### 1nc Shell – Russia

#### Hydrogen will reduce our dependence on foreign oil – This card is from their 1ac author

**England 12** – Master’s Degree in Planning @ University of Waterloo [Ashley England, “Analysis of a Potential Hydrogen Refuelling Network Using Geographic Information Systems: A Case Study of the Kitchener Census Metropolitan Area,” A thesis presented to the University of Waterloo in fulfillment of the thesis requirement for the degree of Master of Arts in Planning, 2012

The citizens of many cities, especially those in North America, are largely dependent on private automobiles for transportation. With the spread of suburbanization, cities and people are becoming ever more reliant on the car for transportation. Currently, the vast majority of vehicles on the road are fuelled by fossil fuels. This presents a multitude of problems. The transportation sector accounts for 33% of total carbon emissions in the United States (Melaina, 2003). Within Canada, personal transportation is the second largest source of greenhouse gas (GHG) emissions, behind industry, with the vast majority produced by private vehicles (Poudenx and Merida, 2007). In addition, the transportation sector is one of the most rapidly growing sources of anthropogenic GHG emissions. As such, emission reductions in this sector have the potential to significantly reduce overall GHG emissions. This is of particular interest to national governments as there is increasing pressure to improve air quality and mitigate climate change. Air pollution is responsible for 5,900 deaths annually in Canada alone (Judek et al., 2004). Additionally, many Western countries are dependent on foreign oil. There is a need for energy security as 65% of the global petroleum supply is located within the politically unstable Middle East (Melaina, 2003). Among the solutions to the above problems is the adoption of alternative fuelled vehicles.

#### US embrace of alt fuels will crush global oil prices

**Flavin 00** - Acting President of the Worldwatch Institute [Christopher Flavin, “The Real Price of Oil,” International Herald Tribune, September 2000, pg. http://www.worldwatch.org/real-price-oil]

As oil prices hit their highest levels in a decade, and politicians from Paris to Washington search for scapegoats, it's time to turn attention closer to home: today's high oil prices are less the fault of OPEC than they are a reflection of the last decade's failure to reduce dependence on oil. And unless we use the current crisis as an opportunity to improve fuel economy and diversify energy supplies, we will put the health of both the world economy and the global environment at risk.

After cutting petroleum dependence during the 1970s and 1980s, the world has been on an oil binge during the last decade, raising consumption by 9 million barrels per day. The shift to gas-guzzling sports utility vehicles in the United States, the boom in truck transport in Europe, and the doubling of global air travel in the last 12 years have all played a role in driving oil consumption up. The United States, with 4 percent of the world's population, is consuming nearly one-fourth of the world's oil, and is now importing over half its supply.

Thanks to rising demand, oil consumption is once again beginning to press up against global production limits. Even OPEC's chairman said recently that the cartel's members have little reserve capacity to deploy even if they want to. And virtually all of that reserve is in Saudi Arabia. Meanwhile, the booming economies of Asia and Latin America are working hard to replicate the kind of oil-based economies they see in the north.

#### High prices are key to Russian growth --- investment, inflation, stock prices, and the Russian ruble.

**Kramer 11** (Andrew, Journalist @ the New York Times, *Russia Cashes In on Anxiety Over Supply of Middle East Oil*, March 7th, http://www.nytimes.com/2011/03/08/business)

MOSCOW — Whatever the eventual outcome of the Arab world’s social upheaval, there is a clear economic winner so far: Vladimir V. Putin. Russia, which pumps more oil than Saudi Arabia, is **reaping a windfall** from the steep rise in global energy prices resulting from instability in oil regions of the Middle East and North Africa. Riding the high oil prices, the **Russian ruble** has risen faster against the dollar this year than any other currency, which is helpful because it will **curb consumer inflation** during an election year. **Russian stocks** are buoyant, too: the Micex index closed last week at 1,781, up nearly 6 percent since the beginning of the year. (Monday was a holiday in Russia.) But the Russians could not step in to offset any potential big drop in global production, because Russia does not have any oil wells standing idle that would allow it to increase production. Right now Russia is pumping oil at its top capacity. But at last week’s closing of $114, the price of each of those barrels of Ural crude, the countries main export blend, has risen 24 percent since the beginning of the year. Last week, the prime minister, Mr. Putin, sat down for a meeting with Russia’s finance minister, Aleksei L. Kudrin, which was nationally televised on state news channels for the public’s enlightenment as the two discussed, just short of gloating, the benefits to Russia of a global oil panic. “Mr. Kudrin, budget revenues have become considerable,” Mr. Putin said matter-of-factly. Mr. Kudrin agreed, noting that if prices hold Russia will be able to resume contributions to its **sovereign wealth funds** for the first time since the summer of 2008, when the global recession began. One of those sovereign investment vehicles, the Reserve Fund, could reach $50 billion by the end of the year, Mr. Kudrin reported. Just a few months ago Russian officials planning the 2011 budget had anticipated the fund would be depleted. “Good,” Mr. Putin responded to Mr. Kudrin’s account, nodding with satisfaction. Russia, of course, does not have to look back farther than 2008 to see that a spike in the price of oil can be just that — followed by a dizzying drop. But for now, Russian energy is in favor. Russia’s perceived stability was a reason the French energy giant Total cited last week in agreeing to buy about 12 percent of an independent natural gas producer in Russia, Novatek, and join a liquefied natural gas project in the Russian Arctic. “The upheavals taking place in a number of the oil- and gas-producing countries now send a **signal to investors** to come to Russia,” Total’s chief executive, Christophe de Margerie, said in a meeting with President Dmitri A. Medvedev announcing the deal. Mr. Margerie said his company was committing about $4 billion to the venture. “Russia offers a much safer environment for investment,” he said. Oil experts say that because global production capacity for oil is still far larger than world demand, the run-up in prices is being fueled by fear more than by reality. The concern is that the violence in Libya could spread to other member states of the Organization for the Petroleum Exporting Countries, which are primarily Arab nations. Russia is not only outside OPEC, and thus free from the cartel’s production restraints, but also, with its formidable secret police apparatus and a population bulge among the elderly rather than the young, is seen as less vulnerable to an outbreak of social unrest. Russia has long jockeyed against Saudi Arabia, a member of OPEC, to be the world’s top oil-producing nation. Although the Saudis have more production capacity and vastly more reserves, Russia is pumping more oil. And if oil and natural gas are considered together, Russia is the largest energy-exporting nation. Which country is in first place for oil at any given moment depends on how the Saudis wield their swing production capacity, the cushion of unused wells and pipelines the Saudis can turn on to tamp down global prices. As the biggest OPEC member, Saudi Arabia is the cartel’s enforcer and enabler, with the power to influence global prices or to moderate global disruptions by how much of its production capacity it chooses to put to work. If the Saudis open the valves during periods of instability, Russia falls into second place as a producer — but still makes a healthy profit off higher prices. Russia has little incentive to invest in spare capacity — in part because being outside the OPEC cartel gives it less direct ability to influence prices through the ebb and flow of production. If anything, a large idle capacity by Russia would work against its financial interests — by acting as market insurance, and thus holding prices down — during periods of instability in the Middle East. Russian officials also say that spare capacity is too hard to maintain in their far northern country. Most of its current production comes from wells in Siberia that would freeze solid in the permafrost if not kept running. And the Russians will probably argue the new fields they plan to open in Arctic waters will be so expensive to drill that it would be unwise to later shut them down. “They are producing flat-out on a permanent basis,” Didier Houssin, the director of energy markets and security at the International Energy Agency in Paris, said via telephone. In the longer term for Russia, policies that encourage or discourage oil field investment are the bigger determinant of how much oil the country can provide to global markets. The energy agency forecasts that Russian energy output will remain about stable for five years, but will require increasing investments as the main oil provinces in western Siberia, having peaked years ago, continue to decline. In this respect, Middle East instability could bring **longer-term benefits** to Moscow than the current oil price spike, if it redirects even more of the Western oil industry’s investment to Siberia and the Russian Arctic shelf. The British oil giant BP cited Russia’s relative stability compared with OPEC regions, when BP in January announced a $7.8 billion deal to invest in the state-owned Russian oil company Rosneft and jointly search for oil in the Arctic. Later that month, Exxon Mobil, the biggest American oil company, signed a deal with Rosneft to explore offshore in the Black Sea. Unrest in North Africa is also strengthening Russia’s **bargaining position** with Europe on natural gas exports and pipeline politics — although Russian officials have used delicate phrasing to make this point. Aleksei B. Miller, the chief executive of Gazprom, in a visit to European capitals late last month, suggested that Europeans reconsider their opposition to new Russian pipeline proposals, in light of the “external situation” in North Africa, a region that competes with Russia to export pipeline gas to Europe.

#### Economic collapse causes extinction.

**David 99** (Stephen, Professor of Political Science @ Johns Hopkins, Foreign Affairs, *Saving America from the Coming Civil Wars*, January/February, Lexis)

RUSSIAN DRIFT At no time since the civil war of 1918 -- 20 has Russia been closer to bloody conflict than it is today. The fledgling government confronts a vast array of problems without the power to take effective action. For 70 years, the Soviet Union operated a strong state apparatus, anchored by the KGB and the Communist Party. Now its disintegration has created a power vacuum that has yet to be filled. Unable to rely on popular ideology or coercion to establish control, the government must prove itself to the people and establish its authority on the basis of its performance. But the Yeltsin administration has abjectly failed to do so, and it cannot meet the most basic needs of the Russian people. Russians know they can no longer look to the state for personal security, law enforcement, education, sanitation, health care, or even electrical power. In the place of government authority, criminal groups -- the Russian Mafia -- increasingly hold sway. Expectations raised by the collapse of communism have been bitterly disappointed, and Moscow's inability to govern coherently raises the specter of civil unrest. If internal war does strike Russia, economic deterioration will be a **prime cause**. From 1989 to the present, the GDP has fallen by 50 percent. In a society where, ten years ago, unemployment scarcely existed, it reached 9.5 percent in 1997 with many economists declaring the true figure to be much higher. Twenty-two percent of Russians live below the official poverty line (earning less than $ 70 a month). Modern Russia can neither collect taxes (it gathers only half the revenue it is due) nor significantly cut spending. Reformers tout privatization as the country's cure-all, but in a land without well-defined property rights or contract law and where subsidies remain a way of life, the prospects for transition to an American-style capitalist economy look remote at best. As the massive devaluation of the ruble and the current political crisis show, Russia's condition is even worse than most analysts feared. If conditions get worse, even the stoic Russian people will soon run out of patience. A future conflict would quickly draw in Russia's military. In the Soviet days civilian rule kept the powerful armed forces in check. But with the Communist Party out of office, what little civilian control remains relies on an exceedingly fragile foundation -- personal friendships between government leaders and military commanders. Meanwhile, the morale of Russian soldiers has fallen to a dangerous low. Drastic cuts in spending mean inadequate pay, housing, and medical care. A new emphasis on domestic missions has created an ideological split between the old and new guard in the military leadership, increasing the risk that disgruntled generals may enter the political fray and feeding the resentment of soldiers who dislike being used as a national police force. Newly enhanced ties between military units and local authorities pose another danger. Soldiers grow ever more dependent on local governments for housing, food, and wages. Draftees serve closer to home, and new laws have increased local control over the armed forces. Were a conflict to emerge between a regional power and Moscow, it is not at all clear which side the military would support. Divining the military's allegiance is crucial, however, since the structure of the Russian Federation makes it virtually certain that regional conflicts will continue to erupt. Russia's 89 republics, krais, and oblasts grow ever more independent in a system that does little to keep them together. As the central government finds itself unable to force its will beyond Moscow (if even that far), power devolves to the periphery. With the economy collapsing, republics feel less and less incentive to pay taxes to Moscow when they receive so little in return. Three-quarters of them already have their own constitutions, nearly all of which make some claim to sovereignty. Strong ethnic bonds promoted by shortsighted Soviet policies may motivate non-Russians to secede from the Federation. Chechnya's successful revolt against Russian control inspired similar movements for autonomy and independence throughout the country. If these rebellions spread and Moscow responds with force, civil war is likely. Should Russia succumb to internal war, the consequences for the United States and Europe will be severe. A major power like Russia -- even though in decline -- does not suffer civil war quietly or alone. An embattled Russian Federation might provoke **opportunistic attacks** from enemies such as China. Massive flows of refugees would pour into central and western Europe. Armed struggles in Russia could easily spill into its neighbors. Damage from the fighting, particularly attacks on **nuclear plants**, would poison the **environment** of much of Europe and Asia. Within Russia, the consequences would be even worse. Just as the sheer brutality of the last Russian civil war laid the basis for the privations of Soviet communism, a second civil war might produce **another horrific regime**. Most alarming is the real possibility that the violent disintegration of Russia could lead to **loss of control** over its nuclear arsenal. No nuclear state has ever fallen victim to civil war, but even without a clear precedent the grim consequences can be foreseen. Russia retains some **20,000 nuclear weapons** and the raw material for tens of thousands more, in scores of sites scattered throughout the country. So far, the government has managed to prevent the loss of any weapons or much material. If war erupts, however, Moscow's already weak grip on nuclear sites will slacken, making weapons and supplies available to a wide range of **anti-American groups** and states. Such dispersal of nuclear weapons represents the **greatest physical threat** America now faces. And it is hard to think of anything that would increase this threat more than the chaos that would follow a Russian civil war.

### U: Russia ok

#### Current price declines will not takeout our DA. However, Russia risks an economic crisis if they go any lower

**Bush 7/2**/12 [Jason Bush, “Oil-price slide highlights risks to Putin's Russia,” Reuters, | Mon Jul 2, 2012 11:22am BST, pg. http://uk.reuters.com/article/2012/07/02/uk-russia-oil-idUKLNE86102820120702]

(Reuters) - Falling oil prices could trigger a prolonged slump in Russia that would lay bare the growing fiscal risks, threatening President Vladimir Putin's election promise to increase wages and fanning public discontent.

The world's largest oil producer is well-placed in the short run to withstand sliding prices, thanks to sizeable cash reserves and a flexible rouble. And Putin, who returned to the Kremlin after March's election, is still widely popular.

But the oil price has fallen by over $30 dollars in the last three months, to close to $90 per barrel, and may fall further, narrowing his room for budgetary manoeuvre just as mass protests have underscored dissatisfaction with the government.

"This is not the best start for the new government," said Peter Westin, chief strategist Aton brokerage in Moscow.

"If the oil price is temporarily at these levels, or even lower, it's not a huge problem. The issue is whether it stays there."

Oil and gas taxes account for around half of revenues raised by the federal budget, which Putin, as prime minister, used to boost public sector pay and pensions as a way of overcoming the 2009 economic slump.

Putin, who has taken a more populist approach to dealing with his declining popularity, promised even more public sector pay rises as part of his election campaign.

While that would cushion the immediate blow of any slowdown, running down the fiscal reserves to maintain high social spending would only increase Russia's long-term vulnerability to yet another oil price shock.

### Lk: Hydrogen

#### Hydrogen eliminates the need for oil

Schoof 08 [Renee, Advertiser staff, July 19. “U.S. could ‘eliminate petrol use.’” The Advertiser (Australia), Lexis.]

As the cost of filling our tanks skyrockets, a government-backed study released yesterday says the U.S. could nearly eliminate its need for petrol for cars, pickup trucks and utes by 2050 - if the government helps build a market for hydrogen fuel cells and other technologies. The study by the National Research Council of the National Academies, the U.S. government's adviser on science, medicine and engineering, looked mainly at the future of hydrogen fuel cell vehicles. It concluded that with about $55 billion in government support in the next 15 years, hydrogen vehicles could be competitive with petrol-powered ones and common on the roads by 2050. Congress asked the advisory body to look at prospects for hydrogen and alternatives that could have the largest impact by 2020. The experts group's findings are a best-case look at low-carbon fuel options, at a time when President George W. Bush and some Congress members push for expanded searches for domestic oil. Light-duty vehicles use 44 per cent of the oil used in the U.S. and emit more than 20 per cent of the carbon dioxide, the main gas causing global warming. The report said hydrogen alone could eliminate more than 60 per cent of this oil use and carbon by 2050. If the nation used hydrogen and other low-carbon fuels as well, by the same year carbon dioxide emissions from cars and trucks could be cut to less than 20 per cent of current levels. The study did not attempt to estimate whether it would be cheaper for drivers to use hydrogen than petrol in the future.

#### Hydrogen ends US oil imports

Goodstein 05 [Richard, former Divisional Vice-President for Browning-Ferris Industries environmental services company, former EPA Administrator (their author), 11-16, http://epw.senate.gov/hearing\_statements.cfm?id=248815, RG]

The case for moving toward a hydrogen economy has been stated often in recent years, but it bears repeating. Nothing could be more important than energy security. To be free of the pricing power of the oil cartel would have tremendous value to the American economy. A hydrogen economy, especially once the hydrogen is totally renewable, will enable the United States to escape the stranglehold of the oil cartel. Along with energy independence will come the savings from no longer having to maintain a defense posture predicated on maintaining open sea lanes for the shipment of oil. The hemorrhaging trade deficit would also be addressed in large part by eventually ending our dependence on foreign oil.

### I Lk: High prices key

#### High prices boost government revenue --- results in social spending, infrastructure development, and domestic liquidity.

**Holmes et al. 11** (Frank, John Derrick, and Tim Steinle, Co-managers of the U.S. Global Investors Eastern European Fund, *What's Driving Russia's Outperformance?*, http://www.usfunds.com/investor-resources/frank-talk/Eastern-Europe/Whats-Driving-Russias-Outperformance-5318/?CFID=3340758&CFTOKEN=38605250)

The Russian MICEX Index, which increased 22.5 percent in 2010, has jumped 15 percent so far in 2011, significantly outperforming many other markets. China is the second-best performer of the BRICs, rising more than 5 percent, while India (down over 10 percent) and Brazil (down over 2 percent) have lagged. Overall, the MSCI Emerging Markets Index has dropped just over 1 percent. This has effectively recouped Russia with the other BRIC countries. The Russian economy lagged out-of-the-gate once the global recovery began, leading some to question whether it belonged in the same category as Brazil, China and India. Those sentiments seemed premature and symptomatic of an anti-Russia mindset. Russian’s outperformance has been driven by several factors. First, the Russian ruble has appreciated 7 percent against the U.S. dollar, boosting stock market performance for U.S. investors. This development also has a long-term benefit as a strong ruble benefits the country’s domestic sectors, something we’ll discuss later. A second factor driving Russia has been the **geopolitical** and natural disaster events that have transpired during the past few weeks. Russia is relatively safe from the type of political uprisings seen in the Middle East and North Africa. Its government is decidedly popular with the public and the one-two punch of President Medvedev and Prime Minister Putin give the government clout on both international and domestic fronts. The price of oil has risen roughly 25 percent since the unrest and turmoil began in the Middle East and North Africa. As an energy exporter of crude oil and natural gas, Russia is one of the few large economies in the world that directly benefits from higher energy prices. Russia is the world’s largest oil producer and it’s estimated that for every $10 increase in the average annual price of oil, Russia’s revenues rise by **$20 billion**, according to the Financial Times. Since Russia is not a member of OPEC, it is not bound by production caps and can increase production as it sees fit while prices are at elevated levels. Russia is also the world’s top exporter of natural gas and Stratfor Intelligence points out the situation in Libya has shut down 11 billion cubic-meters of natural gas flow to Italy. As Europe’s third-largest consumer of natural gas, Italy has turned to Russia for gas supplies. In addition, a shutdown of several Japanese nuclear facilities could mean as much as a 14 percent increase in natural gas consumption to meet the Japan’s energy demands. In the energy sector, the Eastern European Fund (EUROX) portfolio emphasizes companies that show strong growth in production, reserves and cash flow, relative to their peers. Specifically, Novatek, Rosneft and TNK-BP fit this profile. Russian energy equities, which carry the largest weighting in the MICEX, have gained 25 percent this year. This is higher than non-oil Russian equities, which have risen only 7.7 percent. However, as oil and gas taxes swell the **government’s revenue**, these funds are increasingly allocated to **social** and public works programs which are likely to create an opportunity for **non-energy** related equities. These sectors appear poised to benefit from the current macroeconomic environment. This table from Merrill Lynch shows the performance of the different sectors of the Russian market following a sustained rise in oil prices. Merrill Lynch compiled research on the seven instances where oil prices rose 20 percent in a two-month span and maintained at least half those gains over the following six month period. Historically, the average gain for Russian equities is more than 34 percent. While energy generally jumps out ahead when oil prices move higher, you can see that it lags other sectors as the rally progresses. We have long been positive on both Russian financials and the consumer sector and these sectors appear well positioned going forward. Consumer-oriented equities such as retailers have historically been the best performers, netting an 85 percent gain on average and triple the gain of energy equities. Retailers X5 and Magnit should be able to capitalize on these trends. Russian financials are next with an average 83 percent gain. Sberbank, Russia’s largest bank, is the largest holding in EUROX. Another area that could directly benefit from the Kremlin’s cash-filled pockets is **infrastructure**. Russia is in dire need of a significant revamping of its infrastructure. Similar to the American Society of Civil Engineers report that rates America’s infrastructure a “D,” the World Economic Forum says the quality of Russia’s infrastructure lags that of other emerging countries such as South Africa, Turkey, China and Mexico. The areas most in need of upgrading are Russia’s transportation and electrical power grid. The quality of Russia’s roads ranks in the bottom-third in the world, according to Merrill Lynch, and it’s estimated that Russia loses 6 percent of GDP each year due to underdeveloped roads. In fact, the combined length of Russia’s roadways declined 6 percent between 2002 and 2010 despite a 60 percent increase in car penetration, Merrill-Lynch says. It’s a similar story for Russia’s airports and rail network. Russia currently has roughly 300 operational airports but just 40 percent of them have paved runways and 30 percent do not have an airfield lighting system, Merrill Lynch says. The rail network, almost entirely constructed during the Soviet era, is highly concentrated in the Western region of the country and is estimated to require more than $70 billion in investment for upgrades and repairs by 2020, according to Merrill Lynch. Russia’s aging power grid is unreliable and accident-prone. Merrill Lynch projects that significant investment by 2020 is required to update and modernize the grid. With industrial consumers accounting for 85 percent of electrical consumption, keeping the power up and running is essential to maintaining Russia’s industrial production levels. To finance the much needed infrastructure improvements, the Russian government created the $420 billion Federal Target Program (FTP). The FTP focuses on key transportation areas such as rails, autos, marine and civil aviation. The FTP has specific goals to meet by 2015 such as increasing the percentage of roads that meet federal standards by 23 percent. The plan also calls for a 47 percent increase in the shipment of goods and a 40 percent increase in airline penetration through improvements of aviation infrastructure. In addition to the FTP, three special events will help drive Russia’s infrastructure spending: The 2012 Asia-Pacific Economic Cooperation (APEC) Summit, 2014 Winter Olympics in Sochi and the 2018 World Cup. Merrill Lynch estimates that total spending for the World Cup will reach $50 billion. Construction for the Games in Sochi includes 161 miles of roads and 65 miles of rails, and the APEC calls for 48 new objects to be constructed for a total of $83 million. While higher energy prices are in danger of slowing down consumers in the U.S., Western Europe and certain emerging market countries, it has the **opposite effect** for the Russian economy. With increased cash flow from its natural gas and crude oil exports, the Russian government has the much-needed **capital to invest** in the country’s aging infrastructure and to support **domestic consumption**. This should drive outperformance of Russian markets throughout 2011 and **stimulate demand** for infrastructure-related commodities such as crude oil, copper, cement and iron ore.

#### Social spending solves poverty --- that’s an independent internal link to David.

**Ulatov 11** (Sergei (Economist), Karlis Smits (Economist), Olga Emelyanova (Research Analyst), and Victor Sulla (Economist), under the direction of Zeljko Bogetic (Lead Economist and Country Sector Coordinator for economic policy for Russia and the general editor of the report). Lucio Vinhas da Souza (Senior Economist) and Shane Streifel (Consultant) contributed on the international environment and the global oil market. Karlis Smits (Economist) prepared the note on public expenditures. Sylvia Bossoutrot (Sr. Operations Ofﬁ cer and Country Coordinator for Private Sector and Finance for Russia) and Lawrence Kay (consultant), *Sustaining Reforms under the Oil Windfall*, Russian Economic Report, Number 24, March 2011)

Russia’s national poverty rate has been broadly ﬂat in 2009 and continued to fall in 2010, essentially because of a massive **counter-cyclical stimulus**, increases in pensions and wages, and unemployment that was much lower than expected. Both the unemployment and poverty rates increased sharply in early 2009; however, as the large increases in public sector wages and pensions and unemployment beneﬁ ts kicked in, and as unemployment began to fall as ﬁ rms shifted to labor hoarding, the national poverty rate fell from 13.4 percent in 2008 to 13.2 percent by the end of 2009. According to Rosstat, poverty has continued to decline in the ﬁ rst 3 quarters of 2010 in comparison to the similar period last year. Based on the 4 percent GDP growth in 2010, we estimate the poverty rate in 2010 at 12.7 percent, approximately 0.5 percentage point lower than in 2009 with about 0.7 million people moving out of poverty. Looking ahead, we project that poverty will decline in 2011 (11.2 percent) and 2012 (10.0 percent in 2012) (ﬁ gure 1.6).

### Impx: Extinction

#### Russian economic collapse causes extinction --- nuclear & biological use, proliferation, terrorism, and environmental disaster.

**Oliker 2** (Olga and Tanya Charlick-Paley, RAND Corporation Project Air Force, *Assessing Russia’s Decline – Trends and Implications for the United States and the U.S. Air Force*, www.rand.org/pubs/monograph\_reports/MR1442/)

The preceding chapters have illustrated the ways in which Russia’s decline affects that country and may evolve into challenges and dangers that extend well beyond its borders. The political factors of de- cline may make Russia a less stable international actor and other factors may increase the risk of internal unrest. Together and sepa- rately, they increase the risk of conflict and the potential scope of other imaginable disasters. The trends of regionalization, particu- larly the disparate rates of economic growth among regions com- bined with the politicization of regional economic and military inter- ests, will be important to watch. The potential for locale, or possibly ethnicity, to serve as a rallying point for internal conflict is low at pre- sent, but these factors have the potential to feed into precisely the cycle of instability that political scientists have identified as making states in transition to democracy more likely to become involved in war. These factors also increase the potential for **domestic turmoil**, which further increases the risk of international **conflict**, for instance if Moscow seeks to unite a divided nation and/or demonstrate globally that its waning power remains something to be reckoned with. Given Russia’s conventional weakness, an increased risk of conflict carries with it an increased risk of **nuclear weapons use**, and Russia’s demographic situation increases the potential for a major epidemic with possible implications for Europe and perhaps beyond. The dangers posed by Russia’s civilian and military nuclear weapons complex, aside from the threat of nuclear weapons use, create a real risk of **proliferation of weapons** or weapons materials to **terrorist groups**, as well as perpetuating an increasing risk of accident at one of Russia’s nuclear power plants or other facilities. These elements touch upon key security interests, thus raising serious concerns for the United States. A declining Russia increases the likelihood of conflict—internal or otherwise—and the general de- terioration that Russia has in common with “failing” states raises se- rious questions about its capacity to respond to an emerging crisis. A crisis in large, populous, and nuclear-armed Russia can easily affect the interests of the United States and its allies. In response to such a scenario, the United States, whether alone or as part of a larger coalition, could be asked to send military forces to the area in and around Russia. This chapter will explore a handful of scenarios that could call for U.S. involvement. A wide range of crisis scenarios can be reasonably extrapolated from the trends implicit in Russia’s decline. A notional list includes: • Authorized or unauthorized belligerent actions by Russian troops in trouble-prone Russian regions or in neighboring states could lead to armed conflict. • Border clashes with China in the **Russian Far East** or between Russia and Ukraine, the Baltic states, Kazakhstan, or another neighbor could escalate into interstate combat. • Nuclear-armed terrorists based in Russia or using weapons or materials diverted from Russian facilities could threaten Russia, Europe, Asia, or the United States. • Civil war in Russia could involve fighting near storage sites for nuclear, chemical, or **biological weapons** and agents, risking large-scale contamination and humanitarian disaster. • A **nuclear accident** at a power plant or facility could endanger life and health in Russia and neighboring states. • A chemical accident at a plant or nuclear-related facility could endanger life and health in Russia and neighboring states. • Ethnic pogroms in south Russia could force refugees into Georgia, Azerbaijan, Armenia, and/or Ukraine. Illustrative Scenarios • Economic and ethnic conflicts in Caucasus could erupt into armed clashes, which would endanger oil and gas pipelines in the region. • A massive **ecological disaster** such as an earthquake, famine, or epidemic could spawn refugees and spread illness and death across borders. • An increasingly criminalized Russian economy could create a safe haven for crime or even terrorist-linked groups. From this base, criminals, drug traders, and terrorists could threaten the people and economies of Europe, Asia, and the United States. • Accelerated Russian weapons and technology sales or unautho- rized diversion could foster the **proliferation** of weapons and weapon materials to rogue states and nonstate terrorist actors, increasing the **risk of nuclear war**. This list is far from exhaustive. However significant these scenarios may be, not all are relevant to U.S. military planning. We therefore applied several criteria to the larger portfolio of potential scenarios, with an eye to identifying the most useful for a more detailed discus- sion. First, only those scenarios that involve a reasonable threat to U.S. strategic interests were considered. Second, while it is impor- tant to plan for the unexpected, it is equally crucial to understand the likelihood of various events. We thus included a range of probabili- ties but eliminated those that we considered least plausible. Third, we only chose scenarios for which the Western response would likely be military or would rely on considerable military involvement. Lastly, we wanted to select a variety of situations, ones that created differing imperatives for the U.S. government and its Air Force, rather than scenarios, which, while equal in significance, present fairly similar problems. We therefore offer the following four story- lines as illustrative, if far from exhaustive, of the types of challenges that would be presented by operations on or near Russian territory.

#### Russian economic collapse causes extinction --- nuclear conflict, nuclear power accidents, famine, disease, and terrorism.

**Oliker 2** (Olga and Tanya Charlick-Paley, RAND Corporation Project Air Force, *Assessing Russia’s Decline – Trends and Implications for the United States and the U.S. Air Force*, www.rand.org/pubs/monograph\_reports/MR1442/)

IS RUSSIA IN DECLINE? To what extent are the processes of decline and the dangers they embody present in Russia? In this report, we argue that there exist real concerns about the direction of trends in political and economic development, the health and well-being of the population, the state of the Russian military, and the condition of Russia’s nuclear power plants and its nuclear-related sector. Moreover, the regional variation in these problems creates additional concerns about the potential for internal unrest and division. We focus on a few key areas in which recent trends suggest signifi- cant decline. These areas do not comprise the sum total of Russia’s problems, but we believe they do include the problems that are most likely to lead to crises that affect U.S. interests and might escalate to involve U.S. forces. First, the continuing evolution of Russia’s political and economic structures and institutions is moving in some potentially disturbing directions. It is unclear as yet to what extent President Vladimir Putin and his administration will be able to reverse the processes of political decentralization that gathered force during his predeces- sor’s tenure. Although the current administration has taken a number of steps to reassert central control, the divergence in regional economic, political, and demographic indicators suggests that administrative changes may be insufficient to stem this trend and that efforts to do so may even backfire. Moreover, the costs to public and press freedoms that Putin’s other reforms appear to be engendering create additional concerns for Russia’s future. The prevalence of corruption and the “routinization” of crime or force in economic life are further symptoms of decline, as is the trend toward the demonetization of Russia’s economy. Although recent indicators of economic growth in Russia are positive, their basis in high oil prices and a weak ruble suggests that without comprehen- sive reform they are likely not sustainable. Russia’s shrinking population suffers from low fertility as well as from high rates of disease and shockingly high levels of mortality among working-age males. If these trends continue, Russia will face a continued graying of its population, which will place added strain on its economy. It will also raise concerns about Russia’s ability to man its military. Finally, insofar as demographic factors, no less than economic and political factors, affect regions and ethnic groups dif- ferently, they have the potential to play into efforts to mobilize parts of the population in ways that increase the risk of interethnic or in- terregional conflict, although this is not highly likely. The Russian military is affected not only by the problems of the country as a whole but by difficulties of its own. The demographic downtrends mean that each year the young men who report for duty are sicker and fewer. The collapse of law and order means that many have criminal backgrounds. The existing military structures are not immune, and tales of corruption and crime extend to the highest levels. Underfunding and poor maintenance continue to take their toll. Equipment ages unrepaired, and troops are sent into battle without adequate training. Soldiers and officers go without pay for months at a time and are increasingly dependent on local govern- ments for political, financial, and other support. In this environ- ment, order and discipline must be questioned, with potentially terrifying implications especially for Russia’s nuclear weapons arsenal and related infrastructure, although the impact on the conventional forces alone is sufficient grounds for serious concern. Finally, there is the decline in Russia’s transportation and industrial sectors, including the civilian nuclear power sector. There are mixed reports about the state of Russia’s road, rail, and other transport networks. Although the networks appear to be functioning, they are far from a peak condition of efficiency and safety. In the industrial sectors, including nuclear power, production and efficiency are low, workers are unpaid for months at a time, and facilities are aging. The risk of accidents and the difficulties of responding to such accidents quickly and effectively are thus increased. These factors, singly and together, increase the likelihood of crisis and demonstrate the extent of Russia’s decline as a great power. While Russia’s relative weakness makes it unlikely that it will wage aggressive war against another great power, the theory and experience of both declining states and those undergoing complex and un- certain transitions suggest the possibility of Russia **lashing out** against a neighbor or a weaker state. The possibility of internal conflict rooted in ethnic tension within Russia or its political devolution is also increased. Both increased **conflict propensity** and Russian infrastructure deterioration in turn increase the likelihood of a humanitarian catastrophe, whether from war itself, from an industrial or **nuclear accident**, from a **health crisis**, or from physical and economic isolation of parts of the country. Whether the result is **refugees**; **hunger** and mass starvation; **spread of radiation**; or an **epidemic**, the situation is **unlikely to be limited** to Russian soil alone. Moreover, Russian weakness makes it more difficult for its own security and emergency forces to effectively respond, aggravating the problem. There are those who would argue that while this bodes ill for Russia, it has little impact on the United States. Such an argument ignores several key U.S. interests that are directly affected by Russia’s future. • The security of Washington’s European and Asian **allies** who are directly affected by what happens in and near Russia and by stability on Russia’s periphery. Whether the threat is from radiation or refugees or involves the spread of violence, U.S. allies have excellent reasons to fear an increased Russian propensity to crisis. • The secure and reliable export of energy **resources** from the Caspian basin.10 Most of the export pipelines from the Caspian basin go through Russia. Furthermore, Russia’s strong interests in the Caspian ensure that it will remain deeply involved there, even if more non-Russian pipelines are built. • The assurance of nuclear security and **prevention of nuclear use**, either sanctioned or otherwise. Insofar as Russian deterioration increases the risks that portions of its nuclear weapons stockpile (or other materials) could be employed or diverted into dangerous hands, the United States has a vital interest in these events. • The prevention of the rise, growth, maintenance, or acquisition of weapons of mass destruction (WMD) by terrorist groups. The growth of criminal activity in Russia combined with the potential for failure of central control in parts of the country create a real danger of cooperation between criminals and terrorist groups in ways that can hurt the United States and/or its allies. The threat of diversion or acquisition of nuclear or other WMD material by either criminal or **terrorist groups** also cannot be ignored. • The alleviation of mass human suffering wherever it may occur. The United States has set precedents of willingness and ability to help when a wide range of states have faced humanitarian catas- trophes. Washington could well feel a similar imperative to assist Russia in a crisis situation.11 In succeeding chapters, we discuss these key factors of Russia’s de- cline and how continuing deterioration could lead to crisis in ways that affect U.S. interests.

### Impx: Impax Calc

#### Russian economic collapse outweighs --- leads to inter-military conflict, Chinese intervention, nuclear meltdowns, terrorist proliferation, and launch of thousands of nuclear weapons --- that’s David --- it’s the only existential risk.

**Bostrom 2** (Nick, Professor of Philosophy and Global Studies at Yale, *Existential Risks: Analyzing Human Extinction Scenarios and Related Hazards*, www.transhumanist.com/volume9/risks.html)

A much greater existential risk emerged with the build-up of nuclear arsenals in the US and the USSR. An all-out nuclear war was a possibility with both a substantial probability and with consequences that might have been persistent enough to qualify as **global and terminal**. There was a real worry among those best acquainted with the information available at the time that a nuclear Armageddon would occur and that it might annihilate our species or permanently destroy **human civilization**. Russia and the US retain large nuclear arsenals that could be used in a future confrontation, either accidentally or deliberately. There is also a risk that other states may one day build up large nuclear arsenals. Note however that a smaller nuclear exchange, between India and Pakistan for instance, is **not an existential risk**, since it would not destroy or thwart humankind’s potential permanently.

#### Even small accidents ensure all out nuclear exchange.

**Forrow 98** (Lachlan, MD, et al, *Accidental Nuclear War – A Post-Cold War Assessment*, New England Journal of Medicine, iis-db.stanford.edu/pubs/20625/acciden\_nuke\_war.pdf)

From Danger to Prevention Public health professionals now recognize that many, if not most, injuries and deaths from violence and accidents result from a predictable series of events that are, at least in principle, preventable. The direct toll that would result from an accidental nuclear attack of the type described above would **dwarf all prior accidents** in history. Furthermore, such an attack, even if accidental, might prompt a **retaliatory response** resulting in an **all-out nuclear exchange**. The World Health Organization has estimated that this would result in **billions** of direct and indirect casualties worldwide.

#### All warheads would be launched in less than two minutes.

**Blair 1** (Bruce, President of the Center for Defense Information, Senior fellow in the Foreign Policy Studies Program at the Brookings Institution, *Cold War Thinking Persists*, Foreign Policy in Focus, http://www.fpif.org/presentations/wmd01/blair.html)

The really incredible story here is that our two countries still operate nuclear weapons as though we remain our primary enemies--as though one or the other of us could launch a massive, cold-blooded, surprise nuclear strike on a moment's notice, and as though we need to continue to prepare to fight a large-scale nuclear war with each other in order to maintain our security. If this order went out today, not only to that launch crew in Wyoming, but to all the crews around the world, in Russia and the United States, how long do you think it would take them, from right now, from a standing start--no prior alerting or warning--to fire all of the missiles that are on alert today? And how much firepower would be unleashed right now? The answer is that that crew in Wyoming would--from the time they received the message until the time the 500 warheads were leaving their silos--take **two minutes**. It would take another ten minutes for the submarine crews to carry out their orders. All in all, **4,000 strategic warheads** could be fired collectively by Russia and the United States in a matter of just a few minutes, dispatching them on their 15-40 minute trips halfway around the planet to targets in our respective countries.

### AT: US oil wars

#### Oil will remain strategically important to the US – Independence doesn’t solve

**McNally 11** - President @ The Rapidan Group [Robert McNally, “Subject: "Changing Energy Markets and U.S. National Security" Hearing of the Terrorism, Nonproliferation and Trade Subcommittee of the House Foreign Affairs Committee, CQ Congressional Testimony, December 16, 2011 Friday

But the good news must be viewed in perspective. Our energy security is and will remain strongly linked to trends and developments in the global oil market, not just our import share. We are and will remain vulnerable to price shocks caused by tightening global supply-demand fundamentals and geopolitical disruptions anywhere in the global oil market. And the strategic importance of the Persian Gulf region and its enormous, low-cost hydrocarbon reserves is likely to grow in the coming decades as Asia taps them to fuel growth. Our geopolitical and homeland security interests will remain closely bound to the security of the Persian Gulf region, the sea-lanes to and from it, and the ability to prevent Gulf countries from spending their windfalls on threats to US and global security. //1nc Defense

### 2ac – Russian oil DA

#### 1. Non-unique – Bakken oil shale creates competition for Russian oil

**Spano 7/2**/12 [Kirk Spano, “How to play the Bakken boom,” Marketwatch.com, July 02, 2012| pg. <http://articles.marketwatch.com/2012-07-02/commentary/32495975_1_williston-basin-bakken-boom-shale>]

ELM GROVE, Wisc. (MarketWatch) — Bakken “ oil shale stocks have gotten a lot of attention online recently. Since I have written about Bakken stocks too, I recently decided to drive out to North Dakota to see first-hand what was really going on in the Williston Basin. Folks, if you haven’t seen it, you don’t know the half of it.

What I saw was a legitimate boom, the type that leads to cities being built and economies being stimulated. Infrastructure upgrades including roads, telecommunications, electrical, bridges, rail lines and pipelines were apparent not only near the boom town of Williston, but throughout the region. Subdivisions are also being constructed for the tens of thousands of people moving into the area.

Driving the growth is one of the best oil deposits in America. The Williston Basin is a closed system, essentially a 200,000-square-mile rock bowl filled with multiple layers of petroleum, including oil and natural gas liquids. The Bakken shale gets the most press, however, there are multiple recoverable levels, called benches, in different formations, including the Three Forks.

The oil being pumped from the Williston Basin is both economical to recover and easy to refine. The Bakken oil is high-grade light sweet crude that is among the best oil on the continent, far cleaner than oil sands petroleum from Canada.

#### 2. No link – The US doesn’t get its oil from Russia. Russia energy exports are primarily sent to other parts of Europe.

#### 3. Turn - High oil prices hurt the Russian economy --- demand destruction, inflation, and market volatility.

**Hulbert 11** (Matthew, Senior fellow at the Center for Security Studies in Zurich, *The Downside of High Oil Prices*, February 2nd, http://www.themoscowtimes.com/opinion/article/the-downside-of-high-oil-prices/430204.html)

This cuts to the crux of the problem. The misperception of political risk can be just as potent as the actual risks themselves for the market. If the Egyptian crisis is anything to go by, then geopolitical factors have not been properly priced in. The initial $6 price increase from the chaos in Cairo over the past few days will look like pocket change compared with where oil prices could go if the geopolitical situation in the Middle East explodes. High prices might sound like good news for producers like Russia that want to replenish state coffers and boost political egos, but they carry two major risks. The first is potential **demand destruction**. The assumption in 2008 that demand was inelastic was a grave miscalculation. Most leading oil producers were lucky to survive. Whether $100 per barrel will break the bank again remains to be seen, but with anemic growth in the West and **inflationary pressures** in the East, it would be foolhardy to assume that anything higher than $100 per barrel would be positive for the global economy. The second risk is that producers will rapidly lose control of the market if geopolitics starts dictating benchmark prices beyond fundamentals. Price hawks such as Iran, Algeria, Nigeria and Venezuela probably have no problem with that since they don’t have excess supply to put on the market anyway. But that’s not what Russia wants or needs right now. Market **stability** to increase upstream investment and arrest depletion rates should be the priority of the day, not adding more oil, so to speak, to the geopolitical fire. It remains to be seen whether Saudi Arabia will agree to put more oil on the market or continue to appease price hawks by maximizing receipts. Price signals have been deafeningly silent so far — blaming speculation over fundamentals is the line coming out of Riyadh. No doubt that’s partially true, but that’s the point. Speculators like nothing more than the risk of geopolitical calamity to make a killing. Egypt has sent a clear signal to producers — quell the market now, or it will politically emasculate you later. The **last thing** Moscow needs is heightened market volatility. The priority should be to **stabilize the market**, attract consistent upstream investment and arrest depletion to keep production above 10 million bpd. Russia should take note: Take the politics out of oil, or it will surely take its vengeance out on you.

#### 4. Non-unique: oil prices are declining now

Businessweek 7/2/12 [ Lynn Doan and Dan Murtaugh, Gasoline at U.S. Pumps Drops to Six-Month Low on Falling Oil,” July 02, 2012, pg. <http://www.businessweek.com/news/2012-07-02/gasoline-at-u-dot-s-dot-pumps-drops-to-six-month-low-on-falling-oil>

Gasoline pump prices in the U.S. dropped to a six-month low amid falling oil prices and slowing economic growth, a government report today showed.

The price for regular gasoline, averaged nationwide, fell 8.1 cents, or 2.4 percent, to $3.356 a gallon today from a week ago, according to the Energy Department’s Energy Information Administration. The price was 6.2 percent below year-ago levels, a report posted on the agency’s website shows.

U.S. gasoline is at its lowest point since Jan. 2, when it averaged $3.299 a gallon. It’s down 15 percent from this year’s peak of $3.941 a gallon on April 2 after crude fell 18 percent in May and 2.2 percent last month. crude accounts for about 66 percent of the cost of gasoline, according to the department. Refineries restored output following seasonal maintenance, sending gasoline inventories to a seven-week high, department data show.

“Prices are still reflecting, in general, lower crude prices,” said David Hackett, president of Stillwater Associates in Irvine, California, an independent fuel consultant. “If there’s any increase in crude prices, it’ll take some time before that change gets reflected at the street level.”

#### 5. Dependence creates numerous flashpoints for war

**Rosen 10** *-* Deputy General Counsel @ Center for Naval Analyses & Professor of Homeland Security Law and Policy @ George Washington University [Mark E. Rosen, “[Energy Independence and Climate Change: The Economic and National Security Consequences of Failing to Act](http://lawreview.richmond.edu/energy-independence-and-climate-change-the-economic-and-national-security-consequences-of-failing-to-act/),” University of Richmond Law Review, March 2010 (Vol. 44, Issue 3)]

There is a growing consensus in U.S. national security circles that **American dependence on imported oil constitutes a threat to the U**nited **S**tates because a substantial portion of those oil reserves are controlled by governments that have historically pursued policies inimical to U.S. interests. For example, Venezuela, which represents eleven percent of U.S. oil imports, “regularly espouses anti-American and anti-Western rhetoric both at home and abroad . . . [and] . . . promotes . . . [an] anti-U.S. influence in parts of Latin and South America . . .”72 that retards the growth of friendly political and economic ties among the United States, Venezuela, and a few other states in Latin and South America. This scenario plays out in many different regions. Russia, for example, has used its oil leverage to exert extreme political pressure upon Ukraine and Belarus.73 Longstanding Western commercial relations with repressive regimes in the Middle East—i.e., Iran, Sudan, and Saudi Arabia—raise similar issues because of the mixed strategic messages that are being sent. Of course, large wealth transfers have allowed the Taliban in Saudi Arabia to bankroll terrorism.74

A. *Chokepoints and Flashpoints*

For the foreseeable future, **the U.S. military will** most likely **be involved in protecting access to oil supplies**—including the political independence of oil producers—**and the global movements of** using **oil** to help sustain the smooth functioning of the world economy. The security challenges associated with preserving access to oil are complicated by geographical “chokepoints,” through which oil flows or is transported, but which are vulnerable to piracy or closure.75 “Flashpoints” also exist as a result of political— and sometimes **military—competition** to secure commercial or sovereign access to oil in the face of disputed maritime and land claims that are associated with oil and gas deposits. Together, these challenges have necessitated that the United States and its allies maintain costly navies and air forces to protect sea lanes, ocean access, and maintain a presence to deter military competition in disputed regions. A selection of today’s chokepoints and flashpoints follow.

***The Strait of Hormuz****.* This strait is the narrow waterway that allows access from the Indian Ocean into the Persian Gulf. Twothirds of the world’s oil is transported by ocean, and a very large percentage of that trade moves through Hormuz. The northern tip of Oman forms the southern shoreline of the strait.76 Hormuz is protected by the constant transits of the U.S. Navy and its allies. Even though the strait has not been closed, the Persian Gulf has been the **scene of extensive military conflict**.77 On September 22, 1980, Iraq invaded Iran, initiating an eight-year war between the two countries that featured the “War of the Tankers,” in which 543 ships, including the USS Stark, were attacked, while the U.S. Navy provided escort services to protect tankers that were transiting the Persian Gulf.78 There have been **past threats by** **Iran** to militarily close the strait.79 Additionally, there are ongoing territorial disputes between the United Arab Emirates and Iran over ownership of three islands that are located in approaches to the strait.80 Closure of the strait would cause severe disruption in the movements of the world’s oil supplies and, at a minimum, cause significant price increases and perhaps supply shortages in many regions for the duration of the closure.81 During the War of the Tankers, oil prices increased from $13 per barrel to $31 a barrel due to supply disruptions and other “fear” factors. 82

***Bab el-Mandeb***. The strait separates Africa (Djibouti and Eritrea) and Asia (Yemen), and it connects the Red Sea to the Indian Ocean via the Gulf of Aden. The strait is an oil transit chokepoint since **most of Europe’s crude oil** from the Middle East passes north through Bab el-Mandeb into the Mediterranean via the Suez Canal.83 Closure of the strait due to terrorist activities or for political/military reasons, could keep tankers from the Persian Gulf from reaching the Suez Canal and Sumed Pipeline complex, diverting them around the southern tip of Africa (the Cape of Good Hope).84 This would add greatly to transit time and cost, and would effectively tie-up spare tanker capacity. Closure of the Bab el-Mandeb would effectively block non-oil shipping from using the Suez Canal.85 In October 2002 the French-flagged tanker Limburg was attacked off the coast of Yemen by terrorists.86 During the Yom Kippur War in 1973, Egypt closed the strait as a means of blockading the southern Israeli port of Eilat.87

***The Turkish Straits and Caspian Oil***. The term “Turkish Straits” refers to the two narrow straits in northwestern Turkey, the Bosporus and the Dardanelles, which connect the Sea of Marmara with the Black Sea on one side and the Aegean arm of the Mediterranean Sea on the other. Turkey and Russia have been locked in a longstanding dispute over passage issues involving the Turkish Straits.88 The 1936 Montreux Convention puts Turkey in charge of regulating traffic through the straits;89 yet Turkey has been hard pressed to stop an onslaught of Russian, Ukrainian, and Cypriot tankers, which transport Caspian Sea oil to markets in Western Europe.90 Because of the very heavy shipping traffic and very challenging geography, there have been many collisions and groundings in the past, creating terrible pollution incidents and death.91 Thus far, none of these incidents have been attributed to state-on-state-conflict or terrorism;92 however, the confined waterway is an especially attractive target because of the grave economic and environmental damage that would result from a well-timed and well-placed attack on a loaded tanker. The issues surrounding the straits are also a subset of larger problems associated with the exploitation of Caspian oil, including severe pollution of the Caspian Sea as a result of imprudent extraction techniques, as well as the ever-present potential for conflict among the various claimants to the Caspian’s hydrocarbon resources due to an inability of the various Caspian littoral states to agree on their maritime boundaries—and their legal areas in which to drill.93 **Any one of these problems could become** **a major flashpoint in the future**.

***China vs. Japan*.** The Daiyu/Senkaku islands located in the East China Sea have become an increasingly contentious dispute because both claimants have, in the past, used modern military platforms to patrol the areas of their claims in which there are suspected oil and gas deposits in the seabed.94 In September 2005, for example, China dispatched five warships to disputed waters surrounding its oil and gas platforms, which were spotted by a Japanese maritime patrol aircraft.95 There have been other similar military-to-military encounters.96 Given the fact that both countries have modern armed forces and are comparatively energy starved, it is **not difficult to envision serious conflict** erupting over these disputed areas.

***The Arctic Super Highway***. Traditionalists would probably not include the Arctic as a security chokepoint. The oil connection is reasonably well known: “22 percent of the world’s undiscovered energy reserves are projected to be in the region (including 13 percent of the world’s petroleum and 30 percent of natural gas).”97 However, given the very small margins that transporters earn transporting oil from point A to B,98 shipping companies are always in search of shorter routes to transport oil to market. As the thawing of the Arctic Ocean continues as a result of climate change,99 this may create new shipping routes that transporters of oil and other goods will use to maximize their profits and minimize their transit times. As supplies of readily exploitable crude oil are reduced, the probability increases that some of this trade will result from exploitation activities in the land and littoral areas adjacent to the Arctic Sea. This development is concerning for a number of reasons: (1) the area is very remote and could provide a safe haven to pirates seeking to hijack cargoes; (2) the environmental sensitivity of the area, and the concomitant difficulty of mounting a cleanup effort, means that an oil spill in that marine environment will be much more persistent than an oil spill in temperate waters;100 (3) the Arctic presents unique navigational difficulties due to the lack of good charts, navigational aids, and communications towers, as well as the impacts of extreme cold on the operational effectiveness of systems;101 (4) the unsettled nature of claims by various countries, including the United States, to the seabed continental shelf resources in the littoral areas off their coastlines creates the potential for **military competition and conflict** over these claims.102 The International Maritime Organization (“IMO”) is now circulating draft guidelines for ships operating in Arctic areas to promote—but not require—ship hardening against an iceberg strike, better crew training, and environmental protection measures.103 These guidelines are merely advisory and can only be implemented via the flag states.104 Also, neither IMO nor any of the UN Law of the Sea Institutions have mandatory jurisdiction over any of the flashpoint issues relating to competing continental shelf claims in the Arctic,105 meaning that any disputes will remain unresolved for a long time.

**The above is** only a selected **list of** potential **flashpoints in which oil is the main culprit**. Disputes between China and six other nations of the Spratly Islands, and other territories in the South China Sea, remain unresolved.106 The Spratly Islands could become a flashpoint in the future, involving the United States or its allies, because of the proximity of those areas to the major sea routes to Japan and Korea.107 The strategic straits of Malacca, Lombok, and Sunda in Southeast Asia are absolutely essential to the movement of raw materials to Japan, Korea, and China.108 Because of Lombok’s depth and strategic location, it is a major transit route for very large crude carriers that move between the Middle East and Asia.109 Lombok is an undefended waterway that is only eighteen kilometers in width at its southern opening, making it an attractive chokepoint for hijacking or eco-terrorism in which the waters of the environmentally sensitive Indonesian archipelago would be held hostage.110 pg. 989-994

#### 6. Extinction

**Lendman 07** - Research Associate of the Centre for Research on Globalization.  [Stephen Lendman, “Resource Wars - Can We Survive Them?,” [Rense.com](file:///C%3A%5CUsers%5CMaggie%20Berthiaume%5CDropbox%5CSummer%20Institutes%5CENDI%202012%5CFour%20Week%20ENDI%5CEvidence%20Packets%5CRense.com), 6-6-7, pg. <http://www.rense.com/general76/resrouce.htm>]

With the world's energy supplies finite, the **US heavily dependent on** imports, and "peak **oil**" near or approaching, "security" for America means assuring a sustainable supply of what we can't do without. It includes **waging wars to get it, protect it, and defend the maritime trade routes** over which it travels. That means energy's partnered with predatory New World Order globalization, militarism, wars, ecological recklessness, and now an extremist US administration willing to risk **Armageddon** for world dominance. Central **to** its plan is first **control**ling essential resources everywhere, at any cost, starting with **oil and where most of it is located in the Mid**dle **East and Central Asia**.

The New "Great Game" and Perils From It

The new "Great Game's" begun, but this time the stakes are greater than ever as explained above. The old one lasted nearly 100 years pitting the British empire against Tsarist Russia when the issue wasn't oil. This time, it's the US with help from Israel, Britain, the West, and satellite states like Japan, South Korea and Taiwan challenging Russia and China with today's weapons and technology on both sides making earlier ones look like toys. **At stake is more than oil. It's planet earth with survival of all life on it** issue number one twice over.

Resources and wars for them means militarism is increasing, peace declining, and the planet's ability to sustain life front and center, if anyone's paying attention. They'd better be because beyond the point of no return, there's no second chance the way Einstein explained after the atom was split. His famous quote on future wars was : "I know not with what weapons World War III will be fought, but World War IV will be fought with sticks and stones."

 Under a worst case scenario, it's more dire than that. **There may be nothing left but resilient beetles and bacteria in the wake of a nuclear holocaust** meaning even a new stone age is way in the future, if at all. The threat is real and once nearly happened during the Cuban Missile Crisis in October, 1962. We later learned a miracle saved us at the 40th anniversary October, 2002 summit meeting in Havana attended by the US and Russia along with host country Cuba. For the first time, we were told how close we came to nuclear Armageddon. Devastation was avoided only because Soviet submarine captain Vasily Arkhipov countermanded his order to fire nuclear-tipped torpedos when Russian submarines were attacked by US destroyers near Kennedy's "quarantine" line. Had he done it, only our imagination can speculate what might have followed and whether planet earth, or at least a big part of it, would have survived.