concluded, it may be that every modern president is going to be, at best, average. “We’re all a lot more cynical now,” one aide told me. The easy answer is to blame the Republicans, and White House aides do that with exuberance. But they are also looking at their own misjudgments, the hubris that led them to think they really could defy the laws of politics. “It’s not that we believed our own press or press releases, but there was definitely a sense at the beginning that we could really change Washington,” another White House official told me. “ ‘Arrogance’ isn’t the right word, but we were overconfident.” The biggest miscalculation in the minds of most Obama advisers was the assumption that he could bridge a polarized capital and forge genuinely bipartisan coalitions. While Republican leaders resolved to stand against Obama, his early efforts to woo the opposition also struck many as halfhearted. “If anybody thought the Republicans were just going to roll over, we were just terribly mistaken,” former Senator Tom Daschle, a mentor and an outside adviser to Obama, told me. “I’m not sure anybody really thought that, but I think we kind of hoped the Republicans would go away. And obviously they didn’t do that.” Senator Dick Durbin, the No. 2 Democrat in the upper chamber and Obama’s ally from Illinois, said the Republicans were to blame for the absence of bipartisanship. “I think his fate was sealed,” Durbin said. “Once the Republicans decided they would close ranks to defeat him, that just made it extremely difficult and dragged it out for a longer period of time. The American people have a limited attention span. Once you convince them there’s a problem, they want a solution.” Gov. Ed Rendell of Pennsylvania, though, is among the Democrats who grade Obama harshly for not being more nimble in the face of opposition. “B-plus, A-minus on substantive accomplishments,” he told me, “and a D-plus or C-minus on communication.” The health care legislation is “an incredible achievement” and the stimulus program was “absolutely, unqualifiedly, enormously successful,” in Rendell’s judgment, yet Obama allowed them to be tarnished by critics. “They lost the communications battle on both major initiatives, and they lost it early,” said Rendell, an ardent Hillary Clinton backer who later became an Obama supporter. “We didn’t use the president in either stimulus or health care until we had lost the spin battle.”

### A2: Plan Popular

#### ( ) Their link turns are dated. HSR no longer builds capital.

St. Petersburg Times ‘11

(April 3, 2011 – lexis)

Rod Diridon, executive director of the Mineta Transportation Institute, says high-speed rail was a bipartisan issue before Obama's election, but now, "the policy of the Republican Party is to undermine any successes Obama might have." The exception: California, where former Republican Gov. Arnold Schwarzenegger advocated for high-speed rail. Ironically, California's high-speed environment is brighter because of money from projects cancelled in other states. Other factors play major roles in America's failure to embrace high-speed rail, Diridon says. "The automobile and petroleum industries have fought any kind of non-petroleum transportation," he says.

#### ( ) Positive spins of plan won’t matter. Transportation infrastructure drains capital – *drilling*, *district politics* and *tea party* all prove.

Johnson ‘12

Fawn Johnson is a correspondent for National Journal, covering a range of issues including immigration, transportation and education. Johnson is a long-time student of Washington policymaking, previously reporting for Dow Jones Newswires and the Wall Street Journal. She has an M.A. from the Annenberg School for Communication at University of Pennsylvania and a B.A. from Bates College. National Journal Daily AM – March 13, 2012 – lexis

Bipartisanship, investment, job creation: What's not to love about the two-year surface-transportation bill that the Senate is poised to pass on Wednesday? Maybe that it's not going anywhere. Despite threatening, there is no indication that House Speaker John Boehner, R-Ohio, will actually bring the Senate-passed version to the floor when the House returns next week. House GOP leaders are still hammering out a five-year bill akin to the speaker's original plan that would streamline transportation programs and tie additional highway funding to domestic oil drilling. They can't count on any Democratic votes, so Republican leaders face the task of appeasing their own caucus. House Republicans don't like the idea of passing a Senate bill. It's just not clear whether they can agree on anything else. Boehner spokesman Michael Steel said House members are "actively pursuing" a "better alternative." Another staffer called the Senate bill "a crap sandwich that we're going to have to eat" if members can't agree on a different transportation bill. This week, House leaders, Transportation and Infrastructure Chairman John Mica, R-Fla., and other committee members are doing a lot of explaining about how Mica's surface-transportation bill would affect the federal government or their districts. One member sought adjustments already contained in the bill, according to an aide. Committee Republicans also are inserting minor tweaks into the bill when they can. For example, some rural members wanted to change a provision pertaining to horse trailers. But the real persuasion game comes from beating up the White House. Some rank-and-file members worry that in passing the Senate's two-year bill, they would hand President Obama another political win, according to another aide. Two years is extremely short in terms of highway planning and construction funding, and going with a short-term measure could give Obama another crack at enacting an ambitious highway package if he's reelected. Reversing themselves now could be a dicey bit of jockeying for some of the new, hard-line House GOP members, since they protested the most about Boehner's original plan. But they may have no choice. The idea that Obama would write the next bill is likely to irk the tea party, and that's exactly whose support Boehner needs to pass his version. The Transportation Department has no problem advocating for big increases in infrastructure investment, precisely the opposite of tea party dogma. In his 2013 budget proposal, the president proposed $476 billion for a six-year surface-transportation mechanism, which is about $200 billion more than House Republicans are proposing, and at least $150 billion more than current infrastructure spending. Members also are getting pressure in their districts. With so many new members of Congress, it's hard for some freshmen to grasp the (albeit wonky) importance of a fairly unwieldy government program. On its face, the federal transportation system runs counter to their ideology. So committee members and staff have told the transportation industry to target members at home during recess and explain the need for a long-term bill.

#### ( ) Turn shield – funding sources. Content of Aff is irrelevant – GOP will insist it’s financed via drilling.

Laing ‘12

Keith Laing is a national political journalist who works for The Hill newspaper in Washington, D.C. At The Hill, Keith covers transportation policy in Congress and manages the paper’s Transportation Report blog. Prior to coming to The Hill, Keith worked for the News Service of Florida, where he tracked the Florida state legislature with a focus on transportation and energy issues. The Hill

February 1, 2012 – lexis

House Republicans teed up an election-year battle over jobs Tuesday, announcing a $260 billion transportation bill designed to put Democrats on the defensive. The package from House Transportation and Infrastructure Committee Chairman John Mica (R-Fla.) would spend $260 billion over five years on road and transit projects — funding that congressional Democrats and President Obama have long championed as stimulus for the economy. But the GOP bill would pay for some of the transportation work with an expansion of oil-and-gas drilling, including in the Arctic National Wildlife Refuge (ANWR), a nonstarter for many Democrats and their supporters in the environmental movement. Sensing an advantage, Mica on Tuesday warned Democrats that the bill is the only vehicle for highway funding that Republicans would support. “This is the only piece of legislation” that can pass the House, Mica said at a news conference in front of the Capitol. “This is a major start,” he said. “Look where we’ve been, and look where we are today.” Republicans also touted the bill as a job creator as they made the case that obstruction by Senate Democrats is standing in the way of legislation that would help the economy. “This bill will put Americans back to work rebuilding our roads and bridges and developing new sources of low-cost energy,” Mica said in a news release. “This legislation may be the most important jobs measure to pass Congress this year.” Transportation and business groups have been pushing Congress for years to approve a multiyear appropriations bill for transportation and infrastructure. The last such funding bill expired in 2009. But advocates Tuesday expressed reservations about Mica’s revised proposal. “Certainly we are happy the House and Senate are opening a discussion, but there’s a lot of work to be done,” said Edward Wytkind, president of the AFL-CIO’s transportation trades department. Wytkind lamented the vast differences between the version of the highway bill announced by Mica on Tuesday and the proposal that has begun moving in the Senate. In the past, “they have always moved these bills as ‘Big Four’ authorizations,” he said, referring to the chairmen and ranking members of the House Transportation and Infrastructure and the Senate Commerce, Science and Transportation committees. “They moved them as impenetrable, avoided ideological fights and increased the funding so that the next authorization would always be higher than the last one,” Wytkind said. The Senate’s version of the transportation bill is shorter, but it appropriates more money for road projects annually. The upper chamber has proposed spending $109 billion per year on the new highway bill, and its version of the legislation relies more on traditional sources of funding, such as the gas tax. Mica defended the highway bill as a team effort and told reporters to pack a lunch Thursday because he plans to allow amendments during the markup of the bill — a process that could drag on for days. “Everybody needs to find a way to fund these things,” Mica said. The plan to pay for highways with drilling has riled up environmental groups such as the Natural Resources Defense Council (NRDC). The New York-based group argued Tuesday that not only is linking highway spending to oil drilling bad for the environment, it also imperils the bill’s prospects for being approved by the Democratic-controlled Senate. “Instead of going the bipartisan route taken by the Senate, House Republican leaders have loaded the bill with environmental protection rollbacks, extreme measures that mandate oil drilling just about everywhere and a permit for the Keystone XL tar sands pipeline,” NRDC President Frances Beinecke said in a news release. “The American people need a transportation bill; this bill will prevent them from getting one.” Another provision of the GOP proposal that drew criticism Tuesday was a provision that would increase the weight of trucks allowed on highways from 80,000 to 97,000 pounds. “Americans don’t want 97,000-pound trucks or huge multitrailers up to 120 feet long on our nation’s highways,” the lobbying group for a competing method of shipping, the Association of American Railroads, said in a news release. “Nor is it fair that even more of the public’s tax dollars will be used to pay for the road and bridge damage inflicted by massive trucks.” The Coalition for Transportation Productivity, which argues the other side of the truck-weight issue, was more enthusiastic about the House highway bill proposal. “The American Energy and Infrastructure Jobs Act recognizes that states need the ability to create safer, greener, more efficient shipping on their interstate highways,” CTP Executive Director John Runyan said in a news release. “Truck capacity has dropped by 16 percent since the recession started, and the 30-year-old federal vehicle weight limit compounds the problem by forcing many trucks to travel when they are only partially full.” For his part, Mica stressed Tuesday that the bill he announced “wasn’t final.” “I tried to do everything I could … to work with everyone,” he said.

### A2 - Plan Spun as Jobs-Creation”

#### ( ) Spinning plan as “jobs creation” hurts the President.

Snider ‘11

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The Obama administration continues to fight for its American Jobs Act as a way to boost the sagging transportation construction sector. But Democrats, Republicans and the construction industry have all said the White House's focus is misdirected. A six-year highway and transit reauthorization is the best possible way to boost the economy, lawmakers say. And backers of the long-term plans say singular focus on the jobs bill - though it puts a positive light on pressing infrastructure issues that don't always receive national attention - has been a distraction. "Mr. President, the country doesn't need another stimulus like the last one" Pete Ruane, president of the American Road & Transportation Builders Association, wrote in a Washington Times op-ed in September. "The 2009 Recovery Act road and bridge initiative set the movement toward really improving the nation's transportation infrastructure back big time." Opponents of President Barack Obama's proposal for $50 billion in stimulus-style transportation spending, along with $10 billion to capitalize a national infrastructure bank, say it's akin to putting a Band-Aid on a bullet wound. A better solution, they say, is a long-term, well-funded reauthorization that would create far more jobs than another round of stimulus spending. For all the talk about a second round of stimulus spending, Obama's proposal would offer less money for roads and transit systems than one year of regular program funds. The stimulus-style spending also suffers from bad timing - a number of states will soon halt construction for the winter, meaning the sought-after jobs largely won't appear until next spring anyway. But the White House wants to create jobs as quickly as possible and recognizes that if something sidetracks the reauthorization, Obama might not be around to sign a multiyear bill when it is finally approved. Eyeing the immediate future, the administration keeps fighting for another stimulus while staying out of the reauthorization debate. West Virginia Rep. Nick Rahall, the top Democrat on the Transportation and Infrastructure Committee, says the White House's focus on the jobs proposal distracts from the much-needed long-term bill. "We ought to plow ahead and do a robust six-year bill and step up to the plate and do what the American people are in need of - and that's jobs," Rahall said last week.

## Impacts

### **US – Russia War – Extinction**

#### The impact is extinction

Bostrom 2 (Nick, Dir. Future of Humanity Institute and Prof. Philosophy – Oxford U., Journal of Evolution and Technology, “Analyzing Human Extinction Scenarios and Related Hazards”, 9, March, <http://www.nickbostrom.com/existential/risks.html>)

The first manmade existential risk was the inaugural detonation of an atomic bomb. At the time, there was some concern that the explosion might start a runaway chain-reaction by “igniting” the atmosphere. Although we now know that such an outcome was physically impossible, it qualifies as an existential risk that was present at the time. For there to be a risk, given the knowledge and understanding available, it suffices that there is some subjective probability of an adverse outcome, even if it later turns out that objectively there was no chance of something bad happening. If we don’t know whether something is objectively risky or not, then it is risky in the subjective sense. The subjective sense is of course what we must base our decisions on.[2] At any given time we must use our best current subjective estimate of what the objective risk factors are.[3] A much greater existential risk emerged with the build-up of nuclear arsenals in the US and the USSR. An all-out nuclear war was a possibility with both a substantial probability and with consequences that might have been persistent enough to qualify as global and terminal. There was a real worry among those best acquainted with the information available at the time that a nuclear Armageddon would occur and that it might annihilate our species or permanently destroy human civilization.[4] Russia and the US retain large nuclear arsenals that could be used in a future confrontation, either accidentally or deliberately. There is also a risk that other states may one day build up large nuclear arsenals. Note however that a smaller nuclear exchange, between India and Pakistan for instance, is not an existential risk, since it would not destroy or thwart humankind’s potential permanently. Such a war might however be a local terminal risk for the cities most likely to be targeted. Unfortunately, we shall see that nuclear Armageddon and comet or asteroid strikes are mere preludes to the existential risks that we will encounter in the 21st century.

### PNTR Good – Trade

#### If Congress doesn’t repeal Jackson Vanik, we will lose trade with Russia.

**Sorensen,** Loretta, June 27, 20**12**, Midwest Producer, Vilsack: Repeal Jackson-Vanik amendment or lose trade with Russia, <http://www.midwestproducer.com/news/markets/vilsack-repeal-jackson-vanik-amendment-or-lose-trade-with-russia/article_dc5cff3e-c07b-11e1-a016-0019bb2963f4.html>

If Congress fails to act before mid-August in repealing the 1974 Jackson-Vanik amendment, American farmers, ranchers and producers could lose a significant opportunity to capture market share for American ag products when Russia joins the World Trade Organization (WTO) this fall. In an interview with Midwest Producer, USDA Secretary of Agriculture Tom Vilsack noted that delaying the repeal doesn't make good business sense or common sense. "Every one of our 100 legislators has a 'beef' if you will with Russia," Vilsack said. "It may be in regard to intellectual property, Internet issues, Russia's approach to Syria or any other of a host of issues. They're using this discussion (about Jackson-Vanik) as a vehicle for having all these other discussions which have nothing to do with trade. This is not the time nor the place to inject all these issues that have nothing to do with exports. "We saw a 70 percent increase in U.S. beef sales to Russia in the past 12 months," Vilsack added. "There's obviously a desire and an interest in purchasing American products. If we lose this opportunity, it will be difficult and take time to regain the lost market share."

### PNTR Good - Key to Econ

#### Repeal is critical to jumpstart the recovery – exports.

Griswold & Petersen Feb. 2012 Daniel Griswold is director of the Herbert A. Steifel Center for Trade Policy Studies at the Cato Institute. Douglas Petersen is a former research assistant at the center. Russia Joins the WTO Why this is good for the United States IMPACT ANALYSIS Issues Impacting Global Business January-February 2012 A Publication of Manzella Trade Communications www.businessworldwidetv.com/\_downloads/impact\_analysis.pdf

As a condition of membership in the WTO, all members are expected to grant unconditional most-favored nation (MFN) status to all other members. This means each WTO member must offer the same level of market access to other members without attaching special conditions to that access. Continued application of Jackson-Vanik to Russia would be a violation of unconditional MFN status, since it depends on Congress granting renewal each year. If Congress does not grant PNTR to Russia by repealing Jackson-Vanik, then the enhanced market-access commitments Russia has made in its accession protocol would not apply to exports from the United States. Producers in the other 150-plus members would enjoy those benefits but not producers in the United States. The stakes are high. Russia is a major yet still underdeveloped market for a range of American exports, from poultry to aircraft. If U.S. exporters are not granted the more favorable access under Russia’s accession pro-tocol, they will face discriminatory tariffs that will put them at a disad-vantage against competitors in other major trading nations. That market share, once lost, would be difficult to regain. Granting PNTR to Russia thus becomes important to promoting U.S. trade as a sustainable boost to the sputtering U.S. economy.

#### Critical to propel the recovery.

Rogin 2/22/12 Josh “Baucus meets Medvedev ahead of Russia trade debate” http://thecable.foreignpolicy.com/posts/2012/02/22/baucus\_meets\_medvedev\_ahead\_of\_russia\_trade\_debate

In a press release before his trip, Baucus argued that granting PNTR status for Russia could result in a doubling of U.S. exports to Russia, which now stand at about $9 billion per year. He also argued that a package of concessions Russia made to the United States before being invited to join the WTO would result in benefits for U.S. animal and agricultural industries and will result in Russia tamping down its own domestic agricultural subsidies. "Opening doors overseas in countries like Russia will propel our economic recovery forward and create jobs across the United States," Baucus said. "Holding Russia to its promises as it enters the WTO and seeking a greater share of the Russian market is a one-way economic benefit for the United States and an absolute no-brainer." Baucus' home state of Montana is a major beef exporter and Russia is currently the fifth largest importer of American beef. Baucus has touted Russia's agreement to reduce beef tariffs as part of its WTO accession.

#### Key to the economy – even if overall trade is low now it’s a massive loss of economic potential.

Chernitsa Polina 3/1/12 Preserving “Jackson-Vanik” amendment disadvantageous for US Mar 1, 2012 15:48 Moscow Times http://english.ruvr.ru/2012\_03\_01/67240127/

When in December Russia signed all the agreements needed for the entry to the WTO, the rhetoric of the US leadership began to change. The head of the Senate Committee on finances democrat Max Baucus who had voted for preserving the discriminatory amendment changes his mind and said that this step would have only negative consequences. He said that the current situation is disadvantageous for the US and on the contrary advantageous for the EU and Asian countries which have no trade restrictions with Russia. We hear from Sergey Alexashenko, head of the macroeconomic studies of the Higher School of Economics. "The global economy is not always based on a win-or-lose principle. But we can say definitely that if the amendment is not abolished Russia may behave towards the US as if they did not sign any agreements within the WTO. That means that all the barriers which we have today and the barriers in trade with other countries will remain." Officially the trade turnover between the US and Russia is not that big as between China and Europe. But Russia’s entry to the WTO would significantly increase the potential of the interaction. In this context preserving the discriminatory amendment would mean big losses for the US, economist Olga Belenkaya says. "It concerns not direct economic losses but a potential economic profit. The removal of barriers to enter Russia’s domestic market is a strong support for the economies of Russia’s trade partners. Considering that the current economic situation in the world leaves much to be desired, the countries are interested in the expansion of market outlets. This means the one who takes its share on the market earlier will have advantages. The current restriction of the US trade with Russia does not enable the US to receive such advantages."

### **PNTR Good – Key to Relations**

#### Jackson Vanik is the Canary in the Coal mine for the entirety of US Russian Relations – All cooperation and outstanding issues can be solved by repeal.

Nikolas K. Gvosdev 2/10/12 “ Resetting the U.S.-Russia Reset” is the former editor of the National Interest, and a frequent foreign policy commentator in both the print and broadcast media. He is currently on the faculty of the U.S. Naval War College. http://www.worldpoliticsreview.com/articles/11441/the-realist-prism-resetting-the-u-s-russia-reset

After a period of healthier ties following the much-heralded reset, U.S.-Russia relations appear to be deteriorating. Whether it was the war of words between U.S. Secretary of State Hillary Clinton and Russian Prime Minister Vladimir Putin last December over the flaws in the Russian Duma elections, or the harsh language used by U.N. Ambassador Susan Rice after Russia vetoed a draft Security Council resolution last week calling on Syrian President Bashar al-Assad to step down, the optimism engendered by the Obama administration's reset with Russia has dissipated. Nor does the immediate future bode well for "resetting the reset." Putin is expected to reclaim the Russian presidency after next month’s election, and he has not forgotten or forgiven the Obama team's public relations effort back in 2009 to categorize President Dmitry Medvedev as the wave of the future and America's preferred interlocutor. At the same time, Putin and members of his immediate circle, who consistently expressed concerns about the "reset," feel that their doubts have been justified. In their narrative, Russia made many compromises to American preferences over the past few years, including relegating concerns about missile defense to a nonbinding preamble in the New START agreement ; agreeing to much stronger sanctions on Iran and suspending a lucrative contract to provide Tehran with an advanced air defense system; and acquiescing to the U.N. Security Council resolution authorizing a no-fly zone for Libya. But these produced no real quid pro quos for Russian interests. Given the skepticism with which Putin is viewed in the U.S., not only by President Barack Obama but also by all the Republican challengers, there is little chance that, after March, there will be particularly warm and strong personal relations between the U.S. and Russian presidents. But does this mean that the U.S.-Russia relationship is doomed to fall back to a more confrontational posture, as occurred in 2007 and 2008, when analysts were warning of a "new Cold War"? That depends on several factors. The first is what happens in Russia in the aftermath of the Russian presidential elections. If there is evidence of widespread fraud, and if the government takes a hard line against the resulting protest movements, it will be very difficult for any U.S. administration to continue to deepen and broaden cooperation with Russia. That could change if Putin pursues a reform agenda. In a campaign op-ed in Kommersant that was reprinted in the Washington Post , he promised to restore direct elections of governors, increase local-self government and implement stringent new measures to combat corruption. If he is serious, it might take the steam out of the "White Revolution" and enable a U.S. administration to bank on "progress" being made. But the reality is that the political establishment in Washington is not prepared to extend to Russia the type of relationship the U.S. has with states like China or Saudi Arabia, where economic considerations routinely trump human rights concerns. The second is how extensive Putin plans to shake up the Russian government. Many expect that after resuming the presidency, Putin is prepared to make significant personnel and policy changes . What is not clear is whether long-serving Foreign Minister Sergei Lavrov will continue as the primary steward of Russia's foreign relations, and whether outgoing President Medvedev will be asked to become prime minister or assume another role to allow some form of the tandem to continue. If Medvedev retains a good degree of influence, then some of the Obama-Medvedev partnership might be salvaged, and a new foreign minister could initiate a fresh start with his counterparts in Washington, leaving behind some of the baggage that has accumulated in the interactions between Clinton and Lavrov. The third is whether some of the new foundations in the U.S.-Russia relationship have solidified to the point that they can help weather the current storms. In contrast to the situation in 2008, there are now some important institutional connections in place. The Northern Distribution Network could represent enough ballast -- both in terms of the income generated for Russia and the safe route it offers the U.S. and NATO for the war effort in Afghanistan and for egress once the drawdown begins in the coming year -- to help prevent the relationship from veering out of control. The partnership between Exxon and Rosneft to develop both the Russian Arctic and additional projects in North America creates another set of incentives to keep ties on a level basis, as does the immense potential of a fully realized partnership between Russian and American firms in the nuclear power industry. American car manufacturers have found Russia to be a booming export market, while the U.S. space program is now dependent on Russia to ferry astronauts and cargo to maintain America’s manned presence in space. In short, there are a growing number of interests that depend on the preservation of healthy U.S.-Russia relations for their own success. But it is not yet clear whether they have sufficient clout to outweigh the naysayers on both sides. An upcoming decision-point could offer a good indication of what to expect. The World Trade Organization is expected to ratify Russia’s accession later this spring. However, American firms will not be able to take advantage of Russia's WTO membership as long as U.S. trade with Russia is still subject to the Cold War-era Jackson-Vanik amendment . Congress would first have to agree to "graduate" Russia from the terms of the legislation, but many members remain hesitant. An unofficial swap would see Russia given permanent normal trading relations status, but with new legislation applying "smart sanctions" against specific Russian individuals and entities accused of condoning human rights abuses, most notably in the death of Russian lawyer Sergei Magnitsky. Whether this Solomonic compromise could work, however, remains to be seen. The Russian government has already responded very negatively to sanctions unilaterally imposed by the State Department and may be quite unwilling to accept such a compromise, even if it means graduating Russia from Jackson-Vanik. At the same time, there remains resistance within Congress to "giving up" one of its last remaining tools to pressure Russia on a whole range of issues, from chicken imports to religious freedom. The fate of the Jackson-Vanik amendment, therefore, is the canary in the coal mine for U.S.-Russia relations. If a successful repeal is negotiated, it bodes well for regenerating the relationship. However, if Obama, like George W. Bush before him, is unable to secure Russia’s graduation, this could end up being a fatal blow to the whole idea of the reset.

#### PNTR is a critical confidence building mechanism for all cooperation – WTO integration stabilizes trade relations and investment – that’s key to political liberalization and to moderate Russian nationalism.

Makovsky et al January 2012 Dr. Michael Makovsky Director of the National Security Project Jonathan Ruhe Senior Policy Analyst Blaise Misztal Associate Foreign Policy Director Marissa McCauley Administrative Assistant Bipartisan Policy Center A Bull in Bear’s Clothing: Russia, WTO and Jackson-Vanik Task Force Paper | January 2012 http://bipartisanpolicy.org/library/staff-paper/bull-bear%E2%80%99s-clothing-russia-wto-and-jackson-vanik

There are four main benefits of Russian WTO membership for the United States. First, WTO membership would ensure favorable market access for U.S. exporters and investors. Russia cannot produce many of the manufactured and consumer goods its population demands, and freer trade could allow U.S. exports to Russia to double within five years. Needless to say, this would protect domestic producers in many sectors and increase opportunities for investment abroad. Second, it would give the U.S. a stronger bilateral trade toolbox by embedding Russia in the WTO’s institutions and laws. This would help stabilize U.S.-Russia trade relations and create a more hospitable investment climate in Russia for U.S. companies – no small consideration in a country seeking to attract foreign investment but where concerns about the rule of law remain. Third, economic liberalization could spur political liberalization, as well as countervailing forces within Russia to the often bellicose policies emanating from Moscow since the Putin era. Finally, U.S. support for Russia’s successful accession is a confidence-building measure that could pave the way for expanded bilateral cooperation on a range of issues beyond trade and investment.

#### JV repeal spills over to the entire relationship. Trade is critical create better conditions for US-Russian cooperation that’s key to nearly all foreign policy.

Makovsky et al January 2012 Dr. Michael Makovsky Director of the National Security Project Jonathan Ruhe Senior Policy Analyst Blaise Misztal Associate Foreign Policy Director Marissa McCauley Administrative Assistant Bipartisan Policy Center A Bull in Bear’s Clothing: Russia, WTO and Jackson-Vanik Task Force Paper | January 2012 http://bipartisanpolicy.org/library/staff-paper/bull-bear%E2%80%99s-clothing-russia-wto-and-jackson-vanik

Relations with Russia remain central to U.S. strategic interests. Russia plays a pivotal role – positively and negatively – in our policy toward Iran, Afghanistan, North Korea, China, terrorism, energy security and other pressing national security issues. The improvement in bilateral ties in recent years is welcome but, in and of itself, has not fundamentally changed the structure of the relationship or sufficiently advanced U.S. interests. Indeed, Russian leaders recently continued their habit of manipulating elections to hold onto power and blaming America for any internal dissent. With Vladimir Putin expected to return to the presidency in March 2012 and the possibility of his continuing dominance of Russian politics to 2018 or beyond despite his party’s electoral rebuke in December and growing political opposition, U.S.-Russia relations could only become more challenging in the years ahead despite the mutual benefits that could come from deeper collaboration. Cooperation could also be slowed in the near-term during the U.S. presidential election in 2012. The goal of U.S. policy towards Russia should be to find ways that our two nations can work together as closely as possible on common objectives, while also working to resolve the issues that divide us. Our purpose is to advance U.S. economic and security interests, and to promote our values – in the case of Russia, these go hand-in-hand. One of the common goals should be Russian entry into the World Trade Organization (WTO). Russia membership was approved in December 2011, and formal entry awaits a vote by the Russian parliament, which is widely expected to occur by the spring of 2012. The WTO is a multilateral institution designed to promote and manage international trade. Russia is by far the largest economy outside this 153-member organization, which represents the vast majority of the global population and 97 percent of total global trade. Some in Moscow view WTO membership – and U.S. support for it – as a prerogative of its Great Power status, a prerequisite for further cooperation with the United States and a vehicle for economic growth. Other Russian leaders fear WTO membership will hurt some domestic industries and shine an unwelcome light on, if not undercut, the country’s rampant corruption and those who greatly benefit from it. Outgoing president and the apparent next prime minister, Dmitri Medvedev, is seen as part of the pro-WTO camp, while Putin is considered among those more skeptical of the WTO. We would welcome a more constructive approach from Putin, assuming he returns to the presidency. We strongly believe WTO membership would benefit the Russian people by requiring the government to adopt rules and policies that might begin to modernize their economy and society. Such changes are desperately needed as far-reaching graft has hollowed out Russia’s economic core, devastated its civil society and undermined respect for human rights. Russia’s citizens are increasingly demanding a political system with greater respect for the rule of law and greater transparency. These demands should not be ignored and Russian membership in the WTO would provide an opportunity to address them, both by spurring economic liberalization—which could lead to political reforms—and by giving Congress an opportunity to replace the anachronistic JacksonVanik trade restriction with more modern human rights measures. WTO membership would not only be good for Russians but also for Americans. It could potentially double bilateral trade over five years and create more U.S. jobs. Moreover, the positive economic and political reform that WTO accession might spur in Russia will, in addition to improving the lives of Russians, create better conditions for U.S.-Russia cooperation. It is in the American interest for Russia to be a strong, vibrant and increasingly open country, and that ultimately rests on Russia developing a more modern and vibrant economy and civil society. However, once Russia joins the WTO the United States would need to take action to reap the benefits and avoid damage to trade: Congress has to graduate Russia from the Jackson-Vanik amendment to the Trade Act of 1974. We urge Congress to take action on Jackson-Vanik in a timely manner and enact new legislation that would address modern-day Russian human rights abuses and corruption.

# Aff

## Aff - Uniqueness

### PNTR - Won’t pass

#### Jackson-Vanik won’t get passed before the election- White House priority is Election 2012

Carroll Colley. 6/21/12. Foreign Policy. Director, Research at [**Eurasia Group**](http://www.linkedin.com/company/eurasia-group?trk=ppro_cprof). [Presidential campaign politics delays U.S. recognition of Russia at WTO](http://eurasia.foreignpolicy.com/posts/2012/06/21/presidential_campaign_politics_delays_us_recognition_of_russia_at_wto). <http://eurasia.foreignpolicy.com/> [accessed 6/29/12]

While Russia will enter the WTO in late August, U.S. industry will be left on the sidelines until Congress removes the Cold War-era impediment to greater trade between the former foes. But it's a safe bet that Congress won't graduate Russia from the [Jackson-Vanik amendment](http://security.blogs.cnn.com/2012/06/21/u-s-could-feel-effects-of-amendment-meant-to-hurt-russia/), which is necessary to grant permanent normal trade relations to Russia and take advantage of its accession to the WTO, before the November election. The reason? Russia is perpetually steeped in controversy, and U.S.-Russia relations have become a campaign issue in the race between Republican Mitt Romney and President Barack Obama. U.S. industry likely won't be able to take advantage of greater market access in Russia until the lame-duck session at the end of the year, and possibly later. The White House is much more focused on November 6 (Election Day) than August 23 (the approximate date of Russia's WTO entry). Only after repeated requests from Republican lawmakers for senior level officials to testify on the Hill -- widely viewed as a Republican maneuver to force the administration to speak on the record about its Russian policy -- did the administration relent by sending the duo of Deputy Secretary of State William Burns and U.S. Trade Representative Ron Kirk [to testify](http://www.reuters.com/article/2012/06/20/us-usa-russia-trade-idUSBRE85J12Q20120620) before the House Ways and Means Committee and the Senate Finance Committee. The White House calculates that a "yes" vote on graduating Russia from [Jackson-Vanik](http://wtigca.surfcanyon.com/search?f=sl&q=Jackson-Vanik&partner=wtigca) (a 1974 provision that ties trade relations to freedom of emigration and other human rights considerations) would have little electoral upside, and might even harm Obama before the election.

#### Wont pass- Russians won’t meet necessary food safety standards.

Dumas 6-21 (Carol, Reporter for Capital Press news blog “Group Push to Expand Russian Trade” http://www.capitalpress.com/newest/CRD-Russia-dairy-w-graphic-061412)

Dairy groups are asking Congress to extend permanent normal trade relations to Russia before it joins the World Trade Organization, expected in August.

U.S. Dairy Export Council and National Milk Producers Federation believe the measure will expand U.S. dairy trade to the country, which imported $2.1 billion in dairy products last year. "Russia is one of the world's largest dairy importers and therefore it is a vital destination for U.S. dairy products," said Jerry Kozak, president and CEO of National Milk. Legislation to extend normal trade relations was introduced in the Senate last week by Sens. Max Baucus, D-Mont.; John Thune, R-S.D.; John Kerry, D-Mass.; and John McCain, R-Ariz. Some of the commitments Russia made in WTO negotiations would lower tariffs on U.S. dairy imports and relieve regulations relating to food products, said Shawna Morris, vice president of trade policy for the two organizations. Russia must bring its regulations regarding sanitary and phytosanitary issues into alignment with international standards. Extending permanent normal trade status to Russia would allow all WTO member countries to legally dispute any problems if it doesn't abide by its commitments, she said. Passage of normal trade status will allow the U.S. to take full advantage of the terms negotiated in the WTO membership. If the U.S. does not formally recognize Russia as a WTO member, it will put the U.S. at a disadvantage with WTO countries that do, she said. Passage of normal trade status will also help the U.S. "maximize the prospects we have for getting back in the market on favorable terms," she said. Russia has blocked U.S. dairy imports since September 2010 due to an inability to reach an agreement on dairy certificate language. The certificates are a government-to-government assurance of food safety, production and oversight, and several issues have yet to be resolved between the U.S. and Russia, she said.

#### Jackson – Vanik won’t pass, opposition from Republicans

Bloomberg Businessweek, 6/12/12, “Bill for normal trade with Russia meets opposition,” <<http://www.businessweek.com/ap/2012-06/D9VBQRIG0.htm>> Accessed: 6/29/12

A Senate plan to lift Cold War restrictions on trade with Russia drew immediate resistance from Senate Republicans who said Congress must first address Russia's poor human rights record and existing economic and political policies. Senate Finance Committee Chairman Max Baucus, D-Mont., on Tuesday introduced bipartisan legislation to normalize trade relations with Russia by repealing the 1974 Jackson-Vanik act that tied trade with the then-Soviet Union to Moscow's allowing Jews and other minorities to leave the country. The repeal of Jackson-Vanik is necessary if U.S. businesses are to enjoy the lower tariffs and increased access to Russian markets that will become available when Russia joins the World Trade Organization this summer. Supporters of normalized trade said it could lead to a doubling of U.S. exports to Russia. "Jackson-Vanik served its purpose during the Cold War, but it's a relic of another era that now stands in the way of our farmers, ranchers and businesses pursuing opportunities to grow and create jobs," Baucus said in a statement. Baucus was joined in sponsoring the bill by Senate Foreign Relations Committee chairman John Kerry, D-Mass., and Republicans John McCain of Arizona and John Thune of South Dakota. But eight Finance Committee Republicans, led by ranking Republican Orrin Hatch of Utah, wrote a letter to Baucus saying that Congress cannot ignore ongoing issues with Russia in moving to normalize trade relations. "Many aspects of the U.S.-Russia relationship are troubling," they said, naming the "flawed election and illegitimate regime of Vladimir Putin," the suppression of public protests, Russia's support for the Syrian government and its threats to attack U.S.-led NATO missile defense sites in Eastern Europe. The letter also raised Russia's theft of U.S. intellectual property and its pervasive problems with bribery and corruption and questioned whether Russia would comply if the WTO handed down adverse rulings on its economic policies.

#### The GOP will block PNTR until after the election.

Inside U.S. Trade 6/29, 2012 FOREIGN RELATIONS APPROVES MAGNITSKY BILL, KERRY WANTS MORE TWEAKS Lexis

Last week, Obama said the Russia vote was a priority for him, and senior officials have expressed a similar message (Inside U.S. Trade, June 22). But business lobbyists say it is clear that the House Republican leadership wants to delay the vote until after the election and continues to insist that President Obama become more involved in publicly advocating for the vote. These lobbyists said the leadership has its own reasons for the delay and speculated it wants to avoid placing Republican members in the awkward position of supporting a vote that appears to be a pro-Russia vote despite Moscow's disagreeable behavior on a number of non-trade issues, such as support for the Syrian government crackdown on rebels. Observers also noted that Republican presidential candidate Mitt Romney has made Russia a focus of his attacks on President Obama's foreign policy. Romney called the administration's "reset" policy toward Russia a failure as Obama met with Russian President Vladimir Putin during the G-20 summit earlier this month and failed to get a commitment that Moscow would end its support for Syrian President Bashar al-Assad in the current revolt against his government. Having the Russia vote before the election would then would send a conflicting Republican message on Russia while the party's candidate for president is blasting the administration's reset policies toward Russia, which includes Russia's WTO accession.

### PNTR –with Magnitsky

#### Congress won’t repeal Jackson Vanik without the Magnitsky bill – Russia will retaliate – means the disad can’t solve relations.

ITAR-TASS 6/29/12 Matviyenko points to impermissibility of one-sided interpretation of law re Magnitsky Act Lexis

Many Congress members view the Magnitsky Act as a mandatory condition of the cancellation of the discriminative Jackson-Vanik Amendment and the granting of a normal trade partner status to Russia. The Obama administration had been opposing that link until recently. Meanwhile, Moscow has warned Washington about the negative effect of the bill on bilateral relations. Russia will retaliate the possible endorsement of 'the Sergei Magnitsky bill' by the U.S. Congress, Presidential Aide for International Affairs Yuri Ushakov. "We insist in all-level contacts with the U.S. administration that it is impermissible to swap the Jackson-Vanik Amendment for the anti-Russian 'Sergei Magnitsky bill', which introduces visa restrictions and other sanctions under far-fetched 'human rights' pretexts. Washington must realize that we will have to take retaliation measures," Ushakov said.

#### Obama must pass Magnitsky in order to pass Jackson-Vanik

Wall street Journal ,6/27, 2012, A New Russia Rights Standard, Wall Street Journal, <http://online.wsj.com/article/SB10001424052702303640804577488971542850272.html?mod=googlenews_wsj>, [6/29/12]

For nearly four decades, the Jackson-Vanik amendment kept the pressure on Kremlin rulers to treat their people better. The hallmark 1974 human-rights legislation can now be honorably retired—as long as a worthy successor, the Magnitsky Act, takes its place. Both measures currently before Congress could be acted on before the August recess. Prompt repeal of Jackson-Vanik trade restrictions would level the playing field for U.S. companies in Russia when it joins the World Trade Organization later this summer. And the Magnitsky Act can keep the heat on the Kremlin by banning Russian officials implicated in abuses from travelling or banking in the U.S. Jackson-Vanik and Magnitsky are rare good models of Congressional activism in foreign affairs. Championed by the late Democratic hawk Henry "Scoop" Jackson, the 1974 law denied most favored nation status to the Soviet Union as long as it restricted free emigration. The law coaxed the Kremlin to let Soviet Jews leave. Russia's borders opened after the end of the Cold War, and its imminent entry into the WTO seals the case for repealing Jackson-Vanik, which will also help U.S. exporters. Yet old Soviet ways are alive and well in the Vladimir Putin era, and the U.S. has a strategic and moral imperative to stand up for human rights and democracy in the new Russia. Sergei Magnitsky, a Russian lawyer and corruption whistle-blower, was killed in police custody in 2009. Senator Ben Cardin, a liberal Maryland Democrat, introduced the measure the following year to put the Russian officials responsible for Magnitsky's death on an asset freeze and visa black list. It was subsequently broadened to include any Russian implicated in human-rights abuses. The obstacle is the Obama Administration, which calls the measure unnecessary and unhelpful to its relationship with Russia. We're told that Secretary of State Hillary Clinton assured her Russian counterpart, Sergei Lavrov, that the bill would never pass. It stayed bottled up on the Hill until Jackson-Vanik came up. Earlier this spring, Republican John McCain, Independent Joe Lieberman and Mr. Cardin offered a quid pro quo: their crucial support for normalized trade ties, in exchange for the Magnitsky bill. The Administration countered by trying to keep the names of sanctioned officials secret. Republicans balked, and the version adopted unanimously on Tuesday by the Senate Foreign Relations Committee narrows the ability of the executive to classify names. The whole point of the law is to shame rights offenders. It's no surprise that Mr. Putin hates a rights bill that casts light on his regime's repression of domestic opponents. But the bill will be popular with the Russian people—see Garry Kasparov nearby—and may help deter Russians who would harm the next Magnitsky. Senate Majority Leader Harry Reid, who is no fan of trade opening, hasn't committed to a floor vote on Jackson-Vanik repeal or Magnitsky. But after Tuesday's Senate move, the Administration ought to understand that its political options are limited. If it wants normal trade relations with Russia, it will have to support the Magnitsky Act.

#### **Bipartisan Support For Jackson Vanik in Senate**

Market Watch 6/13. Press Release from the Dow Jones Chemical Company regarding Jackson Vanik published on Market Watch. June 13, 2012. (“DOW Applauds Bipartisan Support Russia PNTR”). <http://www.marketwatch.com/story/dow-applauds-bipartisan-senate-progress-on-russia-pntr-2012-06-13-JS>.

The Dow Chemical Company congratulates the Senate for its bipartisan leadership action to advance Permanent Normal Trade Relations (PNTR) with Russia. Without such legislation, U.S. business, from farming to financials, will not be able to fully benefit from Russia's nearing accession into the World Trade Organization (WTO). "I commend the U.S. Senate for their action to help American competitiveness. Any further delay in granting this important status to Russia could place American workers and companies at a significant disadvantage versus our foreign competitors," stated Andrew N. Liveris, Chairman and CEO of The Dow Chemical Company. "The only thing the U.S. can do in order to secure these significant market access benefits is to pass the Permanent Normal Relations (PNTR) with Russia into law as soon as possible." Accession to the WTO establishes stringent commitments on intellectual property protection, streamlines customs processing requirements, provides access to markets across a range of industries, including agriculture, and allows for international standards on dispute settlement. Ultimately, its passage creates an opportunity for job creation in the U.S. Without PNTR, these opportunities go to our competitors around the world, excluding only the U.S., based on the 1974 Jackson-Vanik legislation. The world has changed since Jackson-Vanik was adopted and it now stands only as an economic barrier for U.S. companies. According to one estimate, the cost to the U.S. of retaining the amendment is approximately $9 to $10 billion annually in unrealized benefits from Russia's WTO accession. This is important to Dow because with almost 40 years of continued presence in Russia, we have been devoted to partnering with local companies to grow our business and theirs. This effort has led to the growth of the chemical industry in the region and the sharing of innovative technologies that provide clean drinking water and sustainable materials. Today, 68 percent of Dow's revenues come from locations outside the United States, supporting over 22,000 Dow jobs in the U.S. As stated by the broad industry coalition, by companies and even by the President's Export Council -- Now is time to graduate Russia from Jackson-Vanik and pass PNTR. About Dow Dow [DOW +2.74%](http://www.marketwatch.com/investing/stock/DOW?link=MW_story_quote) combines the power of science and technology to passionately innovate what is essential to human progress. The Company connects chemistry and innovation with the principles of sustainability to help address many of the world's most challenging problems such as the need for clean water, renewable energy generation and conservation, and increasing agricultural productivity. Dow's diversified industry-leading portfolio of specialty chemical, advanced materials, agrosciences and plastics businesses delivers a broad range of technology-based products and solutions to customers in approximately 160 countries and in high growth sectors such as electronics, water, energy, coatings and agriculture. In 2011, Dow had annual sales of $60 billion and employed approximately 52,000 people worldwide. The Company's more than 5,000 products are manufactured at 197 sites in 36 countries across the globe. References to "Dow" or the "Company" mean The Dow Chemical Company and its consolidated subsidiaries unless otherwise expressly noted. More information about Dow can be found at www.dow.com .

#### PNTR Will Pass- expert analysis proves

Pecquet 5-31 (Julian, Reporter for The Hill news blog “Dem Lawmaker not Afraid of Russian Threats over Human-Rights Legislation” http://thehill.com/blogs/global-affairs/terrorism/230167-dem-lawmaker-not-afraid-of-russian-threats-on-human-rights-bill)

The Magnitsky bill aims to give Congress a way to retain a mechanism to pressure Russia on human rights after the United States establishes normal trade relations with Russia, which is supposed to happen this July following Russia's accession to the World Trade Organization. The bill would replace the Jackson-Vanik amendment, Cold War-era legislation that denied favored-nation status to certain countries that restrict emigration. The bill has 34 co-sponsors in the Senate. In the House, it's championed by Rep. James McGovern (D-Mass.) and has 24 co-sponsors. The White House has expressed concerns with the bill, but Cardin said he thinks it will pass. He said the Senate Foreign Relations Committee is expected to take up the bill next month, in tandem with the Senate Finance Committee's consideration of legislation granting Russia permanent normal trade relations. “I think that the Magnitsky bill probably enjoys more support than the permanent normal trade relations for Russia,” Cardin said. “So we look at the combination of the two helping to pass the permanent normal trade relations.”

#### Top Senators Pushing Jackson Vanik, will pass with Magnitsky.

Chicago Tribune 6/12. Doug Palmer writing for Reuters published by the Chicago Tribune. June 12, 2012. [http://articles.chicagotribune.com/2012-06-12/news/sns-rt-us-usa-russia-tradebre85b0w6-20120612\_1\_human-rights-jackson-vanik-top-trade-priority.(“Senators](http://articles.chicagotribune.com/2012-06-12/news/sns-rt-us-usa-russia-tradebre85b0w6-20120612_1_human-rights-jackson-vanik-top-trade-priority.() Pair Russia Trade, Human Rights Bill”).-JS

Senior U.S. senators on Tuesday unveiled a bill to expand trade with Russia by removing it from a Cold War-era law that links trade with human rights, a move questioned by legislators worried about the country's support for the Syrian government. The four senators said they would push for a separate bill to address Russian human rights abuses. The bipartisan move begins what the U.S. business community hopes will be a quick sprint to win congressional approval of the legislation before Russia's entry into the World Trade Organization, which is expected by late August. Description: http://articles.chicagotribune.com/images/pixel.gif Description: http://articles.chicagotribune.com/images/pixel.gif "This is an opportunity to double our exports to Russia and create thousands of jobs across every sector of the U.S. economy, all at no cost to the U.S. whatsoever," Senate Finance Committee Chairman Max Baucus said in a statement. Baucus was joined on the bill to establish "permanent normal trade relations," or PNTR, with Russia by Senate Foreign Affairs Committee Chairman John Kerry, a Massachusetts Democrat, and Senator John McCain, the top Republican on the Senate Armed Services Committee. Senator John Thune, a Republican on the Finance Committee, also attached his name to the bill. But in a sign of trouble for what the White House has called its top trade priority this year, eight other Finance panel Republicans said Moscow's support for Syrian President Bashar al-Assad's government and a number of other concerns must be "satisfactorily" addressed before action on the trade bill. "Russia continues to support and enable the Assad regime in Syria through officially condoned arms sales and sustained opposition to United Nations Security Council resolutions, and continues to occupy the Democratic Republic of Georgia," Senator Orrin Hatch, the panel's top Republican, and seven colleagues said in a letter to Baucus. The Republican senators also expressed concern about Russia's commitment to human rights and the rule of law, its poor record of protecting intellectual property rights and a number of longstanding trade irritants that they feared would not be resolved by Moscow joining the WTO. Russia, the largest economy still outside the WTO, is expected to enter the Geneva-based trade body by the end of August. That has put pressure on Congress to establish PNTR by removing Russia from a 1974 law known as the Jackson-Vanik amendment, which conditions Russia's eligibility for the most favorable U.S. tariff rates on the rights of Russian Jews and religious minorities to emigrate freely. If Congress refuses, Russia could under world trade rules deny U.S. exporters some of the market-opening concessions it made to join the WTO. That would give other suppliers in Europe, Asia and Latin America a big advantage in the Russian market. Although Jewish emigration from Russia is no longer a problem, many members of Congress are reluctant to remove Russia from the old human rights legislation without passing a new law to address current human rights concerns. "The extension of Permanent Normal Trade Relations status and the repeal of the Jackson-Vanik amendment for Russia must be accompanied by passage of the Magnitsky Act," McCain said, referring to legislation already approved by the House of Representatives Foreign Relations Committee that would penalize Russian officials for human rights abuses. Senator Jon Kyl, the No. 2 Republican in the Senate, told reporters legislation to normalize trade relations with Russia could not move without the Magnitsky bill.

#### Won’t pass – Even if Jackson Vanik’s repeal gets pass the Republicans, it’ll be linked to Magnitsky, causing Russian retaliation.

Associated Press 6/12 – (Fox News, “Clinton cites concerns over human rights in Russia”, <http://www.foxnews.com/politics/2012/06/12/us-bill-for-normal-trade-with-russia-opposed/>)

A Senate plan to lift Cold War restrictions on trade with Russia drew immediate resistance from Senate Republicans who said Congress must first address Russia's poor human rights record and existing economic and political policies. Senate Finance Committee Chairman Max Baucus, a Democrat, on Tuesday introduced bipartisan legislation to normalize trade relations with Russia by repealing the 1974 Jackson-Vanik act that tied trade with the then-Soviet Union to Moscow's allowing Jews and other minorities to leave the country. The repeal of Jackson-Vanik is necessary if U.S. businesses are to enjoy the lower tariffs and increased access to Russian markets that will become available when Russia joins the World Trade Organization this summer. Supporters of normalized trade said it could lead to a doubling of U.S. exports to Russia. "Jackson-Vanik served its purpose during the Cold War, but it's a relic of another era that now stands in the way of our farmers, ranchers and businesses pursuing opportunities to grow and create jobs," Baucus said in a statement. Baucus was joined in sponsoring the bill by Senate Foriegn Relations Committee chairman John Kerry, a Democrat andRepublicans John McCain and John Thune. But eight Finance Committee Republicans, led by ranking Republican Orrin Hatch, wrote a letter to Baucus saying that Congress cannot ignore current issues with Russia in moving to normalize trade relations. "Many aspects of the U.S.-Russia relationship are troubling," they said, naming the "flawed election and illegitimate regime of Vladimir Putin," the suppression of public protests, Russia's support for the Syrian government and its threats to attack U.S.-led NATO missile defense sites in Eastern Europe. The letter also raised Russia's theft of U.S. intellectual property and its pervasive problems with bribery and corruption and questioned whether Russia would comply if the WTO handed down adverse rulings on its economic policies. The Republican senators also warned against any weakening of human rights legislation now moving through both the House and the Senate and likely to be linked to repeal of Jackson-Vanik. The legislation, named after Russian lawyer Sergey Magnitsky, who died in a Russian jail in 2009 after allegedly being subject to torture, would impose sanctions such as visa bans and asset freezes on Russian officials involved in human rights violations including the Magnitsky case. The House Foreign Affairs Committee last week approved the bill by voice vote. In the Senate the main sponsor is a Democrat, Ben Cardin. The Russian government has voiced strong objections to the bill and suggested that there would be retaliatory measures if it becomes law.

#### Congress wants Magnitsky and won’t vote for PNTR without it.

**Cornwell, 6/26**/12 (Susan Cornwell, Chief Financial Officer at Magick Woods Ltd, 6/26/12, Reuters, “Senate panel approves “Magnitsky” sanctions on Russia”, http://www.reuters.com/article/2012/06/26/us-usa-russia-rights-idUSBRE85P1AR20120626

(Reuters) - A U.S. **Senate** panel on Tuesday **unanimously approved [Magnitsky**] a bill that would penalize Russian officials for human rights abuses, **a measure with broad support in Congress** that [Russia](http://www.reuters.com/places/russia) protests would be an unwarranted intrusion into its internal affairs. **A similar measure was passed by a House of Representatives committee earlier** this month, but it limits the sanctions to Russia. **It has** yet to come to a vote in the full House. Despite **bipartisan support in Congress**, the measure's future prospects remain uncertain, in part because the Obama administration is unenthusiastic about it. The administration's position has prompted some **Magnitsky bill supporters to threaten not to vote for** a White House priority this year – [**PNTR**] permanent normal trade relations with Russia - **unless this bill is attached**. Democratic Senator Max Baucus, chairman of the Senate Finance Committee, has promised to add the Magnitsky measure to the legislation on trade relations with Russia when his panel votes on the trade bill later this summer

### Magnitsky Turns Relations

#### Passage of Magnitsky will cause a massive break in relations between Russia and the US.

ITAR-TASS 6/28/12 Communists suggests revising coop with NATO in reply to Magnitsky Act Lexis

In reply to Magnitsky legislation, Russia should revise the principles of its interaction with NATO, first deputy head of the Russian Communist Party's Central Committee, Ivan Melnikov, said. "We think it is inadmissible to turn the Magnitsky case into an anti-Russian campaign, and this is exactly what the United States is doing now. With all the objective problems in the Russian judicial and legal system and the penitentiary system, Magnitsky is not the be-all and end-all of this world and is used as a pretext," Melnikov said. He believes that the idea is to create a tool for extrajudicial prosecution of Russians who are not liked by the U.S. authorities. "On a large number of foreign policy issues Americans pursue a policy of double standards, pinches and bites during formal events. I deal closely with relations between Russia and Cuba and I can see that well with regard to the Island of Freedom when Americans hold five Cubans in prison for political reasons for more than ten years and portray this as a fight against terrorism," he said. "I think that if it comes to Russia's reply, we must think first of all about revising the principles of interaction with NATO and start with closing the question of the so-called transhipment point in Ulyanovsk. All this concerns the U.S. directly," Melnikov said. Earlier, Deputy Foreign Minister Sergei Ryabkov said Moscow would not rule out an asymmetrical response to the Magnitsky legislation passed by the U.S. Congress. He warned that if the legislation enters into force, it will have negative consequences for Russia-U.S. relations. "The answer will not at all necessarily be symmetrical, but it's not our choice," Ryabkov said. "A symmetrical answer will be made beyond any doubt but it'll be augmented with a set of some other measures." Russia is strongly against U.S. Congress' attempts to replace the Jackson-Vanik amendment with new "anti- Russian legislation" in the form of the so-called Magnitsky Act that claims to protect human rights and democracy in Russia, Foreign Minister Sergei Lavrov said earlier. He warned that the approval by the U.S. Congress of unilateral punitive measures against the persons purportedly responsible for Sergei Magnitsky's death "will cause serious damage to bilateral relations".

#### Magnitsky act turns all relations.

Makovsky et al January 2012 Dr. Michael Makovsky Director of the National Security Project Jonathan Ruhe Senior Policy Analyst Blaise Misztal Associate Foreign Policy Director Marissa McCauley Administrative Assistant Bipartisan Policy Center A Bull in Bear’s Clothing: Russia, WTO and Jackson-Vanik Task Force Paper | January 2012 http://bipartisanpolicy.org/library/staff-paper/bull-bear%E2%80%99s-clothing-russia-wto-and-jackson-vanik

This became evident even as the United States has considered replacement legislation for Jackson-Vanik (the Magnitsky Act of 2011) that would address U.S. concerns about human rights in Russia while also granting PNTR status. According to the Obama administration, senior Russian government officials have warned that should the Act pass, they will no longer support U.S.-led sanctions against Iran, North Korea or Libya, while also threatening to cut off rights for U.S. military equipment transiting Russia en route to Central Asia. Although Russian officials have since backed off these claims, Moscow has also threatened to respond to the Magnitsky Act with similar sanctions against U.S. officials.7

#### Magnitsky– tanks relations.

New York Times 2/25/12 U.S.-Russian Trade Ties Face Some Political Snags http://www.nytimes.com/2012/02/25/world/europe/us-russian-trade-ties-hit-political-snags.html?\_r=1

The W.T.O. sets the rules governing global commerce and provides a forum for resolving disputes. Russia had sought to become a member for most of two decades, and some studies predict that it stands to gain as much as one percentage point in annual economic growth from membership. But even if the anti-Americanism subsides and order is restored in Syria, other obstacles remain. More than two dozen members of Congress have signed on in support of legislation that would deny travel visas to Russian officials, and others around the world, linked to human rights abuses. The bill is named for Sergei L. Magnitsky, a Russian lawyer who was arrested and died in prison after trying to expose a huge tax fraud by government officials. His supporters say he was denied medical care. Sponsors of the bill, including Senator Benjamin L. Cardin, Democrat of Maryland, say they intend to attach it to any legislation to normalize trade relations with Russia. Supporters include Senator John McCain, Republican of Arizona, who is a fierce critic of the Russian government. The Obama administration opposes the bill, saying that it interferes with the State Department and that steps have been taken to deny visas to accused violators of human rights. “There is more that we can do to support human rights, civil society and freedom of expression in Russia,” Senator Jeanne Shaheen, Democrat of New Hampshire, said in a recent floor speech. “Passing the Magnitsky bill is one of them.” Mr. Magnitsky’s legal client, a British financier named William F. Browder, has made it a personal mission to win justice in the case, including approval of the legislation, and has hired a prominent Washington lobbyist to increase the pressure on Capitol Hill.

## Aff - Link Turns/Answers

### A2: Transportation Unpopular

#### No Link – Transportation funding popular, GOP and Democrats willing to compromise for transportation bill

Jeff Plungis, Bloomberg News, 6/29/12, “Highway Deal Leaves U.S. Trust Fund in Bankruptcy Cycle,”

(<http://www.sfgate.com/business/bloomberg/article/Highway-Deal-Leaves-U-S-Trust-Fund-in-3673804.php>) Accessed 7/3/12

June 29 (Bloomberg) -- The hard-fought compromise on transportation that Congress cleared today doesn’t resolve the quandary that’s dogged U.S. lawmakers since 2009: There isn’t enough money to pay for what they want to build. Instead of raising the U.S. gasoline tax, the largest source of revenue for road, bridge and transit spending, the legislation uses $18.8 billion in general taxpayer money, on top of fuel taxes, to keep spending at current levels through fiscal 2014. “Congress was unable or unwilling to raise revenue to match their desired level of spending or cut their spending to match revenue,” said [Erich Zimmerman](http://www.sfgate.com/?controllerName=search&action=search&channel=business%2Fbloomberg&search=1&inlineLink=1&query=%22Erich+Zimmerman%22), senior policy analyst with Taxpayers for Common Sense, a Washington watchdog group. The bill’s passage today, by votes of 373-52 in the House and 74-19 in the Senate, marks the first time since the [U.S. Highway Trust Fund](http://www.sfgate.com/?controllerName=search&action=search&channel=business%2Fbloomberg&search=1&inlineLink=1&query=%22U.S.+Highway+Trust+Fund%22) was established in 1956 that Congress has authorized transportation programs that won’t pay for themselves, Zimmerman said. The non-transportation revenue sources, including changes to corporate pension rules, will take 10 years to pay for just over two years of transportation funding, he said. Congress has dipped into the general fund to prop up highway and transit spending since the last long-term authorization, a four-year bill, ended in 2009. Since then, lawmakers have passed nine short-term extensions. Avoiding Cutoff Without a long-term bill or another extension of previous law, U.S. authority to collect the 18.4-cents-a-gallon gasoline tax and spend on highways and transit would have run out tomorrow, cutting off money to states for programs funded by the Highway Trust Fund. The [Congressional Budget Office](http://www.sfgate.com/?controllerName=search&action=search&channel=business%2Fbloomberg&search=1&inlineLink=1&query=%22Congressional+Budget+Office%22) has said the fund’s highway account would run out of money during the fiscal year starting in October without additional income sources or spending cuts. While it doesn’t solve the fund’s underlying issues, the bill exceeded what the [U.S. Chamber of Commerce](http://www.sfgate.com/?controllerName=search&action=search&channel=business%2Fbloomberg&search=1&inlineLink=1&query=%22U.S.+Chamber+of+Commerce%22) expected to get done this year, said [Janet Kavinoky](http://www.sfgate.com/?controllerName=search&action=search&channel=business%2Fbloomberg&search=1&inlineLink=1&query=%22Janet+Kavinoky%22), the group’s executive director for transportation and infrastructure. The measure expands the Transportation Infrastructure Finance and Innovation Act, or TIFIA, which leverages federal money with local funding, to $1 billion a year from $122 million annually. It will cut down the time needed to complete projects, Kavinoky said. “It solves 27 months of problems,” Kavinoky said in a telephone interview. “If you’re setting your expectations from back pre-recession and pre-landmark turnover elections, you’re going to be disappointed.” Sustainable Funding Transportation proponents will keep pushing for a long- term, sustainable funding source, Kavinoky said. Their work was made harder this time around because President [Barack Obama](http://www.sfgate.com/?controllerName=search&action=search&channel=business%2Fbloomberg&search=1&inlineLink=1&query=%22Barack+Obama%22) and lawmakers ruled out a boost in gasoline taxes and alternatives such as more tolls or a tax linked to vehicle miles traveled. The challenge in finding new funding sources was underscored June 27 when Representative [Chip Cravaack](http://www.sfgate.com/?controllerName=search&action=search&channel=business%2Fbloomberg&search=1&inlineLink=1&query=%22Chip+Cravaack%22), a first- term Minnesota Republican, amended a[Transportation Department](http://www.sfgate.com/?controllerName=search&action=search&channel=business%2Fbloomberg&search=1&inlineLink=1&query=%22Transportation+Department%22) appropriations bill to prevent the government from imposing or even studying a vehicle-miles-traveled tax. The [Carnegie](http://www.sfgate.com/?controllerName=search&action=search&channel=business%2Fbloomberg&search=1&inlineLink=1&query=%22Carnegie%22) Endowment for International Peace backed an effort last year by former Senator [Bill Bradley](http://www.sfgate.com/?controllerName=search&action=search&channel=business%2Fbloomberg&search=1&inlineLink=1&query=%22Bill+Bradley%22), a New Jersey Democrat, [Tom Ridge](http://www.sfgate.com/?controllerName=search&action=search&channel=business%2Fbloomberg&search=1&inlineLink=1&query=%22Tom+Ridge%22), the former Republican governor of Pennsylvania and [David Walker](http://www.sfgate.com/?controllerName=search&action=search&channel=business%2Fbloomberg&search=1&inlineLink=1&query=%22David+Walker%22), former head of the [Government Accountability Office](http://www.sfgate.com/?controllerName=search&action=search&channel=business%2Fbloomberg&search=1&inlineLink=1&query=%22Government+Accountability+Office%22), to find a sustaining, fiscally sound revenue stream for highways. Temporary Tax The group advocated replacing the gasoline tax paid by consumers with a tax paid by oil companies when they produce or import a barrel of oil. When the price of oil goes down, lowering revenue, it would trigger a temporary tax at the pump. Consumers wouldn’t notice the new tax as much, because it would be in place only when the price of gasoline falls, said [David Burwell](http://www.sfgate.com/?controllerName=search&action=search&channel=business%2Fbloomberg&search=1&inlineLink=1&query=%22David+Burwell%22), director of the Carnegie Endowment’s energy and climate program. “Transportation is a significant contributor to the federal deficit,” with an estimated $70 billion to $100 billion a year being spent on such programs, including debt service and deferred maintenance, Burwell said. “The Trust Fund is going to be even more broke in 2014.” The bill doesn’t address the needs of a changing America in the 21st century, said [James Corless](http://www.sfgate.com/?controllerName=search&action=search&channel=business%2Fbloomberg&search=1&inlineLink=1&query=%22James+Corless%22), director of Transportation for America, a Washington-based policy group. In some ways, it goes back on current law and represents a “substantial capitulation” to the House. “We are encouraged that Congress will avoid a shutdown of the program,” Corless said. “Unfortunately, this last-minute, closed-door deal does little more than that.”

#### No Link – Transportation funding liked by all – new transportation bill proves

Huffington Post, 6/29/12, “House, Senate Pass Transportation Bill, Extend Current Student Loan Rates,”

(http://www.huffingtonpost.com/2012/06/29/transportation-bill-student-loans\_n\_1638116.html) Accessed: 7/3/12

Congress emphatically approved legislation Friday preserving jobs on transportation projects from coast to coast and avoiding interest rate increases on new loans to millions of college students, giving lawmakers campaign-season bragging rights on what may be their biggest economic achievement before the November elections. The bill sent for President Barack Obama's signature enables just over $100 billion to be spent on highway, mass transit and other transportation programs over the next two years, projects that would have expired Saturday without congressional action. It also ends a bare-knuckle political battle over student loans that raged since spring, a proxy fight over which party was best helping voters muddle through the economic downturn. Obama signed a one-week temporary measure Friday evening, permitting the highway and loan programs to continue until the full legislation reaches his desk. Under the bill, interest rates of 3.4 percent for subsidized Stafford loans for undergraduates will continue for another year, instead of doubling for new loans beginning on Sunday as scheduled by a law passed five years ago to save money. Had the measure failed, interest rates would have mushroomed to 6.8 percent for 7.4 million students expected to get the loans over the coming year, adding an extra $1,000 to the average cost of each loan and antagonizing students – and their parents – four months from Election Day. The Democratic-led Senate sent the measure to Obama by a 74-19 vote, just minutes after the Republican-run House approved it 373-52. The unusual display of harmony, in a bitterly partisan year, signaled lawmakers' eagerness to claim credit for providing transportation jobs, to avert higher costs for students and their families and to avoid being embarrassed had the effort run aground. This year has seen the two parties mostly drive each other's plans for tax breaks and economic revival into a stalemate, although lawmakers have enacted bills retaining the Social Security payroll tax cut for a year and renewing a government agency that promotes U.S. exports. "It's important for Congress to act, not just talk about problems we have but to get things done," said Rep. John Mica, R-Fla., a chief House author of the transportation measure. "We have a bill that will boost this economy," said Sen. Barbara Boxer, D-Calif., a sponsor who said the measure would create or save 2.8 million jobs. "We have a bill that is supported by conservatives and liberals, progressives and moderates. I think this is a great day." All the no votes were cast by Republicans. The compromise ended up sprinkled with unrelated nuggets dealing with Asian carp, roll-your-own tobacco and federal timber aid. But its most significant provisions dealt with transportation and student aid. The final transportation measure dropped a provision – which had drawn an Obama veto threat – that would have forced government approval of the controversial Keystone XL oil pipeline from Canada to the Texas coast. But it contains curbs on environmental reviews of transportation projects. Republicans sought those curbs in hopes of cutting construction time almost in half. The bill consolidates federal transportation programs and gives states more flexibility in spending money from Washington. It also contains an array of safety initiatives including requirements aimed at enhancing bus safety. And it makes advocates of bike and pedestrian paths compete for money with other transportation projects. White House spokesman Jay Carney said the administration was glad Congress acted "before middle class families pay the price for inaction." He said Obama will keep pressing for approval of more of his job-creating proposals from last year, to hire teachers, police officers and firefighters and for tax credits to companies that hire new workers. Most of the overall measure was financed by extending federal taxes on gasoline and diesel fuel for two more years. Those levies, unchanged for nearly two decades, are 18.4 cents a gallon for gasoline and 24.4 cents for diesel and now fall well short of fully financing highway programs, which they were designed to do. About $20 billion would be raised over the next decade by reducing tax deductions for companies' pension contributions and increasing the fees they pay to federally insure their pension plans. In return, a formula was changed to, in effect; let companies apportion less money for their pensions and to provide less year-to-year variation in those amounts. To raise other revenue, the government will start charging interest on subsidized Stafford loans no more than six years after undergraduates begin their studies. Today no interest is charged until after graduation, no matter how long that takes. In addition, a loophole was tightened to make it harder for businesses with roll-your-own cigarette machines to classify the tobacco they sell as pipe tobacco – which is taxed at a lower rate than cigarette tobacco. The change is expected to raise nearly $100 million. Some federal workers would be allowed to work part-time as they gradually retire, saving the government money because the workers would receive only partial salaries and retirement annuities. As often happens with bills that are certain to win the president's signature, the measure became a catch-all for other unrelated provisions. One would order the government to accelerate work on a plan for preventing Asian carp, which devour other species, from entering the Great Lakes from the Mississippi River. It drew opposition from Sen. Dan Coats, R-Ind., and some other lawmakers arguing that blocking the fish could interfere with shipping, but the Senate turned their objections aside. Federal flood insurance programs that protect 5.6 million households and businesses were extended, allowing higher premiums and limiting subsidies for vacation homes to help address a shortfall in the program caused by claims from 2005's Hurricane Katrina. The measure also steers 80 percent out of billions in Clean Water Act penalties paid by BP and others for the 2010 Deepwater Horizon oil rig explosion to the five Gulf states whose beaches and waters were soiled by the disaster. The money would have otherwise gone to federal coffers. Federal timber subsidies worth $346 million would be distributed for another year to rural counties, while other funds would be steered to rural school districts. The bill also eases restrictions that force most American food aid to be shipped abroad on U.S.-flagged vessels.

#### No Opposition from Congress towards transportation bill

Laing 7/2**/2012**, Keith Laing (Congressional Reporter at The Hill). “LaHood thanks Congress for passing highway bill”. <http://thehill.com/blogs/transportation-report/highways-bridges-and-roads/235941-lahood-thanks-congress-for-passing-highway-bill->. (Accessed 7/4/12).

Transportation Secretary Ray LaHood said Monday that his former colleagues in Congress should be applauded for passing a $105 billion transportation spending bill in the midst of an election year. LaHood, who was a Republican member of the House before he was appointed to his Cabinet position by President Obama in 2009, said in a [**post**](http://fastlane.dot.gov/2012/07/transportation-bill-passes.html) on his "Fast Lane" blog on the transportation department's website that the highway legislation was "a good bill that will create [jobs](http://thehill.com/blogs/transportation-report/highways-bridges-and-roads/235941-lahood-thanks-congress-for-passing-highway-bill-), strengthen our transportation system, and grow our economy. "Transportation moves our economy, so legislation that keeps America's transportation network operating safely and reliably is a national priority," LaHood wrote. "And it's no secret that I have pressed steadily for our legislators to set aside politics and pass a bipartisan bill that puts America first. So, it is welcome [news](http://www.surfcanyon.com/search?f=sl&q=com%20news&partner=wtigca) that Congress has done that."

### Plan Popular – Generic

#### There is bipartisan support for infrastructure

Epstein 11 (Jennifer Epstein, “President Obama pushes infrastructure repair, blasts Congress”, 11/2/11, http://www.politico.com/news/stories/1111/67458.html)

Quoting top congressional Republicans and former President Ronald Reagan, the president stressed that infrastructure repair and construction is a national prerogative, one that should have bipartisan support when a piece of his jobs bill comes up for a Senate vote later in the week. “If the speaker of the House, the Republican leader in the Senate, all the Democrats, all say that this is important to do, why aren’t we doing it? What’s holding us back? Let’s get moving and put America back to work,” Obama said in a morning speech on the banks of the Potomac River, the Key Bridge behind him crossing from the District of Columbia to Virginia.

### Transportation Bipart

#### No Link – Transportation infrastructure funding is bipartisan- both sides willing to compromise

Dan Miner, UTICAOD, "Highway Bill Draws Praise from Hanna, Criticism from Opponent, 6/2/2012, (<http://www.uticaod.com/news/x1081605148/Federal-highway-bill-passes-Hanna-supports-House-Senate-deal>) Accessed: 7/3/12

The new federal highway bill will provide long-term stability for infrastructure planning and ensure economy-boosting construction projects, U.S. Rep. Richard Hanna, R-Barneveld, said Monday. But one of Hanna’s opponents in the upcoming election, Democrat Dan Lamb of Dryden, criticized the effort saying an overhaul in how federal transportation programs are funded is necessary to meet the nation’s needs. Hanna conducted a news event Monday to tout the benefits of the bill, which allocates more than $100 billion in infrastructure investment across the country through 2014. He was accompanied by state Transportation Commissioner Joan McDonald, who praised the bill, as well as Oneida County Executive Anthony Picente, state Assemblyman Anthony Brindisi, D-Utica, and state Sen. Joseph Griffo, R-Rome. Hanna acknowledged he doesn’t agree with all of the bill’s provisions, saying he wishes the term was longer and that more work was done to find a long-term revenue structure for infrastructure projects. “There are things in there that both parties don’t like,” Hanna said. “So, it’s got to be good.” But he said it was a significant compromise between the Democrat-controlled Senate and Republican-controlled House – and pointed out it’s the first highway bill that’s been passed since 2005. Hanna said a lack of earmarks made the passage more difficult but ultimately will benefit New York because those earmarks usually benefit the state’s eastern political power centers. New York state will receive about $1.6 billion in highway funding – maintaining its 4.34 percent share of the federal highway program – and $1.4 billion in transit funding over each of the next two years. “It’s an investment that pays back,” Hanna said. “It puts people to work in high-paying, middle-class jobs.” Michael Kicinski, an Earlville Republican who lost the GOP primary to Hanna but is seeking to re-enter the race on an independent line, said he is withholding comment until he has a chance to review the bill more fully. Lamb, however, said more investment is necessary, which will mean finding a way to generate more revenue than the per-gallon gasoline tax currently generates. He cast the deal as a missed opportunity. “These are the sort of things policy makers really have to grapple with and I don’t see any evidence that occurred,” he said. Lamb’s office issued a news release showing the state’s 2011 highway funding – $1.7 billion – was more than the roughly $1.6 billion in each of the next three years funded by the recently passed bill. Hanna’s office said the dip in funding was a scheduled reduction.

### A2 Spending Links

### A2: Public Spending

#### Public cannot wait for spending on highways bridges and mass transit

Plungis 6/28/12, (Jeff Plungis, Washington Correspondent at [The Detroit News](http://www.linkedin.com/company/the-detroit-news?trk=ppro_cprof), Editor, Reporter at [Congressional Quarterly](http://www.linkedin.com/company/congressional-quarterly?trk=ppro_cprof), Editor at Empire State Report, Bloomberg, “Congress Readies Transportation Plan With Focus On Roads”, http://www.bloomberg.com/news/2012-06-27/u-s-highway-legislation-stresses-spending-on-roads-bridges.html)

“**The public just cannot wait**,” said Mica, a Florida Republican who negotiated for the House. “We had to provide some stability. A six-month extension would have been a disaster at this point in our economic situation.” **The compromise measure would extend current levels of spending on highways, bridges and mass transit through the end of fiscal 2014**, Mica said. The money to pay for the transportation projects will come from the Highway Trust Fund and an infusion of general taxpayer cash, Senate Finance Committee Chairman [Max Baucus](http://topics.bloomberg.com/max-baucus/) said in a statement last night. The general tax money will be fully offset by changes to tax law, including one that stabilizes pension interest rates and another that raises company premiums for the Pension Benefit Guaranty Corp.

### HSR Popular

#### ( ) HSR builds capital. Prefer our ev – political momentum’s with us.

Hart ‘12

Thomas Hart Jr. is director of government relations at Quarles & Brady, and vice president of government affairs for the US High Speed Rail Association. Politico – May 23, 2012 – lexis

In California, where the US High Speed Rail Association is hosting a conference in San Francisco this week, a high-speed rail corridor is also viable because of major population centers from Sacramento to San Jose to San Francisco, then south through the Central Valley to Los Angeles and San Diego. Gov. Jerry Brown and Dan Richard, the new chairman of the California High-Speed Rail Authority are planning to begin construction next year of an 800-mile high-speed rail system connecting the major cities. This entire project is now projected to be completed over 30 years at a cost of $68 billion. In a state with high unemployment, it is expected to create an estimated 150,000 jobs during construction, and 450,000 related jobs along the corridor. It is projected to remove more than 1 million automobiles and use only 30 percent of the energy needed for airplanes. A 2008 California ballot proposition authorized financing for initial construction, along with requirements for federal matching funds. California received some 2009 stimulus funding. It also has a $3.3 billion Department of Transportation grant for construction in the Central Valley, the backbone of the system, where trains are expected to run at top speeds of 220 mph. The CHSRA is now moving ahead with construction plans for the Central Valley, due to begin in 2013 and finish in 2017, at a cost of $6 billion. Brown has long been strongly committed to high-speed rail as a transportation alternative for the state's rapidly growing population. He is supported by Sen. Barbara Boxer (D-Calif.), chairwoman of the Environment and Public Works Committee and co-chairwoman of the conference committee of the surface transportation bill, and House Democratic leader Nancy Pelosi (D-Calif.), whose slogan "It's About Time" has become a rallying cry for progressive Californians. The political winds are beginning to shift, and some elected officials see that there can be political consequences from strongly opposing high-speed rail. The governors on record as opposing projects are among the least popular - including Rick Scott in Florida, who rejected federal money. A new political group is now forming Republicans for Rail. There is also talk of starting a rail super PAC to generate money and grass-roots support for additional rail transit investments. If this political shift continues in the crucial 2012 elections, prospects for U.S. high-speed rail, particularly along the East and West Coasts, could finally brighten.

#### ( ) HSR is *on balance* bipartisan – gas price fear outweigh spending concerns

Livable Cities ‘12

(April 9th – “Bipartisan Support for High-Speed Rail Mostly on Track” – http://www.livablecities.org/blog/bipartisan-support-high-speed-rail-mostly-track)

Despite the (likely underestimated) price tag, concerns over budget shortfalls, and the emphasis on public transit, the plan is receiving bipartisan support in Congress and at the state level. At a time when gas prices are set to reach $5 per gallon, you’d hope that common sense and the desire for energy independence would make support for high-speed rail a sure thing—a nonpartisan issue. But the usual skeptics remain, of course, including republican governors from Ohio and Wisconsin, who rejected federal money for the project. The biggest upset has been Florida governor, Rick Scott’s refusal of more than $2 billion for a section between Tampa and Orlando that was set to become a shining example of intercity rail, job creation (more than 24,000 projected), and improved livability. Despite a swift backlash, Florida’s state Supreme Court upheld the governor’s decision and the money will now be available to other states including Vermont, Rhode Island, Virginia, Delaware, New York, and California. In an effort to support disheartened high-speed rail supporters in Florida, U.S. Transportation Secretary Ray LaHood has agreed to let a regional rail authority in central Florida compete for the funding.

#### ( ) Neg links exaggerate. Economic and environmental concerns outweigh.

Business Wire ‘11

(internally quoting Environmental Law & Policy Center Executive Director Howard Learner – The Environmental Law & Policy Center is the Midwest's leading public interest environmental legal advocacy and eco-business innovation organization. April 13th – http://www.businesswire.com/news/home/20110413006559/en/High-Speed-Rail-Moving-Budget-Cuts-Environmental-Law)

Rumors of high-speed rail’s demise have been greatly exaggerated, according to Environmental Law & Policy Center (ELPC) Executive Director Howard Learner. The Federal Railroad Administration will soon be making $2 billion in new federal high-speed rail grants for shovel-ready projects in response to competitive requests from 24 Governors—12 Democrats, one Independent and 11 Republicans. These upcoming investments should move high-speed rail forward notwithstanding the disappointing FY 2011 budget cuts. The partisan attacks are counter to the pragmatic understanding of both Democratic and Republican Governors that modern high-speed rail makes sense for their states and for the nation. Americans want modern, fast and better rail service that can improve mobility, reduce pollution, create jobs and spur economic growth, Mr. Learner commented: “High-speed rail investments are on track with vast bipartisan support across the country. While bickering continues inside the Beltway, projects are moving forward, jobs are being created, and dozens of governors from both sides of the aisle are applying for $2 billion in available funding.

### Mass Transit Popular

#### Mass transit popular – Villaraigosa proves

Lacter 6/29 (Mark Lacter Staffwriter “Villaraigosa finally gets federal loan program for mass transit work” <http://www.laobserved.com/biz/2012/06/villaraigosa_finally.php>)

Somewhere within a massive transportation bill that Congress approved today is a section that's designed to speed up local transit projects, such as the expansion of L.A.'s subway system. This is the one that the mayor has been pushing for the last two years - a plan that he claims will allow the Westside subway extension to be completed in 10 years instead of 30. The funds would also go toward highways, bus operations and street improvements. From the LAT: Officials say that $20 billion in federal loans could be made available nationally over the next two years under the legislation. Loans to the MTA would be repaid from the half-penny sales tax increase approved by L.A. County voters in 2008. But the loans alone will not be enough. Villaraigosa has proposed a ballot measure in November to extend the half-penny sales tax beyond 2039 to help fund his initiative. The bill's passage was complicated this year by election year politics, divisions within the House GOP ranks over the level of spending and a ban on lawmakers earmarking funds for transportation projects, a practice that in the past helped win votes but drew criticism after the last big transportation bill, in 2005, was filled with thousands of earmarks, including Alaska's "bridge to nowhere.''

### Keystone – Link Turn

#### No Link – Keystone popular - The public supports construction of the keystone pipeline due to the potential for jobs.

Washington Post 07/01/12 ("ENVIRONMENTAL CHANGE AND CAUSES - WASHINGTON POST POLL." Washington Post. The Washington Post, 01 July 2012. Web. <http://www.washingtonpost.com/politics/polling/keystone-significantly-environment-pipeline/2012/07/01/gJQAa3RzEW\_page.html>.)

The American public is firmly behind the keystone pipeline, seeing plenty of upside in potential jobs and limited environmental downside. Nearly six in 10 saying the U.S. goverment should approve the project. The wide acceptance of the pipeline is rooted in the fact that 83 percent believe it wil create a significnat number of jobs. Nearly half think it will not cause significant damage to the environment.

#### Plan popular among public- jobs prove

Mufson 6/30 (Steven, 6/30/12 staff writer covering energy and other financial news at the Washington Post, “Keystone XL Pipeline Driven by Oil Rich Tar Sands in Alberta” <http://www.washingtonpost.com/business/economy/keystone-xl-pipeline-expansion-driven-by-oil-rich-tar-sands-in-alberta/2012/06/30/gJQAVe4ZEW_story.html>)

The Canadian Association of Petroleum Producers estimates that production, now 1.7 million barrels a day, could nearly double by 2020, enough to supply nearly 20 percent of U.S. oil consumption. With that, the oil sands would be producing more than Venezuela, Nigeria, Iraq or Kuwait. The rush to expand has been fueled by high oil prices, which for the past six years have held above the $50 threshold needed to make the oil sands projects profitable, and has turned this northern Alberta outpost into a bustling boomtown. This expansion is the reason TransCanada proposed building the Keystone XL pipeline, a 1,700-mile line that would add a link between Alberta and the hungry oil refineries on the Texas coast of the Gulf of Mexico. The pipeline has become a powerful symbol and political pawn this election year. It is also a sort of Rorschach test of how Americans view energy issues: Are we energy rich or energy poor? How do energy policies affect job creation, tax revenue and U.S. manufacturing competitiveness? How pressing are ­climate-change concerns, and how do we balance them with economic priorities? The American public is firmly behind the pipeline, seeing plenty of upside in potential jobs and limited environmental downside. A new [Washington Post poll](http://www.washingtonpost.com/page/2010-2019/WashingtonPost/2012/07/01/National-Politics/Polling/release_96.xml) finds nearly six in 10 saying the U.S. government should approve the project. Its wide acceptance is rooted in the fact that 83 percent think it will create jobs. Nearly half think it will not cause significant damage to the environment. The oil industry and many national security experts think that importing more oil from Canada, a stable neighbor and ally, will make the United States more secure, and they worry that, without the Keystone XL, Canada will send that oil to China.

#### Supporters pushing hard now

UPI 6/29 (United Press International , a global operation news source since 1907 “Keystone XL Backers Vow to Soldier On” <http://www.upi.com/Business_News/Energy-Resources/2012/06/29/Keystone-XL-backers-vow-to-soldier-on/UPI-52631340974864/>)

WASHINGTON, June 29 (UPI) -- Supporters of the Keystone XL oil pipeline from Canada say they're not ready to give up their effort to expedite the approval process. A transportation bill that maintains tax revenue generated from retail gasoline sales moved forward this week without a provision for the Keystone XL oil pipeline.

The White House in January rejected a permit for Keystone XL because of concerns about the route through Nebraska. Republican critics of U.S. President [Barack Obama](http://www.upi.com/topic/Barack_Obama/)'s energy policy have tried to push the project forward through as riders to a variety of bills. The White House said it would veto the transportation bill if it contained language on Keystone XL.

U.S. Rep. Lee Terry, R-Neb., this week said he was "ready to pounce" on the next chance to attach the project to new legislation, news Web site Politico reports. An assistance to a senior Republican official told Politico the Keystone XL fight was far from over. "This is not the last you've heard of this issue," the aide said on condition of anonymity. "Not by a long shot." TransCanada, the company behind the pipeline, has resubmitted an application for the project. It expects approval by early 2013.

The company aims to start construction on the U.S. leg of the pipeline, the Gulf Coast Project, this summer.

#### Second half of the pipeline will pass- it’s just a matter of when

UPI 6/27 (United Press International , a global operation news source since 1907 “Keystone XL Backers Vow to Soldier On” <http://www.upi.com/Business_News/Energy-Resources/2012/06/29/Keystone-XL-backers-vow-to-soldier-on/UPI-52631340974864/>)

Canadian pipeline company TransCanada said it secured some permits needed to build the U.S. leg of the Keystone XL oil pipeline. TransCanada had to reapply for a section of the planned Keystone XL pipeline from oil fields in Canada after lawmakers in Nebraska objected to original route plans. The domestic Gulf Coast Project is a 485-mile leg of the pipeline that would stretch from Cushing, Okla., to southern Texas. Another 47-mile project would transport oil to refineries in Houston. TransCanada spokesman Shawn Howard told the Platts news service the company secured one of the three permits from the U.S. Army Corps of Engineers it needs to build the southern U.S. leg of the Keystone XL pipeline. "We continue to believe that we will be in a position to begin construction later this summer and are working with the corps and others to secure the approvals and permits we require," he was quoted as saying. The section from Canada needs federal approval because it would cross international borders. No such permit is required for the U.S. section and TransCanada expects to have oil flowing through that section by the second half of 2013. The initial transport capacity would be 700,000 barrels of oil per day.

#### House republicans love Oil Pipeline – won’t pass transportation bill without it.

Olympian 6/13/12, ( THE OLYMPIAN, news about everything, 6/13/12, The Olympian, “GOP selfish in stalling transportation bill”, http://www.theolympian.com/2012/06/13/2138607/gop-selfish-in-stalling-transportation.html)

**Democrats and Republicans reached bipartisan support in the U.S. Senate on a transportation spending bill** that would send $44 million next year to Washington state for construction on roads, bridges, rail and public transit, creating an estimated 30,000 jobs. After last week’s weak jobs report, you’d think our national leaders couldn’t wait to pass a bill that puts so many Americans back to work. And if U.S. senators reached bipartisan support, **what’s the problem**? Two words: **House Republicans**. While the Senate achieved bipartisan support, the GOP-majority in the House didn’t even pass a bill of its own. **It has preferred to throw up obstacles to the Senate bill, unless Congress and the Obama administration approve the oil pipeline stretching from Canada to Texas.** Such tactics suggest Republicans are intentionally stalling economic recovery, which they will then shamelessly blame on President Barack Obama in an effort to weaken his chances at re-election in November. That’s not just dirty politics. Stalling transportation spending hurts individuals and families who can’t make house or car payments. It hurts local businesses. It forces even more people to seek unemployment benefits, and everyone pays the cost of that. It hurts our nation.

#### No Link – Keystone gaining bipartisan support

JENNIFER STEINHAUER, Los Angeles bureau chief, 4/19/12, New York Times, “Democrats Joining G.O.P. on Pipeline,” (<http://www.nytimes.com/2012/04/20/us/politics/democrats-join-gop-on-pipeline-vote.html>), Accessed: 7/3/12

WASHINGTON — President Obama is finding himself increasingly boxed in on the Keystone pipeline fight as more Congressional Democrats are joining Republicans in backing the project, which has strong labor support and could generate significant numbers of jobs in economically hard-hit states. On Wednesday, the House passed a short-term transportation bill that included a provision that would pave the way for the construction of the next stage of the oil pipeline, a measure that Mr. Obama has said he would veto. The bill passed 293 to 127, with 69 Democrats supporting it. It is the fourth time the House has passed a measure to expedite the project; one failed narrowly in the Senate only after Mr. Obama personally lobbied some Democrats to vote no. With the House vote, Mr. Obama finds himself, for the first time in his presidency, threatening a veto on a significant piece of legislation that enjoys the support of an increasing number of Democrats, as well as the vast majority of Republicans in Congress. With gas prices sticking near $4 a gallon, unemployment high in many states and demonstrable support for the project in numerous polls, many Democrats — especially those from states where pipelines are commonplace — are beginning to sound almost indistinguishable from Speaker John A. Boehner, who called Mr. Obama “increasingly isolated” in his opposition to expanding the project. Representative Dennis Cardoza, a California Democrat who voted for the House measure, said he would be happy to vote to override a veto if needed. He said: “I think the president has made a very serious mistake here. I’m still supporting the president. But we have to do what’s right.” The pipeline expansion was deemed suitable last year after extensive review by the State Department, but it was prevented because of concerns in Nebraska — including those pressed by Gov. Dave Heineman, a Republican — over the proposed route. Mr. Heineman called a special session of the Legislature that resulted in a law requiring a modified route, but the Obama administration, facing continued protests from environmental groups that are resistant to new pipelines period, said it would delay a decision on the new route until after the election. Republicans were enraged, arguing that the project could begin while a new Nebraska route was cobbled together, and passed various bills to circumvent the administration. Wednesday’s vote came the day after Mr. Heineman signed a bill to review a new version of the project quickly. In addition, TransCanada, the company behind the project, said this week that it had created a new route through Nebraska that would avoid the environmentally sensitive Sand Hills region and the Ogallala Aquifer. But the State Department, which has some measure of control over the project because it crosses international borders, would still need to review a new submitted plan. All year, House Republicans have made it a central goal to win approval of the pipeline, which would stretch from oil sands formations in Alberta, Canada, to refineries on the Gulf Coast. The number of jobs that could be created by the Keystone expansion — supporters say 20,000 — is disputed. But many companies and unions around the country have been clamoring for the extension. Now that the House has approved a transportation bill that differs from one passed in the Senate, the two chambers must go to conference. Because of the pressure on both parties to pass a highway measure, the thirst for compromise will be high. Central to the theater will be Senator James M. Inhofe, Republican of Oklahoma, and the Democrat who is co-author of the Senate highway bill, Barbara Boxer of California. “At the end of the day,” said Matt Dempsey, a spokesman for Mr. Inhofe, “people really want the highway bill done. Keystone has gotten overwhelming bipartisan support in both chambers. So that puts President Obama in an awkward spot where these two things match up together.” Ms. Boxer, who has called for a “truly bipartisan” bill, would not comment on the prospects for the conference committee. And Representative Steny H. Hoyer of Maryland, the minority whip who supports the project, would not be thrilled if House Democrats were to have to deal with a veto. Senator Harry Reid of Nevada, the majority leader, was noncommittal on Thursday in a news conference. “It’s pretty clear now how we stand on this issue,” he said. “We’ve voted on it a number of times. But maybe somebody will come up with some magic formula that will allow us to do more.” Jay Carney, the White House spokesman, did not dig in one way or the other on Thursday. “They seem to have taken a step in Nebraska to meet requirements set by the Nebraskan Legislature,” Mr. Carney said. “And as the president said when he was in Oklahoma, we anticipate a submission by TransCanada in the future, and we’ll judge it accordingly.” But Democrats like Senator Bob Casey of Pennsylvania say they would support a highway bill with a Keystone pipeline provision. “I would vote for it, yes,” Mr. Casey said. Democrats beyond Washington — including those who run unions, build pipeline parts and run cities or states — have also been big supporters of the project. “Cool down, cowgirl,” said Gov. Brian Schweitzer, Democrat of Montana, when told about the current situation in Congress. “I am a very large advocate of Keystone, and it disgusts me that instead of solving the issue, the people in Washington just fight.”

#### Turn – Obama and the Senate oppose Keystone pipeline

Ali Weinberg, NBC News Political Unit , March 8 2012, Keystone pipeline measure fails; GOP blames Obama, NBC news, <http://firstread.msnbc.msn.com/_news/2012/03/08/10613875-keystone-pipeline-measure-fails-gop-blames-obama?lite>, [ 7/3/12]

Senate Republicans blamed the defeat of a measure that would have allowed Congress to greenlight cross-border drilling without presidential approval on President Obama’s calling Senate Democrats urging them not to vote for it. The amendment, which was defeated by a 56-42 vote, was sponsored by Sen. John Hoeven (R-ND) and would have given Congress the authority to approve construction of a portion of the Keystone pipeline project that passes through Canada. Senate Minority Leader Mitch McConnell (R-KY) suggested the amendment was four votes shy of the 60-vote threshold because of President Obama’s efforts to dissuade senators from voting for it. “President Obama's personal pleas to wavering senators may have tipped the balance against this legislation," McConnell said. "When it comes to delays over Keystone, anyone looking for a culprit should now look no further than the Oval Office." Earlier today, White House press secretary Jay Carney confirmed that President Obama personally called Senate Democrats regarding the amendment, which was tacked on to a multi-billion-dollar transportation bill that has received bipartisan support. Carney refused, however, to “get into individual names or length of conversation.” He accused Republicans of playing politics with the issue, noting that TransCanada has not yet identified a pipeline route that would pass muster with the state of Nebraska (even though the Hoeven amendment would have still made the pipeline contingent on an environmental review of the Nebraska portion). “The president believes that it is wrong to play politics with a pipeline project whose route has yet to be proposed, a fact that the company involved affirmed again this week, that they have not yet identified a route for this possible pipeline,” Carney said. Thursday morning, Obama’s calls to Senate Democrats quickly became a rallying point for House Republicans seeking to paint Obama as doing everything he can to obstruct development of the Keystone project. “According to reports the President of the United States is personally lobbying senators to oppose a Keystone XL pipeline amendment in the United State Senate today,” House Speaker John Boehner said in a briefing with reporters. He added, “By personally lobbying against the Keystone pipeline, it means the president of the United States is lobbying for sending North American energy to China and lobbying against American jobs."

### NIB Popular

#### Turn – Growing support among unions, businesses and congress

COOPER ‘11 (MICHAEL, new York times writier , March 15, 2011, Group Wants New Bank to Finance Infrastructure, New York Times, <http://www.nytimes.com/2011/03/16/us/politics/16infrastructure.html>, [ 7/3/12]

Amid growing concerns that the nation’s infrastructure is deteriorating, a group of Democrats, Republicans, and labor and business leaders called Tuesday for the creation of a national infrastructure bank to help finance the construction of things like roads, bridges, water systems and power grids. The Download for Android The proposal — sponsored by Senator John Kerry, Democrat of Massachusetts, and Senator Kay Bailey Hutchison, Republican of Texas — would establish an independent bank to provide loans and loan guarantees for projects of regional or national significance. The idea is to attract more infrastructure investment from the private sector: by creating an infrastructure bank with $10 billion now, they say, they could spur up to $640 billion worth of infrastructure spending over the next decade. “We have a choice,” Mr. Kerry said at a news conference in Washington. “We can either build, and compete, and create jobs for our people, or we can fold up, and let everybody else win. I don’t think that’s America. I don’t believe anybody wants to do that.” To underscore the need for better infrastructure, two frequent rivals were on hand at the news conference: Richard Trumka, the president of the A.F.L.-C.I.O., and Thomas J. Donohue, the president of the U.S. Chamber of Commerce, the main business lobby. With a nod to the strange-bedfellows experience of having a labor leader as an ally, Mr. Donohue said, “He and I are going to take our show on the road as the new ‘Odd Couple.’ ” But the proposal may not have clear sailing. While Senators Harry Reid of Nevada, the majority leader, and Charles E. Schumer of New York, the No. 3 Democrat, will undoubtedly support the measure, Senate officials said the outlook for such a program is dim, given the current fiscal constraints. And Congress, like state governments, has been hesitant to cede control of choosing which projects to finance, even as their spending priorities have often been questioned. President Obama has called for establishing an infrastructure bank since his 2010 campaign. His budget calls for establishing one — and gives it the catchier name I-Bank — that would work somewhat differently: it would create a $30 billion bank that would invest in transportation projects alone, and that would provide grants as well as loans. With an expanded reach that includes water and energy projects, the bank being proposed in the Senate would be able to spur investment from more types of private funds, and back projects in a wider swath of the nation, said Michael B. Likosky, the author of “Obama’s Bank: Financing a Durable New Deal.”

#### Plan's implementation is bipartisan - nixes opposition

Lehigh**,** Globe Columnist, 2011 Scot Lehigh, Globe Columnist, Sept. 14, 2011, “Infrastructure bank will spur economy” Boston Globe, <http://articles.boston.com/2011-09-14/bostonglobe/30155939_1_infrastructure-bank-energy-projects-loan>

By backing part of a project’s cost, the bank would make it attractive for other investors to finance the rest. Only highway, water, and energy projects would qualify - and to be eligible, the project would have to have a dedicated revenue stream like road or bridge tolls or water bills to finance the debt. “You’d have the kind of revenue streams that people dream of for stability,’’ says Kerry. At a time when safe investments are much in demand, the bank would represent a real opportunity for global pension, sovereign wealth, private equity and mutual funds. “If it is done right, it could expand exponentially the amount of infrastructure spending that we have,’’ says Senator Hutchison. And this bank is designed right, she says. Professionally staffed, it would have conservative lending standards. Its board would be bipartisan, its process independent of political pressure. In no case would it loan more than 50 percent of a project’s cost, meaning the undertaking would have to attract significant other investment dollars before going forward.

#### Plan's popular — Congress, labor, and Chamber of Commerce

**Riley**, staff reporter, 20**11** Charles Riley, "Infrastructure bank: Plan would leverage federal money," CNN, http://money.cnn.com/2011/03/15/news/economy/infrastructure\_bank/index.htm

Sens. John Kerry of Massachusetts and Kay Bailey Hutchison of Texas think so, and want to create a federal infrastructure bank that would provide loans and loan guarantees to help fill gaps in project financing. 34 Here's how it would work: After an initial round of federal funding, the bank would offer loans to give projects a needed jolt of money. Eventually, interest paid on the loans would make the bank self sufficient. Kerry and Hutchison introduced the legislation -- dubbed the BUILD Act -- during a press conference on Tuesday. They were joined by an unlikely pair: AFL-CIO union boss Richard Trumka and U.S. Chamber of Commerce president Tom Donohue. Trumka is a powerful voice for unions in Washington; Donohue represents the most influential business lobby. The two organizations have come together before around common interests in government spending. But their willingness to speak in support of the proposal suggests the bill might gain momentum despite the anti-spending climate. "We are living with very difficult budget circumstances, not just in Washington but in every city, state and town throughout America," Kerry said. "We need to do more with less." The federal government currently spends about $65 billion a year on infrastructure, $50 billion of which goes to local and state governments in the form of grants. While that sounds like a hefty chunk of change, it's actually around 2% of federal spending. Other countries -- including China -- are spending far more on infrastructure as a percentage of gross domestic product, Kerry said. Congress unites over BEER bill "We have a choice," Kerry said. "We can either build and compete and create jobs for our people, or we can fold up and let everyone else win." The Kerry-Hutchison proposal is not the first time an infrastructure bank idea has been floated on Capitol Hill. But Kerry said the new proposal costs far less, and will be paid for by finding money in the current budget. President Obama has long championed the idea of an infrastructure bank. Kerry said he had discussed the bill with the White House's top economic man, Gene Sperling, and Treasury Secretary Tim Geithner, who both responded favorably.

### A2 Oil Lobby

#### ( ) Since BP spill, oil lobby is weak.

Baram ‘10

(Marcus Baram is a news editor at the Huffington Post. Huffington Post – July 21st – http://www.huffingtonpost.com/2010/07/21/bp-big-oil-slightly-incre\_n\_653661.html)

In the wake of the biggest oil spill in the nation's history and facing a government intent on tightening regulation of the oil and gas industry, BP and some of its competitors slightly increased their spending on lobbying in the second quarter of 2010. In its effort to shape the upcoming regulatory changes and a host of other issues, from financial reform to climate change legislation, BP spent $1,720,000 on lobbying from April through June, compared to the $1.6 million it spent in the first quarter of the year. In addition to a team of in-house lobbyists led by Elizabeth Reicherts, the company's senior director of U.S. government and international affairs, BP also paid high-powered lobbyists at the Podesta Group; the Duberstein Group; Arnold & Porter; the Alpine Group; Stuntz, Davis & Staffier; Thomas Advisors and Eris Group. And the industry's main trade group, the American Petroleum Institute, almost doubled its spending to $2.3 million in the quarter, likely out of concern about the Obama administration's current moratorium on offshore drilling. Chevron increased its spending by almost 27% to $3.92 million and Shell increased its spending by almost 75% to $4.05 million. The owner of the Deepwater Horizon, which exploded at the start of the quarter, on April 20, causing the massive oil spill, also increased its visibility on Capitol Hill. Transocean spent $110,000 on lobbying by the Capitol Hill Consulting Group. Halliburton, the massive oil services company which has been potentially implicated in the incident due to its cementing work, decreased its spending by almost half, shelling out $70,000 for lobbying in the second quarter. Other oil giants actually decreased their spending in the quarter -- ExxonMobil spent $2.52 million compared to $3.39 million in the first quarter, ConocoPhillips spent $5.52 million compared to $6.41 million in the first quarter. API spent much of the quarter lobbying on oil spill legislation currently before Congress, "including amending the 1990 Oil Pollution Act and a measure to strengthen federal oversight of the blowout preventers that apparently failed on the BP rig," reports Roll Call. Overall, the oil industry's biggest players only slightly increased their spending in the quarter to $25.6 million, from $24.3 million in the first quarter, according to an analysis by Reuters. The amount is still $2 million less than what the sector spent in the second quarter of 2009. The up and down numbers reflect the challenge facing the industry, according to several lobbyists who declined to be named. Though they are willing to spend millions to influence pending legislation that could hurt their bottom line, most oil companies are acutely aware that a heavy lobbying presence could appear unseemly in the wake of the Gulf disaster.

### Winners Win

#### ( ) Winners Win

Singer ‘9

(Jonathan -- senior writer and editor for MyDD. Singer is perhaps best known for his various interviews with prominent politicians. His interviews have included John Kerry, Walter Mondale, Bob Dole, Michael Dukakis, and George McGovern, Barack Obama, John Edwards, and Tom Vilsack. He has also also interviewed dozens of senatorial, congressional and gubernatorial candidates all around the country. In his writing, Singer primarily covers all aspects of campaigns and elections, from polling and fundraising to opposition research and insider rumors. *He has been quoted or cited in this capacity* by Newsweek, The New York Times, USA Today, The Politico, and others. My Direct Democracy, 3-3-09, [http://www.mydd.com/story/2009/3/3/191825/0428](http://www.thespacereview.com/article/499/1))

From the latest NBC News-Wall Street Journal survey: Despite the country's struggling economy and vocal opposition to some of his policies, President Obama's favorability rating is at an all-time high. Two-thirds feel hopeful about his leadership and six in 10 approve of the job he's doing in the White House. "What is amazing here is how much political capital Obama has spent in the first six weeks," said Democratic pollster Peter D. Hart, who conducted this survey with Republican pollster Bill McInturff. "And against that, he stands at the end of this six weeks with as much or more capital in the bank." Peter Hart gets at a key point. Some believe that political capital is finite, that it can be used up. To an extent that's true. But it's important to note, too, that political capital can be regenerated -- and, specifically, that when a President expends a great deal of capital on a measure that was difficult to enact and then succeeds, he can build up more capital. Indeed, that appears to be what is happening with Barack Obama, who went to the mat to pass the stimulus package out of the gate, got it passed despite near-unanimous opposition of the Republicans on Capitol Hill, and is being rewarded by the American public as a result. Take a look at the numbers. President Obama now has a 68 percent favorable rating in the NBC-WSJ poll, his highest ever showing in the survey. Nearly half of those surveyed (47 percent) view him very positively. Obama's Democratic Party earns a respectable 49 percent favorable rating. The Republican Party, however, is in the toilet, with its worst ever showing in the history of the NBC-WSJ poll, 26 percent favorable. On the question of blame for the partisanship in Washington, 56 percent place the onus on the Bush administration and another 41 percent place it on Congressional Republicans. Yet just 24 percent blame Congressional Democrats, and a mere 11 percent blame the Obama administration. So at this point, with President Obama seemingly benefiting from his ambitious actions and the Republicans sinking further and further as a result of their knee-jerked opposition to that agenda, there appears to be no reason not to push forward on anything from universal healthcare to energy reform to ending the war in Iraq.

#### ( ) Victories increase capital

Lee ‘5

(Andrew, Claremont McKenna College, “Invest or Spend? Political Capital and Statements of Administration Policy in the First Term of the George W. Bush Presidency,” Georgia Political Science Association Conference Proceedings, http://a-s.clayton.edu/trachtenberg/2005%20Proceedings%20Lee.pdf)

To accrue political capital, the president may support a particular lawmaker’s legislation by issuing an SAP urging support, thereby giving that legislator more pull in the Congress and at home. The president may also receive capital from Congress by winning larger legislative majorities. For example, the president’s successful efforts at increasing Republican representation in the Senate and House would constitute an increase in political capital. The president may also receive political capital from increased job favorability numbers, following through with purported policy agendas, and defeating opposing party leaders (Lindberg 2004). Because political capital diminishes, a president can invest in policy and legislative victories to maintain or increase it. For example, President George W. Bush invests his political capital in tax cuts which he hopes will yield returns to the economy and his favorability numbers. By investing political capital, the president assumes a return on investment.

#### ( ) Winners win on controversial policies.

Ornstein ‘1

(Norman, American Enterprise Institute, “How is Bush Governing?” May 15, http://www.aei.org/events/filter.,eventID.281/transcript.asp)

The best plan is to pick two significant priorities, things that can move relatively quickly. And in an ideal world, one of them is going to be a little bit tough, where it's a battle, where you've got to fight, but then your victory is all the sweeter. The other matters but you can sweep through fairly quickly with a broad base of support and show that you're a winner and can accomplish something. Bush did just that, picking one, education, where there was a fairly strong chance. Something he campaigned on, people care about, and a pretty strong chance that he could get a bill through with 80, 85 percent support of both houses of Congress and both parties. And the other that he picked, and there were other choices, but he picked the tax cuts. What flows from that as well is, use every bit of political capital you have to achieve early victories that will both establish you as a winner, because the key to political power is not the formal power that you have. Your ability to coerce people to do what they otherwise would not do. Presidents don't have a lot of that formal power. It's as much psychological as it is real. If you're a winner and people think you're a winner, and that issues come up and they’re tough but somehow you're going to prevail, they will act in anticipation of that. Winners win. If it looks like you can't get things done, then you have a steeply higher hill to climb with what follows. And as you use your political capital, you have to recognize that for presidents, political capital is a perishable quality, that it evaporates if it isn't used. That's a lesson, by the way, George W. Bush learned firsthand from his father. That if you use it and you succeed, it's a gamble, to be sure, you'll get it back with a very healthy premium.

## Aff – Impact Ans

### Aff – Not Key Rlts

#### No spill over-Jackson-Vanik may hurt economic relations but not broader security cooperation

Pavel Koshkin, Russia Beyond the Headlines contributor, 1/19 (Lavrov picks a fight over trade, <http://rbth.ru/articles/2012/01/19/lavrov_picks_a_fight_over_trade_relations_14217.html>)

Russian Foreign Minister Sergei Lavrov has warned the U.S. to stop applying economic sanctions prescribed by the Jackson-Vanik amendment or face difficulties in its economic relations with Russia. Lavrov said that if the sanctions do not stop, Russia will not comply with its World Trade Organization (WTO) commitments toward the U.S. and seriously complicate the economic activity of American businessmen in Russia. The Jackson-Vanik amendment, adopted by the U.S. Congress in 1974, restricted trade with the Soviet Union and other communist countries that prevented the free emigration of Jews. According to Lavrov, the amendment contradicts the basic principles of the WTO because it discriminates against Russia. Russia is expected to shortly ratify all documents related to its WTO membership, which was finally offered on Dec. 16 after 18 years of negotiations. Although Lavrov’s move would seem to affect U.S.-Russia relations, experts from both Russia and the U.S. are reluctant to say that there will be any long-term consequences. “I do not think that by itself Lavrov’s position, if it is implemented, could undo the reset, but it certainly could add another burden to the reset,” said Gordon Hahn, an American specialist on Russia at the Monterey Institute for International Studies in California. “So it could help reach a critical mass of irritating problems that could undo the reset, especially if a crisis occurs in some sphere.” Yevgeny Minchenko, the head of Russia’s International Institute for Political Expertise, connects Lavrov’s statement to the ambivalence of some in Russia’s economic community towards the WTO. “Russia has many influential lobby economic groups that are against the country’s accession to the World Trade Organization,” Minchenko said. “And any arguments against Russia’s WTO membership will be only welcomed in some economic cycles.”

#### No spill over and missile shield disagreements overwhelm anyway

Xinhua, news agency, 1/19 (Russia expects no new "cold war" with U.S. http://english.peopledaily.com.cn/90777/7709546.html)

Russia and the United States are not going to start another arms race or "cold war," though they remain divided on issues such as the European missile shield, Foreign Minister Sergei Lavrov said Wednesday. "We are not enemies. Confrontation is not the choice for us," Lavrov told an annual press conference. He said Russian's position on the U.S.-led missile defense system deployed in Europe is "clear and simple," but it's difficult to understand "by what that our American partners have been motivated." When talking about economics and trade cooperation, Lavrov said that Russia may refuse to fulfill some obligations within the framework of the World Trade Organization in response to the U.S. unwillingness to cancel the Jackson-Vanik Amendment. The amendment, adopted by the U.S. Congress in 1974 at the height of the Cold War, denies "most favored nation" status to those countries that restrict freedom of emigration and has been targeted specifically against the Soviet Union.

### Aff-Relations Resiliant

#### Relations resilient, Russia won’t risk collapse

STRATFOR 2-6 “Russia and the United States: Pushing Tensions to the Limit,” <http://www.stratfor.com/analysis/russia-and-united-states-pushing-tensions-limit>

But **Moscow will be careful not to take the threat so far that it triggers a massive crisis and breakdown between the United States and Russia**. Moscow might want to make the Europeans uncomfortable during the U.S.-Russian standoff, but **it does not want to create a backlash and prompt the Europeans to unify with the United States over regional securit**y. Moreover, **Russia does not want Afghanistan to spin out of control, since unrest in the country most likely would spill over into Central Asia. Russia also cannot compete with the United States when it comes to a military buildup**. The Kremlin is unsure of future U.S. policy on Russia, since the U.S. presidential election is also on the horizon. **Russia remembers well how ill-prepared it was for a shift in Washington when Ronald Reagan became president** after Jimmy Carter. This is not to say such a shift will occur in November, but Moscow cannot be certain that it will not happen. **Moscow has an opportunity to escalate tensions with the United States after Russia's presidential election, but Moscow can only push the crisis so far without creating a massive break it cannot control.**