# Port Maintenance Neg – Classic BT

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# Case Debate

## Inherency

### Squo Solves - Upgrades

#### Status quo is upgrading ports now- New York, Georgia proves

Spivak 11 – senior research analyst at the HNTB Corporation, a transportation design and engineering firm (Jeffrey, "The Battle of the Ports", May/June, American Planning Association, [aapa.files.cms-plus.com/Battle%20of%20the%20Ports%20-%20Planning%20mag%20-%20May\_June%202011.pdf](http://aapa.files.cms-plus.com/Battle%20of%20the%20Ports%20-%20Planning%20mag%20-%20May_June%202011.pdf" \t "_blank)//DG)

Eighteen ports along the East and Gulf coasts are already deepening their channels or pursuing plans to do so, according to the U.S. Army Corps of Engineers. Numerous ports are also building or planning new terminals and wharfs, and some are adding highway connections to interstates and installing new overhead cranes that are longer than a football field. In New Jersey, for instance, the New York-New Jersey port authority is dredging its channel to 50 feet, and it recently approved raising the Bayonne Bridge 65 feet rather than demolish and rebuild the structure. In Georgia, the Port of Savannah is midway through an eight-year, $500 million expansion that will nearly double its container capacity, and it is pushing ahead with a dredging project that will deepen its channel from 42 feet to 48 feet. In South Carolina, the Port of Charleston is building a $525 million container terminal on a former U.S. Navy base that, when completed in 2016, will increase the port's handling capacity by almost half. And as part of a $600 million upgrade plan, Alabama's Port of Mobile has opened a $300 million container terminal and completed a turning basin enlargement for Post-Panamax ships. Then there's the $2 billion in new projects planned for the port of Wilmington, North Carolina, according to a Southern Legislative Conference survey of ports. "The expansion of the Panama Canal is the tool to help us build on our port," says Stephanie Ayers, director of planning and development for the North Carolina State Ports Authority. These projects illustrate the ports' high hopes. It's unclear, however, whether they will be completed in time for the opening of the Panama Canal's new locks. The governmental reviews required for Savannah's dredging project stretched over more than a decade, involving interests ranging from the commercial fishing industry to environmental groups in neighboring South Carolina. "It's been a political logistics nightmare," says Tom Thomson, executive director of the Chatham County- Savannah Metropolitan Planning Commission, "but it was necessary to ensure that all the issues were addressed to the community's satisfaction."

#### Status quo solves – upgrades now

Barnett, 12 (Ron, USA Today, 5/24, “East Coast ports scramble to dig deep, for supersize ships,” [http://www.usatoday.com/money/economy/story/2012-05-24/deepening-harbors/55653540/1](http://www.usatoday.com/money/economy/story/2012-05-24/deepening-harbors/55653540/1" \t "_blank))

The ports of Norfolk, Va., and Baltimore have completed projects that put them in position to be the first to receive the big ships, some of them 1,110 feet long with the capacity to haul up to 13,000 boxcar-size freight containers, Ellis said. Elsewhere, the work is in varying stages: The [Army Corps of Engineers](http://content.usatoday.com/topics/topic/Army+Corps+of+Engineers) is expected to finish dredging a 50-foot deep channel to three terminals in [New York Harbor](http://content.usatoday.com/topics/topic/New+York+Harbor) by the end of the year and to the main [New York](http://content.usatoday.com/topics/topic/Places,+Geography/States,+Territories,+Provinces,+Islands/U.S.+States/New+York) terminal by 2014, according to New York/New Jersey Port Authority spokesman Hunter Pendarvis. The authority has committed $1 billion to raise the Bayonne Bridge by 64 feet to allow the bigger ships to pass under, he said. [Miami-Dade County](http://content.usatoday.com/topics/topic/Places,+Geography/Towns,+Cities,+Counties/Miami-Dade+County) reached an agreement in April with environmental groups that had raised concerns about the Port of Miami's Deep Dredge project. It is expected to be able to handle the big ships by 2014 or soon thereafter, according to Ellis. The [Corps of Engineers](http://content.usatoday.com/topics/topic/Corps+of+Engineers) completed a study in April finding that Savannah, Ga.'s proposed $652-million channel deepening project is viable. The Corps is in the midst of a study of Charleston harbor, said Jim Newsome, president and CEO of the South Carolina Ports Authority. Philadelphia and [Corpus Christi](http://content.usatoday.com/topics/topic/Corpus+Christi) are currently involved in dredging projects, according to Ellis. Boston, Jacksonville, Canaveral and Freeport, Texas, are among other ports pursuing deeper channels, he said.

### Squo Solves – Firewalls

#### Squo solves – HMTF firewalls will cause increase in spending for dredging in the status quo – bipart initiative indicates it will pass in budget.

**Mulé, 12** – Communications Director for Congressman Jeff Landry (R-LA) (Millard, “Louisiana Congressman Greatly Impacts House Budget”, US House of Representatives, 3/26/12, <http://landry.house.gov/press-release/louisiana-congressman-greatly-impacts-house-budget>) // EK

Per the request of Congressman Jeff Landry (R, LA-03), the U.S. House Budget Committee has added language to its Fiscal Year 2013 budget that would fully allocate all Harbor Maintenance Trust Fund (HMTF) proceeds for its intended purpose: dredging our nation’s waterways. The Committee also followed Landry’s appeal that no funding be allocated to any effort which forces entities to violate their religious beliefs. Landry, who led a bipartisan coalition of 72 House Members calling for proper port dredging, is pleased the HMTF language was added. “I am thrilled the Budget Committee has chosen to honor my request and apportion the Harbor Maintenance Trust Fund for dredging,” said Landry. “Dredging our nation’s ports will put Americans back to work and return economic prosperity to our manufacturing, agriculture, and energy sectors. Having this issue addressed in the Budget Report ensures government bureaucrats cannot use dredge funding for other purposes.”

## Economic Competitiveness

### 1NC

Protectionism and mercantilism are inevitable **Lincicome, 6/12**--international trade attorney with White & Case, LLP., senior trade policy adviser for Senator John McCain’s Presidential campaign. BA in Political Science from the University of Virginia and a JD from the University's School of Law. (Scott, “Is Missing American Trade Leadership Beginning to Bear Protectionist Fruit? (Hint: Kinda Looks Like It)”,  JUNE 12, 2012, <http://lincicome.blogspot.com/2012/06/is-missing-american-trade-leadership.html>) // EK

Over the past few years, I and several other US trade-watchers have lamented the United States' dwindling leadership on global trade and economic issues and warned of that trend's troubling potential ramifications. It appears that at least one of our breathless predictions may finally be coming true. Starting in mid-2009 - when it became depressingly clear that the Obama administration viewed trade in mostly political terms and thus would not be advancing a robust, proactive free trade agenda - we free traders expressed grave concern that US recalcitrance could harm not only US companies and workers, but also the entire global free trade system. As I explained in a 2009 oped urging the President to adopt a robust pro-trade agenda (as outlined in this contemporary Cato Institute paper): Since the 1940s, the US has led the charge to remove international barriers to goods, services and investment. The result: a global trade explosion that has enriched American families, spurred innovation, enhanced our security and helped millions escape poverty. Every US president since Herbert Hoover has championed free trade because of its proven benefits.... Because of today's rules-based multilateral trading system and the interdependence of global markets, US fecklessness on trade shouldn't lead to devastating protectionism akin to the Smoot-Hawley-induced tariff wars of the 1930s. But it's still a problem. In 2008, global trade contracted for the first time since 1982, and protectionist pressures abound. The WTO's Doha Round is comatose, even though an ambitious deal could inject US$2 trillion into the reeling global economy. Considering the US has steered every major trade initiative in modern history, any chance for significant progress on trade will disappear without strong American leadership - in word and deed. Since that time, the President has clearly not taken free traders' advice. The WTO's Doha Round is dead, despite a pretty good opportunity to force the issue back in late 2010. The Obama administration took three years to implement already-dusty FTAs with Korea, Panama and Colombia and actually insisted on watering the deals down with new protectionist provisions in order to finally agree to move them. And while countries around the world are signing new trade agreements left and right, we've signed exactly zero and have eschewed important new participants and demanded absurd domestic protectionism in the one agreement that we are negotiating (the TPP). Meanwhile, on the home front the President has publicly championed mercantilism, as his minions quietly pursued myriad efforts to restrict import competition and consumer freedom, embraced competitive devaluation and maintained WTO-illegal policies (while publicly denouncing protectionism, of course). Pretty stark when you lay it all out like that, huh? Despite this depressing state of affairs, it did not appear that the United States' diversion from its long free trade legacy had resulted in a tangible increase in global protectionism (although the death of Doha certainly isn't a good thing). Unfortunately, a new blog post from the FT's Alan Beattie indicates that those chickens may finally be coming home to roost: One of the very few bright spots in governments’ generally grim recent performance of managing the world economy has been that trade protectionism, rampant during the Great Depression, has been relatively absent. That may no longer be the case. The WTO, fairly sanguine about the use of trade barriers over the past few years, warns today that things are getting worrying. The EU made a similar point yesterday. And this monitoring service has been pointing out for a long time that a lot of the new forms of protectionism aren’t counted under the traditional categories, thanks to gaping holes in international trade law. After glancing at the bi-partisan protectionism on display in the 2012 US presidential campaign, Beattie concludes that, on the global trade stage, "things are looking scarier than they have for a while." I'm certainly inclined to agree, and one need only look South to Brazil's frighteningly rapid transition from once-burgeoning free trade star to economically-stagnant, unabashed protectionist to see a scary example of why. And while I agree with Beattie that the world still isn't likely to descend into a 1930s-style trade war - we can thank the WTO and the proliferation of free market economics for that - the rising specter of global protectionism is undoubtedly distressing. And, of course, it has risen just as America's free trade leadership has faded away. Now, as we all know, correlation does not necessarily mean causation, and it's frankly impossible to know just how much the dearth of US trade leadership has actually affected global trade policies. But I think it's pretty safe to say that it certainly hasn't helped matters. Just ask yourself this: how can the US admonish Brazil or any other country about its distressing mercantilism when the President is himself routinely preaching - and his administration is busy implementing - similar policies? How can we decry the global "currency wars" when we're discretely advocating a similar strategy? How can we push back against nations' increasing use of market-distorting subsidies or regulatory protectionism when we're....

#### Policies and supply chain hurt competitiveness – not ports

**Lutes, 10** – Deputy Managing Director, Seaport Division, Port of Seattle, Washington (Phil, “Hearing on ‘Doubling U.S. exports: Are U.S. Seaports Ready for the Challenge?’” Subcommittee on International Trade, Customs, and Global Competitiveness, Senate Committee on Finance, 4/29/10, [http://www.finance.senate.gov/imo/media/doc/042910pltest.pdf)](http://www.finance.senate.gov/imo/media/doc/042910pltest.pdf%29//MM) // EK

Limiting factors in the larger supply chain inhibit U.S. exports reaching overseas markets, but right now, the biggest obstacles aren’t the seaports themselves. Even with an economic rebound, U.S. ports in general, and West Coast container ports in particular, have ample capacity for both imports and exports. As U.S. Gulf and East coast ports complete terminal expansions and Canada and Mexico complete their expansion plans, port capacity for exports will be more than adequate. The real issues are enhancing efficient infrastructure throughout our trade corridors, dealing with the current equipment shortage, general promotion of our products abroad and antiquated tax policies that discriminate against certain ports and cargoes.

Seaports are fighting to stay afloat financially in this terrible economy and we continually strive to invest in our assets and improve our operating efficiencies, but our greatest challenges lie beyond the seaport gates.

#### Container shortage prevents exports – not shallow ports

**Lutes, 10** – Deputy Managing Director, Seaport Division, Port of Seattle, Washington (Phil, “Hearing on ‘Doubling U.S. exports: Are U.S. Seaports Ready for the Challenge?’” Subcommittee on International Trade, Customs, and Global Competitiveness, Senate Committee on Finance, 4/29/10 [http://www.finance.senate.gov/imo/media/doc/042910pltest.pdf)](http://www.finance.senate.gov/imo/media/doc/042910pltest.pdf%29//MM) // EK

Let me turn to a very near term problem that, if resolved, could boost U.S. exports overnight – a shortage of empty containers for exports.

As you know, consumers are simply not spending like they did during the days of easy credit and the run-up in real estate prices. The number of containers loaded with imported goods moving through our ports has decreased dramatically. Ships loaded with import containers destined for the U.S. generate the supply of empty containers and vessel space for U.S. exports. Due to the substantial decline in imports, carriers have anchored ships, consolidated services and dropped port calls to offset losses. Ultimately, this translates to fewer opportunities for our exporters to move their products.

In addition, the weak U.S. dollar has generated a surge in demand for U.S. exports when containers are in short supply. To compound matters, U.S. exports are typically two to three times heavier per container than imports. That means ships carrying exports can’t be loaded to full capacity, which diminishes the space available for exports.

But even when robust imports provide a steady supply of containers for export cargo, it can be expensive to reposition those containers where they’re needed. That’s because imported goods, and the containers they’re in, move primarily to large metropolitan areas where there’s a high demand for imported apparel, footwear, electronics and machinery. In contrast, many U.S. exports tend to originate in rural areas. Products such as agricultural goods, minerals, timber and other natural resources make up a large percentage of our export commodities.

The container imbalance has become so extreme that there’s even a shortage of containers for exports originating near urban area ports. This short supply of containers, combined with constrained vessel capacity leads ocean carriers to make tough decisions when export demand is high. Carriers become very careful about how they manage this limited space. They are also careful about how they manage empty containers. Often, carriers are so eager to get containers back to Asia for the higher revenue imports, they actually load empties back on the ship at the expense of export loads.

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The higher price that carriers receive for moving imported goods actually helps offset the cost of moving U.S. exports. If the lower value export goods were assessed the same shipping rate as imports, it would be difficult for U.S. exports to compete in global markets, even with favorable currency exchange rates. For quite some time U.S. exporters have benefitted from favorable “backhaul” rates and frequent oversupply of container equipment and vessel capacity. But we’re not operating under those conditions today. Ocean carriers are losing billions of dollars. Until we see a return to a healthy, balanced trade, export capacity will be constrained.

It will be a challenge for the federal government to quickly affect the financial and operational obstacles to ensuring the availability of containers for exports. Nonetheless, it is a serious issue and raising its profile is a good first step. On a related note, the ports of Tacoma and Seattle sent a letter to Secretary of Commerce Gary Locke last month in which we highlighted the importance of container availability to exporters, and requested that the newly created Export Promotion Cabinet look into this issue.

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| No protectionism – economy is resilient **Rodrik, 9** – professor of political economy at Harvard, recipient of the Social Science Research Council’s Hirschman Prize (Dani, “The myth of rising protectionism”, 10/13/09, <http://www.business-standard.com/india/news/dani-rodrikmythrising-protectionism/373102/>) // EK  There was a dog that didn’t bark during the financial crisis: protectionism. Despite much hue and cry about it, governments have, in fact, imposed remarkably few trade barriers on imports. Indeed, the world economy remains as open as it was before the crisis struck.  Protectionism normally thrives in times of economic peril. Confronted by economic decline and rising unemployment, governments are much more likely to pay attention to domestic pressure groups than to upholding their international obligations.  As John Maynard Keynes recognised, trade restrictions can protect or generate employment during economic recessions. But what may be desirable under extreme conditions for a single country can be highly detrimental to the world economy. When everyone raises trade barriers, the volume of trade collapses. No one wins. That is why the disastrous free-for-all in trade policy during the 1930’s greatly aggravated the Great Depression.  Many complain that something similar, if less grand in scope, is taking place today. An outfit called the Global Trade Alert (GTA) has been at the forefront, raising alarm bells about what it calls “a protectionist juggernaut”. The GTA’s latest report identifies no fewer than 192 separate protectionist actions since November 2008, with China as the most common target. This number has been widely quoted in the financial press. Taken at face value, it seems to suggest that governments have all but abandoned their commitments to the World Trade Organization and the multilateral trade regime.  But look more closely at those numbers and you will find much less cause for alarm. Few of those 192 measures are, in fact, more than a nuisance. The most common among them are the indirect (and often unintended) consequences of the bailouts that governments mounted as a consequence of the crisis. The most frequently affected sector is the financial industry.  Moreover, we do not even know whether these numbers are unusually high when compared to pre-crisis trends. The GTA report tells us how many measures have been imposed since November 2008, but says nothing about the analogous numbers prior to that date. In the absence of a benchmark for comparative assessment, we do not really know whether 192 “protectionist” measures is a big or small number.  What about the recent tariffs imposed by the United States on Chinese tires? President Barack Obama’s decision to introduce steep duties (set at 35 per cent in the first year) in response to a US International Trade Commission (USITC) ruling (sought by US labour unions) has been widely criticised as stoking the protectionist fires.  But it is easy to overstate the significance of this case, too. The tariff is fully consistent with a special arrangement negotiated at the time of China’s accession to the WTO, which allows the US to impose temporary protection when its markets are “disrupted” by Chinese exports. The tariffs that Obama imposed were considerably below what the USITC had recommended. And, in any case, the measure affects less than 0.3 per cent of China’s exports to the US.  The reality is that the international trade regime has passed its greatest test since the Great Depression with flying colours. Trade economists who complain about minor instances of protectionism sound like a child whining about a damaged toy in the wake of an earthquake that killed thousands.  Three things explain this remarkable resilience: ideas, politics and institutions.  Economists have been extraordinarily successful in conveying their message to policymakers—even if ordinary people still regard imports with considerable suspicion. Nothing reflects this better than how “protection” and “protectionists” have become terms of derision. After all, governments are generally expected to provide protection to their citizens. But if you say that you favour protection “from imports”, you are painted into a corner with Reed Smoot and Willis C. Hawley, authors of the infamous 1930 US tariff bill.  But economists’ ideas would not have gone very far without significant changes in the underlying configuration of political interests in favour of open trade. For every worker and firm affected by import competition, there is one or more worker and firm expecting to reap the benefits of access to markets abroad.  The latter have become increasingly vocal and powerful, often represented by large multinational corporations. In his latest book, Paul Blustein recounts how a former Indian trade minister once asked his American counterpart to bring him a picture of an American farmer: “I have never actually seen one,” the minister quipped. “I have only seen US conglomerates masquerading as farmers.”  But the relative docility of rank-and-file workers on trade issues must ultimately be attributed to something else altogether: the safety nets erected by the welfare state. Modern industrial societies now have a wide array of social protections – unemployment compensation, adjustment assistance, and other labour-market tools, as well as health insurance and family support — that mitigate demand for cruder forms of protection.  The welfare state is the flip side of the open economy. If the world has not fallen off the protectionist precipice during the crisis, as it did during the 1930’s, much of the credit must go the social programmes that conservatives and market fundamentalists would like to see scrapped.  The battle against trade protection has been won — so far. But, before we relax, let’s remember that we still have not addressed the central challenge the world economy will face as the crisis eases: the inevitable clash between China’s need to produce an ever-growing quantity of manufactured goods and America’s need to maintain a smaller current-account deficit. Unfortunately, there is little to suggest that policymakers are yet ready to confront this genuine threat. |

#### The Panama Canal won’t affect maritime commerce – lobbying groups are just trying to secure contracts for their industries

**Meyers, 12** – transportation reporter for Politico (Jessica, “Panama Canal expansion turns into ‘money grab’”, Politico, 5/13/12, <http://www.politico.com/news/stories/0512/76224.html>) // EK

The promise of a Panama Canal expansion has spurred a flurry of legislative pleas and proposals.

Too bad it’s largely hype.

Improvements completed on the canal by 2014 will allow ships twice as big to reach the East Coast. In theory, this could reroute vessels that stop on the West Coast and send goods across the country.

Lawmakers have used the expansion to push along bills, beg for more funding and tout their role enhancing international trade. And the canal has turned into an unlikely catchphrase for an oft-ignored port industry.

But much stands in the way of that potential. Goods still will move faster across the country than through a full water route. The East Coast option may prove cheaper, but Panama has not said how much it will charge in tolls. And the Suez Canal already offers a venue for these larger ships.

The truth is nobody really knows.

“It’s all a money grab,” said Tom Finkbiner, senior chairman of the Intermodal Transportation Institute at the University of Denver. “The competition becomes between ports and it goes to Washington and you have to justify why you are spending this money. So it becomes an excuse.”

Unlike the West Coast, few East Coast ports are deep enough to fit the larger ships known as post-Panamax. Only Norfolk, Va., appears completely ready with several other Northeastern ports finishing repairs. Ports in Miami, Savannah, Ga., and Charleston, S.C., are among the Southeastern horde eager to catch up.

The U.S. Army Corps of Engineers evaluates dredging projects, which cost hundreds of millions of dollars. And then federal funds help pay for them.

Enter Washington.

Sen. Lindsey Graham (R-S.C.), a member of the Appropriations Committee, has called deeper ports “the economic gateway to the world.” The committee just approved $3.5 million for a Charleston Harbor deepening study.

“We’ve got to have a vision to meet this new reality,” he said. “The Panama Canal is going to expand. Giant ships are going to come through the canal to service the East Coast.”

New Jersey Democratic Sens. Frank Lautenberg, also a member of the Appropriations Committee, and Robert Menendez recently praised the committee for approving $68 million for deepening projects at the Port of New York and New Jersey.

Note the keywords: “It is a top priority to ensure the port is prepared to handle the larger ships that will pass through the expanded Panama Canal,” Lautenberg said in a statement. “This is an important investment that will help the port continue to support billions of dollars in business and hundreds of thousands of jobs in New Jersey and our region.”

The expansion has made equal noise in the House, where the words engender glazed eyes and heady anticipation of bolstered trade. Ted Poe (R-Texas) has used the energy surrounding it to help spearhead a Ports Caucus.

“Our ports need to be ratcheted up to accommodate those ships,” he told POLITICO, adding that not all ports will need to hold the larger tankers. “It certainly won’t hurt our economy to have access coming to the East Coast.”

#### Alt. cause – tax policies hurt exports

Alden, 12 – CFR Senior Fellow and Renewing America Director (Edward, “Road to Nowhere: Federal Transportation Infrastructure Policy”, Council on Foreign Relations Press, June 2012, [http://www.cfr.org/united-states/road-nowhere-federal-transportation-infrastructure-policy/p28419](http://www.cfr.org/united-states/road-nowhere-federal-transportation-infrastructure-policy/p28419" \t "_blank))//JH

Good afternoon Chairman Wyden, distinguished members of the Committee. I’m Phil Lutes, Deputy Managing Director of the Port of Seattle’s Seaport Division. Thank you for the privilege of being here with you today. In reflecting on the topic question for this hearing, “Doubling U.S. Exports: Are U.S. Seaports Ready for the Challenge?” the short answer for seaports is, yes. Is the overall supply chain ready? No. Limiting factors in the larger supply chain inhibit U.S. exports reaching overseas markets, but right now, the biggest obstacles aren’t the seaports themselves. Even with an economic rebound, U.S. ports in general, and West Coast container ports in particular, have ample capacity for both imports and exports. As U.S. Gulf and East coast ports complete terminal expansions and Canada and Mexico complete their expansion plans, port capacity for exports will be more than adequate. The real issues are enhancing efficient infrastructure throughout our trade corridors, dealing with the current equipment shortage, general promotion of our products abroad and antiquated tax policies that discriminate against certain ports and cargoes. Seaports are fighting to stay afloat financially in this terrible economy and we continually strive to invest in our assets and improve our operating efficiencies, but our greatest challenges lie beyond the seaport gates.

## Military Steel

### 1NC

#### Development of new technologies in the military have provided substitutes for steel

Arabe 1- journalist at ThomasNet Industrial Newsroom (Katrina C., “ Debating the Roles of Steel & Nuclear Recycling in the Military”, ThomasNet News, 9/7/01, http://news.thomasnet.com/IMT/2001/09/07/debating\_the\_ro/)//RP

Martin Anderson, a senior lecturer in management at Babson College in Wellesley, Mass, does not agree. He depicts the scenario of being cut off from a steel supply as highly unlikely. Rather, he says, the U.S. would probably “take over the foreign source with nuclear weapons.” If the U.S. were cut-off, he believes recycling available scrap would be a sufficient enough source of materials. In addition, Anderson is opposed to the protection of domestic steel from foreign markets. In his words, “the easiest way to keep a domestic industry is to open it to the full forces of global competition.” Robert Reich, a former U.S. Secretary of Labor and current professor of social and economic policy at Brandeis University in Waltham, Mass, takes a similar view. He feels that steel is less critical to national defense than in times past. He believes that, “new technologies [have] provided many substitutes for steel.”

#### US steel industry already collapsed

**Washington Examiner, 12 –** The Washington Examiner is a local Washington news source (“U.S. steel industry in decline long before Romney,” Washington Examiner, May 15, 2012, <http://washingtonexaminer.com/article/1291891>)//SS

In the Godfather Part II, during a scene set in 1959, gangster Hyman Roth famously boasts to expected partner Michael Corleone, "We're bigger than U.S. Steel." Back then, U.S. Steel was still a symbol of the pinnacle of success in American business. But now, the company is a shadow of its former self. It was removed from the Dow Jones Industrial Average in 1991 and when the firm [celebrated its 100th anniversary in 2001](http://old.post-gazette.com/businessnews/20010225ussteel2.asp), its market capitalization was actually lower in nominal dollars than the $1.4 billion when it was founded a century earlier (it was the first billion dollar company). For decades before Bain ever got anywhere near GST, the American steel industry was already declining for a number of reasons, a big one being global competition. Below is a chart I made on the U.S. share of worldwide steel production based on [data](http://minerals.usgs.gov/ds/2005/140/#steel) from the U.S. Geological Survey.

#### US domestic steel industries not key to military-reliable foreign producers

McCormack 9- editor of Manufacturing & Technology News (Richard A., “ Defense Department To The U.S. Specialty Metals Industry: We Don’t Need You”, Manufacturing and Technology News, 4/17/09, http://www.manufacturingnews.com/news/09/0417/specialtymetals.html)//RP

The health and well being of the U.S. specialty metals industry is not important to the Department of Defense, according to DOD’s Strategic Materials Protection Board. Specialty metals are no different to DOD than materials such as plastic, rubber and glass, says the board in a report that is raising the ire of U.S. specialty metals industries. If the U.S. industry is not competitive, then there are plenty of reliable producers in Japan, Germany, France, Italy, Mexico, Brazil and Canada that can supply the U.S. military with most everything it needs, according to the Strategic Materials Protection Board. The specialty metals industry has falsely made the claim that it is critical to national security, says the DOD board. “Reliable access does not always necessitate a domestic source,” says the Materials Board in the second sentence of its assessment of DOD’s relationship with the industry. “In fact, the Department wants to take full advantage of the competitive benefits offered by access to the best global suppliers; and to promote consistency and fairness in dealing with its allies, all the while assuring that an adequate industrial base is maintained to support defense needs.” As a result, DOD “sometimes may be dependent on reliable non-U.S. suppliers,” which is just as good as being dependent on reliable U.S. suppliers. The Strategic Materials Board sounds like it holds great disdain for the U.S. steel and specialty metals industries. It says in its report from the meeting it held on December 12, 2008, that its “key finding” is that specialty metals “are not ‘materials critical to national security’ for which only a U.S. source should be used; and there is no national security reason for the Department to take action to ensure a long-term domestic supply of these specialty metals.”

#### Military and heg failing now, plan doesn’t solve

Kennedy, 10 - Yale University International Security Studies Director, History Professor (Paul, "Back to Normalcy," The New Republic, 12/30/2010, Lexis Nexis)//SS

The first is in the rise of irregular or "asymmetrical" warfare by non-state actors. Anyone who has seen the recent award-winning movie The Hurt Locker, about the U.S. Army's uncomfortable and bloody experiences in Iraq, will know what this means. It means that the narrow streets of Fallujah, or, even more, the high passes of the Helmand mountains, equalize the struggle; high-tech doesn't quite work against a suicide bomber or a cunningly placed road mine. General Patton's style of warfare just doesn't succeed when you are no longer running your tanks through Lorraine but creeping, damaged and wincing, through the Khyber Pass. Sophisticated drones are, actually, stupid. They help avoid making the commitment to winning on the ground, and they will eventually lose. Secondly, there is the emergence, along the historical pattern of the rise and fall of the great powers, of new challenger nations that are pushing into America's post-1945 geopolitical space. Putin's Russia is clawing back its historic zones of control and, frankly, there seems little that Washington can do if Belarus or a kicking-and-screaming Latvia is reabsorbed by the Kremlin. India is intent on making the term "Indian Ocean" not just a geographic expression; in ten or 20 years' time, if its plans are fulfilled, it will be in control. Which is rather comforting, because it will thwart China's purposeful though clumsy efforts to acquire much-needed African mineral supplies. But China, in its turn, and through its very new and sophisticated weapons systems (disruptive electronic warfare, silent submarines, sea-skimming missiles), may soon possess the capacity to push the U.S. Navy away from China's shores. Like it or not, America is going to be squeezed out of Asia. Overall, and provided the gradual reduction of America's extensive footprint across Asia can occur through mutual agreements and uninterrupted economic links, that may not be a bad thing. Few, if any, Asian governments want the United States to pull out now, or abruptly, but most assume it will cease to be such a prominent player in the decades to come. Why not start that discussion now, or begin a rethink? American hopes of reshaping Asia sometimes look curiously like former British hopes of reshaping the Middle East. Don't go there. Finally, and most serious of all, there is America's dangerous and growing reliance upon other governments to fund its own national deficits. Military strength cannot rest upon pillars of sand; it cannot be reliant, not forever, upon foreign lenders. The president, in his increasingly lonely White House, and the increasingly ineffective Congress, seem unable to get a harsh but decent fiscal package together. And now, the Tea Party nutcases are demanding a tax-cut-and-spend policy that would make the famous Mad Hatter's tea party itself look rather rational.

#### US Hegemony not key to global stability--There are other alternative countries capable of doing the same thing.

**Preble ’10**- Director of foreign policy studies at the Cato Institute. Taught history at St. Cloud State University and Temple University, was a commissioned officer in the U.S. Navy, Ph.D. in history from Temple University (Christopher Preble, “U.S. Military Power: Preeminence for what Purpose?,” Cato Institute,  8/3/10, <http://www.cato-at-liberty.org/u-s-military-power-preeminence-for-what-purpose/>)//SS

The U.S. military is already unaffordable — and yet it needs to be larger to sustain America’s global leadership, especially in the face of a rising China. That’s the [bottom line from a congressionally chartered bipartisan panel](http://www.nationaljournal.com/defense/2010/07/panel-military-both-unaffor.php), co-chaired by Stephen Hadley, George W. Bush’s national security adviser, and William Perry, Bill Clinton’s Defense secretary. The report, released July 29, is the independent panel’s assessment of and commentary on the Pentagon’s own Quadrennial Defense Review, released earlier this year.…Frequent expert blog contributor Gordon Adams, among others, has already blasted the Hadley-Perry report for making the underlying assumption that the U.S. can and should continue to invest heavily in being a “global policeman.” Is Adams right that the Hadley-Perry report calls for an unaffordable answer to the wrong question? Or are the report’s authors correct when they argue that the U.S. must be the leading guarantor of global security? And if the U.S. must lead, has the Hadley-Perry panel laid out the right path to doing so? [My response](http://security.nationaljournal.com/2010/08/us-military-power-preeminence.php#1610674):[Dan Goure says](http://security.nationaljournal.com/2010/08/us-military-power-preeminence.php#1610446) that U.S. military preeminence is not unaffordable. That is probably correct. Even though we spend in excess of $800 billion annually on national security (including the cost of the wars in Iraq and Afghanistan, and the Departments of Homeland Security and Veterans Affairs) we could choose to spend as much, or more, for a while longer. We could choose to shift money out of other government programs; we could raise taxes; or we could continue to finance the whole thing on debt, and stick our children and grandchildren with the bill. But what is the point? Why do Americans spend so much more on our military than does any other country, or any other combination of countries? Goure and the Hadley-Perry commissioners who produced the alternate QDR argue that the purpose of American military power is to provide global public goods, to defend other countries so that they don’t have to defend themselves, and otherwise shape the international order to suit our ends. In other words, the same justifications offered for American military dominance since the end of the Cold War. Most in Washington still embraces the notion that America is, and forever will be, the world’s indispensable nation. Some scholars, however,[questioned the logic of hegemonic stability theory](http://www.jstor.org/stable/2539021) from the very beginning. [A number](http://www.worldaffairsjournal.org/articles/2009-Fall/full-Sapolsky-etal-Fall-2009.html) [continue](http://www.foreignaffairs.com/articles/63010/richard-k-betts/a-disciplined-defense) [to do so](http://www.the-american-interest.com/article.cfm?piece=331) today. They advance arguments diametrically at odds with the primacist consensus. Trade routes need not be policed by a single dominant power; the international economy is complex and resilient. Supply disruptions are likely to be temporary, and the costs of mitigating their effects should be borne by those who stand to lose — or gain — the most. Islamic extremists are scary, but hardly comparable to the threat posed by a globe-straddling Soviet Union armed with thousands of nuclear weapons. It is frankly absurd that we spend more today to fight Osama bin Laden and his tiny band of murderous thugs than we spent to face down Joseph Stalin and Chairman Mao. Many factors have contributed to the dramatic decline in the number of wars between nation-states; it is unrealistic to expect that a new spasm of global conflict would erupt if the United States were to modestly refocus its efforts, draw down its military power, and call on other countries to play a larger role in their own defense, and in the security of their respective regions. But while there are credible alternatives to the United States serving in its current dual role as world policeman / armed social worker, the foreign policy establishment in Washington has no interest in exploring them. The people here have grown accustomed to living at the center of the earth, and indeed, of the universe. The tangible benefits of all this military spending flow disproportionately to this tiny corner of the United States while the schlubs in fly-over country pick up the tab. In short, we shouldn’t have expected that a group of Washington insiders would seek to overturn the judgments of another group of Washington insiders. A genuinely independent assessment of U.S. military spending, and of the strategy the military is designed to implement, must come from other quarters.

## Steel Not Key Ext.

#### Technologies in military intelligence prove steel industry is no longer important

Arabe 1- journalist at ThomasNet Industrial Newsroom (Katrina C., “ Debating the Roles of Steel & Nuclear Recycling in the Military”, ThomasNet News, 9/7/01, http://news.thomasnet.com/IMT/2001/09/07/debating\_the\_ro/)//RP

Finally, Edward Turzanski, a political science professor at LaSalle University in Philadelphia, believes that traditional assets such as provided by the steel and petroleum industries are no longer as important in the face of international conflicts. He would rather see the further development of breakthrough technologies that aid military intelligence. In Turzanski’s words, “By far, the most important areas of technological challenge are maintaining qualitative advantage in air delivery of military personnel, material, and ordnance – - and [in] those technologies which allow the U.S. to discern the capabilities and motives of allies and adversaries.”

#### Steel industry not key to national security-US military uses very little steel

Lynch 1- Washington editor for Reason Magazine (Michael W., “ The U.S. steel industry needs massive failure, not another bailout”, Cold Steel, 3/01, http://reason.com/archives/2002/03/01/cold-steel)//RP

"We have an answer for the crisis in American steel," Robert S. Miller Jr., the recently installed CEO of the bankrupt Bethlehem Steel Corp., told The New York Times in December. "It is the consolidation and the rationalization of the integrated steel industry by a combination of four or five companies to come together as a large integrated steel company." The plan on the table is for the merger of USX-U.S. Steel Corp. and Bethlehem, with the possible inclusion of Weirton Steel Corp. and Wheeling-Pittsburgh Steel Corp. The new company would account for roughly 30 percent of U.S. steel production. That would certainly help things in the notoriously fragmented and oversupplied industry. But as usual, there's a catch. Miller, who helped craft the 1979 federal bailout of Chrysler, wants the government's help: He says the new company will need protection from imports. Taxpayers must also pick up the $13 billion tab for the industry's pension and retiree health care benefits. It's a gutsy offer. The captains of this floundering industry are asking for nothing less than national industrial socialism, a government-protected cartel that benefits a few producers at the expense of the rest of the country. Treasury Secretary Paul H. O'Neill is already acting as if he were an OPEC production minister. "O'Neill has been seeking greater balance among global steel makers by encouraging countries and companies to reduce production to stabilize prices," reports the Times. "He has also threatened to restrict the entry of steel imports to the United States." Is protecting the steel industry a national security interest? Nope: The U.S. military uses very little, only 0.02 percent of domestic steel delivered. "The military argument is not only bogus," notes Dan Griswold, associate director of the Cato Institute's Center for Trade Policy Studies, "but insofar as it's significant it cuts the other way." Why, after all, would we want our military to pay inflated prices on a major purchase?

### Heg Ext. – No Transition Wars

#### No transition war – international order checks

**Ikenberry, 8 -** He is a professor of Politics and International Affairs at [Princeton University](http://en.wikipedia.org/wiki/Princeton_University" \o "Princeton University" \t "_blank). (G. John, “The Rise of China and the Future of the West Can the Liberal System Survive?,” Foreign Affairs, Jan/Feb 2008, <http://www.rochelleterman.com/ir/sites/default/files/Duncan%202008.pdf>)//SS

Some observers believe that the American era is coming to an end, as the Western-oriented world order is replaced by one increasingly dominated by the East. The historian Niall Ferguson has written that the bloody twentieth century witnessed "the descent of the West" and "a reorientation of the world" toward the East. Realists go on to note that as China gets more powerful and the United States' position erodes, two things are likely to happen: China will try to use its growing influence to reshape the rules and institutions of the international system to better serve its interests, and other states in the system -- especially the declining hegemon -- will start to see China as a growing security threat. The result of these developments, they predict, will be tension, distrust, and conflict, the typical features of a power transition. In this view, the drama of China's rise will feature an increasingly powerful China and a declining United States locked in an epic battle over the rules and leadership of the international system. And as the world's largest country emerges not from within but outside the established post-World War II international order, it is a drama that will end with the grand ascendance of China and the onset of an Asian-centered world order. That course, however, is not inevitable. The rise of China does not have to trigger a wrenching hegemonic transition. The U.S.-Chinese power transition can be very different from those of the past because China faces an international order that is fundamentally different from those that past rising states confronted. China does not just face the United States; it faces a Western-centered system that is open, integrated, and rule-based, with wide and deep political foundations. The nuclear revolution, meanwhile, has made war among great powers unlikely -- eliminating the major tool that rising powers have used to overturn international systems defended by declining hegemonic states. Today's Western order, in short, is hard to overturn and easy to join.

## Agriculture

**1NC**

#### Agriculture exports increasing now – dredging not needed

**Western Farm Press 11** – (Western Farm Press, “Agriculture exports to remain strong in 2012,” Western Farm Press, September 2, 2011, [http://westernfarmpress.com/government/agriculture-exports-remain-strong-2012](http://westernfarmpress.com/government/agriculture-exports-remain-strong-2012" \t "_blank)) MK

Agriculture exports in fiscal year 2012 are expected to match 2011 at $137 billion, according to the Outlook for U.S. Agricultural Trade report released by the U.S. Department of Agriculture's Economic Research Service. The forecast for agriculture imports is $105 billion - 11 percent higher than 2011, resulting in an agricultural trade surplus of $32 billion, the third-highest ever.¶ The value of U.S. rice exports in fiscal 2012 is forecast at $2.1 billion, slightly lower than FY 2011 because of the decrease in production, however, higher long-grain prices will help offset the decrease, the report says. Rice export volume is forecast to decline 500,000 MT to 3.5 million because of the smaller domestic long-grain crop and competition from medium-grain exporters Australia and Egypt.¶ "Our farmers are the best in the world at finding consumers far from home," USDA Secretary Tom Vilsack said in a statement yesterday after the release of the Farm Income and Agriculture Outlook reports. "Today, a new forecast of U.S. agricultural exports confirmed that 'Grown in America' products remain in high regard and high demand in the rest of the world."

**U.S. not key to solve food crisis-developing countries prove**

**Johnson, 11** –senior editor at the Council on Foreign Relations (Toni, “Food Price Volatility and Insecurity”, 8/9, <http://www.cfr.org/food-security/food-price-volatility-insecurity/p16662>) MK

Growth in agriculture production is largely expected to come from increased crop yields and will primarily be located in developing countries, according to a 2009 UN report (PDF). Experts say there is plenty of opportunity to improve farming techniques in the developing world. Meeting projected demand will require increasing cereal production by an additional one billion tons, up from more than two billion tons currently, and more than doubling meat production from current levels. However, according to a 2011 report by the OECD, annual growth in agriculture production (PDF) in the next decade is forecast to be a third less than the annual growth in the previous decade. The report estimates that a 5 percent increase or decrease in harvest yield in major grains can lead to as much as a 25 percent difference in price.

#### No solvency - diseases, trade wars, shifts in supply or demand, weather

**Journal of Commerce, 12** ("Agriculture Trade a 'Risky Business'", April 16, Proquest) MK

But high up in every glowing estimate is a reminder that agriculture markets are subject to whims and market changes at a moment's notice.¶ Livestock, dairy and poultry exports are expected to reach record levels again in 2012, the USDA said in its latest export forecast report. There are issues, however, that could cloud that sunny forecast, such as the ongoing sanitary and phytosanitary trade issue, changes in overseas handling of mad cow restrictions, and the Chinese demand for dairy and pork products. Any export item is subject to economic realities, trade wars and sudden shifts in supply or demand. But with food and farm items, that list grows to include freezing weather, floods, recalls based on contamination, disease in animal populations, not to mention plant disease or viruses.

### Ag High Now Ext.

**Agricultural exports high now**

**HPJ 11** – High Plains Midwest Journal, cites a secretary of agriculture (High Plains Midwest Journal, “U.S. farm exports reach all-time high” June 2011, <http://www.hpj.com/archives/2011/jun11/jun27/0512AgExportsSetRecordsr.cfm>) MK

Secretary of Agriculture Tom Vilsack made the following statement on data released showing that U.S. farm exports reached an all-time high of $75 billion during the first half of fiscal year 2011: "Today's trade data demonstrate that, once again, America's farmers and ranchers are helping lead the way to recovery from the worst economic recession in decades. The gains in U.S. agricultural exports are particularly encouraging news for those who live in rural America or earn a living in farming, ranching and agriculture-related industries, because exports are creating jobs here at home. Farm exports alone will support more than one million jobs in America this year. Strong U.S. farm exports will be a key contributor to building an economy that continues to grow, innovate and out-compete the rest of the world.

## LNG

#### US LNG exports are low now – cost competition disadvantage and the need for more infrastructure undermines it

EIA 12 (US Energy Information Administration, “Analysis and Projections: Effect of Increased Natural Gas Exports on Domestic Energy Markets as requested by the Office of Fossil Energy,” 1/19/12, http://205.254.135.7/analysis/requests/fe)

The prospects for U.S. LNG exports depend greatly on the cost-competitiveness of liquefaction projects in the United States relative to those at other locations. The investment to add liquefaction capacity to an existing regasification terminal in the United States is significant, typically several times the original cost of a regasification-only terminal. However, the ability to make use of existing infrastructure, including natural gas processing plants, pipelines, and storage and loading facilities means that U.S. regasification terminals can reduce costs relative to those that would be incurred by a “greenfield” LNG facility. Many of the currently proposed LNG supply projects elsewhere in the world are integrated standalone projects that would produce, liquefy, and export stranded natural gas. These projects would require much more new infrastructure, entailing not only the construction of the liquefaction plant from the ground up, but also storage, loading, and production facilities, as well pipelines and natural gas processing facilities. While the additional infrastructure for integrated standalone projects adds considerably to their cost, such projects can be sited at locations where they can make use of inexpensive or stranded natural gas resources that would have minimal value independent of the project. Also, while these projects may require processing facilities to remove impurities and liquids from the gas, the value of the separated liquids can improve the overall project economics. On the other hand, liquefaction projects proposed for the lower-48 United States plan to use pipeline gas drawn from the largest and most liquid natural gas market in the world. Natural gas in the U.S. pipeline system has a much greater inherent value than stranded natural gas, and most of the valuable natural gas liquids have already been removed. Future exports of U.S. LNG depend on other factors as well. Potential buyers may place additional value on the greater diversity of supply that North American liquefaction projects provide. Also, the degree of regulatory and other risks are much lower for projects proposed in countries like the United States, Canada, and Australia than for those proposed in countries like Iran, Venezuela, and Nigeria. However, due to relatively high shipping costs, LNG from the United States may have an added cost disadvantage in competing against countries closer to key markets, such as in Asia. Finally, LNG projects in the United States would frequently compete not just against other LNG projects, but against other natural gas supply projects aimed at similar markets, such as pipeline projects from traditional natural gas sources or projects to develop shale gas in Asia or Europe.

#### Terminals will be used for LNG – not ports

Groothuizen 08 – Manager Marketing & Public Relations Van Oord Dredgin and Maring Conractors (A.G.M., "World Development and the Importance of Dredging", PIANC Magazine, January, [www.pianc.org/downloads/oncourse/oncourse130b.pdf](http://www.pianc.org/downloads/oncourse/oncourse130b.pdf" \t "_blank))

For a number of reasons there is a high demand for new maritime infrastructure that is energy related. First of all the increasing world population is needing a higher amount of energy products like oil, gas and coal – products that mainly depend on maritime transport and for which the capacity of port terminals has to be increased. Also, there is a gradual shift to the use of products that are considered more environmental friendly, like LNG (Liquefied Natural Gas). To enable the increasing worldwide transport of LNG, new terminals have to be built, both in exporting as well as in importing countries. Last but not least, the land based sources of energy are fast getting depleted and more and more the mining of oil and gas has to take place at offshore sources. This development is requiring more and more dredging capacity, for example for the excavation and backfilling of pipeline trenches.

### Terminal Ext.

#### Ports not key to LNG- terminals used

Bass and Pickering 6/13 – \*Mr. Bass is a Director in Navigant’s Energy Practice in London and has provided strategic advice and transaction support to his clients in the energy industry for over twelve years. Projects have covered oil, gas and renewable resources, the commercial feasibility of developing an LNG receiving terminal and negotiation support on an independent power project. \*\*Gordon Pickering a Director in the Energy practice, with over 28 years of energy marketing and consulting experience in the wholesale natural gas and power industries in the United States and Canada. (Richard and Gordon, “The U.S. Has A Natural Gas Glut; Why Exporting It As LNG Is A Good Idea”, Forbes, 6/13/12, [http://www.forbes.com/sites/energysource/2012/06/13/the-u-s-has-a-natural-gas-glut-why-exporting-it-as-lng-is-a-good-idea/](http://www.forbes.com/sites/energysource/2012/06/13/the-u-s-has-a-natural-gas-glut-why-exporting-it-as-lng-is-a-good-idea/" \t "_blank))

The rapid increase in natural gas production has had a substantial impact on gas pricing in North America.  While gas prices in North America are not directly correlated to oil prices, up until late 2008, natural gas prices generally matched oil price trends.  Since the increase in shale gas production was first identified in Navigant’s groundbreaking *North American Natural Gas Supply Assessment* in 2008, natural gas prices have headed downwards from $5.00 per million British thermal units (mmBtu) to approximately $2.50 per mmBtu in May 2012.  However, although natural gas prices ***decreased***, crude oil prices ***increased*** during the same period.  While the EIA indicates that long term North American natural gas prices will rise to $4.00 to $6.00 per mmBtu, natural gas will continue to trade at a sizable discount to oil on an energy equivalent basis. Unlike crude oil, there is not yet a large tradable global market for natural gas and consequently, prices vary across the world.  In Asia, prices for major LNG importers closely correlate to oil prices, and LNG is currently priced over $17.00 per mmBtu.  In Europe, prices are lower at $12.00 to $14.00 per mmBtu. For North American producers to benefit from higher global prices they must successfully construct costly and complex LNG facilities and related infrastructure costing billions of dollars. Assuming a long-term North American natural gas price of $4.00 to $6.00 per mmBtu, liquefaction and shipping costs will add approximately $4.00 per mmBtu.  This offers an attractive $3.00 to $5.00 per mmBtu arbitrage opportunity to the $13.00 per mmBtu price currently achievable at Europe’s LNG terminals.  The real prize, however, would be realizing LNG exports to Asia.  While shipping costs would be higher (due to the much greater distance to Asia than to Europe), the current Asian LNG price of $17 per mmBtu provides the prospect of a much greater arbitrage opportunity. What are the risks to the current export strategy? Shale gas production has increased rapidly, offsetting a steady decline in conventional gas production across North America. While more natural gas can be produced from what is largely agreed upon as an “abundant gas resource,” the pace of future development is subject to factors such as changing environmental legislation.  Competition for the Asian markets, notably from the large number of Australian-based LNG projects in development, is expected to be fierce.  LNG project costs are on the increase, due in part to the considerable number of projects seeking to be developed in a short period of time.  Finally, shale gas resources are not exclusive to North America.  Europe and Asia both have significant shale gas potential; however, the pace at which shale gas resources will be developed in these regions has yet to become clear. Overall, North American natural gas exports are a very positive development for both North American and global natural gas markets.  In a market of surplus supply, access to large export markets will serve to balance supply and demand, thereby dampening price volatility, increasing natural gas prices moderately, and, over the long-term, providing a sustainable natural gas market in North America—the stability of supply and price needed by North American industrial markets. In this sense, it would seem that industrial-community opposition to exports based on perception of price impact is short -sighted.  Meanwhile, for natural gas consumers in Asia and Europe, North American export projects will provide another competitive supply option.  In the long run, companies with experience, fortitude, capital, and a healthy risk appetite may find themselves in the right place and at the right time to capitalize on North American LNG export projects.

#### Terminals will already solve Europe’s Natural Gas needs – not ports

AIC, 11 - was incorporated in the State of New Jersey in 1997 as a [501 C (3)] nonprofit and nonpartisan educational organization to provide for research, policy analysis, public education, and community mobilization. (American Iranian Council, “U.S. shale weakens dependence on and influence of Russia, Iran”, American Iranian Council, July 22nd, 2011,

[http://us-iran.org/content/us-shale-weakens-dependence-and-influence-russia-iran](http://us-iran.org/content/us-shale-weakens-dependence-and-influence-russia-iran" \t "_blank))

“The idea that shale gas is a flash-in-the-pan is simply incorrect,” writes Kenneth Medlock III, another Baker Institute fellow and study co-author. “The geologic data on the shale resource is hard science and the innovations that have occurred in the field to make this resource accessible are nothing short of game changing.” A decade ago, U.S. companies were making massive investments to build LNG-import terminals based on the assumption that domestic natural-gas production would continue to decline and the country would need to draw on supplies from Africa, Russia, the Middle East and Australia. But U.S. supplies did a U-turn over the past five years as companies perfected the combination of horizontal drilling and hydraulic fracturing — a process of injection millions of gallons of water, sand and chemicals into the ground to crack open shale formations – to economically access more gas reserves. LNG terminals U.S. gas production from shale has risen from virtually nothing in 2000 to more than 20 percent of domestic production today. That’s left the handful of new LNG import terminals – such as the Freeport LNG terminal southwest of Houston and Cheniere Energy’s Sabine Pass terminal in Louisiana – seeking permits and funding to build the capacity to export U.S. natural gas. Help for Europe By freeing up LNG shipments that might otherwise have been destined for U.S. consumption, Europe will be able to draw more heavily on Middle Eastern and other future LNG sources, cutting its dependence on Russian gas.  “A more diverse energy supply for Europe enhances U.S. interests by buttressing Europe’s abilities to resist Russian interference in European affairs and help border states in the Balkans and Eastern Europe assert greater foreign policy independence from Moscow,” Medlock writes.

### Middle East/Russian Econ Turn

#### Increasing US LNG exports will hurt Middle East and Russian economies

Hulbert, 5/26 – a Lead Analyst at European Energy Review and consultant to a number of governments, most recently as Senior Research Fellow, Netherlands Institute for International Relations (Clingendael), was previously Senior Research Fellow at ETH Zurich working on energy and political risk. He started work in the City of London, advising on energy markets and political risk, as Senior Energy Analyst at Datamonitor for leading global utilities, and headed up the Global Issues Desk at Control Risks Group, specializing in political risk, geopolitics and security analysis for multinational companies, governments and institutional investors. He was also seconded to work in Washington, D.C., to enhance CRG's political risk offerings in North America. (Matthew, “Why American Natural Gas Will Change The World”, Forbes, 5/26/12, [http://www.forbes.com/sites/matthewhulbert/2012/05/26/why-american-natural-gas-will-change-the-world/](http://www.forbes.com/sites/matthewhulbert/2012/05/26/why-american-natural-gas-will-change-the-world/" \t "_blank)//DG

The spanner in the works is political risk of course; how much gas will Washington allow to leave its shores? A couple of years ago you’d have said not much, but the fact the EIA has just downgraded recoverable shale reserves from 827tcf in 2011 to 482tcf in 2012 tells you all need to know. If the US wants to maintain its shale revolution, it badly needs prices to firm to make fields economically viable. LNG exports are a good way of doing that, at least to around $4-7Mmbtu. With some careful positioning, Washington could claim a political victory in the process; maintain the health of US shale (and American jobs) by making a virtue out of LNG export necessity. As far as US Energy Inc. is concerned, LNG isn’t a case of ‘if’, but when, how much and what pricing methods to use. 40 to 50 million tons a year by 2020 should be more than doable. That would make America the third largest LNG player in the world behind Qatar and Australia. Europe will watch the debate with considerable interest – not just because the likes of BG Group have a 34% stake in total US LNG export capacity being developed, but because European hub prices currently sit mid-way between the US and Asia. European spot market liquidity has held up reasonably well thanks to Qatari supplies, but Doha is increasingly looking East, a dynamic that could leave Europe with its more traditional Russian, North Sea and North African pipeline mix. If American LNG doesn’t come good, North West European liquidity will dry up quicker than most think – with potentially serious price and dependency implications. Europe will inevitably fail to develop its shale reserves, not unless the states in question happen to be perched on the Russian border. Little wonder serious forecasts already think Europe will end up importing more US LNG by 2020 than it manages to frack in its own backyard. This 2020 ‘lead time’ is important for  Europe, not just because it’s going to take some time for US LNG trains to gather speed, but because the first wave of exports will predominantly go to Asia. Japan has been in the headlines post-Fukushima boosting short term demand, but the real prize remains China. Gas demand has been going up 5% year on year, while LNG shot up 31% once China’s fifth import terminal went online. That’s closely followed by India where LNG remains a strategic priority given the impossibility of getting pipelines into Delhi via Pakistan or Afghanistan. Although India and China are actively developing domestic shale reserves, (Beijing has earmarked no less than 30bcm capacity), America should have little problem taking Asian market share, particularly if it provides greater flexibility on take or pay contracts to hedge long term price risk. Indeed, the mere prospect of US LNG is Asia is already creating major problems for Middle East and Russian players trying to sell gas (LNG or pipeline) on an oil indexed basis. Australia is in no better shape; despite headline figures of 80mt/y of LNG by 2018 (i.e. the world leader), cost inflation is rife and coal bed plays are looking more costly to develop than originally thought. International players are still investing in Australia (ironically as a double hedge against US LNG flopping), but given that Australian LNG docks into Asian ports for around $17-$18MM/Btu, any softening of prices could leave current (and prospective) LNG projects in the red. That might sound problematic for future supply prospects, but it’s also extremely interesting when we consider that Chenerie’s Sabine Pass output will be sold into South Korea at $8/MMBtu. Sure, Chenerie is more desperate than most to secure long term supply contracts to ease domestic credit constraints give its junk status (CCC+), but it actually took its pricing cue in Asia from deals brokered by BG Group. The ‘general’ formula is to set a minimal $3/MMBtu (i.e. Henry Hub) capacity leasing charge as default payment if gas isn’t lifted, with a 115% mark up to bridge differentials on actual deliveries. Obviously it’s very early doors to call a decoupling of international gas prices from oil (Japanese Crude Cocktail (JCC)) in Asia towards ‘Shanghai Spot’ for gas in China, but at the very least, we can expect the likes of Qatar, Russia, Australia (and even Canada) to be more flexible on contractual terms / oil indexation if they want to secure Asian markets and stymie a Pacific Basin price war. It’s either that or they’ll hold out on sales, and hope US LNG doesn’t pan out. When the market gets razor tight, get Asian governments to sign on the oil indexation line.

## Oil Spills

### 1NC

#### No impact –

#### a) Ecosystems adapt

USBS News 11- (“Oil Spills good For Environment, Experts Find”, USBS News, 9/9/11, http://www.usbsnews.com/5/post/2011/9/did-steve-jobs-die.html)//RP

In a study commissioned by BP, environmental experts found that massive oil spills are actually beneficial for the environment. The 285-page report says that spills have become so commonplace, that they are just another part of some ecosystems. George Harry, a scientist who led the study, said "Spills are a lot like forest fires. They wipe everything out and allow nature to start from scratch. Oil comes from nature anyway, so spills just reintroduce oil to the environment."

#### b) Only affects bacteria, not marine life

Crocker 11- founder of Behind Blue Lines and Attorney and British solicitor living in Portland, Maine. BBL is an eclectic site, dealing with politics, history, economics and culture – analyzed through the lens of breaking news (David, “Oil Spills Are Not Environmental Catastrophes”, Behind Blue Lines, 4/30/11, http://www.behindbluelines.com/2011/04/30/oil-spills-are-not-enviromental-catastrophes/)//RP

Obviously, oil spills are messy and unpleasant – and to be avoided. But are they “catastrophes” in the perfervid language of contemporary environmentalism – events causing irreparable or even persistent damage? Clearly not. First, consider some facts. During World War II, thousands of ships were sunk and millions of gallons of oil spilled. In merchant tonnage alone, the US lost over 1,500 ships with hundreds more damaged. The Germans sank 42 oil tankers off the US east coast and oil fouling the seascape was a fact of life during the war years. Since the war, we’ve seen numerous oil spills large and small – with what result? In fact, the oceans seep oil. People growing up on the US Gulf coast live with tar balls washing up on the beach. Each year, the equivalent of two Exxon Valdezes seep into the Gulf – to no effect other than feeding adapted bacteria.

#### Gulf spill proves ecosystems resilient

Handwerk 11 – National Geographic News Reporter (Brian, “Nature bouncing back, but Gulf economy still faltering”, Gulf Oil Spill Anniversary: Resilience Amid Unknowns, 4/19/11, http://news.nationalgeographic.com/news/2011/04/110420-gulf-oil-spill-anniversary-year-later-science-nation-environment/)//RP

On the first anniversary of the Gulf oil spill, scientists caution that it could take years to understand the full scope of the disaster. (See photos of the Gulf oil spill in National Geographic magazine.) But many are encouraged because the damage could have been far worse—and nature is already showing signs of resilience. On April 20, 2010, a massive explosion rocked the Transocean oil rig Deepwater Horizon, a state-of-the art mobile offshore drilling platform at work on a well in the Gulf of Mexico. Eleven workers were killed by the blast and survivors had just minutes to flee an inferno that would soon burn and sink the rig. The accident unleashed a torrent of oil that began roaring from an underground Macondo reservoir into the Gulf waters. During the first few frantic days of the BP crisis that became the worst oil spill in U.S. history, experts had a hard time determining what was happening—much less what the spill's ultimate environmental and economic consequences might be. (See satellite pictures of the Gulf oil spill's evolution.) As people around the world fixated on oil spewing from a pipe 1 mile (1.6 kilometers) beneath the Gulf's surface, scientists clambered to discern just how much was gushing out. Estimates climbed from 1,000 barrels a day to 12,000 barrels to 62,000 barrels a day. Even less certain was how the damaged wellhead would finally be plugged—and for a while, people feared the leak could continue for years. Authorities finally capped it in July. A spill that started with the tragic loss of life soon wrought major environmental devastation over huge region of the Gulf. Disturbing images appeared daily of oiled wildlife, iridescent surface slicks, overwhelmed cleanup workers, fouled beaches, burning oil fires, and blackened wetlands. The damage from nearly five million barrels of oil was very real, yet many expert predictions missed their marks. Hurricanes didn't drive enormous quantities of oil ashore, giant dead zones didn't materialize, and oil didn't round the tip of Florida to rocket up the East Coast via the Gulf Stream. Fisheries now appear poised to rebound instead of suffering the barren years or decades some feared. And Mother Nature had her own surprises in store, showcasing an ability to fight back against the spill and, later, to bounce back from the damage—at least in the short-term.

#### Oil spills boost economic growth - jobs for cleanup efforts increases US GDP

Leo 10- Analyst at Wall Street Journal (Luca Di, “Oil Spill May End Up Lifting GDP Slightly”, Real Time Economics, 6/15/10, http://blogs.wsj.com/economics/2010/06/15/oil-spill-may-end-up-lifting-gdp-slightly/)//RP

The continuing oil spill in the Gulf of Mexico could end up adding a bit of growth to the U.S. economy as the huge cleanup efforts in some ways outweigh negative factors, analysts at J.P. Morgan Chase said. Underlining that gross domestic product measures are often not a good guide to an economy’s well being, the bank said in a research note its best guess is that the impact on the U.S. economy of BP‘s Gulf Coast spill would be minimal. “The spill clearly implies a lot of economic hardship in some locations, but given what we know today, the magnitude of these setbacks looks dwarfed by the scale of the US macroeconomy,” said chief U.S. economist Michael Feroli. If anything, he added, U.S. GDP could gain slightly from it. The six-month moratorium on deep-water drilling may cut U.S. oil production by around 3% in 2011 and cost more than 3,000 jobs, according to J.P. Morgan’s energy analysts. Commercial fishing in the Gulf is also likely to suffer, but that’s only about 0.005% of U.S. GDP. The impact on tourism is the hardest to measure, although it’s fair to expect that many hotel workers who lose their jobs will find it hard to get new ones. Still, cleaning up the spill will likely be enough to slightly offset the negative impact of all this on GDP, J.P. Morgan said. The bank cites estimates of 4,000 unemployed people hired for the cleanup efforts, which some reports have said could be worth between $3 and $6 billion. “If realized, this would likely mean a near- to medium-term boost to activity that might offset the drags,” Feroli said. U.S. Democrats Monday asked BP to set aside $20 billion in a special account to be used to pay for economic damages and cleanup costs. President Barack Obama said on Monday that his administration has begun “preliminary conversations” with BP about setting up such a fund.

#### Oil spills pave the way for cleaner and renewable energy supply

Kho 10- a reporter and editor in The New York Times' Green Inc. blog, The Wall Street Journal, Los Angeles Times, AOL's DailyFinance, MIT's Technology Review, The Christian Science Monitor, Reuters.com, Earth2Tech (Jennifer, “ Oil Spill's Impact: Bad for the Environment, Good for Clean Energy?”, Daily Finance, 5/5/10, http://www.dailyfinance.com/2010/05/05/oil-spills-impact-bad-for-the-environment-good-for-clean-ener/)//RP

As Ron Pernick, principal of research firm Clean Edge, puts it, the spill "has the potential to be a watershed moment" that could end up changing the way oil and other fossil fuels are developed and paving the way for cleaner energy. While the story is still unfolding and the full extent of the damage remains unclear, the spill already has exposed some of the vulnerabilities of our reliance on oil, including ever-fluctuating prices based on accidents, military actions and many other variables, Pernick says. "The volatility of fossil fuels is exactly what makes it untenable for our long-term energy supply -- we're one disaster away from pretty significant disruptions in pricing," he says.

### Oil Spills Help Env’t Ext.

#### Oil spills promote renewable energy polices to transition from fossil fuels

Hargreaves 10- CNN Money senior writer (Steve, “Never let a good oil spill go to waste”, CNNMoney, 6/10/10, http://money.cnn.com/2010/06/10/news/economy/oil\_spill\_waste/index.htm)//RP

NEW YORK (CNNMoney.com) -- Never let a good crisis go to waste. That's paraphrasing White House Chief of Staff Rahm Emanuel's supposed argument for sweeping reforms to the American economy amid the financial meltdown. Now many say lawmakers are doing just that with the oil spill: failing to enact sweeping energy reform to wean the nation off fossil fuels while the public is fixated on events in the Gulf. "This incident is a punctuation point," said Joseph Stanislaw, an independent energy adviser at Deloitte & Touche. "We've never had an energy policy, and we've been squandering opportunities for decades." The energy policy favored by Stanislaw, many Democrats in Congress, and most renewable energy advocates, involves making fossil fuels more expensive either by adding some type of tax or putting a price on carbon emissions. That's designed to both reduce greenhouse gas emission by cutting the use of fossil fuels, and to make alternative forms of energy more competitive. The policy also involves requirements that utilities buy more clean energy, as well as lots of money for energy conservation.

#### Oil spills increase fish stocks-key to seafood industry

Raines 12- the environmental reporter for the Press-Register in Mobile, Alabama (Ben, “Nearly 4 times as much sea life in Alabama, Mississippi coastal waters since 2010 Gulf oil spill”, Alabama Press-Register, 5/26/12, http://blog.al.com/live/2012/05/nearly\_four\_times\_as\_much\_sea.html)//RP

There were nearly four times as many fish, shrimp and crabs in Alabama waters in the fall of 2011 as there were before the BP's Gulf of Mexico oil spill, according to scientific data collected by the Dauphin Island Sea Lab. Scientists believe the months-long fishing closure caused by the spill helps explain the dramatic increase, which first became apparent in 2010, months after engineers capped the Deepwater Horizon well. But other factors may be at play as well, researchers said. “The increase certainly indicates that the waters in Alabama are in relatively good shape, at least the nearshore waters,” said John Valentine, director of the Sea Lab. “It could also be that things are not good in the Louisiana area and the fish are just getting up and leaving the area around the well site and the heavily oiled marshes there,” Valentine said. “Alabama might be getting the benefit of the problems in other places.” The lab has population records for Mobile Bay, the Mississippi Sound and Gulf waters out to five miles going back to 2000. The most recent surveys conducted in the fall of 2011 show an increase in both the weight of the catch and in the number of creatures caught. No surveys were conducted this spring because funding for the long-term project dried up, Valentine said. “This is a critical time for us to have this information,” Valentine said. “The money ran out. Unfortunately, it isn’t really glitzy enough science to attract much money. It’s just good, old-fashioned shrimp trawling. But it produced a lot of really useful data.”

#### Oil spills catalyze the environmental movements

Browne 10- founder of Greenopia (Gay, “Can an Oil Spill Actually Help the Environment? Finding a Silver Lining in an Environmental Crisis”, Huffpost Green, 6/11/10, http://www.huffingtonpost.com/gay-browne/can-an-oil-spill-actually\_b\_572412.html)//RP

While you may feel that the media coverage of the oil spill off the coast of Louisiana has exhausted every angle, there is one point of view that is sorely missing. Most of the articles about the spill are either pointing figures at various companies (BP) or describing how horrendous the scope of the spill has been (it's pretty nasty). The one thing that has surprised me is that no one is focusing on how we may look back at this as a defining moment in shaping environmental strategy and energy policy for years to come. Think about it: The largest environmental success stories have come from disasters. The hole in the ozone layer led to the phasing out of CFCs, the affects of DDT on bird populations and the publication of Silent Sprint led to its rapid removal, the Exxon Valdez spill led to the Oil Pollution Act of 1990, and the Love Canal disaster led to the creation of CERCLA and Superfund. We have a tendency not react to environmental problems until we get smacked in the face by something serious. While many of us long for an approach like that of the Precautionary Principle, we instead tend to put the burden of proof on scientists who have to prove something is dangerous rather than companies proving something is safe. Why is it that we try to push away the experts who are only looking out for our safety? Thus, I propose, that while this is a disaster the likes of which we will hopefully never see again, there is a silver lining. I imagine that in 10 years from now we will look at this as a defining moment in the quest for green energy. This event will be the catalyst for us to start utilizing greener and safer fuel sources. So maybe the glass is half full, even if it is half full of oil.

## Solvency

### 1NC

#### Army Corps takes 20 years to execute

Edwards, 2012 – director of tax policy studies at Cato, senior economist, and expert on federal and state tax and budget issues, senior economist on the congressional Joint Economic Committee (Chris, “Cutting the Army Corps of Engineers”, CATO, March 2012, [http://www.downsizinggovernment.org/usace#6)](http://www.downsizinggovernment.org/usace" \l "6%29//MM" \t "_blank)//JH

The Army Corps has built some impressive structures, such as the Washington Monument and the Panama Canal. But the agency's projects have been prone to large cost overruns, and they have often not produced the large benefits promised. Some projects have suffered from major failures, such as the levee system in New Orleans, while other projects have damaged the environment. These sorts of problems started in the 19th century. Melvin Dubnick notes that in the post–Civil War period, "the wastefulness and mismanagement of Corps' operations were the subject of many articles in the professional and popular press of the time, and a growing list of fiascoes was being used by the agency's enemies to challenge its effort to develop a more comprehensive civil works program."[31](http://www.downsizinggovernment.org/usace" \l "_edn31) In 1951 Arthur Maass wrote an influential book about the Army Corps, Muddy Waters, which detailed the agency's politically driven decisions and poor planning processes.[32](http://www.downsizinggovernment.org/usace" \l "_edn32) In the forward to the book, former secretary of the Interior, Harold Ickes, said, "no more lawless or irresponsible federal group than the Corps of Army Engineers has ever attempted to operate in the United States, either inside or outside the law."[33](http://www.downsizinggovernment.org/usace" \l "_edn33) The opinion of Ickes was harsh, but it reflected a common view that the Corps was outside of presidential control and working for special interests at the expense of the general public. A 1971 book by Arthur Morgan, Dams and other Disasters, was even more critical. The book rips into the Corps for its arrogant and damaging mismanagement. Morgan found that "there have been over the past 100 years consistent and disastrous failures by the Corps in public works areas . . . result[ing] in enormous and unnecessary costs to ecology [and] the taxpayer."[34](http://www.downsizinggovernment.org/usace" \l "_edn34) Morgan was a former chairman of the Tennessee Valley Authority and a highly distinguished engineer, who had worked on water resource issues for decades. In his book, he documents how the Corps—with a bullheaded mentality—consistently underestimated the costs of its projects, followed shoddy engineering practices, treated Native American tribes poorly, lied to the public, hid information, pursued environmentally damaging projects, and demonized its enemies in order to silence dissent. Some of these charges still ring true. The nation was reacquainted with the Corps' shoddy engineering with the tragic failure of the levees in New Orleans during Hurricane Katrina. In recent years, the Corps has hidden information from the public, and has been caught distorting economic analyses to justify wasteful projects. Because of its pro-construction mindset, the Corps continues to pursue projects that would damage the environment and produce limited economic benefits. In recent decades, for example, "the Corps has channelized dozens of rivers for barges that never arrived."[35](http://www.downsizinggovernment.org/usace" \l "_edn35) These longstanding problems are the result both of the agency's pro-building culture and congressional politics. The ad hoc way that the agency's projects are funded creates further problems. New projects are typically authorized in Water Resources Development Acts, which are passed every few years. The last of such acts was enacted in 2007 over a veto by President George W. Bush.[36](http://www.downsizinggovernment.org/usace#_edn36) After authorization, each project included may or may not receive funding a year at a time in annual appropriations bills. The problem is that Congress has crammed far too many projects into the Corps' pipeline, with the result that progress on each project is slow and erratic. For example, Congress has authorized more than 400 municipal water and sewer projects for the Corps, with a total price tag of more than $5 billion. However, only about $140 million or so is actually appropriated for these projects each year.[37](http://www.downsizinggovernment.org/usace#_edn37) The slow progress of Corps' projects contrasts with private sector construction projects, which are built as quickly as possible to hold down costs. A Government Accountability Office report on the Corps found that "funding projects in increments hinders project efficiency by increasing costs and timelines."[38](http://www.downsizinggovernment.org/usace#_edn38) One Corps' official told the GAO, "this is one of the reasons that a civil works project takes 20 years to execute, instead of 3 if we were fully funded from the start."[39](http://www.downsizinggovernment.org/usace#_edn39) The Corps currently has a backlog of more than 1,000 feasibility studies and construction projects worth more than $80 billion that have been authorized but not funded.[40](http://www.downsizinggovernment.org/usace#_edn40) The Corps is an engineering and construction organization, and in our economy such activities are usually carried out by private businesses. The Corps has never been run like a private business—it doesn't have an efficient structure, it doesn't pursue the highest-return projects, and it doesn't construct projects quickly and efficiently. Former Senate majority leader Tom Daschle (D-SD) said the Corps is "one of the most incompetent and inept organizations in all the federal government."[41](http://www.downsizinggovernment.org/usace#_edn41) The good news is that we don't need a civilian Army Corps organization because most of its functions could be carried out by state and local governments and the private sector.   [Wasteful Projects and Faulty Analyses](http://www.downsizinggovernment.org/usace" \l "top) The Army Corps is supposed to do a careful and detailed analysis of proposed projects to ensure that the benefits will outweigh the costs. However, the Corps has often pursued projects based on analyses that were theoretically flawed, had faulty data, or had been deliberately manipulated. The costs of projects are often underestimated and the benefits overestimated. The Corps does the analyses of proposed projects that it will build itself, thus it usually favors big and expensive projects.[42](http://www.downsizinggovernment.org/usace" \l "_edn42) The Pentagon's inspector general found that the Corps has a "systemic bias" towards large-scale construction.[43](http://www.downsizinggovernment.org/usace" \l "_edn43) A number of years ago, a series of leaked internal memos by Corps' leaders revealed a strategy to "get creative" in accounting in order to "get to yes as fast as possible" on proposed projects.[44](http://www.downsizinggovernment.org/usace" \l "_edn44) The bias in the agency's analyses has been a problem for decades. In a 1952 book, Sen. Paul Douglas (D-IL) noted that the Corps has "never been restrained in estimating the benefits which will result from their projects and . . . in recent years [has] greatly underestimated the costs."[45](http://www.downsizinggovernment.org/usace" \l "_edn45) As governor of Georgia in the 1970s, Jimmy Carter complained of "computational manipulation" and dishonesty by the Corps regarding a proposed dam in his state.[46](http://www.downsizinggovernment.org/usace" \l "_edn46) Arthur Morgan's 1971 book provides many examples of how the Corps provided faulty analyses over many decades.[47](http://www.downsizinggovernment.org/usace" \l "_edn47) He concludes that "many of the Corps' projects cost two or more times the amount of the first estimates."[48](http://www.downsizinggovernment.org/usace" \l "_edn48) He quotes House Appropriations chairman Clarence Cannon in 1959 saying that the Corps was either "incompetent or deliberately misleading" Congress with its routinely faulty cost estimates.[49](http://www.downsizinggovernment.org/usace" \l "_edn49) Corps' managers and analysts are encouraged to "get to yes" by the local interests that benefit from projects and by their congressional sponsors. Over the decades, the Corps has proactively searched the nation looking for places to pour concrete.[50](http://www.downsizinggovernment.org/usace" \l "_edn50) The consequence of the agency's eagerness to build and the political pressure to spend is the construction of numerous white elephant projects.[51](http://www.downsizinggovernment.org/usace" \l "_edn51) Journalist Michael Grunwald notes that investigations "have repeatedly caught the Corps skewing its analyses to justify wasteful and destructive projects that keep its employees busy and its congressional patrons happy."[52](http://www.downsizinggovernment.org/usace" \l "_edn52) A 2006 Government Accountability Office report found that the analyses supporting a number of Corps' projects were "fraught with errors, mistakes and miscalculations, and used invalid assumptions and outdated data."[53](http://www.downsizinggovernment.org/usace" \l "_edn53) Furthermore, the GAO report found that "the Corps' analyses often understated costs and overstated benefits."[54](http://www.downsizinggovernment.org/usace" \l "_edn54) Studies for inland waterway projects, for example, have used inflated barge traffic projections to justify approval. In 2002 the GAO lambasted a Corps' study justifying a $332 million project to deepen a ship channel in the Delaware River. It said that the study "was based on miscalculations, invalid assumptions, and outdated information."[55](http://www.downsizinggovernment.org/usace" \l "_edn55) The GAO found that "the project benefits for which there is credible support would be about $13.3 million a year, as compared to the $40.1 million a year claimed" by the Corps.[56](http://www.downsizinggovernment.org/usace" \l "_edn56) Having efficient and modernized ports is important to the U.S. economy, and supporters of the Delaware project have completed newer analyses claiming large positive returns.[57](http://www.downsizinggovernment.org/usace" \l "_edn57) But why does the federal government need to be involved? If this project makes economic sense, state and local governments and nearby businesses—such as oil refineries—should be willing to fund it themselves. The Corps and some members of Congress have pushed a $108 million project to drain tens of thousands of acres of flood-prone land in Southeastern Missouri to benefit a small number of corn, soybean, and cotton farmers.[58](http://www.downsizinggovernment.org/usace" \l "_edn58) The area currently acts as a beneficial relief valve for the Mississippi River during floods. Many experts think that this project is absurd, but the Corps sought to speed project approval on the basis of a manipulated cost-benefit analysis.[59](http://www.downsizinggovernment.org/usace" \l "_edn59) In 2007 D.C. District Court Judge James Robertson harshly criticized the Corps' analysis as "arbitrary and capricious," and he said that "the Corps has demonstrated its willingness to do whatever it takes to proceed."[60](http://www.downsizinggovernment.org/usace" \l "_edn60) The Corps also cooked the books on a study for a $2 billion project for navigation improvements on the Upper Mississippi River. An initial Corps' analysis found that the project wasn't cost effective, so senior agency officials fiddled with the numbers to get a more favorable result.[61](http://www.downsizinggovernment.org/usace" \l "_edn61) Studies by the Army's Inspector General and the National Academy of Sciences found that the Corps' study justifying this project was bogus.[62](http://www.downsizinggovernment.org/usace" \l "_edn62) Members of Congress are often indignant when their pet projects are threatened by evaluations showing that they don't make economic sense. With regard to the Upper Mississippi project, then-senator Christopher Bond (R-MO) "vowed to make sure the projects are funded no matter what the economic studies ultimately conclude."[63](http://www.downsizinggovernment.org/usace" \l "_edn63) Similarly, the former head of the Senate subcommittee overseeing the Corps, George Voinovich (R-OH), blurted out at a hearing, "We don't care what the Corps cost-benefit is . . . we're going to build it anyhow because Congress says it's going to be built."[64](http://www.downsizinggovernment.org/usace" \l "_edn64) Or consider one senator's response when her project to aid the shipping industry in Louisiana was threatened: "After a $194 million deepening project for the Port of Iberia flunked a Corps cost-benefit analysis, Sen. Mary Landrieu (D-LA) tucked language into an emergency Iraq spending bill ordering the agency to redo its calculations."[65](http://www.downsizinggovernment.org/usace" \l "_edn65) Aside from economics, many Corps' projects don't make sense from an environmental perspective. The Congressional Research Service says that "the Corps has been widely criticized for the environmental harm its water resources projects have caused to ecosystems."[66](http://www.downsizinggovernment.org/usace" \l "_edn66) For example, the Corps' single-minded efforts since the 1940s to redirect water flows in Florida to aid developers and farmers have damaged the Everglades.[67](http://www.downsizinggovernment.org/usace" \l "_edn67) Federal sugar subsides have added to the damage. Taxpayers are now footing the bill for an almost $8 billion Corps' effort to reverse the damage to the Everglades caused by prior federal policies.[68](http://www.downsizinggovernment.org/usace" \l "_edn68) The Corps' navigation and flood-control structures on the Mississippi and other rivers may have actually made flooding worse over the decades by forcing rivers into narrow channels, destroying wetlands, and encouraging the development of flood-prone areas.[69](http://www.downsizinggovernment.org/usace" \l "_edn69) River navigation is important to the economy, but the Corps seems to have long undervalued the negative effects that its projects are having.  A study by Taxpayers for Common Sense and the National Wildlife Federation in 2004 identified 29 Corps' projects that they argued would impose environmental damage and waste a total of $12 billion.[70](http://www.downsizinggovernment.org/usace" \l "_edn70) Similarly, a group of taxpayer and environmental groups produce an annual "Green Scissors" report, which lists billions of dollars in dubious Corps' spending.[71](http://www.downsizinggovernment.org/usace" \l "_edn71) Environmental groups often support wrongheaded anti-development positions, but fiscal conservatives find common cause with environmentalists in opposing government subsidies for dubious projects. A good example of an anti-taxpayer and anti-environment boondoggle was a $220 million project to drain 67,000 acres of wetlands near the Yazoo River in Mississippi for the benefit of a small number of farmers and land owners. The area that was to be drained for farming acts as an emergency relief valve during rises in the Mississippi River. By draining and blocking the floodplain, the Corps would increase the risk of flooding for other areas along the river. This project was condemned by experts, but Republican politicians including Thad Cochran, Trent Lott, and Haley Barbour continued pushing it for years. The subsidies to the Corps for the project were bad enough, but the New York Times noted that the project would also help landowners gain more federal farm subsidies: "Increasing farmland increases the opportunity for federal price supports. Some of the nation's biggest recipients of the supports are in the lower Delta."[72](http://www.downsizinggovernment.org/usace" \l "_edn72) Luckily, the George W. Bush administration blocked this project in 2008, and it now appears to be dead.[73](http://www.downsizinggovernment.org/usace" \l "_edn73) It may make sense to proceed with projects that harm the environment if the economic benefits are large. The problem with government subsidies is that they tilt the balance in a pro-development direction. If the owners of swampy land want to drain their properties for farming with their own money, it is likely that the increased value of farm production outweighs the project's cost. But if farmers can lobby the Army Corps to get their land drained for free, government policy is biased in an anti-environmental direction.   Economists generally support government spending on true "public goods." However, the purpose of many Corps' projects is to generate private gains, not broad public benefits. The Corps would look favorably on a project that cost taxpayers $100 million and generated private benefits to farmers, developers, or shipping companies of $110 million. But private interests should be willing to invest their own funds in such projects that have positive returns.[74](http://www.downsizinggovernment.org/usace" \l "_edn74) In sum, the Corps' infrastructure activities have often been based on faulty economics and pork-barrel politics. To better ensure efficient investment decisions, policymakers should transfer those Corps' activities that can be supported in the marketplace to the private sector, and transfer most of the rest of the agency's activities to state and local governments.

#### Federal Government mismanages ports - frequent cost overruns and engineering failures

Edwards, 2012 – director of tax policy studies at Cato, senior economist, and expert on federal and state tax and budget issues, senior economist on the congressional Joint Economic Committee (Chris, “Cutting the Army Corps of Engineers”, CATO, March 2012, [http://www.downsizinggovernment.org/usace#6)](http://www.downsizinggovernment.org/usace" \l "6%29//MM" \t "_blank)//JH

While the Army Corps has built some impressive infrastructure, many of its projects have been economically or environmentally dubious. The agency's activities have often subsidized private interests at the expense of federal taxpayers. Furthermore, the Corps has a history of distorting its cost-benefit analyses in order to justify its projects. The civilian side of the Corps grew out of the engineering expertise gained by the agency's military activities early in the nation's history. In mid-19th century, Congress began adding civilian missions to the Corps in response to political demands and various natural disasters. Today we are left with an agency involved in far flung activities such as beach replenishment, upgrades to city water systems, agriculture irrigation, clean-up of hazardous waste sites, and efforts to revive the Florida Everglades. The Corps has been greatly mismanaged over the decades, with problems ranging from frequent cost overruns on projects to the major engineering failures that contributed to the disaster of Hurricane Katrina. In addition, the dominance of special-interest politics on the agency's activities has resulted in it supporting many wasteful projects.   Fortunately, most of the Corps' activities do not need to be carried out by the federal government. Some of its activities—such as flood control and the management of recreational areas—should be turned over to state and local governments. Other activities—such as seaport dredging and hydropower generation—should be turned over to the private sector. This essay focuses on cutting the Corps' spending activities, and does not address the calls for reforming the agency's regulatory functions.[3](http://www.downsizinggovernment.org/usace#_edn3)

#### Dredging alone can’t solve—rail and road improvements are key

Tracy 11 – Senior Specialty Writer at Orlando Sentinel (Dan, “Experts question Gov. Rick Scott's port-dredging plan”, 3/16, McClatchy- Tribune Business News, ProQuest, [http://proxy.lib.umich.edu/login?url=http://search.proquest.com.proxy.lib.umich.edu/docview/857241224?accountid=14667](http://proxy.lib.umich.edu/login?url=http://search.proquest.com.proxy.lib.umich.edu/docview/857241224?accountid=14667" \t "_blank))//JH

"The big ships don't change the size of the market," said Tampa Port Director Richard Wainio. Right now, goods delivered to the Miami port largely supply South Florida. To grab a bigger share of the shipping business, Miami would have to increase its local demand, or move the goods farther north or south, experts say. That may not happen for at least two reasons, said Wainio and Mark Vitner, a top economist who studies Florida for Wells Fargo Securities. It's cheaper to keep the goods on the ship, Vitner said, and head north to other ports that have better access to the Southeast, such as Norfolk, Va. -- where the port already is deep enough -- Savannah, Ga., or Jacksonville, both of which are too shallow for mega-ships and do not have the permits to get deeper. Goods for southern trade could continue being offloaded at Caribbean ports as well, experts said. More problematic for Miami, Poole said, is its road and rail network. There is no major rail spur in the Miami port and the roads already are clogged with traffic, he said. The rail issue could be fixed by 2012 because the port has come up with nearly $50 million in federal, state and private dollars to fix tracks and a bridge damaged by hurricanes, said Husein Cumber, vice president of corporate development of the Florida East Coast Railway. "South Florida is not going to miss out on international trade opportunities anymore," said Cumber. He said goods unloaded in Miami could reach virtually anywhere in the state or the Southeast just as fast as cargo unloaded farther north. But expanding the roads could well be too expensive, Poole said. In 2007, Poole wrote a paper suggesting the construction of a toll road leading to and from the port that would be mostly for trucks. That could cost $1 billion or more, likely making the tolls too high for truckers to afford on a regular basis, he said. The state already is spending $1 billion building twin tunnels linking the MacArthur Causeway east of downtown Miami with the port. They would get the trucks out of downtown, but still place them on already crowded highways such as Interstate 95. Without additional major rail and road improvements, Poole and Vitner said, it is unlikely ships would deliver goods in Miami slated for Central and North Florida, much less the Southeast.

#### Panamax won’t cause dramatic route changes — it is overhyped for federal money.

Szakonyi 6/11— associate editor of the Journal of Commerce (Mark, “Eastern US Rails Poised for Growth on Either Coast”, Journal of Commerce, , ProQuest, [http://proxy.lib.umich.edu/login?url=http://search.proquest.com.proxy.lib.umich.edu/docview/1019810103?accountid=14667](http://proxy.lib.umich.edu/login?url=http://search.proquest.com.proxy.lib.umich.edu/docview/1019810103?accountid=14667" \t "_blank))//JH

Major eastern U.S. railroads stand to gain whether or not the Panama Canal expansion brings more freight to the ports they serve. The railroads may actually benefit more from growth on the other side of the U.S. despite the improvements CSX Transportation and Norfolk Southern have made to rail networks connecting shippers to East Coast ports. "Quite frankly, we'd prefer West Coast port growth," CSX CEO Michael Ward told attendees of the North American Rail Shippers Association annual conference on May 24. Shipments from West Coast ports are less likely diverted to trucks than those from the more densely populated East Coast, the CSX chairman and president said. West Coast ports will continue to be the biggest players, while East Coast ports will see a "higher growth rate from a lower basis" by being able to handle bigger ships able to pass through the Panama Canal's expanded locks in 2015, Ward said. Ward is right in seeing more benefits for his railroad in hauling goods from the West Coast, because trucks transport so much of what comes through the Port of New York and New Jersey, the largest East Coast gateway, rail analyst Ted Prince said. A similar fate awaits much of the imports shipped to Atlanta from the ports of Charleston, S.C., and Savannah, Ga. Several East Coast port proponents were quick to respond that Ward's comments didn't mesh with the large port-related investments CSX has made. But they do. Wisely, CSX and NS have hedged their bets by being prepared for rising freight demand from either direction and from any major port on the East Coast. Although Panama Canal-related expectations may have helped secure government dollars for their major infrastructure initiatives, the success of the National Gateway and Heartland Corridor isn't dependent on a freight shift from the West Coast. "We are preparing and planning so that if the traffic comes in from the East and needs to move inland, we'll be there to handle it. If the traffic comes in from the West and comes to a western gateway with one of the western carriers, we'll be ready to handle it," NS Chairman, President and CEO Wick Moorman told the Virginian-Pilot. That's good news for railroads, considering that expectations for cargo gained through the Panama Canal expansion are weakening as the deadline approaches. The heads of the major East Coast ports told attendees of The Journal of Commerce's TPM conference in Long Beach, Calif., they expected at best mid-single-digit growth from the expansion. Others such as rail analyst Tony Hatch, who told NARSA attendees in Chicago that the expected shift was overhyped and simply a vehicle for East Coast ports to attract federal infrastructure dollars, expect even less. NS's Heartland and Crescent corridor projects and CSX's National Gateway are dependent on government funding, too. But the rail projects are delivering results already, while harbor deepening appears to be more of an effort just to keep participating ports in the Asia trade game. Intermodal traffic on the Heartland Corridor, a route that reduced the leg from the Port of Virginia to Columbus, Ohio, jumped 92 percent year-over-year in 2011, NS spokesman Robin Chapman said. The $321 million public-private partnership project, completed in September 2010, has taken on freight from other routes and delivers double-stack service to a new intermodal facility in Columbus. The Heartland Connector, a double-stack line between Columbus and Cincinnati, Ohio, opened in mid-January, shortening the route for auto part shipments from the Port of Virginia to Detroit by 212 miles, or roughly two transit days. Similarly, CSX's more than $900 million National Gateway, a double-stack corridor between mid-Atlantic ports and the Midwest, has helped the railroad handle Maersk Line inbound discretionary cargo gained through a recent contract. The initiative, expected to be finished in 2015, allows freight to avoid congested Chicago by being routed through a recently built intermodal terminal in North Baltimore, Ohio. Both projects can benefit domestic intermodal business, but the Crescent Corridor, the ongoing NS project, is particularly focused on tapping one of the fastest-growing freight businesses. The project is aimed at eventually snatching more than 1 million annual loads from trucks on the route between the South and Northeast. As part of the project, NS in May broke ground on a $92 million intermodal terminal in Charlotte, N.C., and the railroad began construction on the Memphis Regional Intermodal Facility in Rossville, Tenn., last year. While analysts debate the impact of the Panama Canal expansion, domestic intermodal is providing returns. Domestic intermodal volume in the first quarter jumped 14.9 percent year-over-year, compared with a 2.9 percent rise in international intermodal traffic, according to the Intermodal Association of North America. With truck capacity tightening and fuel prices volatile, domestic intermodal is on solid ground. However, international intermodal volume on the East Coast is subject to the tides of consumer demand, federal funding for dredging, a more aggressive longshoremen union and cautious global container lines.

### Delay Ext.

#### **Dredging hurdles delay solvency – environmental reviews, NED, WRDA, and EPA**

American Institute of Marine Underwriters, 06 (“DREDGING & MARINE CONTRACTORS”, May 2006, <http://www.aimu.org/Dredging%20&%20Marine%20Contractors.pdf>)//RM

Over the years, dredging has made a significant contribution to the development of many world economies. Construction and maintenance of harbors, canals, and waterways have all directly benefited from the dredging industry. Additionally, dredging is key in coastal protection, land reclamation, and environmental restoration projects. In addition, there are many other applications to which dredging is key. In many places, agriculture depends on irrigation and drainage with the use of canals. Dredging is often used for infrastructure projects such as road construction. Trenches for pipelines and ables and more, are often aided with the assistance of dredging as well. In the Northeastern U.S. alone, some of the recent dredging projects that have been completed or are currently underway and/or planned include: Baltimore harbor dredging project, which features the creation of an artificial island that will be filled with spoils from the dredging activities. Deepening of the channel for the port of NY/NJ, which require drilling and blasting of bedrock that had been deposited during the Ice Age. Deepening of the channel (Delaware River) for the Port of Philadelphia Dredging to remove hazardous material (PCB’s) from the Hudson river. The Chesapeake Bay Bridge tunnel project required extensive dredging for the laying of the tunnel sections. Boston Harbor tunnel (The Big Dig). During marine construction, dredging is often required in support of construction of piers, bridges and tunnels. Many dredging companies have diversified into Marine Contracting for pile driving, pier construction, fender building and other marine construction. Marine Contracting tends to provide a more continuous source of projects for owners/operators than does dredging, due to the heavily regulated nature of dredging activities. The U.S. Army Corps of Engineers (USACE) is responsible for the maintenance of waterways and ports/harbors within the U.S. Consequently, they control and award all dredging projects on U.S. waters. Before any dredging project can begin, there first must be a type of cost benefit analysis performed by the USACE called Net Economic Development Benefits (NED). The NED attempts to determine if the project would be in the government’s interest to undertake. This can often lead to competition between neighboring ports. For example, is it in the public’s best interest to pursue the deepening of the channel for the Port of Philadelphia, or to commit our limited resources to the deepening of the Port of New York/ New Jersey? Although not necessarily mutually exclusive, sometimes the answer may mean that one port will grow, while the other will decline. Once the USACE has decided the NED issue, the next step is to define the scope of work and solicit competitive bids from marine contractors. The successful bidder is usually required to post a performance bond. The next challenge is to find possible sponsors to fund the project. The government provides funding for the USACE under the Water Resources Development Act (WRDA), but often additional funding is needed. The USACE will look to state and local governments, as well as concerned industry associations. The point for underwriters is that dredging can be a cyclical business, with the viability of companies sometimes tied to funding issues for projects. The other major hurdle in the permit process is to perform an environmental impact study. This can be a time intensive and onerous process, in which Federal (EPA), State and Local Authorities must review and approve the dredging plans and disposal of spoils. Among the environmental factors considered are the impact to the environment and marine life in the area affected by the dredging, as well as the disposal of them dredging spoils. Many river bottoms contain potentially toxic chemicals and contaminants that have accumulated over the years, due to industry activity and previous dumping, such as residual PCBs in the Hudson River, due to production of Agent Orange and other toxic chemicals in the past.

#### Also, acts and requirements must be met BEFORE dredging can be started-This process takes years to complete

American Institute of Marine Underwriters, 06 (“DREDGING & MARINE CONTRACTORS”, May 2006, <http://www.aimu.org/Dredging%20&%20Marine%20Contractors.pdf>)//RM

In addition to any state or local agency requirements, the Environmental Impact Study must satisfy the requirements of the following Federal Acts:

 Rivers & Harbor Act of 1899

 National Environmental Policy Act

 Clean Water Act

 Ocean Dumping Act

 Coastal Zone Management Act

 Endangered Species Act

 Magnuson-Stevens Fishery Conservation & Management Act

 Fish & Wildlife Coordination Act Page 6 of 20

Once the environmental impact study has been completed, the USACE then can pursue competitive bids for the dredging project. Once the successful bidder has been identified and the project awarded, the next step is to find a sponsor and arrange for funding of the dredging project. Funding is often provided by a combination of private and federal funds. Once the scope of work has been defined, a contractor selected, funding arranged, and the environmental impact study completed, the USACE will issue a Permit to the successful bidder. It should be noted, however, that USACE has procedures that can allow for a no bid award to a contractor for an emergency project. The point for underwriters is that the approval process can take years and have an uncertain outcome. The uncertainty of this process and its potential business ramifications can have a significant effect on the financial operations of dredging contractors, including whether funds remain available for maintenance of equipment. The areas of operation can define some of the unique exposures for dredging and marine contracting. It is critical that underwriters gain a full understanding of the project and the scope of work. The primary types of dredging are listed below with a brief description

-Private ponds and waterways

- Inland waters and rivers

- Ports and Harbors

-Coastal, including bays, inlets and sound

-Foreign/Domestic

The area of operation dictates the type of dredge utilized. For the underwriter, the significance is that the area and type of dredge affect the insurance exposures. Underwriters need to develop an understanding of the project undertaken and the scope

of work.

#### Dredging suffers massive delays – environmental reviews slow projects - Delaware proves

Courier Post 00—“Anti-dredging forces buoyed by Army report”, Courier Post (Cherry Hill, New Jersey) 12/17, ProQuest,                 [http://proxy.lib.umich.edu/login?url=http://search.proquest.com.proxy.lib.umich.edu/docview/436913746?accountid=14667](http://proxy.lib.umich.edu/login?url=http://search.proquest.com.proxy.lib.umich.edu/docview/436913746?accountid=14667" \t "_blank))//JH

Legislation appropriating $24 million for dredging has passed both houses of Congress. But the Army Corps and the Delaware River Port Authority, the project's sponsor, have yet to sign an agreement to start construction. They had hoped to begin work over the summer. Army Corps officials last week said the agreement has been held up by technicalities. `It's just strictly wording issues,' Army Corps spokesman Richard Chlan said. `It's lawyers talking to lawyers.' But opponents argue the agreement is effectively on hold because of the lack of funding commitments from Delaware and New Jersey. In May, a New Jersey Senate committee withheld the state's $13 million contribution because of general economic and environmental concerns. Delaware has raised state environmental permitting issues in holding back its $4 million contribution. Pennsylvania has committed its $15 million contribution. Opponents now likely face lobbying New Jersey and Delaware legislators to continue holding back the contributions while they figure out a way to get a review by either the GAO or the Pentagon. `We need to kind of roll up our sleeves and see . . . what it's going to take to get them to turn their attention to this,' Ellis said. In March, Ellis' group and the National Wildlife Federation issued a joint study ranking the Delaware deepening as the second most wasteful Army Corps project in the nation. The Mississippi project, which ranked third, is now on hold for at least a year, pending a new Army Corps economic analysis. The top-ranked project -- a massive irrigation project in eastern Arkansas -- is also on hold at the request of congressional leaders and stakeholders, including rice farmers who questioned the economic benefits the Corps said they were to receive. Environmental groups are hoping for a similar delay to the Delaware project, arguing the Army Corps has manipulated justifications for the deepening on behalf of the DRPA. The Philadelphia District of the Army Corps and the DRPA, a quasi-governmental port development agency, staunchly defend the Delaware project as justifiable. `I don't know anything about the (Mississippi) project, but the Delaware River deepening project is economically justified,' said Chlan, the Army Corps spokesman. `And years and years of studies have shown we have met or will meet all environmental requirements.' In the Mississippi project, an economist testified Army Corps brass ordered him to manipulate economic data to justify lock expansion along the Mississippi and Illinois rivers. Such allegations have never emerged in the Delaware deepening. Still, opponents maintain the Army Corps' justifications for the Philadelphia project are thin. Although the DRPA argues the port needs a deeper channel to accommodate bigger cargo ships, the Army Corps did not take this into consideration. Instead the Corps limited its analysis to potential national economic benefits that could be derived through theoretically lower fuel prices resulting from savings to refiners. The Corps estimates a deeper channel will save six major refiners along the river $32million because tankers will have to off-load less oil at the mouth of the bay. The DRPA insists the real stakes are the very survival of the port in face of competition from other East Coast ports for deeper draft cargo ships, an argument that technically cannot be considered by the Army Corps. `Refiners are nice,' said Joe Diemer, a DRPA spokesman. `Butour point of view is general cargo. Eighty percent of the jobs along the river have nothing to do with oil.' Opponents, meanwhile, maintain an Army Corps health assessment as minimized the project's environmental impacts. The Corpscalculated levels of toxins in sediments after they would be pumpedinto disposal sites. Corps biologist Jerry Pasquale acknowledged this approach diluted the levels of toxins measured because polluted sediments would be mixed with cleaner sediments. But Pasquale said he was investigating potential health exposures to people that might get onto disposal sites, not impacts on aquatic life resulting from the stirring of toxins in the river. Opponents further maintain the Corps has developed contradictory conclusions in two separate studies determining how water flowsi n the Chesapeake and Delaware Canal, which connects the Delaware River and the Chesapeake Bay. They argue the Army Corps came up with a new conclusion as to the general flow of water in the canal to allay concerns that polluted and saltier water from the Delaware would harm the more pristine upper reaches of the Chesapeake if the canal were deepened. Water generally flows in each direction because of tidal differences, but the Corps was looking at net water flows over time, particularly during a severe drought, Army Corps oceanographer Jeffrey Gebert said. An initial study conducted in connection with the Delaware project and released around late 1995 wrongly concluded net flow toward the Chesapeake, Gebert said. A more thorough 1999 study related to canal deepening accurately concluded net flow toward the Delaware, he said. `It's ludicrous for anyone to state that we said the canal runs in different directions at the same time,' Gebert said.

### Other Factors Ext.

#### Equipment shortages block solvency-

Lutes, 10 - Deputy Managing Director, Seaport Division, Port of Seattle, Washington (Phil, Hearing on “Doubling U.S. Exports: Are U.S. Seaports Ready for the Challenge?”, 4/29, [http://www.finance.senate.gov/imo/media/doc/042910pltest.pdf)](http://www.finance.senate.gov/imo/media/doc/042910pltest.pdf%29//DH)//JH

The federal government is poorly designed for a coordinated infrastructure policy. Responsibility for highway and transit policy alone is split among seven congressional committees. The closest the country has come to a coordinated national infrastructure plan was the National Transportation Plan in the 1970s, and the idea sank fast. Washington shoulders a minority share of the nation’s transportation costs, or about 25 percent of total transportation costs and 40 percent of capital transportation costs.11 Infrastructure in the United States has traditionally been a state and local affair. With national leaders framing infrastructure as a larger national problem, it would appear that the federal government is gearing up for a greater role. But those ambitions are hitting up against the wall of fiscal austerity. Given political realities, the best outcome could be a continuation of present transportation spending levels. Deep cuts in spending are a possibility with a Republican-controlled House opposed to either additional taxes or increased debt. Advocates of infrastructure investment are faced with squaring the circle, of doing more with less.

#### Dredging isn’t enough – a laundry list of other tasks are needed to solve

Rabianski and Seagrave 11 -- \* Professor and Chair, Department of Real Estate, Georgia State University, \*\* Director Of Business Development with Lathem Time Corporation (Jospeh and Philip, "Demand for warehouse and distribution center space", 3/22, The Counselors of Real Estate Vol. 36 Issue 1, [www.freepatentsonline.com/article/Real-Estate-Issues/259467736.html](http://www.freepatentsonline.com/article/Real-Estate-Issues/259467736.html" \t "_blank))//JH

"Freight movements are an increasingly important determinant of warehousing/distribution space demand. In particular, the rising use of marine container terminals in the global movement of goods is a major contributor to demand (for W/DC space) in the United States." (36) The growth of global trade volume and the demand for additional W/DC space will be determined by many factors, chief among them being the following factors that involve the accommodation of container ships of increasing size. (37) Panamax and Post-Panamax Ships The size of oceangoing container ships is limited by the capacity of the Panama Canal. A Panamax ship can pass through the Panama Canal but it is at the upper limit for size. The Panamax ship cannot exceed 951 feet in length, 106 feet in width and a "draft" not exceeding 39.4 feet. The ship can carry a maximum of 4,500 containers known as TEUs (twenty-foot equivalent units). Each TEU is 20 feet long by eight feet wide and eight feet high. This limitation affects shipping between Southeast Asia (China, Japan, Taiwan, Korea, etc.) and the ports on the East Coast of the U.S. These limitations do not affect shipping through the Suez Canal, which can handle larger ships (Post-Panamax) because it is wider. This extra width affects the shipping routes from Southeast Asia to the East Coast ports of the U.S. for the Post-Panamax ships. However, the transit time for ships taking the Suez Canal route instead of the Pacific Ocean route grows from 11 days to 30 days. The Panama Canal Authority announced plans in 2006 to expand its facilities to handle larger ships. According to their plan, (38) the new facilities will be open in 2014 or 2015. As of 2003, ocean freight carriers were ordering ships of larger size-the Post-Panamax ships. These ships are longer (approximately 1,100 feet), wider (140 feet) and have a greater draft (48 feet); they also carry 8,000 to 12,000 TEUs. "A Post-Panamax container ship of 366 meters (1,200') length, 49 meters (160') width and maximum 15 meters (50') draft was used as the reference for establishing the ideal lock chamber sizes. This vessel has been identified as the largest type of vessel that carriers in the routes with the greatest frequency, volume and intensity would regularly deploy in transiting the Canal. It accommodates up to 19 container rows through its width and has a nominal cargo capacity of up to 12,000 TEU. The proposed lock dimensions will also allow handling of Capesize dry-bulk vessels and Suezmax tankers displacing 150,000 to 170,000 tons." (39) The obvious conclusion is the port cities that will experience an increase in demand for W/DC space will be the ports that can handle the Post-Panamax ships. Port Infrastructure In order to accommodate the Post-Panamax ships, port cities must: \* Complete and maintain necessary dredging; \* Lengthen the dock facilities; \* Invest in new overhead cranes that can span up to 22 containers (existing cranes can span 18 containers); \* Provide land to expand the size of dock space; \* Provide land to expand the W/DC facilities; \* Provide skilled labor to expand the docks and build the new space; \* Redesign the dock facilities to efficiently handle the expanded volume of containers; \* Change time of operation of the docks. Many current docks operate only from 8 A.M.-5 P.M. In order to handle the expanded volume of containers, these hours will need to be expanded. 24/7 might be the ultimate time schedule for these expanded ports. Local Infrastructure Even if the port facility significantly upgrades its infrastructure in order to handle the expanded container volume, it will not be successful if the containers cannot be efficiently transported away from the docks. The local economy's infrastructure must facilitate this next leg of transportation. The local economy must: \* Provide streets and highways to facilitate the expanded shipments (expanding the number of lanes, dedicating truck lanes, etc.); \* Provide intermodal facilities to handle the expanded shipments; \* Eliminate impediments to traffic flows such as at grade rail crossings and street intersections that cause traffic backups. Transit Times Both producers and retailers want to minimize transit time between the factory and the W/DC that ultimately serves the retailer and its consumers. Transit time has three components--ocean transport, transshipment and land transport. Transshipment involves the removal of the cargo from the ocean carrier and placing it on a land carrier, a process often requiring two to three days. Transshipment may also include the time it takes to cross dock the cargo in a port city W/DC to get the shipments on the road to the ultimate destinations. "The shorter the transit time, the more inventory turns can be accomplished and the greater the flexibility to meet changes in consumer demand or respond to other special circumstances." (40) INFORMATION FROM CURRENT INTERVIEWS As a point of interest for the authors, a convenience sample was generated and 10 designees from the SOCIETY OF INDUSTRIAL AND OFFICE REALTORS[R] were asked several questions. One question was: "Please list as many warehouse space requirements as possible from the point of view of a W/DC space tenant." The items topping their lists largely coincided with the determinants identified in the 1990-94 studies. The rank order of their responses was: location, access to interstates, building size, access to good labor, and building characteristics. When building characteristics were listed, the respondents took the time to identify a series of the physical attributes studied in the academic literature. They also identified several characteristics that have not appeared in the literature. These include: floor flatness and load bearing capacity; insulation rating; electrical power capacity; air circulation; sprinkler system rating; and dock equipment. In addition, the respondents identified several nonphysical determinants not mentioned in the literature. These include: the ability of the facility to expand; the nature and extent of publicly provided infrastructure; the provision of locational incentives; image of the facility; the nature and quality of neighborhood and the general area; and the safety/security aspects for the facility. WHAT THE FUTURE MAY HOLD Future events and trends will have either a positive or a negative effect on W/DC space in the U.S. These "favorable" or "unfavorable" effects on W/DC space may emerge slowly over time or may not become evident until an unpredictable, critical threshold is reached. Energy Costs A reasonable expectation is increasing energy costs. This increase in fuel cost will raise transportation costs on land, sea and air. Focusing on ocean transport and international air transit, as transport costs increase to a high enough level, they will reduce the advantage of overseas production that uses lower wage labor. This will reduce demand for W/DC in port cities and increase the need for W/DC space near inland metro areas as production of previously imported items shifts to lower wage areas in Mexico, Canada and the U.S. Foreign Wage Structure and Standard of Living As the Asian and Indonesian economies grow, the result will be a rising wage structure and standard of living in that area of the world. To the extent these economies outpace the U.S., this will narrow the current wage gap between the U.S. and the Asian and Indonesian economies. Their costs of production will rise, reducing the current advantage of offshore production. Offshore wages will also increase as labor productivity in these countries increases. Terrorist Attacks Terrorist attacks on the Panama Canal and Suez Canal facilities would result in canal closures. Such disruptions to shipping routes would greatly lengthen shipping days and increase transportation costs. Terrorist attacks on the major port facilities in China, India and Indonesia would stop a high percentage of ocean cargo, raise transport costs and create an environment of uncertainty regarding the economics of offshore production. Relative Wage Rates A decline in the U.S. real wage structure relative to world wages will reduce our relative production costs and thereby increase our exports. At the same time, imports in general, and higher priced imports in particular, will become more expensive. The exact impact on the demand for W/DC space depends on the relative change in imports versus exports. Value of the Dollar A decline in the value of the dollar, relative to other key currencies, will reduce our imports and increase our exports. Even if our exports increase, the combined effect of these two changes will be a reduction in the volume of traffic through U.S. ports. U.S. Government Regulation Unproductive regulation that unduly limits transport options for the trucking industry will negatively affect procurement and distribution costs. Limiting driving time for drivers shrinks the travel zones and increases the need for overnight delivery patterns.

#### Channel depth alone won’t solve- critical infrastructure problems will arise

Koch 2011 –President & CEO of the World Shipping Council (Christopher, “Statement of Christopher Koch President & CEO World Shipping Council before the House Transportation and Infrastructure Committee Water Resources and Environment Subcommittee on the Economic importance of Seaports: Is the United States Prepared for 21st Century Trade Realities?”, October 26, 2011, [http://republicans.transportation.house.gov/Media/file/TestimonyWater/2011-10-26%20Koch.pdf)](http://republicans.transportation.house.gov/Media/file/TestimonyWater/2011-10-26%20Darcy.pdf%29//MM" \t "_blank)//JH

This chart illustrates that where the private sector owns the nation’s critical transportation infrastructure, there generally is not an existing capacity problem or a shortage of necessary investment capital, despite the enormous capital requirements.3 The capacity problems tend to arise more often with those portions of the critical infrastructure that are owned by the government, such as locks and dams, harbor channels, and efficient connections for freight to the national highway system.

#### US Needs inland Infrastructure for commerce

Ellis, 6/18 – Director of Communications at AAPA, provided public relations counsel to Port management, bachelors and masters in Journalism (Aaron, “U.S. Seaports, Private-Sector Partners Plan to Invest $46 Billion by 2017 in Port Infrastructure”, American Association of Port Authorities, 6/18/12, [http://www.aapa-ports.org/Press/PRdetail.cfm?itemnumber=18583)](http://www.aapa-ports.org/Press/PRdetail.cfm?itemnumber=18583%29//GP" \t "_blank)//JH

While port authorities and their business partners are making major investments into port facilities, studies show the intermodal links—such as roads, bridges, tunnels and federal navigation channels—to access these facilities get scant attention by state and federal agencies responsible for their upkeep, resulting in traffic bottlenecks that increase product costs and hamper job growth. To help remedy these problems, AAPA continues to advocate for a national freight infrastructure strategy and for the U.S. Congress to quickly pass a reauthorized multi-year transportation bill that targets federal dollars toward economically strategic freight transportation infrastructure of national and regional significance. “Infrastructure investments in America’s ports and their intermodal connections – both on the land and waterside – are in our nation’s best interest because they provide opportunities to bolster our economic and employment recovery, help sustain long term prosperity, and pay annual dividends through the generation of more than $200 billion in federal, state and local tax revenue and more than $22 billion in Customs duties,” said Kurt Nagle, AAPA president and CEO. “From a jobs standpoint, America’s seaports support the employment of more than 13 million U.S. workers and create 15,000 domestic jobs for every $1 billion in manufactured goods that U.S. businesses export.” According to economist John C. Martin, Ph.D., president of Lancaster, Pa.-based Martin Associates, U.S. Bureau of Economic Analysis formulas show that investing $46 billion in infrastructure at U.S. ports creates more than 500,000 direct, indirect and induced domestic jobs, accounting for more than 1 billion person-hours of work. “Those are really significant job numbers,” emphasized Dr. Martin. “From a dollars-and-cents perspective, it’s hard to over-emphasize the value of investing in ports, particularly when you factor in how much these investments help lower the cost of imports and make our exports more competitive overseas.” Mr. Nagle added that, despite substantial investments by port authorities and their private-sector business partners, inadequate infrastructure connecting ports to landside transportation networks and water-side shipping lanes often creates bottlenecks, resulting in congestion, productivity losses and a global economic disadvantage for America. “These congestion issues and productivity losses have the potential to stymie America’s ability to compete internationally and to create and sustain jobs,” he said. As recently as 2005, the World Economic Forum ranked the U.S. number one in infrastructure economic competitiveness. Today, the U.S. is ranked 16th, while neighboring Canada is ranked 11th and fast-developing China has risen to 44th. This change in ranking is due mostly to the fact that the U.S. spends only 1.7 percent of its gross domestic product on transportation infrastructure while Canada spends 4 percent and China spends 9 percent. Even as the global recession has forced cutbacks in government spending, other countries continue to invest significantly more than the U.S. to expand and update their transportation networks. The following are examples of investments other countries are putting toward transportation infrastructure: • India plans to invest US$60 billion, including both public and private funds, in creating seven new major ports by 2020 to handle a rapid expansion in exports of merchandise, which is forecast to triple by 2017. • Brazil expects tonnage at its coastal ports to more than double, to 1.7 billion tons by 2022, and has committed US$17 billion, including US$14 billion from the private sector, for port improvements. • The world’s fourth largest marine terminals operator, DP World, plans to spend US$2.5 billion on London’s Deep-Water Gateway, the United Kingdom’s first such development in the last 20 years.

### Fed’s Fail Ext.

#### Army Corps exaggerate - flawed assumptions

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The Chesapeake and Delaware Canal is 35 feet deep. It is 14 miles long. And according to the Army Corps of Engineers, it flows in two directions at once. At least that's what the agency's environmental studies suggest. In a study that bolstered its $83 million plan to deepen the C&D for the Port of Baltimore, the Corps concluded the canal's net flow is west to east, which would minimize the project's damage to the Chesapeake Bay. But in a study for its $311 million plan to deepen the Delaware River for the Port of Philadelphia, the same Corps district had concluded the same canal flows east to west. The C&D project's economic analysis is as problematic as its water flow analysis. An ad-hoc quartet of tireless Maryland citizen critics has documented at least a dozen mathematical errors, overoptimistic predictions and other flawed assumptions by the Corps, all exaggerating the canal deepening's benefits to shipping lines or minimizing its costs to taxpayers. The Corps claims the project's benefits would slightly outweigh the costs; the citizen watchdogs calculate the costs would be at least 50 times the benefits. Army Corps studies are supposed to provide impartial evaluations of proposed federal water projects, screening out the wasteful and destructive ones, providing an objective seal of approval for the necessary ones. But a review of the proposed canal deepening for Baltimore illustrates how the Corps often justifies projects backed by powerful political interests with questionable technical analyses. If the four citizens hadn't devoted 7,000 hours of their spare time to phone-book-sized studies, and if their congressman hadn't taken an unheard-of stance against a Corps project in his own district, the canal would almost certainly be deeper by now. In fact, Corps and Maryland Port Authority officials have not disputed many of the citizen critiques of the C&D, a project backed by Maryland Gov. Parris Glendening (D) and most of the state's bipartisan congressional delegation. Corps officials said they have been responsive, ordering up additional studies to ensure that they eventually reach the correct conclusions. At the same time, they have echoed the central argument of the port: that since the Corps analyzes all port projects the same way, the C&D shouldn't face stricter scrutiny. "Their basic position is that they have to cook the books for this boondoggle the same way they cook the books for all the other boondoggles," said John Williams, a retired DuPont engineer who leads the four-citizen team. "It really makes you wonder about this agency." There is a basic conflict of interest at the heart of all Corps studies: The same agency that evaluates proposed water projects gets to work on the ones it deems worthwhile. If the analysis concludes that the economic costs of a project outweigh its benefits, or that the ecological damage of a project is too extreme, the Corps loses a potential job. That would not fit with the expansionist Strategic Vision developed by Corps leaders, a document that equates growth with success. The vision established "Seek Growth Opportunities" as one of the agency's three core principles, and ordered commanders to "develop relationships with targeted constituencies in areas with growth potential." North Atlantic Division commander Gen. M. Stephen Rhoades translated the vision into action in a November 1999 memo: "We must renew our commitment to grow our program. . . . District commanders will be assigned specific goals to grow their program." This preoccupation with growth became a subject of public debate in February, after agency e-mails revealed that Corps officials had tried to manipulate a study to justify billion-dollar lock expansions on the Mississippi River, and had ordered all study managers to "get creative," "not take no for an answer" and "look for ways to get to yes as fast as possible." Corps commanders also devised a "Program Growth Initiative" that sought to double their budget for studies-- or, as they put it, for "targeted studies that should lead to target construction activities with continuation of historical success rates." There is no independent oversight of the Corps' studies; the Clinton administration delegated its technical review powers back to the Corps. So once a Corps study deems a project viable and Congress funds it, it may proceed. Corps studies do reject many projects. And the agency's commanders fiercely defend the integrity of their studies, saying the Corps system of internal checks and balances filters out the occasional mistakes. "I am confident that our process, our execution, and the judgment of our leaders are sound and yield balanced recommendations for wise water resource investments," Gen. Joe Ballard, the agency's recently retired chief engineer, told a Senate committee this year. Ballard later ordered Corps officials not to speak to The Post for this series of stories. But the Baltimore study is one of a number of high-profile Corps analyses where there have been suggestions of pro-construction bias. To justify a $181 million Mississippi Delta pump project, the Corps assumed that no landowner would ever voluntarily reforest existing farmland, even farmland that flooded every year. To justify a $641 million lock replacement in New Orleans, the Corps predicted steady increases in barge traffic--and refused to modify its predictions when traffic decreased instead. On the study of the locks on the Mississippi River, Corps officials sent numerous e-mails ordering a study team to find a way to justify the lock expansions regardless of its economic analysis. This phenomenon is especially pronounced for port projects, which often have hugely influential local and congressional advocates. Over the last decade, the Corps has used the same methodology challenged by the Maryland critics to approve $5 billion worth of deepenings. The Corps' own internal reports suggest that the result has been an ecologically and economically destructive race to the bottom in which almost every major American port deepens its ship channels, using federal subsidies extracted by local members of Congress--and construction managed by the Corps. In the last century, the Corps dredged many of America's rivers for expected barge traffic that never arrived. Now internal documents show that even some Corps officials believe the agency is dredging harbors for container ship traffic that may never materialize. The high-priced projects are creating environmental problems with spoil disposal and tidal flows along America's coasts, and industry experts say the real megaships probably will consolidate at just a few U.S. ports anyway. "Most of these deepening plans are purely pie in the sky," said N. Shashikumar, an industry expert who chairs Maine Maritime Academy's business and logistics program. "They can't be justified with any kind of real economics. They're justified with politics." The 294-year-old Port of Baltimore has evolved into the motherhood and apple pie of Maryland politics; the port authority's 1999 state legislative summary was titled: "Complete MPA Agenda Is Passed." And the port wants a 40-foot-deep C&D Canal. So Glendening has been an energetic supporter of the deepening, lobbying House Majority Leader Richard K. Armey (R-Tex.) and other congressional leaders. Maryland Sens. Barbara A. Mikulski (D) and Paul S. Sarbanes (D) have pushed hard, too, as have Maryland Reps. Steny H. Hoyer (D) and Robert L. Ehrlich Jr. (R). The project has been wired from the start. But not quite wired enough. 'No Negative Reactions' Williams, the retired DuPont engineer, attended his first Corps meeting about the Chesapeake and Delaware project because he was curious. And he was worried about the Chesapeake Bay. And he had nothing better to do. Williams, an intense wisp of a man with the brimstone eyes of a street-corner preacher, had no idea he would spend the next four years tilting at Corps windmills. It was July 1996, and after quietly studying the canal for eight years, the Corps had produced a 1,600-page draft proposal to deepen it to 40 feet. The main approach to the Port of Baltimore is already 50 feet, as deep as any channel in the United States, but the MPA had proposed the project as a shortcut for deep-draft vessels. Baltimore's main competitive disadvantage is its inland location, 150 miles from the ocean; the C&D, linking the Chesapeake and Delaware bays, cuts the distance by 25 percent. But deepening a canal between two bays can throw off tidal exchanges, and Williams wanted to know whether the project would draw pollutants and salinity from the Delaware into the somewhat more pristine Chesapeake. So he trekked to a high school in Chesapeake City, a quaint bed-and-breakfast town that has developed around the strip of water that slices it in two. There were about 200 area residents at the meeting, and they ripped the Philadelphia District Corps officials for four hours. Many complained about the $100 million C&D deepening of 1975, which wiped out a street, dried out local wells, forced the town to build new water and sewage plants, silted in the Elk River--and only attracted about one-seventh of the traffic predicted by the Corps. Others warned about future erosion, contamination and degradation of the upper bay. "Citizens Skeptical About Canal Plan," the Cecil Whig newspaper in Cecil County, Md., reported. But a month later, the district released its final report, endorsing the plan. Williams scanned it, and spotted this line: "The tentative project is considered to be essential by the local populace and no negative reactions have been detected by the general public." Corps reports will never be best-sellers; they are long and dull and stuffed with graduate-level arcana. But Williams soon felt as if he was reading science fiction. The report stated that a decade-long monitoring program had showed no contamination of local groundwater, when Williams knew that no such program existed. (The Corps later said its claim was "inaccurate.") In the draft report, numerous maritime officials had revealed serious doubts about the project; Williams realized their comments had been deleted from the final report. (One blunt example: "An increase in the canal's depth will not induce tonnage into the Port of Baltimore.") Finally, Williams realized the Corps had committed a basic math error that boosted the benefit-cost ratio from a failing 0.65 to a passing 1.21. "I asked the Corps economists if it was a typo, and they just said, 'Oh, you know how the system works,' " recalled Williams. "I started to think, 'Aha. I'm onto something.' " That October, Congress authorized the project, pending approval by Corps commander Ballard by the end of the year. But Williams presented his case to his congressman, Rep. Wayne T. Gilchrest (R- Md.), who represents the Eastern Shore and chairs the House maritime transportation subcommittee. Gilchrest had supported the project as a matter of course--until he listened to Williams, and listened to the Corps responses. Pretty soon, he was taking the biggest risk of his 10-year congressional career, battling the entire Maryland political establishment. "It all sounds so logical--port: good," said Gilchrest, who is considered among the most ardent Republican environmentalists in Congress. "Until you read the studies." Gilchrest began by relaying Williams's concerns to the assistant Army secretary overseeing the Corps at the time, former Rep. Martin Lancaster (D-N.C.), who agreed to set up a meeting. So on Dec. 16, 1996, his 35th wedding anniversary, Williams had a seven-hour showdown with a phalanx of Corps and MPA officials in the Chestertown courthouse. His wife, Mary Jo, sat patiently in the back, waiting for him to drive her to the Outer Banks for their delayed anniversary getaway. Williams raised more than a dozen issues during that first confrontation, but the one that tongue-tied the Corps was the math error, a flat miscalculation of "net present value" that he demonstrated on a spreadsheet. Lancaster's incredulous representative asked the Corps district officials point-blank: Did anyone check the math? They shrugged. "This guy made monkeys out of the Corps," recalled one agency official who was there. "It was just a very sophisticated critique. I've never been so embarrassed for the Corps in my life." Tay Yoshitani, then the MPA's executive director, finally dropped his briefing papers on the table in exasperation, according to several witnesses. "I don't care if the [benefit-cost ratio] is 1.2 or 1.0 or 0.8," he said. "I want a deeper C&D Canal!" At that point, Ballard could have killed the project by withholding his signature for two weeks. Or he could have moved directly toward construction. A few days later, he chose a middle path, keeping the project alive, but acknowledging that a slew of questions needed to be answered before any dirt moved, and that the public needed to be included in the process. In January 1997, the Corps district office abruptly declared its economic model "obsolete," and announced plans to redo the C&D study. It even hired a consultant already working for the MPA to do the work. Over the last three years, the Corps has scaled back the project to 39 feet and $40 million. It recently dropped plans to dump dredge spoil in the Chesapeake Bay. But the citizen critics say it has continued to inflate benefits and understate costs, in addition to its dueling theories of the canal's flow.

## Port Tradeoff DA

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#### Southeast and Eastern Ports can’t accommodate super-tankers

**Associated Press 6/21/12** (“Price tag to dredge Eastern ports for big ships: $5 billion” <http://www.usatoday.com/money/economy/story/2012-06-21/southern-ports-expansion/55746890/1> ) //GW

[**U.S.**](http://content.usatoday.com/topics/topic/U.S) **seaports in the Southeast likely need up to $5 billion to deepen their shipping channels so they can trade with super-size cargo ships expected to arrive soon through an expanded** [**Panama Canal**](http://content.usatoday.com/topics/topic/Panama+Canal), a federal agency said Thursday in a report to Congress¶ **The report, from the U.S.** [**Army Corps**](http://content.usatoday.com/topics/topic/Army+Corps) **of Engineers, is in response to Congress' request to examine improvement needs among the nation's ports** as local governments scramble for federal funds to deepen their harbors to make room for a growing fleet of giant commercial ships.¶ **The** [**East Coast**](http://content.usatoday.com/topics/topic/Places,+Geography/Regions/East+Coast) **has only three ports** —[New York](http://content.usatoday.com/topics/topic/Places,+Geography/States,+Territories,+Provinces,+Islands/U.S.+States/New+York), Baltimore and Norfolk, Va. — with waterways deep enough to accept the fully loaded ships regardless of tides.¶ **The Southeast, forecast to undergo the nation's biggest growth in population and trade, remains too shallow from Virginia to** [**South Florida**](http://content.usatoday.com/topics/topic/South+Florida) **and across the Gulf to Texas.**¶ **The need for expanding port capacity "is likely to be most critical along the U.S. Southeast and Gulf coasts," the report said.**¶ **That's because no shipping channels are at least 50 feet deep, which will be required for the ships — many from China and other Asian countries** — that will begin using the Panama Canal after a major expansion is completed by the end of 2014.¶ Savannah, Ga., Charleston, S.C., and Miami on the Southeast coast, as well as several ports in the Gulf, are already undertaking harbor-deepening projects. None have advanced beyond studies to actual dredging, however.¶ In April, the Corps completed a 12-year study on the Port of Savannah — the nation's fourth busiest container port — which wants $652 million in taxpayer funds to deepen more than 30 miles of river.¶ The Corps said 17 such projects are being studied overall, and the cost of harbor expansions across the Southeast would likely be $3 billion to $5 billion.¶ "Strategically, we need to find a bucket of money to fund the projects that need to happen to keep our nation competitive," said Curtis Foltz, executive director of the[Georgia Ports Authority](http://content.usatoday.com/topics/topic/Georgia+Ports+Authority), which is seeking final permits and funding to start deepening the Savannah harbor next year.¶ The budget crisis has made federal funding for port projects extremely tight, especially since Congress and [President Obama](http://content.usatoday.com/topics/topic/People/Politicians,+Government+Officials,+Strategists/Executive/Barack+Obama) for the past two years have sworn off so-called "earmark" spending that was used to fund such projects in the past.¶ The Army Corps report said current funding levels for port improvements won't cover all the projects that should be done.¶ If Congress won't increase the agency's funding for harbor projects, the report said, then perhaps state governments and private companies such as shipping lines should be required to pay a greater share.¶ Another alternative would do away with the current cost-sharing system.¶ Ports would include the cost of deepening in the fees they charge shippers and could borrow from a federal infrastructure bank for major project

#### Deepening the Gulf and Southeast ports causes business to tradeoff with the West Coast ports

**Racino 12** investigative and multimedia journalist reporter “Canal expansion sets up battle of the ports” <http://bottomline.msnbc.msn.com/_news/2012/07/12/12647772-canal-expansion-sets-up-battle-of-the-ports?lite>)

For the first time since its completion a century ago, the Panama Canal is being widened, setting up a long and costly battle among U.S. ports for the business of handling supersized container ships filled with goods from Asia.¶ When the project is completed in 2015, ports on the East Coast and Gulf Coast will be able to compete for business that until now has been dominated by West Coast ports. ¶ At stake are thousands of jobs and billions of dollars in federal and local[investment](http://bottomline.msnbc.msn.com/_news/2012/07/12/12647772-canal-expansion-sets-up-battle-of-the-ports?lite).¶ The case of the MSC Fabiola — a hulking mass of steel and containers nearly as long as the Empire State Building is high — illustrates what those stakes are.¶ When the Fabiola pulled into the Port of Long Beach on a foggy Friday morning this spring after a 13-day trip across the Pacific Ocean from China, it was a major event, although it received little attention. The ship's arrival marked the first time in history that a ship of its size had docked at a U.S. port.¶ ¶ Khalid Bachkar, a professor at the California Maritime Academy, said the shipping industry is shifting toward megaships. “This is the new trend,” he said.¶ Massive vessels like the Fabiola carry two to four times the number of containers as older vessels, which means fewer trips for shipping companies and bigger savings for manufacturers and importers.¶ What happens in the future of the shipping industry will affect millions of working Americans, as well as the economies of states throughout the country — with the strongest consequences affecting California.¶ The Fabiola represents the highly competitive, highly secretive and highly lucrative business of international shipping. Ocean-faring transport companies such as the Fabiola’s Mediterranean Shipping Company constantly seek to establish themselves as a shipper’s best choice for moving a product from Point A to Point B. The battles they wage on land and sea can ripple out to affect secondary industries across an entire continent.¶ The thousands of points they travel between are called ports of entry. The United States has 329 official land, sea and air ports that compete with one another — just like the shippers — for their piece of a market valued annually in the trillions of dollars.¶ **The West Coast has reaped the benefits of container traffic in the U.S. since the mid-1990s, led in no small part by California’s giant neighboring ports of Los Angeles and Long Beach. Ports on the East and Gulf coasts, with their more limited water depths and rail connections, haven’t been able to keep pace.**¶

Yet a developmentoccurring nowin the heart of Central America will crack this solid foundation in a few short years — as it once did in 1914 — affecting global trade routes and the economies of states and countries worldwide.¶ The Panama CanalOn Oct. 22, 2006, Panamanian voters across the country voted overwhelmingly to approve a plan presented by then-President Martin Torrijos for expanding their canal.¶ Such a plan had been undertaken before. In 1939, the U.S. began construction on a new set of locks that would have allowed for larger ships to pass through the canal — which connects the Atlantic Ocean and the Pacific Ocean. The outbreak of World War II brought a halt to those construction efforts, and it wasn’t until Sept. 3, 2007— after the vote and approval — that the work began once again.¶ An estimated $5.25 billion is now being spent to deepen and widen the Panama Canal’s Pacific and Atlantic entrance channels, to raise the water level of Gatun Lake — through which all ships must pass — and to install new locks on both sides of the waterway. It’s due to open in April 2015. ¶ The project is a response to a problem.¶ The canal is reaching its maximum capacity. It’s carrying more traffic than it was designed for and is unable to handle the Fabiolas of the world. Termed “post-Panamax” vessels, these huge ships carry more than a quarter of the world’s containerized maritime shipments.¶ Today, cargo crossing the Pacific bound for the Midwest and Eastern United States must offload at a U.S. Pacific Coast port if the ship carrying it is too large to pass through the canal’s 50-mile waterway. These goods are then routed across the country using the U.S. “land bridge,” the network of highways and railways linking East and West.¶ Once the widened canal is navigable, many megaships will no longer need the land bridge. Instead, they will pass through the canal’s wider locks to offload their cargo at a Gulf or East coast port, such as Houston, New Orleans or New York.¶ **“**Trade will shift,” Bachkar said**. “Instead of coming to the West Coast, it will go directly to the East Coast and on to Europe.”**¶ **These eastern ports are hoping the canal expansion will signal the end of an era — the end of the so-called West Coast Empire. Ports such as Savannah, Ga., New Orleans, Houston and New York City are preparing for this change by pouring billions of dollars over the next few years into infrastructure development, while the ports of the West Coast walk a fine line between confidence and caution in the face of what may be the single largest threat to their livelihoods ever.**¶“The West Coast has done well with Asian trade over the last 30 years,” said Port of New Orleans spokesman Matt Gresham. “This will make things more competitive.”¶ And in an industry where one port can generate billions of dollars in state and local tax revenues and affect the lives of more than 3 million industry-related employees throughout the U.S., any change is a big deal.¶ The stakesDespite experiencing the worst recession in modern times, U.S. trade has not only recovered since 2008, but has reached record levels. According to an analysis of trade data from the U.S. Census Bureau’s Foreign Trade Division, the values of both U.S. imports and exports in 2011 were higher than any year in history — $2.21 trillion and $1.48 trillion, respectively.¶ This does not appear to be an aberration. Even the most conservative of analytical forecasts show trade activity — and therefore port activity — booming in the near future. The U.S. Department of Transportation’s Maritime Administration expects port container traffic to double by 2020 and triple by 2030. The effects of this increase in trade will inevitably trickle down, creating millions of jobs and billions in tax revenues for states throughout the country.¶ “Ports are the heart of logistics,” Bachkar said. “There are many direct and indirect jobs associated with the activity of the port.”¶ “You’re talking about shippers," he explained, “you’re talking about freight, you’re talking about [brokers](http://bottomline.msnbc.msn.com/_news/2012/07/12/12647772-canal-expansion-sets-up-battle-of-the-ports?lite), you’re talking about banks, you’re talking about warehouses — and all those stakeholders are related to the activity of the port.”¶ For example, the Port of Los Angeles generates 919,000 regional jobs and $39.1 billion in wages and tax revenues each year, according to the port’s marketing division.¶ The Port of New Orleans claims around 380,000 jobs and $37 billion in national economic output are related to cargo passing through the port each year.¶ **The process of dredging is an expensive and time-consuming undertaking, and one that East Coast and Gulf Coast ports must deal with if they hope to accommodate** the newer, massive ships that will pass through the Panama Canal.¶ At the Port of Los Angeles, Jondle said that this is a key area where West Coast ports excel.¶ “If you’re not at 53 feet, or at least 50 or more,” he said, “then you’re going to be really challenged in staying competitive in the port industry.”¶ As of July 2012, only the East Coast ports of Norfolk, Va., and Baltimore can handle the post-Panamax vessels.¶ The Port Authority of New York and New Jersey has initiated plans to raise the Bayonne Bridge — which connects Staten Island with New Jersey — 64 feet to allow passage of post-Panamax vessels into the ports. As of today, the Fabiola wouldn’t clear it.¶ This is a source of pride for Los Angeles and Long Beach.¶ “We are far ahead of other ports when it comes to being in a position to handle bigger ships,” said Jondle

#### California Ports Key to US econ

**California Marine Affairs and Navigation Conference 05** CMANC is a consortium of California harbors, ports and marine interest groups. “Economic benefits of California Ports and Harbors” <http://www.cmanc.com/web/phei.htm>//GW

The Economic Benefits Of California Ports And Harbors¶ California ports, harbors and businesses that depend on Federal channels and breakwaters contribute:¶ $40,624,000,000 per year to national economic output.¶ 1,162,000 jobs.¶ $21,852,000,000 annual personal income to the U. S. economy.¶ $8,068,000,000 per year to Federal taxes and customs duties.¶ The benefits are real:¶ The benefits are based on an exhaustive inventory of over 1,300 confirmed California port users.¶ Profiles of typical port user characteristics were derived from a statistically significant sample of over 500 port and harbor users.¶ All other data used are from verifiable sources. Calculations follow commonly accepted economic methodology.¶ [Back to the Top](http://www.cmanc.com/web/phei.htm)¶ California ports and harbors are an interdependent system:¶ Centralized large deepwater port complexes are required for economies of scale in large, long-distance cargo movements. California’s port and harbor system includes large deepwater port complexes on San Francisco Bay and the Los Angeles/Long Beach Harbor, containing massive terminals for the latest generations of post-Panamax container ships, supertankers and large bulk carriers. For these functions to expand to meet growing demand, it is essential that other functions be accommodated in surrounding smaller ports and harbors.¶ Decentralized small deepwater ports are required as collection and distribution points for petroleum products, minerals, grain, forest products, and general cargo. California’s port and harbor system includes seven small and medium-sized deep-draft harbors on the State’s coast, rivers and bays, from which significant exports originate.¶ Decentralized small craft harbors are required to realize the enormous resource potential in the ocean’s rich coastal shelves. Harbors must be available near ocean use areas for commercial fishing, marine construction, mineral extraction, ocean research, recreational boating and public safety. California’s port and harbor system includes twenty-five shallow-draft harbors at decentralized coast and estuary sites as well as small craft facilities in all the deep-draft harbors.¶ Reducing the Congressionally mandated maintenance of California ports and harbors would cripple the port system:¶ [Back to the Top](http://www.cmanc.com/web/phei.htm)¶ California port and harbor maintenance is in the public interest:¶ Public benefits greatly exceed public costs.¶ State and local governments cannot fairly allocate costs among the nationwide beneficiaries of the California harbor system.¶ California ports and harbors need the centralized disaster response capability of a Federal agency to deal with the unpredictable costs and timing of maintenance dredging and breakwater repairs requirements, and to provide rapid restoration of ocean access when it is interrupted.¶ Ocean access, once abandoned, will be irreversibly lost, due to land development and environmental pressures.¶ California port and harbor maintenance is in the Federal interest:¶ Port and harbor maintenance promotes interstate trade and commerce.¶ Port and harbor maintenance protects national competitiveness in the rapidly growing Pacific Rim markets and the rest of the world.¶ Every dollar spent on Federal port and harbor maintenance generates more than $160 in Federal revenues.¶ ¶ [Back to the Top](http://www.cmanc.com/web/phei.htm)¶ EXECUTIVE SUMMARY HIGHLIGHT:¶ The California Economic Engine Annual Economic Return to the Nation From Federal Appropriations for California Ports and Harbors¶ ¶ **$41 billion to the Gross Domestic Product**¶ **$8 billion to the U.S. Treasury**¶ **1.16 million jobs**¶$1.00 of Federal O & M appropriations contributes $812 to the Gross Domestic Product¶ $1.00 of Federal O & M appropriations contributes $161 to the Treasury¶ Between $150-200 million is needed to maintain California’s ports and harbors to handle almost 31% of all US ocean trade and support the State’s #1 industry, tourism. Less than 1/2 of that need is recommended by the President or appropriated by The Congress and the Treasury is losing tax revenue.¶ California is the 7th largest world economy. It depends on the Federal Civil Works mission.¶ **Current demand on California infrastructure is overwhelming and increasing at 6% per year.**¶¶ [Back to the Top](http://www.cmanc.com/web/phei.htm)¶ Value of Waterborne International Trade, 1997¶ United States $625,576 million¶ California Ports $193,665 million¶ = 31.0% of US Trade¶ source: US Bureau of the Census, Report # FT 920¶ Waterborne International Trade Growth, 1995-1997¶ California Ports + 6.1%¶ source: US Bureau of the Census, Report # FT 920¶ California Containerized Cargo Growth, January-August >97-=98¶ Loaded International Containers + 7.6%¶ source: JOC-PIERS¶ EXECUTIVE SUMMARY HIGHLIGHT:¶ C-MANC Economic Benefit Study Message¶ California’s complex of large and small ports, harbors, marine terminals and associated coastal facilities carry 31% of the nation’s waterborne international trade cargoes, connecting every state with the Pacific Rim and propelling the whole nation’s economic growth and prosperity. This complex contributes $40.6 billion to the nation’s Gross Domestic Product and over $8.0 billion annually to the revenues of the Federal Treasury.¶ These contributions to the nation’s economy urgently depend upon annual maintenance of the Federal channels and breakwaters that permit the complexes to function. A single year’s delay of any project can make a harbor inaccessible at times to fully laden ships, reducing the nation’s competitiveness in international markets.¶ Federal harbor infrastructure is a part of the nation’s Civil Works infrastructure that has historically been developed and maintained by the Army Corps of Engineers in the national interest under Co

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ngressional mandate. Along with the Interstate Highway System and the National Air Navigation System, it is Federally funded because it is a key element of the nation’s economic engine and defense capability.¶ California infrastructure is dependent on adequate levels of Energy and Water appropriations, which must include approximately $150-200 million per year for Corps of Engineers harbor project operation and maintenance in California. Any less will cause rapid deterioration of California harbor accessibility and significant losses to the nation’s economy.¶ This study documents these findings and warns of the attendant restrictive economic and fiscal circumstances that will result from inadequate Federal Civil Works budget allocations and appropriations¶

#### Economic collapse causes nuclear war

Austin ‘9 (Michael, Resident Scholar – American Enterprise Institute, and Desmond Lachman, Resident Fellow – American Enterprise Institute, “The Global Economy Unravels”, Forbes, 3-6, <http://www.aei.org/article/100187>)

Conversely, global policymakers do not seem to have grasped the downside risks to the global economy posed by a deteriorating domestic and international political environment. If the past is any guide, the souring of the political environment must be expected to fan the corrosive protectionist tendencies and nationalistic economic policy responses that are already all too much in evidence. After spending much of 2008 cheerleading the global economy, the International Monetary Fund now concedes that output in the world's advanced economies is expected to contract by as much as 2% in 2009. This would be the first time in the post-war period that output contracted in all of the world's major economies. The IMF is also now expecting only a very gradual global economic recovery in 2010, which will keep global unemployment at a high level. Sadly, the erstwhile rapidly growing **emerging**-market **economies will not be spared by** the ravages of the **global recession. Output is already declining** precipitously **across Eastern and Central Europe as well as in a number of key Asian economies, like South Korea and Thailand**. A number of important emerging-market countries like Ukraine seem to be headed for debt default, while a highly oil-dependent Russia seems to be on the cusp of a full-blown currency crisis. Perhaps **of even greater concern is the virtual grinding to a halt of** economic **growth in China**. The IMF now expects that China's growth rate will approximately halve to **6%** in 2009. Such a growth rate **would fall far short of what is needed to absorb the 20 million** Chinese workers **who migrate** **each year** from the countryside to the towns in search of a better life. As a barometer of the political and social tensions that this grim world economic outlook portends, one needs look no further than the recent employment forecast of the International Labor Organization. The ILO believes that the global financial crisis will wipe out 30 million jobs worldwide in 2009, while in a worst case scenario as many as 50 million jobs could be lost. **What do these trends mean in the short** and medium **term**? The Great Depression showed how social and **global chaos followed** hard on **economic** **collapse**. The mere fact that **parliaments** across the globe, from America to Japan, **are unable to make** responsible, economically **sound recovery plans** suggests that they do not know what to do and are simply hoping for the least disruption. Equally worrisome is the adoption of more statist economic programs around the globe, and the concurrent decline of trust in free-market systems. **The threat of instability is a pressing** concern. China, until last year the world's fastest growing economy, just reported that 20 million migrant laborers lost their jobs. Even in the flush times of recent years, China faced upward of 70,000 labor uprisings a year. **A sustained downturn poses grave** and possibly immediate **threats to Chinese internal stability. The regime** in Beijing **may be faced with a choice of repressing its own people or diverting their energies outward, leading to conflict with China's neighbors.** Russia, an oil state completely dependent on energy sales, has had to put down riots in its Far East as well as in downtown Moscow. Vladimir Putin's rule has been predicated on squeezing civil liberties while providing economic largesse. If that devil's bargain falls apart, then wide-scale repression inside Russia, along with a continuing threatening posture toward Russia's neighbors, is likely. **Even** apparently **stable societies face** increasing risk and **the threat of** internal or possibly **external conflict**. As Japan's exports have plummeted by nearly 50%, one-third of the country's prefectures have passed emergency economic stabilization plans. Hundreds of thousands of temporary employees hired during the first part of this decade are being laid off. Spain's unemployment rate is expected to climb to nearly 20% by the end of 2010; Spanish unions are already protesting the lack of jobs, and the specter of violence, as occurred in the 1980s, is haunting the country. Meanwhile, in Greece, workers have already taken to the streets. Europe as a whole will face dangerously increasing tensions between native citizens and immigrants, largely from poorer Muslim nations, who have increased the labor pool in the past several decades. Spain has absorbed five million immigrants since 1999, while nearly 9% of Germany's residents have foreign citizenship, including almost 2 million Turks. The xenophobic labor strikes in the U.K. do not bode well for the rest of Europe. **A prolonged global downturn, let alone a collapse, would dramatically raise tensions** inside these countries. **Couple that with possible protectionist legislation in the United States, unresolved ethnic and territorial disputes in all regions of the globe and a loss of confidence** that world leaders actually know what they are doing. **The result may be** a series of small explosions that coalesce into **a big bang.**

#### Extinction

Phillips 2K(Dr. Allen, Peace Activist, Nuclear Winter Revisited, October, <http://www.peace.ca/nuclearwinterrevisited.htm>)

Those of us who were involved in peace activities in the 80's probably remember a good deal about nuclear winter. Those who have become involved later may have heard little about it. No scientific study has been published since 1990, and very little appears now in the peace or nuclear abolition literature. \*It is still important.\* With thousands of rocket-launched weapons at "launch-on-warning", any day there could be an all-out nuclear war by accident. The fact that there are only half as many nuclear bombs as there were in the 80's makes no significant difference. Deaths from world-wide starvation after the war would be several times the number from direct effects of the bombs, and the surviving fraction of the human race might then diminish and vanish after a few generations of hunger and disease, in a radioactive environment

### Link Extension

#### Deepening ports allows Business to tradeoff between west and east coast ports

**Barnett, 12**(Ron, “East Coast ports scramble to dig deep, for supersize ships,” USA Today, 5/24, <http://www.usatoday.com/money/economy/story/2012-05-24/deepening-harbors/55653540/1)//GW>

**A growing number of supersize freighters**, **which up to now have relied mostly on** [**West Coast**](http://content.usatoday.com/topics/topic/Places,+Geography/Regions/West+Coast) **ports to deliver goods from Asia to the** [**USA**](http://content.usatoday.com/topics/topic/Places,+Geography/Countries/United+States) **because they couldn't fit through the** [**Panama Canal**](http://content.usatoday.com/topics/topic/Panama+Canal)**, will be able to make the trip to the East Coast economically when an expansion of the canal is completed in 2014**.¶ **Ports on the Atlantic and the** [**Gulf of Mexico**](http://content.usatoday.com/topics/topic/Places,+Geography/Bodies+of+water/Gulf+of+Mexico)**, whose harbors have been too shallow to accommodate these behemoths, are gearing up to spend more than $40 billion over the next five years to deepen their shipping channels and make other upgrades, according to Aaron Ellis, director of communications for the American Association of Port Authorities.**¶ The ports of Norfolk, Va., and Baltimore have completed projects that put them in position to be the first to receive the big ships, some of them 1,110 feet long with the capacity to haul up to 13,000 boxcar-size freight containers, Ellis said.¶ Elsewhere, the work is in varying stages:¶ •The [Army Corps of Engineers](http://content.usatoday.com/topics/topic/Army+Corps+of+Engineers) is expected to finish dredging a 50-foot deep channel to three terminals in[New York Harbor](http://content.usatoday.com/topics/topic/New+York+Harbor) by the end of the year and to the main[New York](http://content.usatoday.com/topics/topic/Places,+Geography/States,+Territories,+Provinces,+Islands/U.S.+States/New+York) terminal by 2014, according to New York/New Jersey Port Authority spokesman Hunter Pendarvis. The authority has committed $1 billion to raise the Bayonne Bridge by 64 feet to allow the bigger ships to pass under, he said.¶ •[Miami-Dade County](http://content.usatoday.com/topics/topic/Places,+Geography/Towns,+Cities,+Counties/Miami-Dade+County) reached an agreement in April with environmental groups that had raised concerns about the Port of Miami's Deep Dredge project. It is expected to be able to handle the big ships by 2014 or soon thereafter, according to Ellis.¶ •The [Corps of Engineers](http://content.usatoday.com/topics/topic/Corps+of+Engineers) completed a study in April finding that Savannah, Ga.'s proposed $652-million channel deepening project is viable.¶ •The Corps is in the midst of a study of Charleston harbor, said Jim Newsome, president and CEO of the South Carolina Ports Authority.¶ •Philadelphia and [Corpus Christi](http://content.usatoday.com/topics/topic/Corpus+Christi) are currently involved in dredging projects, according to Ellis. Boston, Jacksonville, Canaveral and Freeport, Texas, are among other ports pursuing deeper channels, he said.¶ The association is lobbying Congress for approval, which is required by the Constitution for such projects, and for funding. But, "Because freight doesn't really have as strong a voice as the movement of people, it's going to take a lot of heavy lifting," Ellis said.¶ "We're fighting hard enough in this country just to keep our navigation channels maintained at their authorized depths and widths."¶ South Carolina's Legislature this month designated $300 million to the Charleston project — enough to do the job even if the federal government doesn't come up with its 40% match.¶ "I think everyone is starting to suspect that there may not be enough federal funding for any harbor, basically, today," Newsome said. "So we have to operate under the assumption that we're not going to get held up by a lack of federal funding."¶ There are other hurdles, both environmental and political.¶ U.S. Sen. [Lindsey Graham](http://content.usatoday.com/topics/topic/People/Politicians,+Government+Officials,+Strategists/U.S.+Senators/Lindsey+Graham), R-S.C., has introduced legislation that would require the Corps of Engineers to rank the ports for funding priority.¶ Even if federal money isn't approved, congressional authorization would be needed for the work to go ahead, said Lt. Col. Ed Chamberlayne, commander of the Corps of Engineers Charleston District.¶ Meanwhile, **West Coast ports that have had the big-ship business to themselves for the most part are pointing out their advantages in a fight to keep from losing their largest customer**s.¶ Among those are the time factor, said Kraig Jondle, director of business and trade development for the [Port of Los Angeles](http://content.usatoday.com/topics/topic/Port+of+Los+Angeles).¶ It takes 17 days to ship goods from Shanghai to New York by transferring to rail in [Los Angeles](http://content.usatoday.com/topics/topic/Places,+Geography/Towns,+Cities,+Counties/Los+Angeles), he said. On the other hand, using the all-water route takes 26 days, he said.¶ Ships also must pay a toll of about $375,000 to pass through the Panama Canal, a sum Jondle figures will rise once the new locks are complete.¶ **"We feel we're in a real good position," he said.**¶ **But he added, "We certainly see the Panama Canal as a threat, no doubt about it."**¶ Barnett also reports for *The Greenville News*¶

#### Deepened ports allows Business to trade off between west and east coast ports

**Spivak 11** Jeffrey Spivak is a senior research analyst at the HNTB Corporation, a transportation design and engineering firm based in Kansas City.“The Battle of the Ports “<http://aapa.files.cms-plus.com/Battle%20of%20the%20Ports%20-%20Planning%20mag%20-%20May_June%202011.pdf> //GW

Atlanta, or Columbus, Ohio, much of the stock **— everything from clothes to clocks**, most imported from China **— arrives in the U.S. at one of the Los Angeles area's** **busy ocean ports.** **In just a few years, though**, those household and **business products may journey from China to the stores in a different way, on a new** generation of **supersized** ocean **vessels that bypass the West Coast. These freighters will cut across a newly widened Panama Canal before docking at a port along the East Coast or Gulf Coast.** This prospect is setting off a competition among eastern and southern ports**, all eager to become the go-to destination for Asian imports.** Almost every ocean and gulf port in the eastern and southeastern U.S. — from New York to Miami to Houston — has projects under wayor in the planning stage to prepare for expected growth in international trade. Even some smaller ports have gotten into the act, among them, Wilmington, North Carolina; Mobile, Alabama; and Gulfport, Mississippi. The improvements run the gamut: digging deeper channels, building new container terminals, adding cranes to handle larger ships, and enhancing highway and rail connections. The Port Authority of New York and New Jersey has approved a $1.3 billion project to elevate a landmark bridge. Savannah is pursuing funding for a $625 million plan to dredge its long channel. Miami has found public and private partners for a new $1.1 billion tunnel. Even Wilmington has a $2 billion wish list. A birthday present All these plans revolve around the current expansion of the Panama Canal, the 48-mile waterway that connects the Atlantic and Pacific oceans. The $5.25 billion project is scheduled to be completed by August 15, 2014, the centennial of its original opening. For years now, the canal locks have been unable to accommodate the ever-larger ocean carriers, some of them longer than three football fields (and the Navy's longest aircraft carrier). These huge vessels carry almost three times as many shipping containers as the freighters currently passing through the canal are capable of carrying. Containers unloaded from just one giant ocean vessel fill up the equivalent of more than 20 trains or 3,000 semi-trailer trucks**.** Seaports "touch everything in our lives, everything we eat, everything we sit on, everything we do," says Richard Barone, director of transportation programs at the tri-state Regional Plan Association in New York City. **The U.S. Maritime Administration predicts that the canal expansion "will lead to a significant increase in container traffic calling at the Gulf Coast and eastern ports."** **That outlook is shared by many others** in the shipping industry. Drewry Supply Chain Advisors, a London-based maritime consulting firm, has estimated that with the expansion up to 25 percent of the present cargo base of the western ports could shift to eastern and southern ports in the decade to come. Even West Coast port officials acknowledge that some shift is likely to occur. All told, East Coast and Gulf Coast port expansion plans compiled by the Maritime Administration, the Southern Legislative Conference, and other sources total almost $20 billion, with nearly half of the projects scheduled for completion within the next five years. To put those dollars in perspective, the federal government has estimated that capital spending at all U.S. ports in the 60 years from 1946 to 2006 amounted to $31 billion. "I'm seeing more port activity on the East Coast right now than in the 25 years I've been involved in this industry," says Charles Clowdis, managing director of North American markets for IHS Global Insight's Global Commerce and Transport Group. **"You talk to all the port directors, starting with Houston and going along the Gulf and up the East Coast, and they all say there's going to be a dramatic impact from the Panama Canal expansion, and there's a rush to take advantage of the changes."** Game-changerThe Panama Canal, which was designed to cut shipping distances in half between the East and West coasts, was a treacherous undertaking. The construction project started by the French in 1880 and finished by the U.S. in 1914 resulted in the removal of at least two hundred million cubic yards of earth and rock — the equivalent of more than 40 Hoover Dam projects. In the process, more than 26,000 workers died from tropical diseases such as malaria and yellow fever. The canal consists of a series of artificial lakes and channels, and three sets of thick-walled locks (almost 60 feet at their base) whose gates can be closed to regulate water level. Ships are raised or lowered more than 80 feet during a day-long passage through the locks. For more than half a century, virtually every commercial ship could fit through the locks. But in the past few decades, shipping companies have been building progressively larger tankers and cargo freighters, spawning the term "Post-Panamax" to describe vessels too large to go through the canal. "If the canal didn't do something, it would have been at capacity and verging on obsolete," says Theodore Prince, a port consultant and board member of the Intermodal Transportation Institute at the University of Denver.

### IL Extensions

#### California Ports key to California Econ

**Merz 12** Policy Advocate“Making California Ports More Competitive Can Help Regional, State Economies” <http://www.calchamber.com/governmentrelations/issuereports/documents/2012-reports/ports_2012.pdf>//GW

California is home to some of the largest container ports in the world, including the first and second ¶ largest ports in the United States in terms of container traffic. The economic impact of these ports—¶ which include the ports of Los Angeles, Long Beach and San Francisco—reaches beyond their home ¶ regions. Operations at these ports are managed by public entities and funded privately through fees ¶ paid by those who do business there.¶ International trade accounts for 25% of the overall state economy and the Southern California ports ¶ are responsible for 40% of the nation’s imports. The Port of Los Angeles alone is responsible for 1.1 ¶ million state jobs and 3.3 million jobs nationwide; it generates $5.1 billion in state tax revenues and ¶ $21.5 billion in federal tax revenues. **According to the Port of Los Angeles, for every dollar spent by port ¶ industries, another 97 cents is generated in indirect and induced sales in the region**. **Hence, maintaining** ¶ the economic health of **these ports is a vital component in California’s overall fiscal condition**.¶ The economic downturn beginning in 2008 significantly affected cargo volumes and subsequently ¶ revenues at the container ports. The national export levels have since started to recover since they ¶ plunged in late 2008 and early 2009. By December 2010, exports had reached nearly $140 billion as ¶ compared to $125 billion in early 2009, still striving to reach pre-recession levels of nearly $160 billion. ¶ In California, the Port of Long Beach saw a decline in its shipments volume. Imports from Asia ¶ dropped by 20.8% in October 2011 and exports bound for Asia declined by 21.4% compared to one ¶ year earlier. Total cargo processing at the Port of San Francisco demonstrated a declining trend as well ¶ with processing of nearly 760,000 metric tons of cargo in 2010 compared to 912,000 in 2009 and ¶ more than 2 million in 2005. A struggling trade sector, competition from other ports and the opening ¶ of the expanded Panama Canal in 2014 underscore the need for redevelopment projects that would ¶ improve operations at California ports.

#### California key to US economy

Williams 9 (Juliet, “California's Ailing Economy Could Prolong US Recession”, Huffington Post, http://www.huffingtonpost.com/2009/06/29/californias-ailing-econom\_n\_222616.html)//GW

Virtually all states are suffering in the recession, some worse than California. But **none has the economic horsepower of the world's eighth-largest economy, home to one in eight Americans. California accounts for 12 percent of the nation's gross domestic product** and the largest share of retail sales of any state. It also sends far more in tax revenue to the federal government than it receives \_ giving a dollar for every 80 cents it gets back \_ which means Californians are keeping social programs afloat across the country. While the deficit only affects the state, **California's deepening economic malaise could make it harder for the entire nation's economy to recover**. When the state stumbles, its sheer size \_ 38.3 million people \_ creates fallout for businesses from Texas to Michigan. "**California is the key catalyst for U.S. retail sales, and if California falls further you will see the U.S. economy suffer significantly**," said retail consultant Burt P. Flickinger, managing director of Strategic Resource Group. He warned of more bankruptcies of national retail chains and brand suppliers.

#### California Econ key to US and Global Econ

**Navarro 08—** Professor of Economics and Public Policy at the Paul Merage School of Business, University of California, Irvine and holds a Ph.D. in Economics from Harvard University (Peter, “California nightmare for the world economy”, San Fransicso Chronicle, <http://www.sfgate.com/opinion/article/California-nightmare-for-the-global-economy-3273234.php>)//GW

Will the California budget crisis tip the United States into recession? **The California economy is certainly large enough to inflict such damage. It's the seventh-largest economy in the world and home to close to 38 million Americans.** California's budget deficit is by any reasonable measure enormous. This budget deficit is estimated at $17.2 billion and represents more than 17 percent of the state's general fund expenditures (about $101 billion). In contrast, New York, which faces the second-worst budget gap in the nation for fiscal year 2009, has a gap of about $5 billion, which represents less than 10 percent of its budget. In closing its past budgetary gaps, **California has acted more like the federal government rather than merely one of 50 states.** Indeed, unlike the federal government (or sovereign nations), each state is required to balance its budget each year; and no state, at least in principle, has the authority to engage in the kind of discretionary deficit spending both the federal government and nations around the world routinely use to stimulate their economies. In the past, a profligate California has gotten around this balanced-budget requirement by using a technique that effectively allows the Golden State to administer its own fiscal stimulus. In particular, California - under both Democratic and Republican governors - has simply issued new bonds every time that it has spent far beyond its means. California's problem this time, however, is that its deficit is so big, its balance sheet is so bad, and world credit markets are so tight that issuing new bonds alone is no longer a viable option. Instead, California's politicians are inexorably being forced toward a solution that will prominently feature both a large tax increase and significant spending cuts. Indeed, this is not a partisan matter of choosing one's poison. The budget deficit is so large that it cannot be eliminated without raising taxes, anathema to the state's [Republicans](http://www.sfgate.com/?controllerName=search&action=search&channel=opinion&search=1&inlineLink=1&query=%22Republicans%22), and spending cuts, equally unpalatable to California Democrats. Of course, the faster the state Legislature accepts this harsh reality, the faster the deadlock can be broken. Viewed from a macroeconomic perspective, there is an even harsher reality. Increased taxes and reduced spending will send **a very nasty contractionary shock through a California economy** that is already reeling from a housing market meltdown and punishing gas prices. Should Gov. [Arnold Schwarzenegger](http://www.sfgate.com/?controllerName=search&action=search&channel=opinion&search=1&inlineLink=1&query=%22Arnold+Schwarzenegger%22)'s budgetary medicine - including firing many state employees **- trigger a recession, this may well serve as a tipping point for a national recession and**, in the worst case scenario, **even a global recession**. In considering these dangers, it is worth noting **that California provides close to 13 percent of America's real GDP growth**. In contrast, **the second-largest contributor to U.S. gross domestic product is Texas, and it provides only half that stimulus**. It also worth noting that California is an important destination for both U.S. manufactured goods and world imports, particularly from Asia. Already, California's unemployment rate is more than 6.8 percent and well above the national average of 5.7 percent. At least some economists believe California may already be experiencing negative growth. The economy is likely to get a lot worse before its gets better. If there is any one civics lesson to be learned from this fine mess, it is that the state's politicians must learn to resist overspending in good times so that the state won't face bankruptcy when bad times hit. It should be equally clear that any damn fool can issue bonds to balance a budget. However, it takes real political courage and economic foresight to put a [state budget](http://www.sfgate.com/california_budget/) on an even keel through fiscally conservative tax-and-spend policies. At this juncture, California is nowhere close to that - and the rest of the country, and perhaps the world, may soon pay the Golden State's piper.

### More Impacts

#### Nuclear war destroys the environment and causes human extinction

**PHILLIPS 2000** (Dr. Allen, Peace Activist, Nuclear Winter Revisited, October, <http://www.peace.ca/nuclearwinterrevisited.htm>)

The 1980's research showed that the **dust and the smoke would block out a large fraction of** the **sunlight** and the sun's heat from the earth's surface, so **it would be dark and cold like an arctic winter**. It would take months for the sunlight to get back to near normal. The cloud of dust and smoke would circle the northern hemisphere quickly. Soon it could affect the tropics, and cold would bring absolute disaster for all crops there. Quite likely it would cross the equator and affect the southern hemisphere to a smaller degree. While the temperature at the surface would be low, the temperature of the upper part of the troposphere (5-11 km) would rise because of sunlight absorbed by the smoke, so there would be an absolutely **massive temperature inversion**. That **would keep many other products of combustion down at the levels people breathe, making a smog such as has never been seen before.** PYROTOXINS is a word coined for all the noxious vapours that would be formed by combustion of the plastics, rubber, petroleum, and other products of civilization. **It is certain that these poisons would be formed**, but we do not have quantitative estimates. **The amount of combustible material is enormous, and it would produce dioxins, furans, PCB's, cyanides, sulphuric and sulphurous acids, oxides of nitrogen, carbon monoxide and carbon dioxide in amounts that would make current concerns about atmospheric pollution seem utterly trivial**. There would also be toxic chemicals like ammonia and chlorine from damaged storage tanks. Another bad environmental thing that would happen is destruction of the ozone layer. The **reduction in the ozone layer could be 50% - 70%** over the whole northern hemisphere - very much worse than the current losses that we are properly concerned about. Nitrogen oxides are major chemical agents for this. They are formed by combination of the oxygen and nitrogen of the air in any big fire and around nuclear explosions, as they are on a smaller scale around lightning flashes. So after the smoke cleared and the sun began to shine again, there would be a large increase of UV reaching the earth's surface. This is bad for people in several ways, but don't worry about the skin cancers ? not many of the survivors would live long enough for that to matter. **UV is also bad for** many other living things, notably **plankton, which are the bottom layer of the whole marine food chain.** **There would likely be enough UV to cause blindness in many animals**. Humans can protect their eyes if they are aware of the danger. Animals do not know to do that, and **blind** **animals do not survive. Blind insects do not pollinate flowers, so there is another reason why human crops and natural food supplies for animals would fail**. Altogether, nuclear winter would be an ecological disaster of the same sort of magnitude as the major extinctions of species that have occurred in the past, the most famous one being 65 million years ago at the cretaceous extinction. Of all the species living at the time, about half became extinct. The theory is that a large meteor made a great crater in the Gulf of California, putting a trillion tons of rock debris into the atmosphere. That is a thousand times as much rock as is predicted for a nuclear war, but the soot from fires blocks sunlight more effectively than rock debris. In nuclear winter **there would also be radioactive contamination giving worldwide background radiation doses many times larger than has ever happened during the 3 billion years of evolution.** The radiation would notably worsen things for existing species, though it might, by increasing mutations, allow quicker evolution of new species (perhaps mainly insects and grasses) that could tolerate the post-war conditions. (I should just mention that there is no way the radioactivity from a nuclear war could destroy "all life on earth". People must stop saying that. **There will be plenty of evolution after a war, but it may not include us.)**¶

**Economic Growth allows for effective measures to prevent disease**

**Fidler, 8** (David P., Professor of Law, Indiana University, University Center on American and Global Security, “After the Revolution: Global Health Politics in a Time of Economic Crisis and Threatening Future Trends,” Global Health Governance, Fall 2008/Spring 2009, Volume 2, Number 2, Tashma)

Further, the global economic crisis is absorbing ever larger amounts of capital to keep governments, financial institutions, and corporations afloat, which drastically reduces the availability of resources for addressing the growing costs of providing adequate public health and health care for populations around the world. Even before the global economic crisis hit, experts argued that the unprecedented increases in national spending and development assistance for health were inadequate and, even worse, that many developed donor countries had not fulfilled existing aid pledges. 56 Thus, maintaining existing levels of domestic spending and development assistance on health would not be sufficient, but increased expenditures seem unlikely for years while the global economy recovers. The more likely scenario is reductions in health spending within national budgets and in foreign aid programs. Such reductions, even if shortlived, will have a severe impact on global health activities already desperately in need of more financial resources. Perhaps the cruelest irony of the global economic crisis is its emergence in the year WHO and global health stakeholders renewed the push for achieving primary health care for all. The report of the Commission on Social Determinants of Health advocated for primary health care in 2008.57 The World Health Report 2008 focused on primary health care, 58 and the WHO Director-General connected the new emphasis on primary health care to the Declaration of AlmaAta, which first launched the “health for all” strategy based on universal primary health care in 1978.59 However, 30 years ago, the Alma-Ata strategy was derailed by developments in the energy and economic sectors that sound ominously familiar, as the WHO Director-General recognized in September 2008: Nor could the visionary thinkers in 1978 have foreseen world events: an oil crisis [that began in 1979], a global recession [in the early 1980s], and the introduction [in the 1980s], by development banks, of structural adjustment programmes that shifted national budgets away from the social services, including health. As resources for health diminished, selective approaches using packages of interventions gained favour over the intended aim of fundamentally reshaping health care. The emergence of HIV/AIDS, the associated resurgence of tuberculosis, and an increase in malaria cases moved the focus of international public health away from broad-based programmes and towards the urgent management of highmortality emergencies.60 The effort to rejuvenate the primary health care movement in a year in which global food, energy, and economic crises emerged proved ill-timed, and **the worsening nightmare of** the global **economic crisis threatens** even more damage to the **political, economic, and social conditions needed to achieve** progress on **universal** primary **health care**. Put another way, political, economic, and intellectual capital for advancing the primary health care agenda will, for the foreseeable future, be in short supply. Instead, as with the energy and food crises, **global health finds itself scrambling to address** an **emergency with** potentially **devastating consequences** for the health of individuals and populations, health services and systems, and the social determinants of health.

### NED = Funding Competition

#### NED causes funding competition between ports

American Institute of Marine Underwriters, 06 (“DREDGING & MARINE CONTRACTORS”, May 2006, <http://www.aimu.org/Dredging%20&%20Marine%20Contractors.pdf>)//GW

Trenches for pipelines and ables and more, are often aided with the assistance of dredging as well. In the Northeastern U.S. alone, some of the recent dredging projects that have been completed or are currently underway and/or planned include: Baltimore harbor dredging project, which features the creation of an artificial island that will be filled with spoils from the dredging activities. Deepening of the channel for the port of NY/NJ, which require drilling and blasting of bedrock that had been deposited during the Ice Age. Deepening of the channel (Delaware River) for the Port of Philadelphia Dredging to remove hazardous material (PCB’s) from the Hudson river. The Chesapeake Bay Bridge tunnel project required extensive dredging for the laying of the tunnel sections. Boston Harbor tunnel (The Big Dig). During marine construction, dredging is often required in support of construction of piers, bridges and tunnels. Many dredging companies have diversified into Marine Contracting for pile driving, pier construction, fender building and other marine construction. Marine Contracting tends to provide a more continuous source of projects for owners/operators than does dredging, due to the heavily regulated nature of dredging activities. **The U.S. Army Corps of Engineers (USACE) is responsible for the maintenance of waterways and ports/harbors within the U.S. Consequently, they control and award all dredging projects on U.S. waters.** Before any dredging project can begin, there first must be a type of cost benefit analysis performed by the USACE called Net Economic Development Benefits (NED). The NED attempts to determine if the project would be in the government’s interest to undertake. This can often lead to competition between neighboring ports. For example, is it in the public’s best interest to pursue the deepening of the channel for the Port of Philadelphia, or to commit our limited resources to the deepening of the Port of New York/ New Jersey? Although not necessarily mutually exclusive, sometimes the answer may mean that one port will grow, while the other will decline. Once the USACE has decided the NED issue, the next step is to define the scope of work and solicit competitive bids from marine contractors. The successful bidder is usually required to post a performance bond. The next challenge is to find possible sponsors to fund the project. The government provides funding for the USACE under the Water Resources Development Act (WRDA), but often additional funding is needed.The USACE will look to state and local governments, as well as concerned industry associations**.** The point for underwriters is that dredging can be a cyclical business, with the viability of companies sometimes tied to funding issues for projects. The other major hurdle in the permit process is to perform an environmental impact study. This can be a time intensive and onerous process, in which Federal (EPA), State and Local Authorities must review and approve the dredging plans and disposal of spoils.Among the environmental factors considered are the impact to the environment and marine life in the area affected by the dredging, as well as the disposal of them dredging spoils. Many river bottoms contain potentially toxic chemicals and contaminants that have accumulated over the years, due to industry activity and previous dumping, such as residual PCBs in the Hudson River, due to production of Agent Orange and other toxic chemicals in the past.

## Environment Turns

### Ocean Biodiversity

#### Sedimentation damages cause loss of Ocean Biodiversity

**Baily et al, 4** - engineer in NRDC's health and environment program (Diane, "Harboring Pollution", August, Natural Resources Defense Council,[www.nrdc.org/air/pollution/ports/ports2.pdf](http://www.nrdc.org/air/pollution/ports/ports2.pdf" \t "_blank)) //GW

Many organizations are advocating for the beneficial reuse of dredge material, as long as it is not contaminated.¶ 99¶ A number of groups are exploring further alternative methods for disposal of contaminated dredge.¶ 100¶ Specific Threats to Marine Life¶ The EPA estimates that only half of the continental United States’ original wetlands¶ remain; millions of acres have been lost to development. From 1986 to 1997, some¶ 58,500 acres of wetland were lost each year, and today, the remaining **wetlands are**¶ **home to one-third of the nation’s threatened or endangered species. Because many**¶ **ports are located either on former wetland sites or near remaining wetlands, they**¶ **pose grave dangers to sensitive ecosystems and the surrounding areas**. The combined¶ **effects of dredging, drainage, fill, runoff, and air and water pollutants include** disruption of bird migration patterns**, loss of biodiversity**, increased flooding, chemical contamination of soil and marine life, loss of recreational opportunities, and erosion.101¶ **Water sedimentation from erosion and dredging may also cause irreversible**¶ **damage to other important centers of biodiversity** such as seagrass beds. In addition,¶ toxic contaminants in sediment or runoff may affect commercial fish populations and¶ even make these fish unsafe for human consumption. Three-quarters of all commercial fish are caught in the estuaries in which ports are located.102¶ Projects to mitigate¶ this loss of habitat are cropping up throughout the country. As noted earlier, one such¶ effort has been undertaken at the Port of Houston.¶ Collisions involving boats and marine mammals also contribute to marine¶ mortality. Since 1995, along the East Coast, eight right whales, a species in danger¶ of extinction, have been killed by collisions with ships. These whales must share the¶ coastal waters they need for migration routes with the ships that travel to and from¶ bustling East Coast ports.¶ 103 Manatees also die from collisions with ships or from¶ being crushed beneath barges or between docks and vessels in the shallow estuaries,¶ bays, and canals along which ports are located.104¶ Expansive wharves built on piles can block sunlight from reaching aquatic plants upon¶ which marine wildlife rely for survival. For example, the manatee in Florida, salmon,¶ Dungeness crab, and Pacific herring in Puget Sound suffer from such loss of habitat.¶ 105,106¶ Exposure to debris, including plastic bags, netting, and plastic pellets, results in¶ thousands of wildlife deaths each year, through starvation, exhaustion, or ingestion¶ of toxics often found in plastics.¶ 107¶ Plastic pellets, the raw material for plastic goods,¶ have been found polluting oceans all over the world, as well as 13 of 14 U.S. harbors¶ tested in an EPA study. The pellets can be spilled directly into the ocean from ship-¶ 13¶

#### Ocean biodiversity is key life on earth

**Physorg.com 7** [December 27th, 2007, “Deep-sea species' loss could lead to oceans' collapse, study suggests”, http://www.physorg.com/news117980575.html]//GW

The loss of deep-sea species poses a severe threat to the future of the oceans, suggests a new report publishing early online on December 27th and in the January 8th issue of Current Biology, a publication of Cell Press. In a global-scale study, the researchers found some of the first evidence that the health of the deep sea, as measured by the rate of critical ecosystem processes, increases exponentially with the diversity of species living there. “For the first time, we have demonstrated that deep-sea ecosystem functioning is closely dependent upon the number of species inhabiting the ocean floor,” said Roberto Danovaro of the Polytechnic University of Marche, in Italy. “This shows that we need to preserve biodiversity, and especially deep-sea biodiversity, because otherwise the negative consequences could be unprecedented. We must care about species that are far from us and [essentially] invisible.” Ecosystem functioning involves several processes, which can be summarized as the production, consumption, and transfer of organic matter to higher levels of the food chain, the decomposition of organic matter, and the regeneration of nutrients, he explained. Recent investigations on land have suggested that biodiversity loss might impair the functioning and sustainability of ecosystems, Danovaro said. However, the data needed to evaluate the consequences of biodiversity loss on the ocean floor had been completely lacking, despite the fact that the deep sea covers 65% of the Earth and is “by far the most important ecosystem for the cycling of carbon, nitrogen, and phosphorus of the biosphere.” The deep sea also supports the largest “biomass” of living things, including a large proportion of undiscovered species. In the new study, Danovaro’s team examined the biodiversity of nematode worms and several independent indicators of ecosystem functioning and efficiency at 116 deep-sea sites. Nematodes are the most abundant animals on earth and account for more than 90% of all life at the bottom of the sea. Earlier studies have also suggested that nematode diversity is a good proxy for the diversity of other deep-sea species. They found that sites with a higher diversity of nematodes support exponentially higher rates of ecosystem processes and an increased efficiency with which those processes are performed. Efficiency reflects the ability of an ecosystem to exploit the available energy in the form of food sources, the researchers said. Overall, they added, “our results suggest that a higher biodiversity can enhance the ability of deep-sea benthic systems to perform the key biological and biogeochemical processes that are crucial for their sustainable functioning.” The sharp increase in ecosystem functioning as species numbers rise further suggests that individual species in the deep sea make way for more species or facilitate one another, Danovaro said. That’s in contrast to terrestrial-system findings, which have generally shown a linear relationship between diversity and ecosystem functioning, he noted, suggesting complementary relationships among species. “Deep-sea ecosystems provide goods (including biomass, bioactive molecules, oil, gas, and minerals) and services (climate regulation, nutrient regeneration and supply to the [upper ocean], and food) and, for their profound involvement in global biogeochemical and ecological processes, are essential for the sustainable functioning of our biosphere and for human wellbeing,” the researchers concluded. “Our results suggest that the conservation of deep-sea biodiversity can be crucial for the sustainability of the functions of the largest ecosystem” on the planet.

### Fish

#### Dredging sediment damages coral reefs, and kills fish and other aquatic organisms

**Lee and** **Lee** **8** Ph.D., P.E., D.E.E. President and Vice President of G. Fred Lee and Associates  (Surface and Groundwater Quality Evaluation and Management company) “Water Quality Aspects of Dredging and Dredged Sediment Disposal”< <http://www.gfredlee.com/Sediment/dredging.html>>//GW

In evaluating the potential adverse impacts of disposal of dredged sediments, it is important to distinguish between physical and chemical impacts. Within the potential chemical impacts, it is important to distinguish between water column and redeposited sediment impacts. For the chemical impacts of redeposited sediments, consideration should be given to not only toxicity to aquatic organisms, but also to the potential for bioaccumulation of constituents present in the dredged sediments that would be adverse to using edible aquatic organisms as a source of human food. A summary of the information available in each of these topic areas is presented in this section. At both the dredging and disposal sites, consideration has to be given to the physical impacts of dredging and dredged sediment disposal. These **physical aspects range from burial of organisms due to the settling of the suspended or dumped sediment to physical abrasion or clogging of gills or other organs by suspended sediment.** Dredging and especially **dredged sediment disposal can have adverse impacts on certain organism populations such as a coral reef**. Great care must be exercised in dredging in the vicinity of special organism habitats, such as coral reefs, to be certain that the suspension and deposition of sediment is not adverse to the organisms. **Problems of this type are primarily caused by the presence of sediment and can be largely independent of its chemical characteristics.** While redeposited dredged sediments especially at the disposal site can result in the burial of aquatic organisms leading to their death, the Corps of Engineers Dredge Materials Research Program (DMRP) studies showed that many organisms that live in sediments are able to migrate through appreciable depths of sediments dumped on them. **The key factor seems to be the hydrogen sulfide concentration of the sediments since this chemical is fairly toxic to aquatic life**. **It also** removes oxygen from the sediment column and therefore **could deprive oxygen from organisms that are attempting to migrate to the surface of the sediment for a sufficient period to cause their death**. Phenomena of this type are to be expected at designated dredged disposal sites where large amounts of anoxic sediments are dumped onto mobile aquatic organisms. The physical impacts of grain size and texture of the sediments must be considered in evaluating the impact of a dredged sediment disposal operation. In the studies conducted by the authors and their associates (Lee, et al., 1978) near the Galveston, Texas, Bay Entrance Channel in the Gulf of Mexico, it was found that dumping of large amounts of contaminated sediments resulted in little long-term impact on the aquatic organism populations in and upon the sediments that could be explained by other than physical grain size changes. This site was a geologically high energy disposal site where the dumped sediments were rapidly dispersed throughout the region. This dispersion quickly diluted the constituents to where they had little or no impact.

#### Declining Fish population collapses ecosystems

**Worm,  06** , Dr. Boris Worm a world leader in ocean research, Dalhousie University “[Losing species](http://www.dal.ca/news/2006/11/03/oceanstudy.html)”, <http://www.globalissues.org/article/171/loss-of-biodiversity-and-extinctions#Dwindlingfishstocks>//GW

With massive **species loss, the report warns, at *current* rates,** in less than 50 years**, the ecosystems could reach the point of no return, where they would not be able to regenerate themselves. Whether we looked at tide pools or studies over the entire world’s ocean, we saw the same picture** emerging**. In losing species we lose the productivity and stability of entire ecosystems**. I was shocked and disturbed by how consistent these trends are—beyond anything we suspected.¶ “Current” is an important word, implying that while things look dire, there are solutions and it is not too late yet. The above report and the *IPS* article noted that protected areas show that biodiversity can be restored quickly. Unfortunately, “less than 1% of the global ocean is effectively protected right now” and “where [recovery has been observed] we see immediate economic benefits,” says Dr. Worm. Time is therefore of the essence.

#### Biodiversity collapse results in extinction

**FAO 2008** (Food and Agricultural Organization of the United States.). “Biodiversity is vital for human survival and livelihoods,” FAO Deputy Director-General says) http://www.fao.org/newsroom/en/news/2008/1000788/index.html//GW

**BIODIVERSITY is vital for human survival and livelihoods and we need to conserve it for future generations**. At the same time, the unacceptable scale of hunger and rural poverty in our small planet calls for urgent remedial action. This was underlined by FAO deputy director general James G. Butler. He was addressing the opening session of the thirteenth meeting of the Subsidiary Body on Scientific, Technical and Technological Advice of the Convention on Biological Diversity (February 18-22. )

Ultimately, **at the global level, this event –** which involves FAO, the Convention on Biological Diversity and their partners – **is aimed at meeting the challenges of sustainable agricultural production to ensure food security** for all peoples, “especially the rural poor – often the managers and custodians of our biodiversity,” as Mr Butler put it. The Rome meeting focuses on the implementation of the programmes of work on agricultural biodiversity and forest biodiversity; the application of sustainable use principles and guidelines to agricultural biodiversity; the linkages between agricultural biodiversity and climate change; marine, coastal and inland water ecosystems biodiversity; invasive alien species; and other scientific and technical issues. **“Mainstreaming biodiversity into the food and agriculture, livestock fisheries and forestry sectors will be critical to provide humankind with opportunities for increasing food availability and stability**, while maintaining a healthy natural capital for future generations,” Mr Butler said.

### Water Contamination

#### Dredging results in saltwater and industrial waste contaminating freshwater aquifers

**Lee and** **Lee**, **8** Ph.D., P.E., D.E.E. President and Vice President of G. Fred Lee and Associates  (Surface and Groundwater Quality Evaluation and Management company) “Water Quality Aspects of Dredging and Dredged Sediment Disposal”< <http://www.gfredlee.com/Sediment/dredging.html>>//GW

Impacts on Water Movement, Bay Circulation, and Waste Assimilative Capacity **One of the potential consequences of dredging** of channels in harbors and other waterways **is a change in the water transport and circulation patterns in the area**. In an estuarine situation, **the dredged channel can allow saltwater to move further into the estuary than would occur otherwise**. **The dredged channels can also allow a change in the location of impacts of** municipal and **industrial wastewater discharges due to a more rapid transport of pollutants down the channel than would occur in the shallow or non-dredged area. The dredging of a channel can also affect** the flow of groundwater into a bay or river as well as **the flow of saltwater out of the estuary to the groundwaters of the area**. **The dredging of deep channels in areas in which the groundwaters of an area have been protected from saltwater** from a confining (low permeability clay) layer within the sediments **can result in a greater potential for saltwater intrusion into coastal freshwater aquifers**. Obviously, before a channel is dredged or significantly deepened near an area that serves or could serve as a freshwater source, fairly detailed hydrogeological investigations should be conducted to be relatively certain that problems of this type will not occur

#### Contamination of water supply causes extinction

**Alois**, **2007**  Adjunct Professor of Political Science at [Baruch College](http://www.linkedin.com/company/baruch-college?trk=ppro_cprof) City University of New York Graduate Center The Johns Hopkins “GLOBAL WATER CRISIS” <http://www.arlingtoninstitute.org/wbp/global-water-crisis/441> //GW

The industrial sector accounts for 22% of global water consumption;[[11]](http://www.arlingtoninstitute.org/wbp/global-water-crisis/441#_ftn11) this number will grow in the coming decades as the developing world industrializes.The needs of industry tend to take precedence over agriculture for simple economic reasons. 1,000 tons of water will produce 1 ton of wheat, which is worth $200. 1,000 tons of water in the industrial sector, however, will generate $14,000 worth of goods. On a per ton basis, industry creates 70 times more wealth.[[12]](http://www.arlingtoninstitute.org/wbp/global-water-crisis/441#_ftn12) Despite its economic benefits, intense water use by industry has led to serious pollution that is beginning to create problems worldwide.¶ The residential sector uses the remaining 8% of the total water supply. Although this sector only accounts for a small percentage of overall use, it always takes precedence over industry and agriculture. In the last fifty years the world’s urban population has exploded, and by 2010 50% of the people on the planet will live in cities.[[13]](http://www.arlingtoninstitute.org/wbp/global-water-crisis/441#_ftn13) In addition to the simple increase in population, per person consumption of water has risen. As more people begin utilizing modern luxuries like flush toilets, showers, and washing machines, the demand created by the residential sector will increase dramatically.¶ 3. Water Pollution¶ The companion of modernization has always been pollution. In developing countries that are just entering the industrial age, water pollution presents a serious problem. According to United Nations Environmental Program (UNEP), “in developing countries, rivers downstream from major cities are little cleaner than open sewers”. **The UNEP also reports that 1.2 billion people are being affected by polluted water, and that dirty water contributes to 15 million child deaths every year**.[[14]](http://www.arlingtoninstitute.org/wbp/global-water-crisis/441#_ftn14) In recent years, scientists have become aware of the problems involved with the contamination of groundwater. **Aquifers move very slowly, so once they are polluted it takes decades or centuries for them to cleanse themselves.**Food production contributes significantly to water contamination. When nitrogen fertilizer is applied to a field, the water runoff will contain excess amounts of nitrates. Nitrates have been shown to have a very harmful effect on plant and animal life,[[15]](http://www.arlingtoninstitute.org/wbp/global-water-crisis/441#_ftn15) can cause miscarriages, and can harm infant development.[[16]](http://www.arlingtoninstitute.org/wbp/global-water-crisis/441#_ftn16)The industrial livestock business also presents a serious danger to water systems. The disposal of vast amounts of animal feces **destroys nearby ecosystems and is very hazardous to humans**.[[17]](http://www.arlingtoninstitute.org/wbp/global-water-crisis/441#_ftn17) Water pollution is reaching epic proportions. In the U.S. 40% of rivers and lakes are considered too polluted to support normal activities.[[18]](http://www.arlingtoninstitute.org/wbp/global-water-crisis/441#_ftn18) In China 80% of the rivers are so polluted that fish cannot survive in them.[[19]](http://www.arlingtoninstitute.org/wbp/global-water-crisis/441#_ftn19) In Japan 30% of groundwater has been contaminated by industrial pollution.[[20]](http://www.arlingtoninstitute.org/wbp/global-water-crisis/441#_ftn20) The Ganges River, which supports around 500 million people, is considered one of the most polluted rivers in the world. And the list goes on… **Clean water**, simply put, **makes the existence of the human race** on this planet **possible** . water has always been a natural resource that people take for granted. Today, the situation has changed. The World Bank reports that 80 countries now have water shortages and 2 billion people lack access to clean water.[[1]](http://www.arlingtoninstitute.org/wbp/global-water-crisis/441#_ftn1) More disturbingly, the World Health Organization has reported that 1 billion people lack enough water to simply meet their basic needs.[[2]](http://www.arlingtoninstitute.org/wbp/global-water-crisis/441#_ftn2)

### Reefs

#### Dredging sediment destroys coral reefs, and kills fish and other aquatic organisms

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#### Coral Reefs are key to marine ecosystems and biodiversity

**Veron 2009**, an Australian marine biologist who is widely regarded as the world's foremost expert on coral reefs “How global warming sealed the fate of the world's coral reefs” <https://mail.google.com/mail/u/0/#inbox/138745eaff444045>//GW

Within just a few decades, experts are warning, the tropical reefs strung around the middle of our planet like a jewelled corset will reduce to rubble. Giant piles of slime-covered rubbish will litter the sea bed and spell in large distressing letters for the rest of foreseeable time: Humans Were Here.¶ "The future is horrific," says Charlie Veron, an Australian marine biologist who is widely regarded as the world's foremost expert on coral reefs. "There is no hope of reefs surviving to even mid-century in any form that we now recognise. **If, and when, they go, they will take with them about one-third of the world's marine biodiversity. Then there is a domino effect, as reefs fail so will other ecosystems. This is the path of a mass extinction event, when most life, especially tropical marine life, goes extinct."** Alex Rogers, a coral expert with the [Zoological Society of London](http://www.zsl.org/), talks of an "absolute guarantee of their annihilation". And David Obura, another coral heavyweight and head of [CORDIO East Africa](http://www.cordioea.org/), a research group in Kenya, is equally pessimistic: "I don't think reefs have much of a chance. And what's happening to reefs is a parable of what is going to happen to everything else."

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### Famine Impact

#### Collapse of Ecosystems causes large scale agriculture problems causing famine

**Suurkula 04**, Physicians and Scientists for Responsible Application of Science and Technology, “[World-wide cooperation required to prevent global crisis; Part one— the problem](http://www.psrast.org/globecolcr.htm)” <http://www.psrast.org/globecolcr.htm>//GW

In addition, different observations indicate that the so called "Thermohaline Circulation" in the oceans is slowing down. This circulation has an important stabilizing effect on world climate and it decreases the temperature difference between polar and tropical regions. It is transporting warm water out of the tropical zone, thereby warming the temperate regions. Other parts of it bring cooler water to the tropics. Reduced thermohaline circulation leads to hotter equotarial zones which leads to an important increase of water evaporation. Water wapor is an efficient greenhouse gas. So this would further increase equatiorial heating. At the same time the polar and subpolar zones would be colder, perhaps much colder, including central and northern Europe. Quote from a review:¶ In Dec 2003, a report was released from the largest oceanographic institute in the US, confirming that an important reduction of the oceanic circulation is indeed occurring:¶ ¶ The ongoing accumulation of greenhouse gasses causes increasing global warming. This causes a more extensive destruction of ozone in the polar regions because of accentuated stratospheric cooling. An increase of ozone destruction increases the UV-radiation that, combined with higher ocean temperature, causes a reduction of the gigantic carbon dioxide trapping mechanism of the oceanic phytoplankton biomass. This accentuates the warming process. When the warming has reached a certain level, it will release huge amounts of greenhouse gasses trapped in the permafrost. This will enhance the global warming, and the polar destruction of ozone, and so on. The observed decrease of the thermohaline circulation further aggravates the situation. **The world environmental situation is likely to be further aggravated by the increasingly rapid, large scale global extinction of species**. It occurred in the 20th century at a rate that was a thousand times higher than the average rate during the preceding 65 million years. This is likely to destabilize various ecosystems including agricultural systems.¶ In a slow extinction, various balancing mechanisms can develop. Nobody knows what will be the result of this extremely rapid extinction rate as it is unprecedented in the history of this planet. What is known, for sure, is that the world ecological system has been kept in balance through a very complex and multi-facetted interaction between a huge number of species. **This rapid extinction is therefore likely to precitate collapses of ecosystems at a global scale. This is predcited to create large-scale agricultural problems, threatening food supplies to hundreds of millions of people**. This ecological prediction does not take into consideration the effects of global warming which will further aggravate the situation.¶ Industrialized fishing has contributed importantly to mass extinction due to repeatedly failed attempts at limiting the fishing.¶ A new global study concludes that 90 percent of all large fishes have disappeared from the world's oceans in the past half century, the devastating result of industrial fishing. The study, which took 10 years to complete and was published in the international journal Nature, paints a grim picture of the Earth's current populations of such species as sharks, swordfish, tuna and marlin.

#### Food insecurity triggers genocidal wars threatening survival—our evidence indicates that it’s comparatively worse than nuclear war

**Trudell 5 -** Trudell,  J.D. Candidate 2006, **05** (Robert H., Fall, Food Security Emergencies And The Power Of Eminent Domain: A Domestic Legal Tool To Treat A Global Problem, 33 Syracuse J. Int'l L. & Com. 277, Lexis)//GW

2. But, Is It Really an Emergency?  In his study on environmental change and security, J.R. McNeill dismisses the scenario where environmental degradation destabilizes an area so much that "security problems and ... resource scarcity may lead to war." 101 McNeill finds such a proposition to be a weak one, largely because history has shown society is always able to stay ahead of widespread calamity due, in part, to the slow pace of any major environmental change. 102 This may be so. However, as the events in Rwanda illustrated, the environment can breakdown quite rapidly - almost before one's eyes - when food insecurity drives people to overextend their cropland and to use outmoded agricultural practices. 103 Furthermore, as Andre and Platteau documented in their study of Rwandan society, overpopulation and land scarcity can contribute to a breakdown of society itself. 104  Mr. McNeill's assertion closely resembles those of many critics of Malthus. 105 The general argument is: whatever issue we face (e.g., environmental change or overpopulation), it will be introduced at such a pace that we can face the problem long before any calamity sets in. 106  This wait-and-see view relies on many factors, not least of which are a functioning society and innovations in agricultural productivity. But, today, with up to 300,000 child soldiers fighting in conflicts or wars, and perpetrating terrorist acts, the very fabric of society is under increasing world-wide pressure. 107 Genocide, anarchy, dictatorships, and war are endemic throughout Africa; it is a troubled continent whose problems threaten global security and challenge all of humanity. 108 As  [\*292]  Juan Somavia, secretary general of the World Social Summit, said: "We've replaced the threat of the nuclear bomb with the threat of a social bomb." 109 Food insecurity is part of the fuse burning to set that bomb off. It is an emergency and we must put that fuse out before it is too late.

### Link Extensions

#### Dredging sediment contaminates water supply, harms ecosystems, and kills endangered species

**Baily et al, 4** - engineer in NRDC's health and environment program (Diane, "Harboring Pollution", August, Natural Resources Defense Council,[www.nrdc.org/air/pollution/ports/ports2.pdf](http://www.nrdc.org/air/pollution/ports/ports2.pdf" \t "_blank))//GW

Dredging¶Ports are routinely dredged to remove sediment that builds up in ship channels¶ from erosion and silt deposition, as well as to create new channels and deepen¶ existing ones. Each year, more than 300 million cubic yards of sediment in waterways¶ and harbors is dredged to allow ships to pass through.¶ 91¶ **The total amount of these**¶ **annual “dredge spoils” is enough to cover a four-lane highway with a 20-foot mound**¶ **from New York City to Los Angeles**.92 Much of this sediment is disposed of in open¶ water or near shore, but some may also be used as fill in various land-based projects.¶ **About 5 to 10 percent of dredged sediment is contaminated with toxics, including**¶polychlorinated biphenyls (**PCBs), mercury and other heavy metals**, polycyclic¶ aromatic VOCs (PAHs), and pesticides, **all of which can cause water contamination**¶and complicate sediment disposal.93¶ **Dredging may increase water turbidity (cloudiness), harm habitat, and disturb**¶ **or kill threatened and endangered species. It may also risk stirring up and releasing**¶ **buried contaminants**. Dredging performed by the Port of Miami in the early 1990s¶ raised concerns over the destruction of seagrasses and the harbor’s rocky seabeds,¶ or “hardbottom.” Post-dredging hardbottom restoration was fairly effective, but¶ measures introduced to mitigate the loss of seagrass were far less so, successfully¶ replacing only 10 percent of lost seagrass and robbing manatees and sea turtles of¶ an important food source and habitat.¶ 94,95¶ **The dangers of dredging have taken on even greater significance in recent**¶ **years**, **with the growing popularity of post-Panamax vessels, which require**¶ **channel depths of 45 to 50 feet.** 96¶ In a scramble to remain competitive, many ports¶ are being redredged to deepen or widen their shipping channels. The ports of¶ Charleston, Los Angeles, Long Beach, Miami, Savannah, New York/New Jersey,¶ and Houston are all involved in such projects, creating millions of extra cubic¶ yards of dredge material that will need to be disposed of somewhere.¶ 97¶ Alternative methods of disposal of dredged sediment are available. They include¶ construction and industrial uses, fill material for parking lots and roads, landfill¶ 12¶ Harboring Pollution¶ Each year, dredging¶ of U.S. waterways¶ and harbors produces¶ more than 300 million¶ cubic yards of sediment—enough to¶ cover a four-lane¶ highway with a¶ 20-foot mound from¶ New York City to¶ Los Angeles.cover, shoreline erosion control, artificial reef material, and wetland creation and¶ restoration. The Port of Houston has built marshes and a wildlife habitat with its¶ ship channel sediment, more than 16 million cubic yards of which has been removed¶ since 1998.

#### Dredging harms fish and contaminates fresh water

**Chapman 08—**Reporter at the Atlanta Journal Constitution (Dan, “PORT'S FUTURE, RIVER'S FATE: Savannah dredging adrift in sea of studies: Bigger ships will require making the river deeper, but how to do it without hurting ecology, economy is up for debate”, The Atlanta Journal Constitution, 7/1, ProQuest.com //GW

Savannah --- Nearly a decade ago, Congress blessed the deepening of the Savannah River by as much as 6 feet. It hasn't happened. Instead, the river has been studied, sampled, surveyed, mapped, modeled, monitored, even oxygenated. But it hasn't been dredged, to the annoyance of state officials who fear further delays will harm the port's $15 billion annual economic impact on Georgia. If the next generation of super-sized container ships can't glide upriver from the Atlantic Ocean 26 miles away, they may head instead to Charleston, Norfolk or other East Coast ports. Billions of dollars --- and Savannah's reputation as the nation's fastest-growing container port --- are at stake. "This project is absolutely critical," said Steve Green, chairman of the Georgia Ports Authority. "It may be the single-most critical public works project to the state's overall economy for the foreseeable future." **Deepening the river faces environmental obstacles. The Sierra Club and the U.S. Fish and Wildlife Service question whether the impact on fish and birds can be mitigated.** The Sierra Club and others threaten lawsuits if U.S. Army Corps of Engineers' plans don't protect the river and its environs. Critics also question the need for dredging 26 miles of river when a proposed port at nearby Jasper, S.C., is 10 miles closer to the ocean. "If you build Jasper, you can avoid the mitigation disasters of a harbor deepening," said Steve Willis, chairman of the Sierra Club of Georgia's coastal group. "And you'd end up with a cleaner, better, safer port." Three dozen studies have been undertaken to determine whether the port should be dredged, to what depth and how the re-engineered river would affect tidal marshes, short-nosed sturgeons and other natural resources. Nearly $40 million has been spent analyzing the river. A long-awaited environmental impact study should be released for public review in October. A decision could come next summer with construction possibly beginning the following summer. Judy Jennings, the Sierra Club's point person for harbor deepening, will welcome the ships if environmental problems have been mitigated. Jennings isn't convinced the Corps will adequately safeguard the endangered sturgeon, the striped bass or the freshwater tidal marshes in the Savannah River Wildlife Refuge if the river is deepened to 48 feet. "If the [Corps] can convince me that they can mitigate to 48 feet, then I have no problem with it," Jennings said. "But if we do this and it turns out to be a dumb idea, I'm not sure how we get it fixed." **The deeper the river, the harder it is for oxygen to reach the lower depths. Fish and other aquatic life suffer**. The Ports Authority paid an engineering firm $3 million last year to pump oxygen into the river to determine if fish, particularly the sturgeon, would receive ample oxygen. MACTEC Engineering and Consulting said fish wouldn't be unduly harmed at 48 feet with the added oxygen. The Fish and Wildlife Service wasn't convinced. After an outside analysis of the data, the agency reported June 18 "a high degree of uncertainty as to how effective oxygen injection would be." The Corps asked for further study. **Fish and Wildlife also fears a 48-foot deepening would ruin a freshwater swath of the nearby Wildlife Refuge, one of the most important preserves on the East Coast.** The Corps agrees that **salt water would surge further upriver if the Savannah were dredged to that depth. Even with mitigation efforts, 330 acres of freshwater marsh would turn brackish**, the agency said. The Corps recommends purchasing 2,000 acres along Georgia's side of the Savannah River to mitigate the freshwater loss of the 330 acres in South Carolina. "We can minimize the impacts at 44 or 45 feet," said Russ Webb, a biologist with Fish and Wildlife, which manages the refuge. "At 48 feet, the impact would be a lot more significant." The wildlife refuge, as well as the river alongside the port, would be much less affected if the river were dredged only as far as the planned Jasper port site about 10 miles below Garden City. Georgia and South Carolina agreed last year to jointly develop the port, but probably not until 2018 at the earliest. "Do you dredge to a port that doesn't exist?" questioned Green, the Ports Authority chairman. "It completely ignores [the] need for Garden City and all of its container capacity for the next 12 years. Opponents are using Jasper as a smokescreen to stop the dredging, period." PRO/CON Georgia hopes to deepen Savannah's port to 48 feet. Pros > Super-sized container ships could more readily reach the port. > Savannah would likely maintain its ranking as the East Coast's second busiest port. > Thousands of new jobs statewide could be created. Cons It could cost at least $500 million, with state taxpayers covering half. **Freshwater marsh could be destroyed in the Savannah National Wildlife Refuge. Short-nosed sturgeon and striped bass could suffer oxygen loss**.

# Off-Case Debate

## T Increase TFI

### 1NC

**A. Interpretation -**

#### Increase means to become larger or greater in quantity

**Encarta Online Dictionary**. 2006. ("Increase." <http://encarta.msn.com/encnet/features/dictionary/DictionaryResults.aspx?refid=1861620741>.)

in·crease [ in krss ] transitive and intransitive verb  (*past and past participle* in·creased, *present participle* in·creas·ing, *3rd person present singular* in·creas·es)Definition**: make or become larger or greater: to become, or make something become, larger in number, quantity, or degree**  
noun  (*plural* in·creas·es)

#### Transportation infrastructure investment means ONLY capital investment in port dredging

DOT 11 - Department of Transportation ("National Infrastructure Investments: TIGER Discretionary Grants", Catalog of Federal Domestic Assistance, 2011, <https://www.cfda.gov/?s=program&mode=form&tab=step1&id=9cfbdf4746fa10a640961c2f55a5be99>)//KL

The grants for National Infrastructure Investments in the FY 2011 Continuing Appropriations Act are for capital investments in surface transportation infrastructure grants to be awarded to a State, local, or Tribal governments, including U.S. territories, tribal governments, transit agencies, port authorities, metropolitan planning organizations (MPOs), other political subdivisions of State or local governments, and multi-State or multijurisdictional groups applying through a single lead applicant on a competitive basis for surface transportation projects (including, but not limited to: (1) Highway or bridge projects eligible under title 23, United States Code; (2) public transportation projects eligible under chapter 53 of title 49, United States Code; (3) passenger and freight rail transportation projects; and (4) port infrastructure investments) that will have a significant impact on the Nation, a metropolitan area, or a region.

**Violation: Plan text specifies “expedited” to change port dredging procedures, which are not an increase in capital to ports.**

#### Expenditure is distinct from expedited review

Leone, 11 – Port Director of the Massachusetts Port Authority (Michael, Letter to the Federal Maritime Commission, 12/21, [http://www.fmc.gov/assets/1/Documents/11-19-comments%20of%20Massachusetts%20Port%20Authority%20(MassPort).pdf)](http://www.fmc.gov/assets/1/Documents/11-19-comments%20of%20Massachusetts%20Port%20Authority%20%28MassPort%29.pdf%29" \t "_blank)//JH

There are several actions the US Government can take to improve the competitiveness of US ports. The full expenditure of the amounts in the Harbor Maintenance Trust Fund HMTF is of primary concern to US ports. As ships become larger it is imperative that US ports are dredged to their authorized depth. The HMTF has a 6 billion surplus yet there are many ports that are functioning with shallow and narrow channels that are in dire need of dredging to service their current customer base. Additionally, the federal government needs to find a way to expedite the review approval and eventual funding of projects to deepen federal channels. Without an expedited process many ports will no longer be able to handle the larger ships that are now operating in all trade lanes.

#### This is a voting issue:

**(1) Limits - aff justifies any small procedural changes to infrastructure investment. This explodes the topic, infinitely expanding the neg research burden. This topic is enormous - preserve a briteline against procedural affs.**

**(2) Extra-T illegit – garnering an advantage from a non-topical part of the plan text justifies plan spikes that destroy neg ground. Damage is done, don’t allow the aff to sever. This is an independent voting issue for fairness.**

### Increase Ext.

#### Increase means to become greater

**Websters Dictionary. 1913** ("Increase." <http://machaut.uchicago.edu/cgi-bin/WEBSTER.sh?WORD=increase>.)

In\*crease**"** (?), v. i. **To become greater or more in size, quantity, number**, degree, value, intensity, power, authority, reputation, wealth; to grow; to augment; to advance; **-- opposed to *decrease***.

## States CP

### 1NC

#### Text: The fifty state governments and territories of the United States and Washington, D.C., should increase expedited funding for waterway and port dredging in the United States.

#### States solve - bond borrowing provides funds – Georgia proves

Jones 11— reporter for the Savannah Morning News (Walter C. “Gov Backs State Harbor Funding”, Savannah Morning News, 4/11, ProQuest, <http://proxy.lib.umich.edu/loginrl=http://search.proquest.com.proxy.lib.umich.edu/docview/863056532?accountid=14667>)

Georgia needs to be ready to finance the deepening of the Savannah River if the federal government doesn't ante up, Gov. Nathan Deal told the Atlanta Press Club on Wednesday.He also renewed his pledge to push passage of the transportation sales-tax next year.Asked whether budget cutting by congressional Republicans could jeopardize Georgia's chances of getting federal money for the $600-million deepening project, the governor said he's hopeful but realistic."I'm not going to place any bets on whether or not we get it," he said. "We're going to have to be prepared in the alternative to do whatever the state of Georgia and the (Georgia) Ports Authority has to do in the event that federal funding does not come forward in a timely and appropriate sum."This year, he convinced the Georgia General Assembly to commit $32 million in bond borrowing to the project, raising the state taxpayers' total investment so far to $125 million.Having a strong transportation network - on land, sea, rail and by air - is key to job development, he said, and he sales tax and the deepening of the river's ship channel to accommodate bigger freighters are both vital to the state's economy.The governor recounted a conversation from his trip Tuesday to visit with bond-rating agencies."It's amazing to me when you go to New York City and they ask how the deepening of the port of Savannah is going," he said. "You know they are keeping up with what's going on here."More than 20,000 businesses from every state in the nation ship cargo through the port, Deal said, meaning funding would have a national impact rather than simply a local one.The port is racing the clock. Expansion of the Panama Canal will be completed in 2014, and it will be open to larger freighters, especially container ships, that can only enter the Savannah River partially loaded.Ports authority officials fear that unless the channel is deepened enough to accommodate what are called post-panamax ships, their owners will bypass Savannah.The Georgia Chamber of Commerce backs Deal's idea of using state resources to meet the 2014 deadline and prevent shipping lines from transferring out of the port."It's one of those things: Where's our alternative," said chamber president Chris Clark. "We've said all along. If (federal funds) are not an option, then we need to be looking at state and local options to get that done."

### Solvency

#### States can do the plan – report from Army Corps proves

AP 6/22 – associated press (The Associated Press, “Price tag to dredge Eastern ports for big ships: $5 billion”, 6/22/12, [http://www.usatoday.com/money/economy/story/2012-06-21/southern-ports-expansion/55746890/1](http://www.usatoday.com/money/economy/story/2012-06-21/southern-ports-expansion/55746890/1" \t "_blank))

The report, from the U.S. [Army Corps](http://content.usatoday.com/topics/topic/Army+Corps) of Engineers, is in response to Congress' request to examine improvement needs among the nation's ports as local governments scramble for federal funds to deepen their harbors to make room for a growing fleet of giant commercial ships. The [East Coast](http://content.usatoday.com/topics/topic/Places,+Geography/Regions/East+Coast) has only three ports —[New York](http://content.usatoday.com/topics/topic/Places,+Geography/States,+Territories,+Provinces,+Islands/U.S.+States/New+York), Baltimore and Norfolk, Va. — with waterways deep enough to accept the fully loaded ships regardless of tides. The Southeast, forecast to undergo the nation's biggest growth in population and trade, remains too shallow from Virginia to [South Florida](http://content.usatoday.com/topics/topic/South+Florida) and across the Gulf to Texas.

The need for expanding port capacity "is likely to be most critical along the U.S. Southeast and Gulf coasts," the report said. That's because no shipping channels are at least 50 feet deep, which will be required for the ships — many from China and other Asian countries — that will begin using the Panama Canal after a major expansion is completed by the end of 2014. Savannah, Ga., Charleston, S.C., and Miami on the Southeast coast, as well as several ports in the Gulf, are already undertaking harbor-deepening projects. None have advanced beyond studies to actual dredging, however. In April, the Corps completed a 12-year study on the Port of Savannah — the nation's fourth busiest container port — which wants $652 million in taxpayer funds to deepen more than 30 miles of river. The Corps said 17 such projects are being studied overall, and the cost of harbor expansions across the Southeast would likely be $3 billion to $5 billion. "Strategically, we need to find a bucket of money to fund the projects that need to happen to keep our nation competitive," said Curtis Foltz, executive director of the [Georgia Ports Authority](http://content.usatoday.com/topics/topic/Georgia+Ports+Authority), which is seeking final permits and funding to start deepening the Savannah harbor next year. The budget crisis has made federal funding for port projects extremely tight, especially since Congress and [President Obama](http://content.usatoday.com/topics/topic/People/Politicians,+Government+Officials,+Strategists/Executive/Barack+Obama) for the past two years have sworn off so-called "earmark" spending that was used to fund such projects in the past. The Army Corps report said current funding levels for port improvements won't cover all the projects that should be done. If Congress won't increase the agency's funding for harbor projects, the report said, then perhaps state governments and private companies such as shipping lines should be required to pay a greater share. Another alternative would do away with the current cost-sharing system. Ports would include the cost of deepening in the fees they charge shippers and could borrow from a federal infrastructure bank for major projects.

#### States can act independently - Savannah funding disputes prove

Bynum 4/26 – news reporter (Russ, “Georgia would fund Savannah River port deepening if Washington doesn’t, Gov. Nathan Deal says” Associated Press, 4/26/12, [http://www.postandcourier.com/article/20120426/PC05/120429432/1005&slId=6](http://www.postandcourier.com/article/20120426/PC05/120429432/1005&slId=6" \t "_blank))//RM

SAVANNAH — Gov. Nathan Deal said he would have Georgia taxpayers pay a heftier portion of the $653 million tab to deepen the Savannah harbor rather than delay the project if the federal government hasn’t funded its share once it’s time to start dredging. Deal, speaking at the Port of Savannah on Tuesday, said he believes Washington should honor its commitment to cover 60 percent of the project. But with federal dollars still tight and time running out before supersized cargo ships can start using an expanded Panama Canal, the governor said he is willing do what is necessary to begin deepening the Savannah River as soon as possible. Asked what would happen if the president and Congress do not find dredging money for the harbor soon, Deal said, “We’ll spend our money.” “We hope we don’t get to that point,” he said. “But it may be one of those things that, if that becomes necessary, we begin the project and hopefully get (federal) funding after the fact to reimburse the state.”Savannah and other East Coast ports, including Charleston, are racing to deepen their harbors in anticipation of mammoth container ships arriving via Panama once its canal expansion is finished in 2014. The Army Corps of Engineers issued its final report this month calling for dredging 5 feet from the bottom of the Savannah harbor for a depth of 47 feet. The Georgia Ports Authority is hoping to win final approval later this year. Even on that timetable, and ignoring court challenges pending in South Carolina that could delay or halt the project, the deepening wouldn’t be finished until 2016. Georgia port officials say if dredging isn’t under way by the time the expanded Panama Canal opens, the state risks losing shipping business to competitors with deeper water. Savannah has the fourth-busiest container port in the U.S. Lawmakers in South Carolina, which is seeking to deepen the Charleston harbor, are proposing to authorize additional state borrowing to cover the federal portion of their project should Washington come up short. That bill was working its way through the legislative process Wednesday.

#### States solve better—avoids politically charged dump sites

Torgan 01 – Director of Ocean and Coastal Conservation at The Nature Conservancy, Narragansett Baykeeper at Save The Bay (John, “COMMENTARY - Recycle the stuff - Expediting Bay dredging solutions: [All Edition]”, The Providence Journal, 3/30, ProQuest, [http://proxy.lib.umich.edu/login?url=http://search.proquest.com.proxy.lib.umich.edu/docview/397451221?accountid=14667](http://proxy.lib.umich.edu/login?url=http://search.proquest.com.proxy.lib.umich.edu/docview/397451221?accountid=14667" \t "_blank))

AS WE PLAN the future of marine infrastructure in Narragansett Bay, we should not be forced to choose between a healthy Bay and safe, accessible marine transportation. There is no doubt that responsible dredging is a necessary part of maintaining our waterways, and that it is overdue here. Managed properly, dredging can be achieved with minimal risks to the Bay. As the Providence River ship channel continues to shoal and marinas are choking with silt and mud, the need to resolve the sediment-disposal dilemma has never been more urgent. Save the Bay has been working hard to resolve these issues for private marinas and for the State of Rhode Island. We recognize the need for dredging, and for practical disposal options. After decades of research and advocacy on this issue, we have also learned that, to be implemented, any solution must have strong support from stakeholders, including the state and federal environmental agencies, commercial and industrial facilities, recreational-resource users, and coastal communities. As many as five or more agencies must concur to certify the selection of a disposal site. When determined opposition is added to the scientific and regulatory dispute, projects may be delayed indefinitely. Part of the problem is inadequate state policy. Rhode Island has historically relied on the federal government, in the Army Corps of Engineers, to provide full funding, engineering and execution of dredging projects. Bound by regulations that compel it to select only the least-cost/environmentally-acceptable disposal option, the Corps will always do the cheapest and marginally acceptable thin**g**: in- water disposal as close to the dredging site as possible. These proposed dump sites are always politically charged, as resource users and project proponents debate issues of environmental risk and threats to such other uses as safe fishing and shellfishing. The debate leads to additional delay of dredging projects, contributing to the endless loop of studies and meetings but with no real progress toward a long-term sustainable solution.To advance dredging, Rhode Island must accept responsibility for the problem and invest real resources toward a better solution. We can do this without huge cash appropriations. Simply by removing some of the regulatory and practical barriers, we can establish a progressive, innovative state program that would actually let dredging take place in a reliable, cost-effective manner. Other nearby states, such as New York and New Jersey, have already recognized the viability of beneficial uses by recycling the dredged sediments. These materials can be used for a wide range of purposes, including beach nourishment, road construction, landfill cover, and remediation of contaminated sites, to name a few .By using dredged materials for public-works projects, we can reduce or avoid the need for in-water disposal and the conflicts it presents while serving a valuable public purpose. Beneficial uses are proven to be effective and feasible as a dredge-disposal solution. For example, the cost per cubic yard in the Port of New Jersey today is about $29. Compare this with the cost of the Corps's 1998 estimate of $22 to dump clean dredged materials in the deep ocean east of Block Island. Can't we find the extra $7 for a beneficial use if the dredging is so urgently needed, and avoid the divisive debate, threats of litigation, and ultimate uncertainty about whether or not the project can proceed?A reason that Rhode Island has not seriously considered large- scale beneficial-use projects is the lack of a de-watering site. To be used on land, dredged material must be spread out on land and dried. Depending on levels of contamination and on the final product, it may need additional processing. The state has been unwilling to commit any waterfront land for this purpose, despite the availability of unused sites in Providence, East Providence and at Quonset.This is an easy thing to solve. It just takes leadership. Rhode Island should act immediately to designate a de-watering site. We should also act to identify potential beneficial uses. The state Coastal Resources Management Council (CRMC), along with the state Department of Transportation and Department of Environmental Management, should commit to identify opportunities and facilitate the use of dredged materials wherever possible in upcoming road construction and site-remediation projects. These agencies need to be given the resources to do this.The City of Providence should support the use of dredged material to cover contaminated urban industrial sites, known as brownfields, on its waterfront. The state can offer other incentives in the form of limitations on liability for dredge-processing and over-land transport. We should also identify technologies and companies that could help the state realize these goals.All of these efforts would help immensely in solving the dredging problem, and none require large capital investments.Over the next several months, Rhode Island will face major decisions on the future of its marine-transportation system. The Army Corps of Engineers will release its Final Environmental Impact Statement for the Providence River and Harbor project, the state will outline its plans to expand port facilities at Quonset, and marina dredging applications will pile up at the CRMC. The Corps will probably forward a new disposal strategy that involves a confined disposal facility for the contaminated sediments, and an ocean site for the clean materials.Now that U.S. Sen. Jack Reed has secured $1 million to study ocean disposal, the environmental impact statement for the Providence River may form the basis for a long-term ocean disposal strategy. Some marinas doubt they could afford to piggyback on the Corps' solution, and feel that in-Bay disposal is their only option, but designation of a Bay site anytime soon is far from certain.The window of opportunity for the state to step forward with its own solution is open today. If we advance our own strategy that includes elements of beneficial use, environmental restoration and improvements, and innovative pilot projects to accommodate priority dredging, we can define the course of future marine infrastructure development. However, if we wait for the Corps to solve our problems for us or to declare open dumping season in the Bay, we're bound to remain stuck in this mud for years to come.

### A2: Solvency Deficit – Permits

Funding and permits aren’t related—federal funding not key  
Leach 6/18— senior editor at the Journal of Commerce (Peter T., “Gulf Ports' Growth Compass Points North-South”, Journal of Commerce, ProQuest, [http://proxy.lib.umich.edu/login?url=http://search.proquest.com.proxy.lib.umich.edu/docview/1020905174?accountid=14667](http://proxy.lib.umich.edu/login?url=http://search.proquest.com.proxy.lib.umich.edu/docview/1020905174?accountid=14667" \t "_blank))//RM

Houston's top South American trading partners are Brazil, Colombia and Chile. Three container lines -- Hamburg Sud, Hapag-Lloyd and Mediterranean Shipping Co. -- serve the Brazilian trade, with Zim Integrated Shipping Services buying slots on the MSC run. Exports account for 65 percent of the trade, consisting of plastic resins, cotton, synthetic rubber, chemicals, oil well equipment and forest products. Granite and other ornamental stones, ceramic proppants for oil and gas, lumber and wood products and coffee are the major import commodities arriving from Brazil. Volume through Houston's two container terminals, Bayport and Barbour's Cut, increased 3 percent last year to a record of just under 1.9 million TEUs. With plans to expand the terminals, the port is awaiting permits from the Army Corps of Engineers to deepen the channels that lead to the facilities to 45 feet from 40 feet now. The port authority would pay for the deepening itself, at a cost of $130 million. "We can't wait on the feds, so we are putting our dollars into deepening the channel to meet market demand when the Panama Canal expands," Waterworth said. He expects to complete the project by the end of 2014, before the opening of the new locks at the Panama Canal. The Houston Ship Channel is already 45 feet deep. The port authority will build out the remaining half of the planned expansion of Bayport over the next five to seven years. Bayport currently has annual container capacity of 1.1 million to 1.2 million TEUs. The original design for the completed project was to double that capacity to 2.4 million TEUs, but the port plans to be able to raise that to 3 million TEUs by continuing "densification."

### Federal Funding Fails

#### Federal funding fails—bureaucracy and no accountability

**Rein 01**—reporter at the Washington Post covering federal workforce and issues that concern the management of government (Lisa, “Bill Would Clear Way On Dredging; Occoquan Funding May Be a Problem: [FINAL Edition]”, 10/11, The Washington Post, ProQuest)//RM

But the long-sought project has been delayed and is in jeopardy because of bureaucratic wrangling over whether the federal government has the power to carve a deeper river bottom. Rep. Thomas M. Davis III (R-Va.), who sponsored the dredging legislation, plans to bring another bill before Congress this month to get the project back on track. But funding is now uncertain. "There is no question the channel is dangerous and a problem," said Jim Ball, president of the Occoquan River Maritime Association, which represents about 450 commercial and pleasure boaters from Northern Virginia and has fought hard for the dredging. Months after Congress approved the project last fall, the Army Corps of Engineers surveyed the river and reported that dredging was not necessary. The agency said the boating channel was six feet deep in most places, the passable depth authorized by the federal Rivers and Harbors Act, passed in 1899 and later amended to establish regulations for barge traffic. In May, the corps proposed realigning the channel in spots where the river has silted by moving the channel markers that guide boats in and out of the three-mile stretch from the Potomac River to the town of Occoquan. But boaters objected, saying they were skeptical that a minor realignment would prevent boats from going aground. "We reacted with incredulity," Ball said. "They said, 'We'll just move the markers around.' . . . But it's not pleasant when you tear up a $500 propeller and shaft." The agency said it was bound by the century-old law. "What they really want is a deeper and wider channel," said Jeff McKee, acting chief of the corps' navigation section. "The corps is not opposed to it, but under our existing authority, we don't have the power to do it." To get the dredging done, Davis has come up with another approach: Change the law. He plans to submit a bill to Congress this fall that would change the minimum channel depth to nine feet and its width to 200 feet, said David Marin, Davis's chief legislative aide. That's fine with the corps, McKee said. But in the meantime, the $1 million authorized last year has been spent on "other navigation projects," he said. "There's no money for this project," McKee said. He said the corps spent about $15,000 to survey the river. But Marin said corps officials told him the figure was $300,000. "We'd be the first to admit that this hasn't been the most efficient process," Marin said. "The ideal thing would have been to allocate $300,000 to further study what the project needed to entail and then appropriate more money." Boaters who have waited years for relief are still waiting. "The Army Corps got a million dollars for our creek dredging; they studied it and figured out it doesn't need to be done; and where has the money gone?" asked Terry Hill, who owns two marinas in Prince William: Potomac Marine and Hampton's Landing Marina. "Whether they spent $15,000 or $300,000, that money has gone somewhere else. You give them money, and they are not dollar-for- dollar accountable."

#### Fed funding fails – state and local governments will inevitably be forced to take the lead in transportation infrastructure

Alden, 12 – CFR Senior Fellow and Renewing America Director (Edward, “Road to Nowhere: Federal Transportation Infrastructure Policy”, Council on Foreign Relations Press, June 2012, [http://www.cfr.org/united-states/road-nowhere-federal-transportation-infrastructure-policy/p28419](http://www.cfr.org/united-states/road-nowhere-federal-transportation-infrastructure-policy/p28419" \t "_blank))//JH

Good afternoon Chairman Wyden, distinguished members of the Committee. I’m Phil Lutes, Deputy Managing Director of the Port of Seattle’s Seaport Division. Thank you for the privilege of being here with you today. In reflecting on the topic question for this hearing, “Doubling U.S. Exports: Are U.S. Seaports Ready for the Challenge?” the short answer for seaports is, yes. Is the overall supply chain ready? No. Limiting factors in the larger supply chain inhibit U.S. exports reaching overseas markets, but right now, the biggest obstacles aren’t the seaports themselves. Even with an economic rebound, U.S. ports in general, and West Coast container ports in particular, have ample capacity for both imports and exports. As U.S. Gulf and East coast ports complete terminal expansions and Canada and Mexico complete their expansion plans, port capacity for exports will be more than adequate. The real issues are enhancing efficient infrastructure throughout our trade corridors, dealing with the current equipment shortage, general promotion of our products abroad and antiquated tax policies that discriminate against certain ports and cargoes. Seaports are fighting to stay afloat financially in this terrible economy and we continually strive to invest in our assets and improve our operating efficiencies, but our greatest challenges lie beyond the seaport gates.

### A2: 50 State Fiat

#### 1. No Abuse – the aff uses multiple actors also. The aff is able to fiat the President, the courts, and many of federal agencies. The 50 states fiats less than the Aff and is not abusive

#### 2. Resolution Test - The CP has to test “federal government” because it is in the resolution: the aff has to do the same so it is not unreasonable.

#### 3. Net benefits abuse – They can answer and or turn our net benefits, so it is not unfair we have net benefits to the counter plan.

#### 4. Negative wins this issue:

a. aff has unlimited prep before the debate

b. aff. speaks 1st and last giving them an advantage to make arguments

c. topic is huge: aff has an unlimited choice of affirmatives. – the negative needs the cp to check affirmative case.

#### 5. Best policy option – the aff objections - debate is about the search for the best policy option. If we win the cp is best policy option we should win.

## Privatization CP

### 1NC

**Text: The United States federal government should streamline permitting processes and allow multiyear reauthorizations for waterway and port dredging in the United States.**

**Making these changes unlocks private capital and doesn’t spend any money**

**Gibbs, ‘11** – Subcommittee Chairman (Bob, “Memorandum on the Hearing on “The Economic Importance of Seaports: Is the United States Prepared for 21st Century Trade Realities?” U.S. House of Representatives¶ Committee on Transportation and Infrastructure , October 21, 2011 <http://republicans.transportation.house.gov/Media/file/112th/Water/Water%20Briefing%20Memo%20%20%2010-26-11.pdf)//BL>

Overall**, the President**'sproposal **does not address some of the nation's most profound infrastructure needs**. It does not direct Congress to pursue multiyear **reauthorizations that provide stability and predictable funding to projects**. Developing world-class infrastructure cannot be hurried to completion in two years to comply with a truncated funding schedule. Even **beyond funding,** a transportation infrastructure bill could includeno cost policy changesthat **would support maritime trade.** The proposed legislation **does not streamline the permitting processes**, an action that would expedite valuable projects. **Permit backlog delays the timeline for construction and increases costs associated with navigation projects that could promote maritime trade.** Also**, legislation** that would support maritime trade **would allow non-federal project sponsors to supply more capital** **to** navigation projects without having to wait on the appropriations process. Re-authorizations, permanent policy changes, and regulatory reduction would unlock private capital and hasten project completion, benefitting maritime trade and the economy as a whole.¶

#### This promotes public-private partnerships that solve delays in the status quo and guarantees funding for most important dredging

**Feigenbaum, 12** - transportation policy analyst with Reason Foundation (Baruch, “Government Bureaucracy Is Sinking Port Deepening Projects,” Reason Foundation, February 13, 2012 , [http://reason.org/news/show/1012613.html](http://reason.org/news/show/1012613.html" \t "_blank))//BL

**Public-private partnerships** (PPPs) **can bring much-needed money to** ports at this critical juncture. **Busy ports**, like Charleston, South Carolina and Galveston, Texas **would likely attract a lot of interest from private companies willing to finance expansion and improvement projects.**¶ The **PPP would also eliminate** many of **the steps in the current process, including the wait for an appropriation**. Additionally **PPPs could lead to the most appropriate ports being dredged first.** Currently, the most powerful congressman can determine how many ports will be funded in a particular year guaranteeing their port makes the cut. ¶ PPPs could be further encouraged in the future by changing several parts of the process. ¶ **Ports, or the private partner, could contribute more than 50 percent of the funding for the feasibility study-perhaps 80-100 percent allowing the corps to complete the study in a timely manner.** If the port deepening project is approved, the federal government could refund the extra funds above the 50 percent benchmark for the feasibility study. Other processes such as the Environmental Impact Study could be shortened. **Duplicate studies by state and local governments could be conducted at the same time as federal studies or could be eliminated**. ¶ With the deepening of the Panama Canal, **East Coast ports cannot afford to sit around and wait for the current appropriations process.** The canal's expansion is going to bring great economic benefits to the ports capable of handling larger ships. Yet, as it stands, most American ports won't be able to take advantage of the opportunities.

### Solvency - Econ

**Privatization solves economic security**

**Laventhal 09** – Division of Global Affairs PhD candidate (William, “Connecting to the Global Economy – Barriers to Port Development for Countries on the Periphery”, EBSCO Host, February 15th 2009)//BL

**Since the 1970’s** and 1980’s, **state-owned enterprises** in many developing countries have¶ been **unable to meet the growth in demand for all types of infrastructure** (Ramamurti and¶ Doh 2004). In the **1990’s, the World Bank** **and** International Monetary Fund (**IMF**)¶ **pressured governments to** privatize services and **increase their reliance on private actors**.¶ They also pushed for deregulation **in** many sectors, including **the transportation industry**.¶ Many of the same policy (capital movement liberalization) and technological changes¶ (communications) that enabled multinational production to evolve also facilitated private¶ participation in infrastructure. The resources required for infrastructure projects were¶ considerable, but with anticipated profits, private firms could attract capital from abroad¶ and take on large responsibilities in the economy. In developed countries, extensive¶ periods of stability allowed firms to project profits long enough into the future to recoup¶ their investment. In certain developing countries, expectations of rapid economic growth¶ meant that **despite higher risk, infrastructure investment could be profitable in an¶ accelerated time frame**.¶ The use of **“project financing”** as a way to finance infrastructure projects contributed to¶ the increase in infrastructure FDI (Ramamurti and Doh 2004). This financial technique¶ **allowed foreign investors to borrow money based on the value of the assets** (ports, roads,¶ telecommunications, etc.) **without exposing the company itself to potential losses**. In turn,¶ participating banks formed syndicates to minimize each bank’s individual exposure in the¶ project. Finally, **the loans could then be sold to a larger number of investors through¶ securitization, further reducing the risk to any one particular investor.**

### Solvency - Funding/Investment

#### Privatization solves best – efficiency and resources

**Sanders 10**—reporter at the New Haven Register (Alexandra, “Dredging project loses nearly $1M in federal funding?”, New Haven Register, 12/21, ProQuest, [http://proxy.lib.umich.edu/login?url=http://search.proquest.com.proxy.lib.umich.edu/docview/819035850?accountid=14667](http://proxy.lib.umich.edu/login?url=http://search.proquest.com.proxy.lib.umich.edu/docview/819035850?accountid=14667" \t "_blank)) //BL

**WESTBROOK** -- The town **will not receive the nearly $1 million in federal funds for the dredging of the Patchague River** as a result of the omnibus spending bill being pulled, leaving locals in an economic bind. ¶ The bill, containing about $1.1 trillion in earmarks, did not get the requisite 60 votes for it to pass. The bill would have allowed Westbrook to use $918,000 in federal money to complete the dredging of the channel. ¶ "We have been at work at this for months," said First Selectman Noel Bishop. "We had the Army Corps here last spring, and we will continue to work with them and do everything we can to continue dredging." **¶ Two years ago, the project received about $689,000 in federal funding and the town only used half of that,** so **there's still money** left **for** **dredging**. Also, the town has been saving about $25,000 each year for the last three years in case the **necessary federal funding didn't come through**. ¶ "What's frustrating is that this is a federal channel and the federal government is responsible for maintaining the channel," said Rives Potts, vice president and general manager of Pilot's Point Marina. "They have done maintenance on it about twice in 25 years, while we pay our taxes and do all the stuff right. It is supposed to be maintained every two or three years." ¶ **Potts said that silt fills** in **the channel** over time **and** a little **dredging every year could prevent major projects**. ¶ "It is **horrible for commerce. It has a serious impact and has affected our work force," said Potts.** "We have probably lost 20 to 25 jobs in the last eight or 10 years because of the problem." ¶ The town may have enough money to dredge the rest of the entrance to the channel to allow large boats river access, which would improve commerce, but even that isn't guaranteed. The **A**rmy **C**orps of **E**ngineers **would need to use its** **Currituck** dredging **machine** to dredge the nearly 40,000 cubic yard entrance of the channel, **but the machine may not be available because of the demand for it.** The Army Corps is also low on funding and is currently struggling with dredging the Mississippi River, causing Westbrook officials to lose their optimism. ¶ "We could cry about it, but look at the fact that the Mississippi has the same problem - it's a major infrastructure problem," said John Rie, chairman of the Harbor Commission. "We have got to figure out a way to work around it that isn't going to break the bank in town." ¶ **In the past, the town received about $125,000 a year from state boat registration fees, but last year the allowance was cut without warning, said Rie. ¶ "If this was done in a private sector, it could be done for $650,000, but the Army Corps is not as efficient as private industry,"** said Potts. ¶ "**They just relocate material from one place to another -**- it's pretty basic stuff -- but the Army Corps wants to have trailers for the engineers and supervisors, and there is a mobilization cost." ¶

**Privatization Solves Better- Current Funds are allocated inefficiently**

**Edwards, 2012** – director of tax policy studies at Cato, senior economist, and expert on federal and state tax and budget issues, senior economist on the congressional Joint Economic Committee (Chris, “Cutting the Army Corps of Engineers”, CATO, March 2012, [http://www.downsizinggovernment.org/usace#6)](http://www.downsizinggovernment.org/usace" \l "6%29//MM" \t "_blank)//JH

The first step toward cutting the budget of the Army Corps is to end passage of new water resource authorization bills. It makes no sense for Congress to keep putting new civilian projects into the Corps' pipeline when the agency already has hundreds of projects previously authorized but not funded. Then Congress should go through the Corps' budget and cut out all those activities that could be financed and operated by state and local governments or the private sector. **Given the agency's long-standing mismanagement and misallocation of spending, it should be removed from those activities where federal involvement is not essential.** Many of the Corps' activities should be privatized. Activities such as harbor construction and maintenance, beach replenishment, and hydropower generation could be provided by private construction, engineering, and utility companies. Those companies could contract directly with customers, such as local governments, to provide those services. Consider the Corp's harbor maintenance activities on the seacoasts. These activities are funded by a Harbor Maintenance Tax (HMT) collected from shippers based on the value of cargo. The tax generates about $1.4 billion a year and is spent on projects chosen by Congress and the Corps. But **the federal government is an unneeded middleman here—port authorities could simply impose their own charges on shippers to fund their own maintenance activities, such as dredging.** **By cutting out the middleman, ports could respond directly to market demands,** rather than having to lobby Washington for funding. **Groups representing shipping interests complain that Congress is not spending enough on harbors to keep America competitive in international trade. But the current federal system allocates funds inefficiently, creating large cross-subsidies between seaports.** The Congressional Research Service notes that harbor maintenance funds are often "directed towards harbors which handle little or no cargo" and "there is no attempt to identify particular port usage and allocate funds accordingly."[91](http://www.downsizinggovernment.org/usace#_edn91) The Port of Los Angeles, for example, generates a large share of HMT revenues, but it receives very little maintenance spending in return. The Congressional Research Service further explains: Examining where trust fund monies have been spent indicates that little or no shipping is taking place at many of the harbors and waterways that shippers are paying to maintain. . . . Given the amount of HMT collections not spent on harbors, and the amount spent on harbors with little or no cargo, a rough estimate is that less than half and perhaps as little as a third of every HMT dollar collected is being spent to maintain harbors that shippers frequently use.[92](http://www.downsizinggovernment.org/usace#_edn92) The solution to these sorts of inefficiencies is not more federal funding, but greater port independence and self-funding. One step toward that goal would be to privatize U.S. seaports, which are generally owned by state and local governments today. Britain pursued such reforms in 1983 when it privatized 19 seaports to form Associated British Ports (ABP).[93](http://www.downsizinggovernment.org/usace#_edn93) Today ABP operates 21 ports, and its subsidiary, UK Dredging, provides dredging services in the marketplace. ABP and UK Dredging earn profits and pay taxes. Today two-thirds of British cargo goes through efficient privatized seaports.[94](http://www.downsizinggovernment.org/usace#_edn94) **One advantage of private seaports is that they can expand their facilities when market demands warrant, free of the uncertainties created by government budgeting. Privatization is also a good option for the Corps' 75 hydropower plants. More than two-thirds of the roughly 2,400 hydropower plants in the nation are privately owned.****[95](http://www.downsizinggovernment.org/usace" \l "_edn95)** While federal facilities—including those of the Army Corps—dominate hydropower in some states such as Washington, other states such as New York and North Carolina have substantial private hydropower**.** The point is that the private sector is entirely capable of running hydropower plants, and thus Congress should begin selling the generating facilities of the Corps. Many of the Corps' assets should be turned over to state and local governments. These assets include flood control infrastructure, municipal water and sewer projects, the Washington, D.C., aqueduct system, and recreational areas. The financing and control of flood control infrastructure in Louisiana, for example, should be handed over to the State of Louisiana. That would give citizens direct responsibility over their hurricane defenses, rather than to have them rely on a distant Washington bureaucracy. State and local officials could better balance the costs and benefits of levees and other infrastructure if their own citizens were footing the bill. The Commerce Clause of the Constitution allowed the federal government to assert control over navigable rivers, and the Corps has taken the lead role in river navigation activities since the 19th century. However, Congress should consider reforms to reduce the costs on general taxpayers of these activities. Currently, a barge fuel tax generates revenues for the Inland Waterways Trust Fund, but this fund only pays half the cost of constructive projects on the inland waterways and none of the operation and maintenance costs.[96](http://www.downsizinggovernment.org/usace" \l "_edn96) One reform step would be to raise fees to cover a higher share of system's costs, as proposed by the Simpson-Bowles fiscal commission in 2010.[97](http://www.downsizinggovernment.org/usace" \l "_edn97) An expert on the system, Steve Ellis, testified to Congress last year about the inefficiency of the current funding structure. One problem is that "since users don't have to pay anything for maintenance, they are constant cheerleaders for new construction."**[98](http://www.downsizinggovernment.org/usace" \l "_edn98) Another problem is that spending is allocated based on politics, not on market demands such as barge traffic levels.** Some rivers in the system receive very little barge traffic, yet receive substantial spending from the Corps. Ellis also notes that inland waterway projects suffer from the Corps' usual distorted analyses and cost overruns: "None of the inland navigation projects the Corps has green-lighted in recent decades have met their economic predictions."[99](http://www.downsizinggovernment.org/usace" \l "_edn99) To create more efficient inland waterways, Congress should consider transferring the Corps' activities to state governments or private businesses. In 2002 the Bush administration determined that the Corps' civilian activities were not a "core competency" of the government and should be opened to private contractors.[100](http://www.downsizinggovernment.org/usace" \l "_edn100) It proposed allowing private bidding for 2,000 Corps jobs involved in the operation of locks and dams on the waterways, but that plan did not come to fruition.[101](http://www.downsizinggovernment.org/usace" \l "_edn101) Another idea is to create a self-funded organization to operate the inland waterways, either as an arms-length part of government or as a private entity.[102](http://www.downsizinggovernment.org/usace" \l "_edn102) To conclude, the nation's long experience with the Army Corps illustrates how federal involvement in local infrastructure often leads to mismanagement, inefficiency, and pork-barrel spending. It's time to revive federalism in infrastructure investment and begin to privatize Army Corps activities or transfer them to the states. Those remaining activities of the Corps that are truly federal in nature should be moved to the Department of the Interior and the civilian side of the Corps closed down.

**Private funding can come from international private infrastructure banks - Port of Miami Tunnel proves**

**Spivak 11** -- senior research analyst at the HNTB Corporation, a transportation design and

engineering firm (Jeffrey, "The Battle of the Ports", American Planning Association, May/June 2011, [aapa.files.cms-plus.com/Battle%20of%20the%20Ports%20-%20Planning%20mag%20-%20May\_June%202011.pdf](http://aapa.files.cms-plus.com/Battle%20of%20the%20Ports%20-%20Planning%20mag%20-%20May_June%202011.pdf" \t "_blank)

**Major port projects** typically **require congressional approval and federal funding**, and **several port¶ authorities were counting on the federal government's proposed fiscal year 2012 budget to kick-start¶ their expansion plans**. The ports of Savannah and Miami requested $105 million and $75 million,¶ respectively. The two received a total of $600,000. The Port of Charleston couldn't even get¶ $400,000 for a dredging feasibility study.¶ The fact is, **with the federal deficit-cutting climate in Washington D.C., getting funding for port¶ projects could become more difficult.** For one thing**, the Harbor Maintenance Trust Fund is tapped¶ every year to** help **offset the federal deficit**. For another, **Congress has sworn off the earmarks, or¶ individual projects requested by lawmakers, that were a major source of port funding**. "There is too¶ much competition for scarce federal dollars," says Russell Held of the Virginia Port Authority.¶ **In response, port authorities are turning to the private sector, with some success. New terminals are¶ being developed as public-private partnerships,** with public agencies contracting with shipping¶ companies to build and then manage the operations. Some infrastructure improvements also involve¶ private investors. The $1.1 billion **Port of Miami tunnel**, a road intended to bypass downtown¶ congestion by linking the port to an interstate highway, **is being financed through** the state of Florida,¶ Miami-Dade County, a **federal government loan program, and** a consortium of **banks organized by¶** Meridiam Infrastructure, **an international private infrastructure fund.¶**

### Solvency – Prevents Delays

**Privatization solves Federal Inefficiencies- Britain proves**

**Edwards, ‘12** – director of tax policy studies at Cato, senior economist, and expert on federal and state tax and budget issues, senior economist on the congressional Joint Economic Committee (Chris, “Cutting the Army Corps of Engineers”, CATO, March 2012, [http://www.downsizinggovernment.org/usace#6)](http://www.downsizinggovernment.org/usace" \l "6%29//MM" \t "_blank)//BL

Many of the **Corps' activities should be privatized**. Activities suchas **harbor construction and maintenance,** beach replenishment, and hydropower generation **could be provided by private** construction, engineering, and utility **companies**. Those **companies could contract directly with customers, such as local governments, to provide those services.**¶ Consider **the Corp's** **harbor** **maintenance** **activities** **on the seacoasts.** These activities **are funded by a Harbor Maintenance Tax (HMT)** collected from shippers based on the value of cargo. The tax generates about $1.4 billion a year and is spent on projects chosen by Congress and the Corps. **But the federal government is an unneeded middleman here—port authorities could** simply **impose** **their own charges** on shippers **to fund** **their** own maintenance activities, such as **dredging**. **By cutting out the middleman, ports could respond directly to market demands, rather than having to lobby Washington for funding**.¶ Groups representing shipping interests complain that Congress is not spending enough on harbors to keep America competitive in international trade. But the **current federal system allocates funds inefficiently, creating large cross-subsidies between seaports**. The Congressional Research Service notes that harbor maintenance funds are often "directed towards harbors which handle little or no cargo" and "there is no attempt to identify particular port usage and allocate funds accordingly."[91](http://www.downsizinggovernment.org/usace" \l "_edn91) The Port of Los Angeles, for example, generates a large share of HMT revenues, but it receives very little maintenance spending in return. The Congressional Research Service further explains:¶ Examining where trust fund monies have been spent indicates that little or no shipping is taking place at many of the harbors and waterways that shippers are paying to maintain. . . . Given the amount of HMT collections not spent on harbors, and the amount spent on harbors with little or no cargo, a rough estimate is that less than half and perhaps as little as a third of every HMT dollar collected is being spent to maintain harbors that shippers frequently use.[92](http://www.downsizinggovernment.org/usace" \l "_edn92)¶ **The solution** to these sorts of inefficiencies **is not more federal funding, but greater port independence and self-funding**. **One step toward that goal would be to privatize U.S. seaports**, which are generally owned by state and local governments today. **Britain pursued such reforms in 1983** when it privatized 19 seaports to form **Associated British Ports (ABP**).[93](http://www.downsizinggovernment.org/usace" \l "_edn93) Today ABP operates 21 ports, and its subsidiary, UK Dredging, provides dredging services in the marketplace. ABP and UK Dredging earn profits and pay taxes. Today **two-thirds of British cargo goes through efficient privatized seaports.**[94](http://www.downsizinggovernment.org/usace" \l "_edn94) One advantage of **private seaports** is that they **can expand their facilities when market demands warrant, free of the uncertainties created by government budgeting.**

### Fed’s Fail

**Corps useless - empirics proves mismanagement and failure. Private sector can solve**

**Edwards, ‘12** – director of tax policy studies at Cato, senior economist, and expert on federal and state tax and budget issues, senior economist on the congressional Joint Economic Committee (Chris, “Cutting the Army Corps of Engineers”, CATO, March 2012, [http://www.downsizinggovernment.org/usace#6)](http://www.downsizinggovernment.org/usace" \l "6%29//MM" \t "_blank)//BL

**The Corps has been** greatly **mismanaged over the decade**s, **with** problems ranging from **frequent cost overru**ns on **projects to the major engineering failures** **that** **contributed** to the **disaster of Hurricane Katrina**. In addition, the dominance of special-interest politics on the agency's activities has resulted in it supporting many wasteful projects. ¶ **Fortunately, most of the Corps' activities do not need to be carried out by the federal government.** **Some of its activities**—such as flood control and the management of recreational areas—**should be turned over to state and local governments**. Other activities—such as **seaport dredging** and hydropower generation—**should be turned over to the private sector**. This essay focuses on cutting the Corps' spending activities, and does not address the calls for reforming the agency's regulatory functions.[3](http://www.downsizinggovernment.org/usace" \l "_edn3)¶ The following sections look at the history of the Army Corps, the pork-barrel nature of its spending, its legacy of mismanagement, and its role in Hurricane Katrina. The essay concludes that the bulk of the agency's civilian activities and assets should be privatized or transferred to state and local governments. **The remaining activities of the Corps that are truly federal in nature should be transferred to the Department of the Interior. The civilian side of the Army Corps should be closed down.**

**Corps fails - Privates more efficient and structurally sound**

**Edwards, ‘12** – director of tax policy studies at Cato, senior economist, and expert on federal and state tax and budget issues, senior economist on the congressional Joint Economic Committee (Chris, “Cutting the Army Corps of Engineers”, CATO, March 2012, [http://www.downsizinggovernment.org/usace#6)](http://www.downsizinggovernment.org/usace" \l "6%29//MM" \t "_blank)//BL

These **longstanding problems are the result both of the agency's pro-building culture and congressional politics.** The ad hoc way that the agency's projects are funded creates further problems. New projects are typically authorized in Water Resources Development Acts, which are passed every few years. The last of such acts was enacted in 2007 over a veto by President George W. Bush.[36](http://www.downsizinggovernment.org/usace" \l "_edn36) After authorization, **each project** included **may or may not receive funding a year at a time in annual appropriations bills**.¶ The problem is that **Congress has crammed far too many projects into the Corps' pipeline**, with the result that progress on each project is slow and erratic. For example, Congress has authorized more than 400 municipal water and sewer projects for the Corps, with a total price tag of more than $5 billion. However, only about $140 million or so is actually appropriated for these projects each year.[37](http://www.downsizinggovernment.org/usace" \l "_edn37)¶ **The slow progress of Corps' projects contrasts with private sector construction projects, which are built as quickly as possible to hold down costs**. A **Government Accountability Office** **report** **on** the **Corps found that "funding projects in increments hinders project efficiency by increasing costs and timelines**."[38](http://www.downsizinggovernment.org/usace" \l "_edn38) One Corps' official told the GAO, "this is one of the reasons that a c**ivil works project takes 20 years to execute, instead of 3 if we were fully funded from the start."**[39](http://www.downsizinggovernment.org/usace" \l "_edn39) The Corps currently has a backlog of more than 1,000 feasibility studies and construction projects worth more than $80 billion that have been authorized but not funded.[40](http://www.downsizinggovernment.org/usace" \l "_edn40)¶ The Corps is an engineering and construction organization, and in our economy such activities are usually carried out by private businesses. **The Corps has never been run like a private business—it doesn't have an efficient structure, it doesn't pursue the highest-return projects, and it doesn't construct projects quickly and efficiently**. Former Senate majority leader Tom Daschle (D-SD) said the Corps is "one of the most incompetent and inept organizations in all the federal government."[41](http://www.downsizinggovernment.org/usace" \l "_edn41) The good news is that we don't need a civilian Army Corps organization because most of its functions could be carried out by state and local governments and the private sector.

**Government fails – private sector lowers costs**

**Laventhal 09** – Division of Global Affairs PhD candidate (William, “Connecting to the Global Economy – Barriers to Port Development for Countries on the Periphery”, EBSCO Host, February 15th 2009)//BL

¶

**Since** the **late** **1950’s, the increased** use of containers **for international maritime trade** has¶ **prompted ports to allocate greater resources to container-handling functions.** Specialized¶ container terminals at ports have emerged as the most successful model for profitable¶ port development. The scale and cost of these container terminals are significantly higher¶ than previous cargo-handling terminals.¶ In conjunction with the technological changes brought about by containerization, a¶ reorganization of the port industry took place at an institutional level. **Until the 1980’s,¶ ports had been owned and operated, with few exceptions, by government entities (port¶ authorities).** During the **1990’s**, **governments** throughout the world **looked to turn over¶ responsibilities to the private sector, including** those related to **port infrastructure**. **At the¶ same time,** **changes in the logistics industry encouraged private firms to pursue greater¶ control over the supply chain and all of its parts**. As government’s role receded, the¶ private sector took its place as port operators, developers, and ultimately owners. In some¶ cases, **the private sector’s arrival brought more financial and managerial resources, but also changed how the benefits of port infrastructure were measured. Shareholder returns¶ took precedence over the public good, and the time expectation for return on investment¶ was significantly shortened**.

## Firewall CP

### 1NC

#### Text: The United States federal government should establish firewalls on the Harbor Maintenance Trust Fund, mandating that it only be utilized for port maintenance and dredging.

#### Firewalls result in funding for port dredging without increasing spending

**Weakley, 8** (1AC Author) – Realize America’s Maritime promise, Harbor Maintenance Trust Fund Fairness Coalition, testimony of James Weakley the president of the Lake Carriers’ Association (James, “Realize America’s Maritime Promise”, Harbor Maintenance Trust Fund Fairness Coalition, 4/30/08, <http://www.ramphmtf.org/speeches_043008.html>) // EK

The Harbor Maintenance Tax and the Harbor Maintenance Trust Fund were established in the Water Resources Development Act (WRDA) of 1986. The Trust Fund (HMTF) applies a 0.125 percent ad valorem tax on the value of commercial cargo loaded or unloaded on vessels using Federally-maintained channels. The tax is only assessed on imports and domestic cargo, as it was ruled as an unconstitutional assessment on exports in a 1998 Supreme Court ruling. This Fund - that you, members of Congress - established, was authorized to be utilized to recover 100 percent of the U.S. Army Corps of Engineers eligible Operations and Maintenance (O&M) expenditures for commercial navigation, along with 100 percent of the O&M cost of the St. Lawrence Seaway, certain costs of NOAA, and the costs to Customs to collect the tax.

Fixing the Problem

Ladies and gentleman - would it surprise you to know that this utilization has not been honored? HMTF revenues exceed transfers for authorized activities by an increasing margin. Yet, our Federal channels are not being maintained at authorized depths. The Fund is being held hostage to paper balance the budget - interestingly, not one of its legal uses. In 2007, the HMTF began with a $3.3 billion

surplus and collected an additional $1.4 billion - resulting in a $4.7 billion surplus, while only $751 million was utilized for maintenance dredging. That is incredible. I would ask that you consider this analogy offered by my colleague in a Gulf Coast port: "What would you say to a toll booth operator who took your money to use the toll road only to then tell you that the road was unusable?"

That is what is happening to shippers who pay this tax every day. We must solve this problem. We must draft legislation that mandates that the Fund be utilized for its intended purpose - the maintenance dredging of Federal ports and harbors. There are a number of ways to address this problem. As you know, other modes of transportation - surface transportation and aviation - have faced similar problems in the past decade. Although we are in the early stages of addressing this problem, our Coalition believes Congress should consider an approach similar to that taken with the Highway Trust Fund in 1998 and with the Airport and Airway Trust Fund in 2000. In those cases, Congress legislatively enacted "firewalls" around the Trust Funds - essentially guaranteeing minimum levels of spending that could only be used to support eligible projects. Although there are some variations between the Highway, Aviation, and Harbor Maintenance Trust, the point of a firewall in each case is the same - ensuring that monies from a tax would be used for their intended purpose and not merely for deficit reduction.

**CP has Congressional support**

**Dredging Today, 12** – the Industry’s ground-breaking news provider, quoting Congressman Jeff Landry (R-LA) (“Congressman Votes to Allocate Harbor Maintenance Trust Fund for Dredging (USA)”, 3/30/12, <http://www.dredgingtoday.com/2012/03/30/congressman-votes-to-allocate-harbor-maintenance-trust-fund-for-dredging-usa/>) // EK

Congressman Jeff Landry released the following statement after voting for H.Con.Res. 113 – the Republican Study Committee (RSC) Fiscal Year 2013 Budget (which Congressman Landry cosponsored) – and H.Con.Res. 112 — the Paul Ryan Budget for Fiscal Year 2013: “Today, my colleagues and I did not follow the President’s plan of more spending, more borrowing, and more debt. We did not follow the Senate’s plan of doing nothing and ignoring our problems. Rather, we led and passed a budget. We voted to curb wasteful spending so we can reduce our nation’s enormous debt – something that exploded when Washington politicians voted to increase our borrowing limit last year. We voted to allocate the Harbor Maintenance Trust Fund for dredging – something I got added to the budget. And we voted to defund efforts that force Americans to violate their religious beliefs – something I also got added to the budget. Although I am disappointed Washington politicians did not join me in cosponsoring and voting for the RSC Budget to cut, cap, and balance the government’s budget – I am glad they followed my lead for fiscal sanity, port dredging, and religious freedom.”

### Solvency

#### Firewalls mandate sole usage on dredging and prevent the siphoning of money for other projects

**May, 11** – member of the Portage Lake Harbor Commission, and the Chair Pro Tem of the Great Lakes Small Harbors Coalition (Chuck, “Testimony to Subcommittee on Water Resources and Environment”, 7/8/11) // EK

Other testimonies before this Subcommittee will more articulately express the needs of the commercial shipping interests that have suffered from this dredging crisis. They have fought this battle singlehandedly for many years and we are grateful for their leadership. But the growing urgency that now faces all navigation interests in the Great Lakes has prompted the Great Lakes Small Harbors Coalition to lend its voice to a call for reform. The ongoing diversion of these funds for purposes other than those for which they were intended is just plain wrong.  
That is why we have joined the Lake Carriers’ Association, Great Lakes Maritime Task Force, American Great Lakes Ports Association, and the Great Lakes Commission regionally, and the Realize America’s Maritime Promise (RAMP) movement nationally, to demand changes in how Harbor Maintenance Trust Fund (HMTF) monies are used. Members of the Coalition, individually and collectively, support legislation that will “firewall” the HMTF and ensure that 100 percent of the Harbor Maintenance Tax funds collected each year are used to maintain our federally authorized harbors. From a budgetary perspective, our needs are relatively modest. The Corps of Engineers estimates that as little as $10 million a year could support a dredging program to adequately maintain the 74 shallow draft, recreational harbors in the Great Lakes. Compare this investment to the over $5 billion return cited above. Further, the 37 commercial harbors handling less than one million tons that are no longer included in the Corps’ dredging budget could be adequately dredged for another $10 million, again a small outlay compared to their economic impact to the region and the nation. But more importantly, please consider the lives that will be saved and casualties prevented by assuring boaters that harbor entrances are as deep as their charts indicate particularly at times when they are in harm’s way.

### NB – Avoids Spending and Politics

#### Firewalls prevent deficit spending and earmarking

Politico 12 – Respected Political News, Co-authors Burgess Everett, a transportation reporter for Politico from the University of Maryland, and Adam Snider, a transportation reporter from the University of Clemson (Politico, “Lawmakers Find Updating Ports a Heavy Lift”, Politico, 4/2/12, [http://www.politico.com/news/stories/0412/74751.html](http://www.politico.com/news/stories/0412/74751.html" \t "_blank)) //JH

Washington is abuzz over the transportation bill and a long-term funding crunch — but there are billions of dollars raised for water transportation that have been largely ignored.

Members of Congress are eyeing the Realizing America’s Maritime Promise Act as a first step in revitalizing the nation’s 150 deep-draft cargo ports. They want to spend the much-needed funds ahead of the world-changing expansion of the Panama Canal in 2014.

The RAMP Act is a simple bill. It ensures the Harbor Maintenance Trust Fund spends as much on port improvements as it takes in through the Harbor Maintenance Tax — an ad valorem fee of $1.25on each $1,000 worth of cargo that brings in about $1.4 billion annually.

Kurt Nagle, CEO of the American Association of Port Authorities, has estimated the country’s dredging needs at $1.3 billion to $1.6 billion each year — but annual expenditures have averaged less than $800 million the past five years.

Only a handful of U.S. ports have done the needed dredging in anticipation of a new caliber of ships that will soon wind their way through the Central American corridor. At their largest, those vessels will measure nearly 1,000 feet long, more than 100 feet wide and 40 feet deep.

Only Baltimore and Norfolk, Va., are ready on the East Coast. New York Harbor is ready for the larger ships, but many won’t be able to access it thanks to the Bayonne Bridge, 50 feet lower than the tallest ships, which will stretch more than 200 feet above the water.

The needs are drastic and staggering: Less than 35 percent of ports are at the authorized width and depth. Every foot of depth lost on the Mississippi River thanks to silt buildup costs $1 million per ship per day. Port needs have more significance in light of President Barack Obama’s goal of doubling U.S. exports in five years.

“This should be a no-brainer when you think about it,” said Rep. Charles Boustany (R-La.). “You’ve got the cheapest, cleanest way to transport and you have a ready-made solution to solve some of the problems plaguing our maritime infrastructure that doesn’t add to the deficit, doesn’t require earmarking.”

Boustany is the lead sponsor of RAMP and has secured 187 bipartisan co-sponsors for the legislation.

But the problem goes deeper than dredging — many West Coast ports are already prepared for the post-Panamax ships. It’s a confusing situation that caused Rep. Janice Hahn (D-Calif.) to form the bipartisan PORTS Caucus with Co-chairman Rep. Ted Poe (R-Texas) to educate their colleagues about the effects of port commerce. Caucus membership has grown — including a number of lawmakers who don’t even have a port in their district.

“Ports are a mystery to most people,” Hahn said. “I know about them because I’ve got one in my backyard, I can literally see it from my house. We don’t have a national freight policy in this country. If we had a national freight policy that understood the global supply chain, all of our ports should’ve been ready for dredging.”

That’s just the first step that water-savvy lawmakers are considering. Los Angeles and Long Beach are dredged — and they need work now on bridges, roads and on-dock rail to avoid congestion on land, Hahn said. But she envisions that sort of reform as a second step — the first is the basic national restructuring envisioned by the RAMP Act.

Not everyone sees doing things in separate steps. Sen. Lindsey Graham (R-S.C.) is a vocal booster of getting the country’s imports and exports in order. And though his home state’s port of Charleston isn’t yet ready for a wider Panama Canal, he envisions more wide-ranging port legislation.

## Spending

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