### Obama - Yes - 1NC

#### Obama will win - he is ahead in the Electoral College count with key swing states and he has momentum

Silver 7/27 (Nate. Author of ‘The Times’ FiveThirtyEight blog. “Ohio Polls Show Trouble for Romney” <http://fivethirtyeight.blogs.nytimes.com/2012/07/27/july-27-ohio-polls-show-trouble-for-romney/> Pismarov/Ashwin)

I wrote [earlier this week](http://fivethirtyeight.blogs.nytimes.com/2012/07/24/state-and-national-polls-tell-different-tales-about-state-of-campaign/) about some of the challenges in comparing state polls and national polls. Sometimes, apparent differences between the two sets of numbers can result from methodological quirks of the polling firms that are active in each arena, as well as random sampling error. With that said, we are starting to see a bit of a gap between our Electoral College and popular vote forecasts based on the latest polling data this week — one which potentially favors President Obama. In general, the polls from nonswing states this week, ranging from New Jersey to North Dakota, were mediocre for Mr. Obama. But his numbers held up better in swing states. Nowhere was this more apparent than in Ohio, where there were two new polls out on Friday. One of them, from the firm We Ask America, gave Mr. Obama an eight-point lead there. Another, from Magellan Strategies, put Mr. Obama up by two points. Our model “thinks” the Magellan Strategies poll is a more realistic estimate of the state of play in Ohio. The model now forecasts a three-point victory for Mr. Obama there, which it translates to about a two-in-three chance of his winning the state given the uncertainty in the forecast. Mr. Obama’s projected three-point lead in Ohio is important for the following reason, however: it’s slightly larger than the 2.4-point advantage that the model now gives Mr. Obama in the national popular vote. In other words, based on the data so far this year, Ohio has been slightly Democratic-leaning relative to the country as a whole. That reflects a reversal from the usual circumstances. Normally, Ohio — though very close to the national averages — leans Republican by two points or so. A split between the winners of the popular vote and the Electoral College is still relatively unlikely, in the view of the model. There is only a 3.9 percent chance that Mr. Obama will win the Electoral College but lose the popular vote, it estimates.

### Obama - Yes - Economy

#### Obama barely leads- economy key

**AFP 7/30** (Staff writer, “Obama is losing edge”, 07/30/12, AD: 07/30/12, <http://www.timeslive.co.za/thetimes/2012/07/30/obama-is-losing-edge> | Kushal)

 ¶ ¶ US President Barack Obama speaks during a campaign event at West Palm Beach Century Village in Florida July¶ Image by: KEVIN LAMARQUE / REUTERS¶ With 100 days to go before the election, US President Barack Obama appears to have a slight edge over his Republican rival Mitt Romney but he is still at the mercy of a stumbling economy .Polls show the Democratic incumbent's lead is shrinking. According to a Wall Street Journal and NBC poll, only 36% of voters are confident that Obama can improve the economy whereas 43% prefer Romney, a multimillionaire former venture capitalist.¶ About 60% of Americans believe the country is on the wrong track.¶ An average of national polls compiled by non-partisan RealClearPoli tics.com shows Obama slightly ahead of Romney overall, with 46.4% of the vote to 45.1%.¶ His lead has narrowed from 3.6% at the beginning of this month.

#### Slow growth means Obama wins- very close race

Dorning 7/27 (Mike, writer for Bloomberg, “Obama Holds Slim Re-Election Edge With Slow GDP Growth”, Bloomberb Businessweek, 7/27/12, <http://www.businessweek.com/news/2012-07-27/slow-growth-leaves-room-for-obama-to-win-re-election>) Swoap/chan/Chin/AJacobson/Callas

The slow growth reported for the second quarter is enough to allow President Barack Obama an edge in his re-election bid, according to a forecasting model based on the economy and polling data. The U.S. economy grew at a 1.5 percent annual rate from April through June, in line with forecasts and slowing from a revised 2.0 percent rate during the first three months of the year, the Commerce Department reported today. “It puts Obama just barely above the break-even point,” said Alan Abramowitz, a political science professor at Emory University in Atlanta and developer of the forecasting model. “Mainly it tells me we’re heading to a very close election and Obama is a slight favorite.”

#### Obama will win in 2012---successes in the economy, foreign affairs, and domestic policy guarantee reelection

Meyer 7/26, Political analyst at Policy Mic---social worker, software engineer and policy specialist, 7/26/12[Dee, “10 Charts That Prove Why Obama Has Nothing to Worry About in Election 2012” Policy Mic, <http://www.policymic.com/artic> les/11840/10-graphic-reasons-why-obama-will-win-the-2012-election/174403]ADravid

In Obama’s re-election, pictures could be worth a thousand votes**. Obama’s economic policies have worked in propping up the sagging U.S. economy, and he has done a good job handling foreign affairs dilemmas during his first term, despite of all the odds he has to overcome. Discerning voters will do their own research, gather pertinent information, shun political rhetoric and will see through the negativity of his opponents.** Here are 10 charts and pictures indicating why Obama is the sure-fire winner in the 2012 presidential race. Obama naysayers, take a look and weep: 1) **Obama revived the failing U.S. stock market**. 2) **Yes, the private sector is doing just fine.** 3) **Unemployment rate is down.** 4) **Auto sales are up**. 5) **Retail sales are improving.** 6) **Home sales are up**. 7) **Unemployment is down**. 8) **The GDP is growing**. 9) **Bin Laden is dead.** 10) **The auto industry is alive and well**.

#### Slow growth means Obama has slight edge

Bouie 7/27 (Jamelle, “Sluggish Growth Makes Obama a Slight Favorite”, The American Prospect, 7/27/12, <http://prospect.org/article/sluggish-growth-makes-obama-slight-favorite>) Swoap/AJacobson

In most election models, 1.5 percent growth is enough to make Obama a slight favorite for reelection. Given current growth, the “Time for Change” model, developed by political scientist Alan Abramowitz, [predicts](http://www.centerforpolitics.org/crystalball/articles/abramowitzpolarizationmodel/) that Obama will win between 50.2 and 50.8 percent of the popular vote, which corresponds with an Electoral College victory. Likewise, if growth stays on this trajectory through the rest of the year—and if Obama’s approval rating continues to hover at 47 percent—then in the [model](http://www.washingtonpost.com/wp-srv/special/politics/2012-election-predictor/) used by the Washington Post, Obama wins in more than 80 percent of simulations.

All of this is to say that we should be wary of claims that Obama is “doomed” or “toast” because of these GDP numbers. Historical precedent suggests he is a slim favorite for reelection, and that’s exactly where he stands at the moment.

#### Obama has a slight lead—low inflation figures

Silver 7/27 (Nate, poll expert for the New York Times, “What the New G.D.P. Figures Mean for the Election”, 7/27/12, ¶ <http://fivethirtyeight.blogs.nytimes.com/2012/07/27/what-the-new-g-d-p-figures-mean-for-the-election/>, Accessed 7/28/12, Chan)

The four indicators tell different stories about the economy. Income growth has been very poor, for example, while industrial production has been pretty encouraging.¶ For better or for worse, this is a pretty normal state of affairs. Economic data is really noisy, and different series often diverge quite a bit, especially before revisions.¶ Still, if you average the four numbers together, you get an index of 1.7 percent growth. That almost exactly matches the G.D.P. growth rate during the previous six months, which is the period that our model is mostly concerned about.¶ Growth at this rate would ordinarily make a president’s re-election prospects extremely tenuous: probably about 50-50, according to our model and others.¶ The reason our economic index sees Mr. Obama as a very modest favorite for re-election is because it also considers inflation, which is assigned 15 percent of the weight. And inflation has been very low.

### Obama - Yes - Swing States

#### Obama will win- leading in 12 battleground states

**Stanage 7/30** (Niall, staff writer for The Hill, “Swing states give Obama the edge”, 07/30/12, AD: 07/30/12, <http://thehill.com/homenews/campaign/240921-battlegrounds-give-obama-election-edge> | Kushal/Chin)

¶ President Obama has an overall edge in the 12 decisive battleground states that is measurably greater than his advantage in national polling.¶ The dynamic, which may reflect a combination of lower swing-state unemployment rates and demographic advantages for the president, is causing stirrings of unease among Republicans, even as they emphasize that it is important not to read too much into the state of the race right now.¶ “Obama is concentrating his considerable early resources and messaging in the swing states, and it’s had an impact,” said Mark McKinnon, who served as a media adviser for President George W. Bush’s presidential campaigns.¶ ¶ But McKinnon added that Republican candidate Mitt Romney was “raising and saving his money to ensure he won’t be out-punched in the final rounds.”¶ The crucial battleground states number about a dozen: Colorado, Florida, Iowa, Missouri, Nevada, New Hampshire, New Mexico, North Carolina, Ohio, Pennsylvania, Virginia and Wisconsin. ¶ Taking the polling averages used by Nate Silver in the New York Times, the president is ahead in 10 of the 12 vital states. If those polls were borne out on Election Day, Obama would coast to victory with 332 electoral college votes. Only 270 votes are needed to win the presidency.¶ Awarding Obama only the states in which he now leads by 3 percentage points or more in the polling averages still sees him safely home. ¶ ¶ RELATED ARTICLES¶ Obama's swing-state advantage¶ Election up for grabs with 100 days to go¶ By that measure, as of last Friday, he would win 8 of the 12 battlegrounds, for a total of 290 electoral votes. ¶ ¶ Romney victories in Florida, Missouri, North Carolina and Virginia would leave the Republican marooned on 248 electoral votes.¶ Strategists including Karl Rove have, in recent months, noted that Romney’s path to victory is a challenging one in terms of the electoral map. ¶ Now, Democrats are citing the same argument to justify their guarded confidence.¶ “All the swing states this time are places [Obama] has been able to win in the past,” said David Beattie, a Florida-based Democratic pollster. “Some of them, like Nevada and Colorado, are pretty solidly in his direction. One of the most optimistic things for Obama is that Iowa and Virginia are still regarded as swing states.”¶ Advertising has been a key factor. ¶ Obama has been outspending the Romney campaign by a considerable amount — his TV advertising outlay for June was $32.2 million compared against a total advertising spend of $10.4 million for Romney.¶ But TV ads assailing Romney are unlikely to be the only reason for Obama’s battleground-state advantage. The president gets an assist from some intriguing trends in both economic and demographic data.¶ Based upon the most recent job figures, which covered June, only four of the 12 battleground states have unemployment rates that are above — or, in the case of Colorado, identical to — the national average of 8.2 percent. ¶ The relative lack of pain felt in the job market in some of the other swing states may well be playing in Obama’s favor.¶ Take New Hampshire, for example. Obama’s average polling lead of more than 4 percentage points might seem incongruous in a traditional swing state that is overwhelmingly white and adjacent to Romney’s Massachusetts base. But the fact that joblessness is running at 5.1 percent could be an important part of the explanation.¶ Statistics like that “make for more fertile ground for the president to make his argument,” said Jamal Simmons, a Democratic strategist.¶ Not everyone is convinced by the state-by-state unemployment argument, however.¶ David Yepsen, who covered many presidential elections during a 34-year career with the Des Moines Register, cautioned that economic statistics in general were less important than how people feel about their lives.¶ “I don’t think in Iowa they are feeling particularly good right now,” Yepsen said. “Looking at the unemployment rate is great if you are an economist, but not if you are the man in the street.” (Iowa’s unemployment rate is 5.2 percent.)¶ Even where the job-market pain is at its most intense, however, Obama can benefit from a curious pattern that might be termed “demographic insulation.”¶ The four battleground states with worse-than-average unemployment rates also have higher than average Hispanic or African-American populations — two key pillars of Obama’s support.¶ Nevada, for example, has the highest unemployment rate in the nation, at 11.6 percent. But the share of its population defined as “white, non-Hispanic” by the U.S. Census Bureau is just 53.6 percent, a full 10 percentage points lower than the national average. Hispanics make up 27.1 percent of the overall population in Nevada, and Obama leads in recent polls by an average of 5 percentage points.¶ Matt Mackowiak, a Republican strategist, acknowledges that Nevada’s demographics might mean that Obama is “a little bit insulated.” ¶ But, he adds, “on the other hand, Nevada cannot possibly be pleased with the direction of the country. And, remember, we’re not talking about Romney needing to win 80 percent of the Hispanic vote. He maybe needs to win about 40 percent.”¶ Observers of all political stripes agree that it is much too early to predict whether the current polling patterns will hold. The party conventions and the presidential debates could change the election in an instant, while the undecided voters who will be so crucial to the eventual outcome are paying little attention to politics at the moment.¶ Republicans like Mackowiak also insist that the Romney campaign is in perfectly good shape, having kept the election reasonably close even amid the blitz of attacks on Romney’s personal finances and his work at the Bain Capital private equity firm.¶ “Obama used his biggest weapon, and it didn’t do much damage, and there is a cost associated with that,” he asserted.¶ Still, Mackowiak also added, somewhat wistfully, that “of course it would be great if we were ahead in every battleground state.”¶ Beattie, the Democratic pollster, made the same argument from the opposite perspective.¶ Yes, he said, there is a long way to go.¶ “But it’s better to be playing from in front than behind.”¶

### Obama - Yes - Swing states - Ohio

#### Obama winning Ohio- critical swing state

The Hill 7/27 (Easley, Jonathan, “Poll: Obama widens lead in Ohio”, The Hill, <http://thehill.com/blogs/ballot-box/polls/240721-poll-obama-widens-lead-in-ohio>) Swoap

President Obama has opened up an 8-point lead in the critical battleground state of Ohio, according to a [We Ask America](http://weaskamerica.com/2012/07/27/oh-bama/) poll released on Friday. Obama leads Mitt Romney 48 percent to 40, according to the poll. That’s a larger lead than most other recent polls show for Obama, but not far from the Real Clear Politics average of polls, which shows Obama leading Romney by 5 in the Buckeye State. While the overall economy continues to struggle — GDP growth slowed to an anemic 1.5 percent in June — Ohio has seen a significant drop in its unemployment rate, which now sits well below the national average of 8.2 percent.  Ohio’s unemployment rate has fallen 1.5 percentage points in the last year, to 7.3 percent. By some estimates, Obama will need to win about half of the electoral votes supplied by the swing states of Florida, Ohio, Michigan, Wisconsin, North Carolina, Virginia, Colorado, Nevada, New Mexico, Iowa, Pennsylvania and New Hampshire if he is to secure a second term.   The president won all of those states in 2008. Ohio has the second most Electoral College votes at stake among those 12 battleground states.

#### **Obama ahead in Ohio**

Rasmussen Reports 7/19 (“Election 2012: Ohio President: Ohio: Obama 47%, Romney 45%,” 19 July 2012, <http://www.rasmussenreports.com/public_content/politics/elections/election_2012/election_2012_presidential_election/ohio/election_2012_ohio_president>)

The presidential race remains tight in the key battleground state of Ohio where President Obama has inched slightly ahead of Mitt Romney. A new Rasmussen Reports survey of Likely Voters in the Buckeye State shows Obama with 47% of the vote to Romney’s 45%. Five percent (5%) prefer some other candidate, and four percent (4%) are undecided. (To see survey question wording, click here.) The margin of sampling error is +/- 4.5 percentage points with a 95% level of confidence. Fieldwork for all Rasmussen Reports surveys is conducted by Pulse Opinion Research, LLC. See methodology.

### Obama - Yes - Swing states - Pennsylvania

#### **Obama ahead in Pennsylvania**

Rasmussen Reports, 7/20 “Election 2012: Pennsylvania President: Pennsylvania: Obama 48%, Romney 44%,” 20 July 2012, <http://www.rasmussenreports.com/public_content/politics/elections/election_2012/election_2012_presidential_election/pennsylvania/election_2012_pennsylvania_president>)

President Obama continues to run slightly ahead of Mitt Romney in the key battleground state of Pennsylvania. A new Rasmussen reports telephone survey of Likely Voters in the Keystone State finds Obama earning 48% of the vote, while Romney receives 44% support. Four percent (4%) prefer some other candidate, and another five percent (5%) are undecided. (To see survey question wording, click here.) This Pennsylvania survey of 500 Likely Voters was conducted on July 18, 2012 by Rasmussen Reports. The margin of sampling error is +/- 4.5 percentage points with a 95% level of confidence. Fieldwork for all Rasmussen Reports surveys is conducted by Pulse Opinion Research, LLC. See methodology.

### Obama - Yes - Swing states - Virginia

#### Spoiler in Virginia kills Romney’s chances- Obama will win

The Hill 7/29 (“GOP fears ex-lawmaker’s candidacy will help Obama win swing-state Virginia”, The Hill, 7/29/12, <http://thehill.com/homenews/campaign/240903-gop-fears-ex-lawmakers-candidacy-will-help-obama-win-swing-state-virginia>) Swoap

A former House Republican lawmaker could siphon votes from Mitt Romney in the battleground state of Virginia and boost President Obama’s chances of winning a second term. Former five-term Rep. Virgil Goode, who represented southwest Virginia’s 5th District, has a strong chance of making it on the state’s general election ballot. That would set up a potential Ralph Nader-like spoiler scenario circa 2000. At that time, then-Vice President Al Gore, the Democratic presidential nominee, lost the state of Florida by fewer than 600 votes to former President George W. Bush. Nader, a liberal third-party candidate, won nearly 100,000 votes in the Sunshine State. A similar scenario could play out in Virginia if Goode’s name appears on the ballot in November, according to a recent poll. According to a Public Policy Polling (PPP) survey of Virginia voters, Goode would win 9 percent of the vote, with Romney winning 35 percent to Obama’s 49 percent, with a margin of error of 3.9 percent. Goode discounted the polling firm’s numbers, which showed him taking votes from Romney. The Democrat, turned Independent, turned Republican, turned Constitution Party member told The Hill that he’s not worried about taking votes from Romney, sharing an anecdote from a recent petition signature gathering event. “A local Republican committee member from Bedford [Va.] said, ‘I want you to know Virgil that I'm not going to vote for you; I'm going to vote for Romney. But I’m going to sign your petition because I know a lot of disgruntled Democrats that won’t vote for Romney under any circumstances. But if you’re on the ballot, they will vote for you — not all of them but a lot of them,’” Goode said. But one political insider says that while Goode may win votes from southern Democrats who are not fond of Obama, the Constitution Party candidate will win more votes from Republicans frustrated with Romney. “Goode is a household name in the 5th district, and could be Romney’s worst nightmare if he qualifies for the ballot,” GOP political operative Ford O’Connell told The Hill.

#### **Obama slightly ahead in Virginia**

Rasmussen Reports 7/19 (“Election 2012: Ohio President: Virginia: Obama 47%, Romney 46%,” 19 July 2012, <http://www.rasmussenreports.com/public_content/politics/elections/election_2012/election_2012_presidential_election/virginia/election_2012_ohio_president>)

President Obama and Mitt Romney are still neck-and-neck in the important battleground state of Virginia. The latest Rasmussen Reports statewide telephone survey of Likely Voters shows Obama picking up 47% of the vote to Romney’s 46%. Three percent (3%) prefer some other candidate in the race, and three percent (3%) more are undecided. (To see survey question wording, click here.) The survey of 500 Likely Voters in Virginia was conducted on July 16-17, 2012. The margin of sampling error is +/- 4.5 percentage points with a 95% level of confidence. Fieldwork for all Rasmussen Reports surveys is conducted by Pulse Opinion Research, LLC. See methodology.

### Obama - Yes - Swing States key

#### **Swing states key to determining the election**

Feller 7/28 (Ben, The Associated Press, “8 states will decide who wins the White House,” 28 July 2012, <http://seattletimes.nwsource.com/html/nationworld/2018799166_campaigncountdown29.html>)

WASHINGTON — Stubbornly close and deeply divisive, the presidential race throttles into its last 100 days as an enormous clash over economic vision, with the outcome likely to come down to fall debates, final unemployment numbers and fierce efforts to mobilize voters. It may seem like an election for the whole nation, but only about eight states will decide who wins the White House. Polling shows the contest between President Obama and Republican Mitt Romney remains remarkably static across the country and in those pivotal states even as both men and their allies pour money into largely negative television advertising to sway opinions. The two candidates will intensify their time before voters in the weeks ahead, knowing much of the public will not truly start paying attention until after Labor Day. What voters probably will see will look a lot like what's played out so far — a bitter, bruising, personal contest over who can be trusted to fix the economy. The upcoming stretch is loaded with opportunities for the candidates to capture the public's imagination, land a big blow or flub a chance. Romney is closing in on his vice-presidential nominee, both candidates will give highly scrutinized convention speeches, and the two will face off three times in October debates. Then there are the surprises — be they national events or scares from abroad — that can jolt the campaigns and test the candidates. "We're all looking for that moment," said David Gergen, a political analyst who has advised Republican and Democratic presidents. He predicted it could come in the first of the debates, in Denver on Oct. 3, when Obama and Romney finally stand on a stage together and go at it over economic policy. Gergen said it could be the most defining debate in more than 50 years. "Obama is leading, but it's often 47-45. He's still got to get to 50," he said. "If the undecided voters all break at the last minute, that could go against the incumbent. If Obama wants to wrap it up, the first debate carries enormous significance." The daily squabbles and wrinkles of the campaign will change. So will the gaffes. The basic messages will not. Obama's thesis is that his plan for rebuilding the economic base and for ending tax cuts for the rich will help everyone, and that Romney would be a return to recession-era policies. Romney's view is Obama came in over his head, squandered his shot and must give way to a leader favoring small government and taxes. The state of the race again shows how certain states take on outsized importance in a contest that is decided by electoral votes, not the popular vote. Only the states considered truly up for grabs get the coveted attention of the candidates and their top surrogates, and of course the onslaught of expensive advertising. The most contested are Colorado, Florida, Iowa, Ohio, Nevada, New Hampshire, North Carolina and Virginia. Pennsylvania is also in the mix.

### Obama - Yes - Polls

#### Polls show a slight Obama lead

Joseph 7/29. (Cameron, staff reporter for National Journal, “With only 100 days remaining, presidential race still up for grabs”, The Hill, 07/29/12, <http://thehill.com/homenews/campaign/240869-election-up-for-grabs-with-100-days-to-go>, 07/29/12, Chin/Foster)

With 100 days until the 2012 election, President Obama has a tenuous lead, but the struggling economy hurts his bid for a second term.¶ Obama leads Mitt Romney by a narrow margin in most national polls, and has a slightly wider lead in most swing states, giving Romney little room for error. But while Obama continues to lead Romney in personal likability — a major asset — there are few signs that Obama’s sustained summer attack on Romney’s business background has changed the contours of the race.¶ Polls have been remarkably unchanged during that period. Obama leads Romney by slightly more than one percentage point nationally, according to Real Clear Politics’ average of the national polls. That is nearly identical to where the polls had the race three months ago.¶ In the swing states Obama has continued to hold a slight lead, and there is little hard evidence that the heavy spending by both sides has changed many voters’ minds.¶ The three swing states that have seen the most advertising by both sides are Florida, Ohio and Virginia — states Romney likely needs to sweep to win the presidency. At the beginning of May, Obama held a narrow lead in most polls in Virginia, a slightly wider one in Ohio, and the two were tied in Florida. Months later, the same is true in each state.

#### Obama narrowly winning-latest polls

Z News 7/29 (“Obama vs Romney: 'Will be a close race throughout'”, Z News, 7/29/12, <http://zeenews.india.com/news/world/obama-vs-romney-will-be-a-close-race-throughout_790516.html>) Swoap

Washington: With less than 100 days to go for the crucial US Presidential Elections and the latest opinion polls reflecting a dead heat between Barack Obama and his Republican rival Mitt Romney, the incumbent President's top aide on Sunday acknowledged that it will be a close race. "I think this is going to be a very close race throughout it. That's what we've prepared for. That's why we're investing in a grassroots army to win this race on Election Day," Robert Gibbs, top Obama Campaign adviser, told the ABC news. Gibbs, before leaving for the Campaign served as the White House Press Secretary for the first two years of Obama's current term. The latest Gallup Poll has reflected a tie between Obama and Romney. According to RealClearPolitics, which keeps track of all the opinion polls, Obama has a slender lead of 1.6 point over Romney in an average of all the opinion polls.

|  |
| --- |
|  |

Of the top seven recent polls, Obama leads in six of them, even though it is by a small margin, while Romney is leading in only one. However, the Obama Campaign exuded confidence that the US President would be able to make it through the November 6 elections even if it is going to be close.

#### Obama winning – more likable candidate

Washington Post 7/28 (“Romney’s problem? Americans don’t like him as much as Obama, polls say.”, Washington Post Politics, 7/28/12, <http://www.washingtonpost.com/politics/in-romney-vs-obama-competency-may-be-trumped-by-likability/2012/07/28/gJQAE6uKGX_story.html>) Swoap

If you believe the polls, it would appear there is one big factor standing in the way of Mitt Romney being elected president: Americans don’t like him as well as they do Barack Obama. That was confirmed again in [a new USA Today-Gallup](http://www.gallup.com/poll/156134/Obama-Character-Edge-Offsets-Romney-Economic-Advantage.aspx) survey in which respondents gave Romney higher marks on the economic issues, which voters say they care most about this year. But President Obama crushed Romney — 60 percent to 30 percent — on the question of which of the two was more likable. [4415](http://www.washingtonpost.com/politics/in-romney-vs-obama-competency-may-be-trumped-by-likability/2012/07/28/gJQAE6uKGX_allComments.html#comments) In April, [a Washington Post-ABC News poll](http://www.washingtonpost.com/politics/polling/regardless-romney-seems-obama/2012/07/09/gIQA7zcAjT_page.html)found an even larger gap, with 64 percent of those surveyed describing Obama as the friendlier, more likable candidate, and only 26 percent saying that about Romney. “We’re not going to win a personality contest. It’s not an election for class president. It’s who can best solve the problems of the country,” said Romney’s pollster, Neil Newhouse. “Likability isn’t fixing the economy or helping the middle class make ends meet.” In part, the disparity reflects a natural reserve, even an awkwardness on Romney’s part. It also reveals a sensitivity to the fact that there are upsides and downsides politically to defining himself through his biography — his Mormon faith, his spectacularly successful business career, his wealth and his stint as the governor of a liberal state. Asked last week by NBC News’s Brian Williams whether he is “unknowable to us,” Romney insisted that he is trying and still has opportunities to introduce himself. “You know, I’ve been on ‘The Tonight Show’ and ‘Letterman’ and ‘The View,’ and I do some of those things to get better known,” he said in the interview that was broadcast Wednesday. “But at the same time, most folks won’t really get to see me until the debates and will get a better sense of the character that I have.” Romney also seemed to acknowledge that he is not exactly a natural when it comes to selling the inner Mitt. “My wife and my sons and daughters-in-law, they’re doing the best job they can to get the real story about who I am in public view,” he said. In every presidential election for the past two decades, the candidate viewed as more likable was the one who won.

### Obama - Yes - Key Demographics

#### Romney will lose – alienating key demographics

Cardona 7/26 [Maria Cardona Cardona is a Democratic strategist, a principal at the Dewey Square Group, a former senior adviser to Hillary Clinton and former communications director for the Democratic National Committee. “GOP's Obama obsession will lose it the election“ [http://www.cnn.com/2012/07/20/opinion/cardona-romney-latino/index.html 7/20/1](http://www.cnn.com/2012/07/20/opinion/cardona-romney-latino/index.html%207/20/1)] Lin

A month ago, when Mitt Romney addressed the National Association of Latino Elected and Appointed Officials during its annual conference in Orlando, Florida, many thought he was on a path to adopting a more nuanced tone on immigration and coming up with an aggressive strategy to woo Latino voters to his side. Instead, he lately seems to have adopted U.S. Rep. Michele Bachmann's messaging strategy, using a version of the Minnesotan's line from the 2008 campaign when she went on a rant about the views of then-Sen. Barack Obama and his wife being "very anti-American." Romney is not making it easier for Latinos to support him. In fact, the strategy will continue alienating this critical demographic group, along with independents and women. Maria Cardona We heard former New Hampshire Gov. John Sununu, one of Romney's top surrogates, use similar language on Tuesday. "I wish this president would learn how to be an American," he said. Granted, he apologized for it later that day, but the subtext is still there. Romney himself is using a version of the line when he says that Obama's way of doing things seems "foreign." To many voters, that is code for "un-American." Sununu apologizes for anti-Obama remarks Bachmann's unproven claim about Abedin Repeat offender Rush Limbaugh has also been making headlines. On Monday he declared, "I think it can now be said without equivocation" that Obama "hates this country." And Republicans don't seem to be in a hurry to admonish him or distance themselves from those statements. Romney has not responded. To be clear, as a Democrat, I am not surprised or complaining that the GOP is resorting to such low levels. As for House Speaker Tip O'Neill was fond of saying, "Politics ain't beanbag." As a political strategist, however, I find this new tactic reckless and dangerous for a political party that needs to broaden its base of support to win -- among independents, women and especially Latinos. This kind of language will do the opposite.

### Obama - Yes - Jewish vote

#### Obama running away with Jewish vote- key tiebreaker in election

Bloomfield 7/27(Douglas, Gallup insider, “Gallup: Romney's Jewish Support Slipping”, 07/27/12, AD: 07/28/12, <http://www.thejewishweek.com/blogs/political-insider/gallup-romneys-jewish-support-slipping> | Kushal)

¶ A Gallup Poll out on Friday on the eve of Mitt Romney's visit to Israel shows the presumptive Republican nominee losing ground to Barack Obama among Jewish voters and that Republicans like Prime Minister Benjamin Netanyahu a lot more than Democrats do.¶ "Americans have a more positive (35%) than negative (23%) view of Israeli Prime Minister Benjamin Netanyahu," according to the latest survey. Those overall numbers are largely unchanged since the last poll in May 1999, although the Israeli leader's standing among Republicans has risen while dropping among Democrats. ¶ Republicans have a more positive view of Netanyahu (50% favorable vs. 16% unfavorable) while Democrats are more negative (31% unfavorable vs. 25% favorable). Independents are also negative but by narrower margins.¶ "Democrats tend to view him more negatively than positively, perhaps due to his ideological leanings but also his recent disagreements with President Obama," according to Gallup. Some Israeli journalists have dubbed Netanyahu the Republican senator from Israel.¶ The new survey – taken in early July -- shows a four-point improvement in Obama's lead over Romney among Jewish Americans. They showed Obama leading by 68 percent to 25 percent, with seven percent undecided. That is an improvement for Obama from May when the split was 64-29.¶ By comparison, four years ago, in April 2008, Obama's lead over John McCain, the GOP nominee, was 61-to-32. He went on to win by 78-22 in November.¶ Both candidates have been devoting a great deal of money and effort courting Jewish support, and Romney's Middle East trip is a high profile effort to woo voters and raise money. For Romney there is the added factor of appealing to evangelical voters, who tend to be strong supporters of Israel but are also social conservatives and, while some are skeptical about Romney, a Mormon, they are largely lost to Obama.¶ The National Jewish Democratic Council said the poll's upward trend shows "the more American Jews get to know Mitt Romney, the less they like him and the more they support Obama."

#### Obama leading in Jewish voters, key constituents in swing states

The Hill 7/28

(*The Hill.* July 28, 2012. “Poll: Romney’s support among Jewish voters slips ahead of Israel trip” <http://thehill.com/blogs/ballot-box/polls/240855-poll-romneys-support-among-jewish-voters-slips-ahead-of-israel-trip>) Sherman

A new poll shows President Obama gaining among Jewish voters on the eve of GOP candidate Mitt Romney’s visit to Israel, but still well below his support in the 2008 election.¶ A Gallup poll finds Jewish registered voters supporting the president by 68 percent to 25 for Romney.¶ The numbers represent a slip for Romney from a June Gallup poll which found him at 29 percent to Obama's 64 percent support among Jewish voters.¶ The poll though still shows a drop from Obama’s 78 percent in the 2008 election, where his rival Sen. John McCain (R-Ariz.) gained 21 percent.¶ Both campaigns have worked hard to win Jewish voters, who are a key demographic in many important swing states.¶ Romney is headed to Israel on Sunday, his second stop on a three-country foreign tour that includes visits to the United Kingdom and Poland.¶ Democrats have sought to counter criticism from Romney and Republicans that the president has been a weak ally of Israel, failing to visit the country in his first term and for high-profile public disagreements with Israeli Prime Minister Benjamin Netanyahu over settlements in the Palestinian territories. ¶ Obama, on Friday, signed a bill which reaffirmed U.S.-Israel military and strategic ties. The bill passed Congress 10 days ago, but the president chose to sign it on the eve of Romney’s trip. ¶ Romney’s visit to Israel, where he will meet with Netanyahu will help him best with Republican voters, who hold the most positive views about the Israeli leader, the poll suggests. ¶ Fifty percent of Republicans view Netanyahu favorably, with 16 percent unfavorable, a net positive 34-point rating. Among independents Netanyahu has a net +9 rating, with 32 percent favorable and 23 unfavorable. Yet, among Democrats, he is viewed unfavorably by 31 percent, with 25 percent holding a positive view of the prime minister.¶ Gallup, however, says it is unlikely Romney will see much of a boost from Jewish voters in the polls due to his Israel trip “given the strong support Jewish voters have shown for Obama and the fact that Republicans, who are generally more pro-Israel, already overwhelmingly support Romney.”¶ Romney is also scheduled to meet Israeli President Shimon Peres and Palestinian Authority Prime Minister Salam Fayyad during his visit. The campaign has also planned a fundraiser at the King David Hotel in Jerusalem, where Romney will meet casino mogul Sheldon Adelson, who has been a key backer of super-PACs opposed to Obama’s reelection. ¶ Romney, in interviews with Israeli news organizations, pledged to “take whatever action is necessary” to prevent Iran from developing nuclear weapons, which Netanyahu’s government views as the main threat to Israel’s security.¶ On Friday, Romney’s campaign also circulated a statement from House Majority Leader Eric Cantor (R-Va.) criticizing White House press secretary Jay Carney for side-stepping questions about Jerusalem. ¶ Asked during the briefing which city, Jerusalem or Tel Aviv, the U.S. considered the capital of Israel, Carney would only say “our position has not changed.” ¶ While Israel’s government and some countries recognize Jerusalem as the capital, the U.S. does not officially acknowledge Jerusalem as the capital, with the U.S. embassy located in Tel Aviv.¶ The Gallup poll was conducted from July 9 to 12 and has a 4 percent margin of error.

### Obama - Yes - Foreign policy

#### Clinton, foreign policy record, shield Obama from Republican attacks

Dovere 7/27(Edward-Isaac, deputy White House Editor, “Hillary Clinton: President Obama's foreign policy 'shield'”, 07/27/12, AD: 07/28/12, <http://www.politico.com/news/stories/0712/79039.html?hp=l16> | Kushal)

¶ Mitt Romney is headed to Israel on Sunday — but Hillary Clinton got there first.¶ That’s a common pattern as the Republican candidate tries to refocus the presidential campaign around foreign policy with his weeklong overseas trip: The international record that the secretary of state has built for President Barack Obama, and her travel schedule along the way, help him block and parry the Romney attacks.¶ Continue Reading¶ Text Size¶ -+reset¶ Latest on POLITICO¶ Playbook: Full-Brit spectacular¶ Obama hits GOP on Bush tax cuts¶ Jesse Jackson Jr. in Mayo Clinic¶ Palin visits Chick-fil-A¶ Pols tweet Olympic ceremony¶ Romney camp briefs Hill Republicans¶ ¶ Of course, there are limitations. As secretary of state, Clinton is barred from taking an active political role in the campaign. And the two days she spent in Jerusalem this month on her most recent trip haven’t erased any of the complaints about Obama’s failure to make his own trip there since taking office.¶ (PHOTOS: Hillary Clinton's world travels, 2009-2012)¶ Democratic and many independent voters still have an unmatched, visceral connection to her — unlike any other modern secretary of state. She’s the best-known member of the administration, and her high 60s approval ratings put her far ahead of Obama and make her the most popular political figure in the country.¶ Though Obama praised her Thursday at a Cabinet meeting for “logging more miles than any secretary of state in history, dealing with a whole range of problems and opportunities around the globe,” his campaign doesn’t mention her. But it doesn’t have to — Republican and Democratic strategists agree that Obama’s chief ambassador abroad is inherently also the best ambassador for promoting the foreign achievements back home.¶ “She’s widely recognized by a very high percentage of persuadable voters for having done a terrific job as secretary of state,” Democratic consultant Steve Murphy said. “Having Hillary Clinton as part of the equation certainly strengthens Barack Obama’s argument on foreign policy and national security.”¶ **Polling consistently shows Obama ahead on foreign policy** — according to recent numbers from The New York Times and Gallup, **that’s the only part of the presidential portfolio where he consistently has a strong lead over Romney**.¶ Clinton’s accomplishments and star power limit Romney’s avenues to attack, said Steve Schmidt, who served as the top strategist for John McCain’s 2008 campaign.¶ “She provides a big shield for the president on any number of these issues,” Schmidt said. “Any time you can lay claim to one of the most popular people in the country and one of the most admired people in the country, then it’s a benefit for you.”¶ Take the most recent trip this month: Clinton started in Kabul to address the continuing U.S. withdrawal there — a key part of the record Obama is campaigning on. Romney has repeatedly accused Obama of being soft on China, but Clinton took a moment during a speech in Mongolia to knock the “shortsighted and ultimately unsustainable bargain” of “economic liberalization without political liberalization.” Then, just before Israel, Clinton stopped in Egypt, where Obama faces a situation complicated by the remnants of the Arab Spring and a new president from the Muslim Brotherhood. Clinton made clear that the U.S. isn’t going to do anything to force Israel into negotiations. Then she went to Jerusalem to talk about the U.S. commitment to Israel’s future and security.¶ ¶ ¶ Read more: <http://www.politico.com/news/stories/0712/79039.html#ixzz21vyl9aZj>

### Obama Good - Iran Strikes

#### Romney will strike Iran

Berman 7/29(Russell, staff writer for the Hill, “Romney says he would ‘respect the right of Israel to defend itself’”, 07/29/12, AD: 07/29/12, <http://thehill.com/video/campaign/240891-romney-says-he-would-respect-the-right-of-israel-to-defend-itself> | Kushal/Foster)

¶ Mitt Romney on Sunday gingerly took a step back from the comments of one of his top foreign policy advisers, who said the presumptive Republican nominee would “respect” a decision by Israel to launch a unilateral military strike against Iran.¶ ¶ “I’ll use my own words, and that is I respect the right of Israel to defend itself, and we stand with Israel,” Romney said in Israel, during an interview on CBS’s “Face the Nation.”¶ ¶ Earlier Sunday, Romney adviser Dan Senor was a bit more expansive on the delicate question of whether the U.S. would support a move by Israel to act militarily to halt Iran’s progress toward achieving nuclear weapons capability. ¶ ¶ "If Israel has to take action on its own, in order to stop Iran from developing that capability the governor would respect that decision,” Senor said in a briefing, according to several media reports.¶ As he has repeatedly done during his foreign trip, Romney declined to directly criticize President Obama or articulate a foreign policy that deviates from the current administration, saying he would not do so while on foreign soil. While in the United States, Romney has sharply denounced the president’s foreign policy and his relationship with Israel.¶ ¶ Romney on Sunday said preventing a nuclear-armed Iran should be the nation’s “first priority.”¶ ¶ ¶ ¶ RELATED ARTICLES¶ Romney visits Western Wall¶ Adviser says Romney would back Israeli attack on Iran¶ Appearing on CBS after Romney, Democratic Party chairwoman Debbie Wasserman Schultz said the two statements from Romney and Senor were “emblematic” of a foreign trip that has gone awry for the GOP standard-bearer.¶ ¶ ¶ ¶ “I think he’s **demonstrated pretty repeatedly since he’s been out of the country that he lacks the experience, he lacks the preparation and the diplomatic skills to be able to be commander in chief,** to be the President of the United States,” Wasserman Schultz said, ticking off a list of Romney missteps during his first stop in London for the Olympics.¶ ¶ Romney was forced to backtrack after his comments suggesting that London would not be prepared to host the games received sharp criticism from British Prime Minister David Cameron and London Mayor Boris Johnson.

### Obama - Link turn helpers

#### **Plan key to economy and business confidence – means Obama will win**

Morales 7/26[Lymari Morales is an adjunct professor of Journalism. She is the managing news editor of Gallup.Com, where she oversees all editorial content. Master in Public Policy, Harvard University, Bachelor of Science in Journalism, Northwestern University “U.S. Business Owners Now Among Least Approving of Obama” http://www.gallup.com/poll/156206/Business-Owners-Among-Least-Approving-Obama.aspx, 7/26/2012] TCM JL

With approval of President Obama trending somewhat higher, but remaining below the historical threshold for re-election, approval among different groups provides a lens of his strengths and weaknesses. While Obama has been able to maintain or increase his approval rating among most occupational groups so far this election year, he has lost ground among business owners. Although business owners represent just a small subset of the U.S. population, they are of course a critical component of the economy and overall economic optimism in the country. If business owners become more positive about Obama and his plans for the economy, that could potentially boost his approval ratings and broader U.S. economic confidence closer to the levels necessary for him to be well positioned for re-election. Conversely, further deterioration in his approval rating among business owners could certainly add to the perception that Obama is not doing enough to bolster small businesses in the country.

### Obama - No - Polls

#### Obama narrowly winning-latest polls

Z News 7/29 (“Obama vs Romney: 'Will be a close race throughout'”, Z News, 7/29/12, <http://zeenews.india.com/news/world/obama-vs-romney-will-be-a-close-race-throughout_790516.html>) Swoap

Washington: With less than 100 days to go for the crucial US Presidential Elections and the latest opinion polls reflecting a dead heat between Barack Obama and his Republican rival Mitt Romney, the incumbent President's top aide on Sunday acknowledged that it will be a close race. "I think this is going to be a very close race throughout it. That's what we've prepared for. That's why we're investing in a grassroots army to win this race on Election Day," Robert Gibbs, top Obama Campaign adviser, told the ABC news. Gibbs, before leaving for the Campaign served as the White House Press Secretary for the first two years of Obama's current term. The latest Gallup Poll has reflected a tie between Obama and Romney. According to RealClearPolitics, which keeps track of all the opinion polls, Obama has a slender lead of 1.6 point over Romney in an average of all the opinion polls.

|  |
| --- |
|  |

Of the top seven recent polls, Obama leads in six of them, even though it is by a small margin, while Romney is leading in only one. However, the Obama Campaign exuded confidence that the US President would be able to make it through the November 6 elections even if it is going to be close.

#### Obama winning – more likable candidate

Washington Post 7/28 (“Romney’s problem? Americans don’t like him as much as Obama, polls say.”, Washington Post Politics, 7/28/12, <http://www.washingtonpost.com/politics/in-romney-vs-obama-competency-may-be-trumped-by-likability/2012/07/28/gJQAE6uKGX_story.html>) Swoap

If you believe the polls, it would appear there is one big factor standing in the way of Mitt Romney being elected president: Americans don’t like him as well as they do Barack Obama. That was confirmed again in [a new USA Today-Gallup](http://www.gallup.com/poll/156134/Obama-Character-Edge-Offsets-Romney-Economic-Advantage.aspx) survey in which respondents gave Romney higher marks on the economic issues, which voters say they care most about this year. But President Obama crushed Romney — 60 percent to 30 percent — on the question of which of the two was more likable. [4415](http://www.washingtonpost.com/politics/in-romney-vs-obama-competency-may-be-trumped-by-likability/2012/07/28/gJQAE6uKGX_allComments.html#comments) In April, [a Washington Post-ABC News poll](http://www.washingtonpost.com/politics/polling/regardless-romney-seems-obama/2012/07/09/gIQA7zcAjT_page.html)found an even larger gap, with 64 percent of those surveyed describing Obama as the friendlier, more likable candidate, and only 26 percent saying that about Romney. “We’re not going to win a personality contest. It’s not an election for class president. It’s who can best solve the problems of the country,” said Romney’s pollster, Neil Newhouse. “Likability isn’t fixing the economy or helping the middle class make ends meet.” In part, the disparity reflects a natural reserve, even an awkwardness on Romney’s part. It also reveals a sensitivity to the fact that there are upsides and downsides politically to defining himself through his biography — his Mormon faith, his spectacularly successful business career, his wealth and his stint as the governor of a liberal state. Asked last week by NBC News’s Brian Williams whether he is “unknowable to us,” Romney insisted that he is trying and still has opportunities to introduce himself. “You know, I’ve been on ‘The Tonight Show’ and ‘Letterman’ and ‘The View,’ and I do some of those things to get better known,” he said in the interview that was broadcast Wednesday. “But at the same time, most folks won’t really get to see me until the debates and will get a better sense of the character that I have.” Romney also seemed to acknowledge that he is not exactly a natural when it comes to selling the inner Mitt. “My wife and my sons and daughters-in-law, they’re doing the best job they can to get the real story about who I am in public view,” he said. In every presidential election for the past two decades, the candidate viewed as more likable was the one who won.

#### Romney will win - funding, latest polls

**Masters 7/29** (Robin, staff writer for NewsMax, “Sen. Kerry Admits 'Unthinkable': Obama Could Lose”, 07/29/12, AD: 07/30/12, <http://www.freerepublic.com/focus/f-news/2912277/posts> | Kushal)

Sen. John Kerry, D-Mass., sent out an urgent fundraising email Sunday urging Democrats to pony up their cash or face the "unthinkable" — an Obama loss come November.¶ In his e-solicitation for the Democratic Senatorial Committee, Kerry noted that just 100 days remain until election day, adding, "You don’t want to wake up after the election to President Romney, a Republican Senate and nothing but 'what ifs.'”¶ In 2004, Kerry lost in his presidential race to George W. Bush in a squeaker race.¶ Kerry continued:¶ "But it’s as possible as it is unthinkable. President Obama actually trailed in the latest NYT/CBS poll. 'Must win' Senate races are tied. Armed with the largest war chest in history, Rove’s sleazy attacks could swing the nation’s balance of power radically to the right."¶ Kerry urged Democrats to make a donation of $5 or more to stop "Rove's money machine" and help elect Obama and "progressive candidates."

### Obama - No - Democratic Base

#### Election will swing to Romney---Polls show Democrats lose desire to vote for Obama

NewsMax 7/26, Newsmax Media is a news organization that operates an online news website and a magazine. 7/26/12[NewsMax, “Poll: Democrats Lose Desire to Vote for Obama” NewsMax, [http://www.newsmax.com/Politics/obama-romney-election-vote/2012/07/26/id/446651]ADravid](http://www.newsmax.com/Politics/obama-romney-election-vote/2012/07/26/id/446651%5DADravid)

Enthusiasm among Democrats to voting in the presidential election is slipping, according to a new USA Today/Gallup poll. The survey shows that only 39 percent of Democrats and those who lean Democratic are "more enthusiastic about voting than usual" in the race between President Barack Obama and Republican candidate Mitt Romney. That compares with 61 percent in 2008 and 68 percent in 2004, when Sen. John Kerry, D-Mass., was running against President George W. Bush. Those numbers obviously aren’t good for Obama, and it gets worse. Among Republicans and those who lean Republican, 51 percent are more enthusiastic about voting. That’s up from 38 percent in 2008 and unchanged from 2004. “The Republican advantage may indicate a greater likelihood of voting among Republicans, but also greater optimism about a Republican victory than was the case in 2008,” writes Gallup’s Jeffrey Jones. “In turn, Democrats are probably less optimistic about their chances of winning than they were in 2008.” The portion of overall voters who are more enthusiastic about voting than usual has slipped to 44 percent from 48 percent in 2008 and 59 percent in 2004. “With voter enthusiasm down significantly from 2004 and 2008 levels, it is reasonable to expect that turnout will be lower this presidential election than in the last two elections, both of which had above-average turnout,” Jones writes. “Republicans' greater enthusiasm about voting is a troubling sign for the Obama campaign, especially given the fact that registered voters are essentially tied in their presidential voting preferences, and that Republicans historically vote at higher rates than Democrats do.” To be sure, it may just be that Democrats are depressed by the prospects of an Obama defeat and will still vote in large numbers, Jones says.

### Obama - No - Economy

#### NU and turn - Americans trust Romney more with economic issues - they want a reduction of deficit - plan will only hurt Obama

Jones 7/30 [Jeffrey M. Jones is an assistant director and a research fellow at the Hoover Institution. Jones specializes in welfare reform and workforce investment policy and actively studies American values and culture. “Americans Want Next President to Prioritize Jobs, Corruption” http://www.gallup.com/poll/156347/Americans-Next-President-Prioritize-Jobs-Corruption.aspx, 7/30/2012] TCM JL

Americans' to-do list for the president on Jan. 20, 2013 -- whether it be Obama or Romney -- includes creating good jobs, reducing government corruption, and reducing the federal budget deficit. Supporters of both candidates agree about the importance of jobs and corruption, while the deficit is a higher priority for Romney supporters than Obama supporters. In turn, Obama supporters believe the next president should have healthcare, Social Security and Medicare, and public education among his highest priorities. Job creation has certainly been and will continue to be a major topic during the remainder of the campaign. And both candidates will surely need to outline their plans for reducing the federal budget deficit. However, it is unclear whether government corruption will become a major issue in the campaign, even though Americans see reducing it as an important goal. The candidate who Americans think has the better plans on each of these issues will have an advantage. As of now, Americans believe Romney is better able to handle [jobs and the deficit](http://www.gallup.com/poll/156134/Obama-Character-Edge-Offsets-Romney-Economic-Advantage.aspx) than Obama is. Still, the two candidates remain locked in a tight race, with [voters' presidential preferences](http://www.gallup.com/poll/150743/Obama-Romney.aspx) evenly divided.

#### **Romney will win - slow economy**

Politico 7/27/12 (Politico,News station for the political situation in the White House, “New GDP numbers add to old worries for Obama”. 7/27/12. AD: 7/28/12. http://www.politico.com/news/stories/0712/79053.html|Ashwin)

Fresh evidence of a significantly slowing U.S. economy Friday posed new headaches for President Barack Obama’s re-election bid – coming on top of weak readings in recent weeks on employment numbers and concerns that the seemingly endless European debt crisis will keep the American economy from getting off the mat.¶ The economy grew at an annual rate of 1.5 percent in second quarter compared to a 2 percent rate in the first quarter of 2012, the U.S. Department of Commerce’s Bureau of Economic Analysis reported on Friday. And the report offered little hope for a dramatic uptick in the third quarter – a number that will be released just five weeks before the Nov. 6 election. Nobody is going to be really happy with the economy going into the end of the year,” said Mark Zandi, chief economist of Moody’s Analytics¶ The sluggish growth number will only ratchet up anticipation for the new monthly employment numbers that will be released next Friday.¶ The Romney campaign and congressional Republicans on Friday were quick to jump on the GDP number and point to it as evidence that the president’s economic policies have failed. Romney has made charges of Obama’s failed economic stewardship the central plank of his campaign to unseat him.¶ “If we keep up at this rate, over the next year or two, we will simply never get back to full employment,” Glenn Hubbard, a top economic adviser to the Romney campaign, told CNBC. “It’s not good news.” But the GDP is a sort of triple-whammy in the key measures many voters use to assess just how the economy is doing. Months of sluggish jobs numbers have made it unlikely Obama will see unemployment dip below 8 percent, a figure it has remained above for 41 straight months, before voters go the polls in November.¶ “I think GDP growth will be about 2 percent, which is what we’ve been getting over the past year or so,” Zandi said. “Job growth will be 125,000 [to] 150,000 per month through the end of the year, which isn’t enough to make significant progress in unemployment.” The stock market has offered little comfort to voters as well. In recent weeks the Dow Jones Industrial Average has been spiking up and down as anxious investors react to any tidbit of news about the European debt crisis, whether Congress will act to prevent year-end tax increases and spending cuts and on speculation about whether the Federal Reserve will act again to rev up the economy.¶ Stocks were trading up Friday as the GDP number boosted hopes among investors that the Fed will make a move soon. Republican strategist Karl Rove said the bad news could be a boon to the Romney campaign, but only if he carefully times the release of his own economic messaging.¶ “He’s got to say something to appease those hand-wringers among Republicans,” Rove said Friday on Fox Business. “On the other hand he’s got to hold off on that ammunition until closer to the convention, and then in September and October so it seems fresh to independent voters.”¶ Obama’s own plans for new economic aid will almost certainly be thwarted by pre-election Congressional gridlock.

#### Obama won’t win election – economy key issue

Koffler 7/27 (Keith Koffler, veteran reporter of the White House, “How Can Obama Win With This Economy?” <http://www.realclearpolitics.com/2012/07/27/how_can_obama_win_with_this_economy_285934.html>, 7/27/12, Bhattacharyya)

There’s just no longer any way to spin this. There is no reason why the economy should not be picking up after three and a half years of the Obama presidency. Unless the problem is the Obama presidency. The Commerce Department announced today that the economy grew only 1.5 percent the second quarter of the year. This is not an aberration or hiccup. Since Obama was inaugurated, the economy has grown above 2.5 percent only twice, and only once since the beginning of 2011. This is the Obama economy. I want to tell you something. There are certain bottom lines in life. Obama has failed to turn the economy around. And Mitt Romney is going to have more money to spend on the campaign than the president. You can do all the micro-targeting, all the get–out-the-vote efforts, and all the demonization of your opponent that you want. But unless it turns out that Romney spent his weekends during the 1980s robbing banks and loan sharking, I just don’t see how Obama gets reelected. Perhaps the only thing that can save Obama would be a dramatic external event, like war with Iran or a terrorist attack, which causes the country to rally around the president. It could happen. The interesting thing about the slowing economy is the cause: Businesses and consumers don’t want to spend. They are uncertain. And that’s Obama’s fault. Instead of laboring with Congress to put in place long term solutions to the recession, such as tax reform and changes to the entitlement system that would rein in the long term deficit, Obama has added a new entitlement – Obamacare – and thrown bits and pieces of stimulus at the problem. People don’t know what Obamacare will do to the economy. Banks are still waiting while rules for the two year old, endlessly complex Dodd-Frank financial reform bill are written. There is no plan to conquer the deficit, which casts a pall of uncertainty over the nation’s future. Obama’s plan to “secure the future” was to create new subsidies – “investments” – for green industries. But no serious person believed that this was anything but the usual liberal spending. Obama had a chance to set the boat right before exploring new territory. Instead he took us on a journey across the Seven Seas to find the Left Wing Holy Grail. And now we’re shipwrecked. He will pay the price.

### Obama - No - Momentum

#### Romney is Gaining Traction

Silver 7/26 Nate Silver is an expert mathematician and is known for creating a formula to have great accuracy at predicting the winner of presidential elections. (“July 25: Romney Gains in Tracking Polls”, http://fivethirtyeight.blogs.nytimes.com/2012/07/26/july-25-romney-gains-in-tracking-polls/, 7/26/2012) Kerwin

I am in the midst of [explaining](http://fivethirtyeight.blogs.nytimes.com/2012/07/24/state-and-national-polls-tell-different-tales-about-state-of-campaign/) how the FiveThirtyEight forecast model evaluates state polls along with national polls in an effort to determine where the overall race stands. I suppose I think that the national polls sometimes receive a bit too much attention.¶ But we, at FiveThirtyEight, are not dogmatic about this. The model does use national polls as well — including the various tracking polls that are released on a daily or weekly basis, and sometimes they can have a discernible influence on the forecast.¶ Mitt Romney has seen some improvement in these tracking polls over the last week. The [Rasmussen Reports tracking poll](http://www.rasmussenreports.com/) had him four points ahead of Barack Obama as of Thursday. Galllup’s [tracking poll](http://www.gallup.com/poll/150743/Obama-Romney.aspx) showed him moving back into a one-point lead after Mr. Obama had held the advantage for most of the past few weeks.¶ Both the Rasmussen Reports and Gallup polls have been [slightly Republican-leaning](http://fivethirtyeight.blogs.nytimes.com/2012/06/22/calculating-house-effects-of-polling-firms/) relative to the consensus of surveys. But that is not true of two polling firms that release weekly tracking polls, [Public Policy Polling](http://dailykos.com/weeklytrends) and [YouGov](http://cdn.yougov.com/cumulus_uploads/document/t94ooj9582/20120721%20econToplines.pdf), and both of those polls showed Mr. Romney gaining as well.¶ These tracking polls are subject to the same random noise that any other surveys are — and sometimes the movement they appear to show can be spurious. But the one nice thing about them is that they do provide a steady basis for comparison. Our hope, of course, is that the forecast model can weigh their pluses in minuses in a sensible way.¶ Add it up, and Mr. Romney has gained some ground in the FiveThirtyEight forecast over the past few days. His chances of winning the Electoral College were listed at 35.0 percent by the model as of Wednesday night’s forecast, his best figure since the June 26 release of our numbers.¶

#### Romney will win- voter enthusiasm

Newsmax Wires 7/26 (“Poll: Democrats Lose Desire to Vote for Obama”, 7/26/12, <http://www.newsmax.com/Politics/obama-romney-election-vote/2012/07/26/id/446651>)Swoap
Enthusiasm among Democrats to voting in the presidential election is slipping, according to a new [USA Today/Gallup poll](http://www.gallup.com/poll/156194/Democratic-Voting-Enthusiasm-Down-Sharply-2004-2008.aspx). The survey shows that only 39 percent of Democrats and those who lean Democratic are "more enthusiastic about voting than usual" in the race between President Barack Obama and Republican candidate Mitt Romney. That compares with 61 percent in 2008 and 68 percent in 2004, when Sen. John Kerry, D-Mass., was running against President George W. Bush. Those numbers obviously aren’t good for Obama, and it gets worse. Among Republicans and those who lean Republican, 51 percent are more enthusiastic about voting. That’s up from 38 percent in 2008 and unchanged from 2004. “The Republican advantage may indicate a greater likelihood of voting among Republicans, but also greater optimism about a Republican victory than was the case in 2008,” writes Gallup’s Jeffrey Jones. “In turn, Democrats are probably less optimistic about their chances of winning than they were in 2008

### Obama - No - Campaign funding

#### Lack of campaign funds dooms Obama

**Williams 7/30** (Juan, staff writer for the Hill, “Opinion: Obama camp facing cash crisis”, 07/30/12, AD: 07/30/12, <http://thehill.com/opinion/columnists/juan-williams/240913-opinion-obama-camp-facing-cash-crisis> | Kushal)

Get ready for this year’s “October Surprise” — the news event in the weeks before the presidential election that has the potential to push the remaining undecided voters behind one candidate and decide the outcome.¶ Here’s a sneak peek at the “surprise.”¶ In late October, President Obama announces his campaign is tapped out of money and unable to answer the final round of attack ads from his opponent, Mitt Romney. ¶ This scenario is no longer outside the realm of possibility. ¶ On a recent conference call with potential donors, President Obama said: “If things continue as they have so far, I’ll be the first sitting president in modern history to be outspent in his reelection campaign.”¶ The president then asked his donors “to meet or exceed what you did in 2008.” ¶ That is a pretty high bar to clear. ¶ In 2008, Obama shattered all campaign fundraising records by bringing in more than $700 million. His GOP opponent, John McCain, raised only $316 million, giving the Democrat a tremendous advantage.¶ It is a different ball game this time around.¶ At the moment, President Obama’s campaign has $170 million in the bank while his GOP opponent, Mitt Romney, has $144 million.¶ But the Romney money machine is gaining momentum. ¶ It raised more money than the Obama campaign in May and June. Romney’s donors also appear to have more money: Only 17 percent of Romney’s donations have been less than $200, compared to 40 percent of Obama’s donations that came in at less than $200.¶ The big money going to Romney also has more ways than ever to avoid limits on donations. Keep in mind this is the first presidential election since the Supreme Court’s ruling in Citizens United, which opened the floodgates for unlimited contributions to outside groups and created the super-PACs.¶ Since January 2011, the GOP super-PACs have collected $228 million while Democratic super-PACs have deposited only $80 million. “Restore Our Future,” the super-PAC supporting Romney, now has $21.5 million in cash on hand. The super-PAC supporting the president, “Priorities USA,” has only $2.7 million in cash on hand.¶ So the total dollars behind Romney already exceed the total dollars behind the president. And the money differential is showing up in the television advertising wars.¶ The DNC has spent $12 million on advertising so far while the RNC has spent $11 million. But as of July 26, the pro-Romney “Restore Our Future” super-PAC has spent roughly $54 million on TV ads. The conservative American Crossroads/Crossroads GPS groups have spent a total of $94 million on TV ads. That is about five times the spending of all Democratic super-PACs combined.¶ One point of optimism for the Democrats playing in this big money game is that the DNC and Obama campaign are sitting on $135 million in cash, slightly more than the $111.9 million Romney and the RNC have in the bank.¶ But Obama’s campaign is burning through its money at a faster rate than the Romney team.¶ The Obama campaign spent twice as much as the Republicans in June. ¶ The incumbent’s campaign purchased more TV ads, paid more than twice as many employees as Romney and spent millions of dollars on public opinion polls, according to FEC filings.¶ In May and June combined, the Obama campaign spent 20 percent more than it took in, records show.¶ The Wall Street Journal reports “some Democrats worry that the overhead built by the Obama camp over the past 15 months will prove impossible to sustain. Unless fundraising picks up, the Obama campaign may enter the season’s final stretch confronting hard choices: paring salaries, scaling back advertising or pulling out of swing states in a bid to control costs, these Democrats say.”¶ In an interview with USA Today, Democratic strategist Mark Mellman said 80 percent of advertising dollars are probably wasted, but there is no way to know it is a waste until the campaign is over. ¶ Of course, the Romney campaign is delighting in its fundraising advantage. One incredible fact of this 2012 campaign is that, without spending a dime on ads in swing states, the Romney campaign can still compete because of ads being paid for by pro-Romney super-PACs.¶ “You don’t want to be caught flat-footed and unable to close out a campaign,” Romney pollster Neil Newhouse told USA Today. Indeed. ¶ Team Obama is already screaming for help from past donors to stave off any October shock.¶ But will Democrats who once heard that the president might raise $1 billion for this campaign be convinced he is not playing the Shepherd Boy — who cried wolf so often that people stopped believing his calls for help.¶ Right now the numbers show there really is a wolf at the Democrats’ door in the form of surging GOP money.

### Obama - No - Swing states

#### Romney gaining traction with Jewish voters- key to win swing states

Martin and Burns 7/28 (Jonathan and Alex, senior political editors for the Politico, “Mitt Romney eyes gains among Jewish voters”, 07/28/12, AD: 07/28/12, <http://www.politico.com/news/stories/0712/79071.html?hp=t1> | Kushal/Chan)

¶ LONDON — It has become a predictable quadrennial ritual: Republicans claim this is the presidential election that their pro-Israel credentials will translate into crucial gains among Jewish voters.¶ ¶ What actually could make this White House campaign different, the first one in the post-Citizens United era, is just how hard-fought and expensive the battle for what is only three percent of the electorate ultimately could be.¶ ¶ Even though Republicans haven’t cracked 25 percent of the Jewish vote since 1988, GOP backers of Mitt Romney — who arrives in Israel Saturday — **are mounting what likely will be the most aggressive effort yet in dollars and cents to woo one of Ohio and Florida’s most pivotal constituencie**s.¶ ¶ And Democrats, alarmed by the drumbeat of news about how much money Jewish casino magnate Sheldon Adelson is donating to the Republican cause, are responding by forming their own operation to spend millions defending President Barack Obama on Israel.¶ ¶ ¶ And that’s just the outside groups.¶ ¶ Even before Romney’s weekend visit — a trip highlighted by meetings with top officials in Jerusalem and a speech reasserting his commitment to the Jewish state, both aimed at domestic political consumption — Obama sought to disrupt the presumptive GOP nominee’s carefully planned courtship.¶ ¶ “I have made it a top priority for my administration to deepen cooperation with Israel across the whole spectrum of security issues,” the president said Friday in an Oval Office ceremony convened for him to sign into law a measure expanding U.S. financial aid for Israel’s defense and bolstering cooperation between the militaries of both nations.¶ ¶ What makes GOP officials optimistic this year are the new financial rules of campaigns and perceptions about Obama among some Jews.¶ ¶ The Republican Jewish Coalition has committed to spending more than $6 million on an ad campaign that seeks to tap in to “buyer’s remorse” among Jews who supported Obama in 2008.¶ ¶ And GOP sources say ultimately it could be significantly more than that thanks to Adelson, whose top concern is the security of Israel and who has told associates that he’s willing to keep tapping his multibillion dollar fortune to help Republicans this year. With no caps on how much he can give to outside groups, the Las Vegas gambling tycoon is free to bankroll an unprecedented campaign for the RJC — and any other group he wants to seed.¶ ¶ Further, with concern about a nuclear Iran rising, some of the most Israel-focused Jewish voters, “AIPAC Jews,” may be looking for a harder-line approach from a White House that has done little to mask its frustration with Israeli Prime Minister Benjamin Netanyahu.¶ ¶ “What underlies a lot of the angst on the part of the American Jewish community is this administration’s treatment of Israel,” said House Majority Leader Eric Cantor. “It’s almost unfathomable how the relationship started, with President Obama going to Cairo and speaking toward the Arab world in open and welcoming terms but demanding Israel stop construction in Jerusalem.”¶ ¶ Some Jewish voters will certainly move to Romney over Israel, just as some older Jews in 2008 were skeptical about a political unknown who had defeated a Clinton and had “Hussein” for a middle name. But even then, Obama still claimed 78 percent of the Jewish vote.¶ ¶ The question looming now is whether, in what’s shaping up to be a much tighter race than 2008, **Romney can pull enough Jewish votes away from Obama to eke out a victory in mega-swing states Florida and Ohio.¶ ¶ “Republicans don’t need a majority of the American Jewish community, but if we could just gain some Jewish voters that could flip the election**,” Cantor said.

### Obama - No - Swing States - Wisconsin

#### Romney will win—Wisconsin key

Moe 7/29. (Alex, reporter for First Read, “Ryan: Romney can win Wisconsin”, First Read, 07/29/12, <http://firstread.msnbc.msn.com/_news/2012/07/29/13023436-ryan-romney-can-win-wisconsin?lite>, 07/30/12, Chin)

JANESVILLE, Wis. -- Campaigning for the GOP nominee in his home state with just 100 days before the presidential election, Congressman Paul Ryan said he is confident Mitt Romney can win here in the Badger State this November.¶ "We haven't gone Republican on top of the ticket since 1984 but we think this time is different. We think it’s different because people in Wisconsin are tired of the direction Washington is going. They don't the president's policies have worked," Ryan told NBC News in an interview Sunday evening. They think, “this is not the uniter. This is not the hope and change. This is a man who is dividing us, who is giving us terrible economic policies, who is growing government, who is growing the debt, and that just doesn't rub right with Wisconsinites."¶ ¶ And the Republican National Committee Chairman predicted victory as well:¶ "If we win Wisconsin, I think it is lights out for Barack Obama," Chairman Reince Preibus told reporters in Waukesha.

### Obama - No - Key demographics

#### Obama will lose- losing key demographic support- young people and unions

Merkel 7/27 (Jesse,  writing about the political scene in Rochester for Examiner “Obama 2012 Election Victory is Anything But Guaranteed”, Policy Mic, 7/27/12,

<http://www.policymic.com/articles/11919/obama-2012-election-victory-is-anything-but-guaranteed>) Swoap

No doubt this has sent red flags up all across the Obama campaign. However, it may not be the only bad news. One more statistic that probably has the president and his top campaign officials worried is that no president has ever won re-election while at the same time loosing a popular support during their first term. 24 presidents in U.S. history have sought reelection. Of the 15 that succeeded in earning successive victories, each of them enjoyed more popular support the second time around than they did the first. George W. Bush, despite how heated things became towards the end of his first term, enjoyed [11.6 million more](http://www.washingtonpost.com/wp-dyn/content/article/2008/11/05/AR2008110503927.html) votes in 2004 than he did in 2000. No president has ever lost support and still retained the office. President Obama has good reason to be concerned, because of the fact that he has been slowly but steadily bleeding support. Jewish support has dropped for the president by [10 points](http://www.newsmax.com/Newsfront/gallup-obama-loses-jewish/2012/06/10/id/441803) according to Gallup. It is the first significant drop in Jewish support for a Democratic presidential candidate in over two decades. (Michael Dukakis also saw a significant drop in support among this group before losing to George H.W. Bush in 1988) Mitt Romney could make further inroads with Jewish voters once his support for Israel and personal friendship with Israeli Prime Minister [Netanyahu](http://www.foxnews.com/politics/2012/07/25/romney-overseas-tour-chance-to-showcase-netanyahu-friendship/) becomes better known. [Young people](http://www.newsmax.com/Politics/students-Obama-support-drops/2012/06/23/id/443237) and [union households](http://www.gallup.com/poll/155138/Majority-Union-Members-Favor-Obama-Third-Back-Romney.aspx) also support President Obama overall, however his support has fallen with both of these groups since assuming office. Non-union workers have tilted over to Romney. The percentage of small business owners that support Obama has [dropped to 35%](http://content.usatoday.com/communities/theoval/post/2012/07/gallup-obamas-approval-rating-with-business-owners-drops/1#.UBIJLhxX6ko), dropping sharply from 41% during the first quarter of this year.

### Obama - No - Economy

#### Economy, Europe, and employment gut Obama’s chances

Reis 7/27 (Patrick, economics advisor for the Politico, “New GDP numbers add to old worries for Obama”, 07/27/12, AD: 07/28/12, <http://www.politico.com/news/stories/0712/79053.html?hp=l1> | Kushal)

¶ Fresh evidence of a significantly slowing U.S. economy Friday posed new headaches for President Barack Obama’s re-election bid – coming on top of weak readings in recent weeks on employment numbers and concerns that the seemingly endless European debt crisis will keep the American economy from getting off the mat.¶ The economy grew at an annual rate of 1.5 percent in second quarter compared to a 2 percent rate in the first quarter of 2012, the U.S. Department of Commerce’s Bureau of Economic Analysis reported on Friday.¶ Continue Reading¶ Text Size¶ -+reset¶ Latest on POLITICO¶ Playbook: Full-Brit spectacular¶ Obama hits GOP on Bush tax cuts¶ Jesse Jackson Jr. in Mayo Clinic¶ Palin visits Chick-fil-A¶ Pols tweet Olympic ceremony¶ Romney camp briefs Hill Republicans¶ ¶ And the report offered little hope for a dramatic uptick in the third quarter – a number that will be released just five weeks before the Nov. 6 election.¶ (Also on POLITICO: Graph: GDP numbers)¶ “Nobody is going to be really happy with the economy going into the end of the year,” said Mark Zandi, chief economist of Moody’s Analytics¶ The sluggish growth number will only ratchet up anticipation for the new monthly employment numbers that will be released next Friday.¶ The Romney campaign and congressional Republicans on Friday were quick to jump on the GDP number and point to it as evidence that the president’s economic policies have failed. Romney has made charges of Obama’s failed economic stewardship the central plank of his campaign to unseat him.¶ “If we keep up at this rate, over the next year or two, we will simply never get back to full employment,” Glenn Hubbard, a top economic adviser to the Romney campaign, told CNBC. “It’s not good news.”¶ The Obama administration noted that while the economy is not growing as fast as hoped, there has been a vast improvement since the president took office in 2009 — the message it has been trying to sell to voters.¶ Then the administration hit back, with White House Press Secretary Jay Carney pivoting off the GDP report to pressure Congress to pass the president’s Jobs Act, which he said would create 1 million jobs.¶ “We’re going to keep pressing for action,” Carney said, noting that Obama would continue to do so personally. “He is going to continue to hammer the point that we know what we can do right now… to spur job growth.”¶ Alan B. Krueger, chairman of the White House Council of Economic Advisers, highlighted flagging public spending as a cause for the slowing economy and noted the president’s plan to send funding to state and local governments to hire teachers, police officers, emergency medical technicians and firefighters.¶ The data released on Friday showed that federal spending dipped 0.4 percent, while spending by state and local governments dipped 2.1 percent.¶ “While the economy continues to move in the right direction, additional growth is needed to replace the jobs lost in the deep recession that began at the end of 2007,” Krueger said.¶ But the GDP is a sort of triple-whammy in the key measures many voters use to assess just how the economy is doing. Months of sluggish jobs numbers have made it unlikely Obama will see unemployment dip below 8 percent, a figure it has remained above for 41 straight months, before voters go the polls in November.¶ “I think GDP growth will be about 2 percent, which is what we’ve been getting over the past year or so,” Zandi said. “Job growth will be 125,000 [to] 150,000 per month through the end of the year, which isn’t enough to make significant progress in unemployment.”¶ ¶ ¶ Read more:

#### Obama will lose- business owner support non-existent

Knox 7/26(Oliver, staff writer for Yahoo News, “Obama slumps among business owners: Gallup”, 07/26/12, AD: 07/28/12, <http://abcnews.go.com/Politics/OTUS/obama-slumps-business-owners-gallup/story?id=16861659#.UBQQHrT-dtA> | Kushal)

If the November election was held today, and only business owners could vote**, President Barack Obama would lose in a landslide**, according to a new Gallup poll. The survey, released Thursday, found that 35 percent of that relatively small minority of Americans approve of the job he's doing, while 59 percent disapprove.¶ The figure slipped from 41 percent approval in the first quarter of 2012, Gallup said. The organization underlined that the decline came in March and April, well before the Republican onslaught on his remarks about small businesses owing some of their success to government investments in things like infrastructure and education.¶ "Thus it is not yet clear whether those comments have led to further deterioration in Obama's standing among small-business owners," Gallup said.¶ The president might also write off the bulk of voters from the farming, fishing or forestry sectors. His approval rating there is just 34 percent, against 57 percent disapproval. Those in construction and mining also seem to favor Republican challenger Mitt Romney: Obama's ratings there break down to 37 approve to 53 percent disapprove.¶ Maybe the president could call in some help from workers from the installation or repair fields, where 44 percent approve of the job he's doing — up sharply from 32 percent in the first quarter of 2012.¶ Overall, 47 percent of Americans approved of the president's work, and 47 percent disapproved — a slight improvement from a 45-48 percent split in the first quarter.¶ Where does Obama do best? He's running 52 percent approval to 43 percent disapproval among professional workers, 51-45 percent among clerical or office workers and 50-40 percent among service workers. And the survey showed him making gains from the first quarter of 2012 among seven of the 11 professional categories Gallup used, stalled in two and down in two.¶

### Obama - No - AT: Incumbent

Obama loses—empirically candidates who don’t fulfill campaign promises aren’t reelected
Blake 7/26 (Aaron, writer for the Washington Post, “Obama’s win-big-or-go-home problem”, 7/26/12, <http://www.washingtonpost.com/blogs/the-fix/post/obamas-win-big-or-go-home-problem/2012/07/26/gJQABIBLBX_blog.html>, Accessed 7/28/12, Chan)

But the data suggest that voters have rarely reelected a president who hasn’t lived up to their initial promise. If a president is losing voters from his first race, he is almost always losing reelection too.¶ But that may be also be due to the advantages of incumbency. Many presidents win their first term by small margins because they aren’t as well-known. If they succeed and people get to know them, of course more people are going to vote for them the second time.¶ Obama had a relatively big win his first time around (at least as far as today’s polarized electorate is concerned). Matching that win was a tall order from the beginning.¶ But the fact is that most presidents in Obama’s position — that is, in worse shape than in their first race — go on to lose.

### 2AC Agenda Pol Cap Thumpers - Tax Cuts

#### Tax bills gut your DA

Berman and Becker 7/28. (Russell and Bernie, “Vulnerable House members face tough votes on competing tax bills”, The Hill, 07/28/12, <http://thehill.com/homenews/house/240861-vulnerable-house-members-face-tough-votes-on-competing-tax-bills>, 07/29/12, Chin)

Vulnerable House lawmakers will face tough decisions next week when two competing tax bills come to the floor, and some Democrats are indicating they will back a Republican plan to extend all rates for another year.¶ Democratic leaders are expected to offer the proposal that passed the Senate on Wednesday, which extends the George W. Bush-era tax rates only for family income up to $250,000, as an alternative to the GOP measure.¶ Two House Democrats — Reps. Collin Peterson (Minn.) and Joe Donnelly (Ind.) — said they would vote with Republicans to extend all the tax rates through 2013. A third, Rep. Henry Cuellar (Texas), said he was leaning toward supporting a full extension as well.¶ Several other Democrats told The Hill they were still weighing whether to support the GOP bill, including Reps. Gerry Connolly (Va.), Ron Barber (Ariz.) and Shelly Berkley (Nev.), a Senate candidate.¶ Levin noted that, against some predictions, Senate Democrats only lost two votes from the caucus for their tax bill. Sens. Joseph Lieberman (Conn.), an Independent who caucuses with Democrats, and Jim Webb (Va.), who is retiring, voted with Republicans.¶

“

#### Tax cuts massively controversial in Congress

McNamara 7/26 (Eileen, “Senate Passes Middle Class Tax Cuts”, Enfield Patch, 7/26/12, <http://enfield.patch.com/articles/senate-passes-middle-class-tax-cuts-3e3b03be>) Swoap

The U.S. Senate narrowly approved a plan Wednesday to extend the Bush-era middle class tax cuts to all households earning less than $250,000, with Connecticut Independent Joseph I. Lieberman joining Republicans to vote against the plan and Democrat Richard Blumenthal voting with the Democrats. [The measure passed the Senate on a vote of 51-48](http://www.huffingtonpost.com/huff-wires/20120726/us-congress-taxes/) and sets the stage for a political showdown next week in the U.S. House of Representatives. It is also expected to become a central issue in the presidential race.

#### Politically controversial tax cut fight is what’s taking PC

Jackson 7/28 (David, 1999 Pulitzer Prize for public service, reporter for the Chicago Tribune, “Obama presses GOP on Bush tax cut plan”, The Oval, USA Today, 7/28/12, <http://content.usatoday.com/communities/theoval/post/2012/07/obama-presses-gop-on-bush-tax-cut-plan/1#.UBWGerSe6So>) Swoap

President Obama and the Republicans staked out their positions Saturday on the George W. Bush tax cuts, each seeking to blame the other if taxes go up next year. In his weekly address, Obama said House Republicans should go ahead and extend the Bush tax cuts for the middle class, but not for filers who make more than $250,000 annually. "Instead of doing what's right for middle class families and small business owners, Republicans in Congress are holding these tax cuts hostage until we extend tax cuts for the wealthiest Americans," Obama said. Meanwhile, a prominent Republican said in the GOP radio address that all of the tax cuts should be extended before they expire at the end of the year. Exempting the wealthy would amount to a tax hike on people who create jobs, said Sen. Orrin Hatch, R-Utah. "The group charged with representing small businesses found that 25% of our workforce is employed by those very small businesses that would be hit by the President's proposed tax hikes," Hatch said. The Democratic-run Senate approved a plan this week that would extend the tax cuts for most Americans, but not for those making more than $250,000 a year. Obama and the Democrats say the wealthy can afford the higher rates, and the government needs the extra money for investments in items such as education and energy. Congressional Republicans said no one's taxes should be raised in hard economic times, especially people who can help create jobs for others. The House of Representatives, which is controlled by the Republicans, is planning to vote next week to extend all the Bush tax cuts. While the cuts expire at the end of the year, the impasse is not expected to be resolved before the Nov. 6 presidential and congressional elections. If the parties cannot agree by the end of December, all taxes will rise.

#### Tax cuts bill thumps the link—Obama pushing now

Kellman 7/26 (Laurie, a staff writer for the Associated Press, Washington Post http://www.washingtonpost.com/business/congress-is-a-stage-senate-passes-tax-cuts-for-all-but-rich-rejects-gops-tax-cuts-for-all/2012/07/26/gJQAlEmbAX\_story\_1.html 7/26/2012) Foster

WASHINGTON — The Senate has debated, sniped and voted on the politically fraught issue of tax cuts, and next week the House is likely to do it all over again. Still, Americans won’t know until after the November elections how much more of their paychecks will go to the government next year.¶ House Speaker John Boehner said Thursday that his Republican-led chamber is “more than willing” to make Democrats vote on the President Barack Obama’s plan to extend former president George W. Bush’s tax cuts for all but the wealthiest Americans. He also is bringing up the GOP’s proposal to extend the tax cuts for everyone ¶ The outcome is almost certainly stalemated until the November elections, so leaders of both houses of Congress are turning the House and Senate into campaign stages on one of the defining issues of the presidential and congressional races.¶ Obama signaled on Thursday he’s ready to do his part to light a fire under lawmakers. “I would urge the House of Representatives to do the right thing,” he told reporters during a Cabinet meeting. He said he and top aides will “amplify that message” in the days to come.¶ Obama said the one-year extension would provide “certainty and security to families who are already feeling pinched” and reassure businesses by taking “a whole bunch of uncertainty out of the economy” at a time of global economic worries.¶ The Senate opened the drama Wednesday with surprise debates and passage of a Democratic bill fashioned on President Barack Obama’s proposal to extend the income tax cuts to all but the wealthiest Americans through 2013. It passed even though the measure stands no chance of surviving the Republican-led House. Meanwhile, the Senate rejected a GOP amendment to extend the cuts to all taxpayers. House Speaker John Boehner, R-Ohio, intends to bring up that measure in his chamber next week.¶

### 2AC Agenda Pol Cap Thumpers - Cybersecurity

#### **Cybersecurity Act is controversial—passing it without amendments could require serious opposition from Democrats**

Ramm 7/27 (Tony, writer for Politico, “Amendments are critical hurdles in cyber debate”, 7/27/12, ¶ <http://www.politico.com/news/stories/0712/79051.html#ixzz21wojjRr0>, Accessed 7/28/12, Chan)

The fate of the Senate's cybersecurity reform measure now hinges on amendments — and bill sponsors, the White House and top Republicans have all drawn their lines in the sand. The challenge for the Cybersecurity Act of 2012 after a key procedural vote Thursday is whether a growing number of amendments can resolve enough differences to attract GOP support in the Senate — and, ultimately, the House, too — while not completely removing the teeth that Democrats and the Obama administration think is essential to protect the nation from cyber threats. Some Republicans are angling for a broad set of revisions to the [critical infrastructure](http://www.politico.com/news/stories/0712/79051.html) and information sharing bill, and a bloc of GOP members plans to pitch its own cybersecurity measure — the SECURE IT Act — as an amendment during the forthcoming floor debate. That rival bill leaves out any mention of cybersecurity protections for critical infrastructure, a change to the legislation that the White House indicated Thursday it would not support.¶ Other amendments lawmakers are promising could add new provisions to the bill meant to improve energy-grid security or require tech companies to disclose when they have been breached by hackers.¶ There are also members angling to amplify the privacy safeguards in the measure, or revise its section on liability protection.¶ The coming debate over those changes and others is going to be critical for the bill’s backers as they canvass the chamber for votes and seek passage before the August break. Senate Democratic Leader Harry Reid already has made clear he will permit a broad swath of amendments — so long as they're germane — as sponsors try to cobble together a compromise that can clear the Senate and yet still prove appealing to the House.¶ The list of amendments to be debated is still not finalized and can change. But the speeches, the letters from industry and the posturing on the floor over the past few days have provided an early glimpse of what still remains a slog ahead for the Senate.

### 2AC Agenda Pol Cap Thumpers - Farm Bill

#### **Farm bill is divisive—Democrats are uncertain about a short-term extension**

Wasson and Berman 7/26 (Erik and Russell, writers for The Hill, “Momentum builds for short-term farm bill”, 7/26/12, <http://thehill.com/blogs/on-the-money/budget/240521-farm-bill-still-in-limbo>, Accessed 7/29/12, Chan)

Momentum began to build on Thursday for a House vote on a short-term extension of the farm bill next week, with key Democrats opening the door to supporting it.¶ House Republicans have until now been unable to decide whether to try to pass a five-year reform bill, back a one-year extension of current programs or pass a pared-down bill that deals with drought assistance.¶ Leadership this week floated a one-year bill, and House Agriculture Committee Chairman Frank Lucas (R-Okla.) has been whipping support for it.¶ House leaders say that given opposition from fiscal conservatives and liberals, the votes are not there for a five-year bill.¶ Rep. Collin Peterson (Minn.), the ranking Democrat on the Agriculture panel, has opposed a short-term extension but on Thursday opened the door a crack. He said he could support an extension if it quickly led to a conference committee with the Senate on a full bill.¶ Senate Agriculture Committee Chairwoman Debbie Stabenow (D-Mich.) then made her move Thursday, officially backing up that suggestion.¶ “If the House intends to send us a bill that will be used to negotiate the Farm Bill during August, I am open to that approach,” she said in a statement.¶ However, she emphasized that “a short-term extension is bad for farmers and our agricultural economy.”¶ “If Congress does what Congress always does and kicks the can down the road with a short-term extension, there will be no reform, direct payments will continue, we'll lose the opportunity for major deficit reduction and we’ll deliver a real blow to our economic recovery,” she said.¶ Earlier in the day, Speaker John Boehner (R-Ohio) said the House will address the drought emergency in rural America, but he did not specify if disaster aid would come paired with a one-year farm bill or the full five-year overhaul that passed out of the House Agriculture Committee.¶ “We’re continuing to work with Chairman Lucas and the members on the committee on an appropriate path forward,” he said.¶ “We’re still working on it,” said House Majority Whip Kevin McCarthy (R-Calif.).¶ Peterson said GOP leadership wants the House to pass a one-year extension, but “they don’t know if they can pass it without Democratic votes.”¶ He said that members who oppose the farm bill want it passed off to the next Congress.¶ “They think they will have a chance to kill the sugar program or the dairy program, or get $200 billion out of [food stamps](http://thehill.com/blogs/on-the-money/budget/240521-farm-bill-still-in-limbo),” he said.¶ Peterson signaled that he could back an extension if there were strong guarantees that it could be used to start a House-Senate conference on a full farm bill. The Senate passed its bill in June. The House Agriculture bill cuts $35 billion from the deficit over 10 years and includes $16.5 billion in food stamp cuts. Those cuts are not enough for many conservatives, while liberals oppose them as too extreme.¶ During a weekly floor colloquy with Minority Whip Steny Hoyer (D-Md.), House Majority Leader Eric Cantor (R-Va.) also said there has been no decision on the farm bill.

### AT - Agenda Thumpers

#### Farm and spending bills will pass without a fight

Dayen 7/27 (David, past delegate to the California Democratic Party, worked with ACLU, Unite-Here, Progress Michigan and the Courage Campaign, “[Congress Moving to Wrap Up Budget, Farm Bill With Short-Term Extensions](http://news.firedoglake.com/2012/07/27/congress-moving-to-wrap-up-budget-farm-bill-with-short-term-extensions/)”, Firedoglake, 7/27/12, <http://news.firedoglake.com/2012/07/27/congress-moving-to-wrap-up-budget-farm-bill-with-short-term-extensions/>) Swoap

With conservatives [in retreat](http://news.firedoglake.com/2012/07/26/bravely-bold-conservatives-running-away-on-budget-stopgap/), it does look like we’ll get a six-month stopgap spending bill that will put off any budget hostage-taking until next March, when the character of Congress may change dramatically because of the elections. Politico [advances the ball](http://www.politico.com/news/stories/0712/79040.html) on that story today. Apparently, House Republicans figured out that they have to stand for re-election too, and a government shutdown on the eve of those elections would be bad for business. So they relented on the level of spending, keeping it at the levels mandated by the spending cap in the debt limit deal. They’ll try to fight another day. Congress also wants to make a deal on a couple other outstanding bill packages before their expiration dates. One is a “tax extenders” bill, mainly a set of special interest tax breaks, for everything from alternative energy to research and development, mostly for business but including some worthwhile measures. Conservatives on the House side are divided on which provisions to extend, which threatens the whole deal, which is balanced so that individual members of Congress can point to something to vote for in the package. The R&D tax credit might survive, but perhaps little else. Congress can fix these kinds of tax breaks retroactively, and often do, so the next Congress could take them up. But it would add a degree of disruption to the industries affected. Meanwhile, on the farm bill, which expires on September 30, momentum is swinging toward [a one-year stopgap](http://www.politico.com/news/stories/0712/79023.html), provided that the parties enter into a conference committee on a longer bill after that. Collin Peterson, the Democratic ranking member on the Agriculture Committee, found that compromise acceptable. “That seems to be gaining some ground on the Republican side right now,” Rep. Collin Peterson (D-Minn.) told POLITICO. “That I would drop my opposition as long as this got us into conference on the big bill.” “I’m against doing an extension but it’s OK if it gets us to a point of being able to conference a bill in August.” Under the scenario mapped out by Peterson, the House could next week pass a one-year extension together with drought relief for livestock producers — giving Republicans some protection for their members before going home for the August recess. The Senate would substitute its five-year farm bill, adopted in June, and ask for a conference. Peterson might need some assurances that John Boehner will appoint conferees and actually work on a resolution instead of just putting it off until next year. This was how the transportation bill got done, with a short-term extension leading to a conference committee. Senate Republicans from farm states are anxious for action and have pressured Boehner to come up with a solution before the deadline. At the same time, a one-year extension would continue the practice of direct payments to farmers, something almost everyone with a vested interest in this bill in Washington no longer wants to see. So getting an extension across the line could be difficult. The House Republican leadership stopped their farm bill from progressing, fearing a floor fight with conservatives who reject the cost, and exposure by Democrats of the significant cuts to the food stamp program. It’s occasionally hard to follow the twists and turns of Congress while still keeping your head attached to your torso. But things are wrapping up for the year with less rancor than anticipated.

#### Fiscal cliff not controversial- both sides will agree

Politico 7/27 (“Congress nears deal on year-end funding”, NJ.com, 7/27/12, <http://www.nj.com/us-politics/index.ssf/2012/07/congress_nears_deal_on_year-en.html>) Swoap

There's already movement to avoid the fiscal cliff.¶ House and Senate leadership Thursday approached a deal to fund the government for six months -- a move that would avert a Sept. 30 [shutdown](http://www.politico.com/tag/shutdown), and keep the federal government operating through March.¶ ([Also on POLITICO: GOP fears shutdown showdown](http://www.politico.com/news/stories/0712/78638.html))¶ The deal would keep the government funded at the same levels of last year's debt limit law, a spending level Republicans have consistently dismissed as too high. But it would also avert a messy pre-election showdown over shutting down the government, something neither party wants.¶ The six-month funding resolution illustrates the sway of conservatives over Speaker [John Boehner](http://www.politico.com/tag/johnboehner)(R-Ohio) and his leadership team, as the conservative Republican Study Committee, led by Ohio Rep. Jim Jordan, advocated for a six-month funding resolution instead of a three-month bill preferred by leaders. The Senate also backs a six month funding bill.¶ The bipartisan funding bill will be rolled out early next week, aides said. When Congress would vote on it is still unclear, but both chambers would need to approve the deal by Sept. 30. After next week, lawmakers on both sides of the Capitol will head home to run for reelection -- it's a critical period for lawmakers on both sides of the aisle.

### Magnitsky Act - Yes - Congressional support

#### Magnitsky will pass - election year politics

Browder 7/25 (Bill, Chief Executive Officer and co-founder of the investment fund Hermitage Capital Management. “Turning the tables on Russia’s power elite — the story behind the Magnitsky Act”. <http://www.opendemocracy.net/od-russia/bill-browder/turning-tables-on-russia%E2%80%99s-power-elite-%E2%80%94-story-behind-magnitsky-act>)

So there is now a strong likelihood that the legislation will be passed in both Houses of Congress. There’s a lot of politics about timing, but one thing is clear: there’ll be a near unanimous vote when it happens. Nobody will vote against it. And if it is passed by Congress, it will be signed by the President, even though he may not want to. This is election year, and he would lose all Russian-American votes and probably a lot of others too if he were to veto a piece of legislation banning Russian torturers and murderers from coming to America. In a close race, he doesn’t need to do that. European Implementation. The US is not the only country where this issue has resonated among elected politicians. The Dutch Parliament voted unanimously, calling on their government to implement the Magnitsky sanctions in Holland. The British Parliament’s back-bench committee called on the British government to impose Magnitsky sanctions. The European Parliament has passed three resolutions calling on all EU member states to impose sanctions on the Magnitsky killers. In early July this year, the Organisation for Security and Cooperation in Europe, an international body representing parliamentarians from 56 countries, condemned the Russian government’s actions in the Magnitsky case and passed a resolution with a 90% vote calling for Magnitsky sanctions to be imposed in all OSCE countries.

### Magnitsky Act - Yes - Obama

#### And, Obama is no longer opposing - you have no internal link

Crane 7/29 (David, Professor of Practice at Syracuse University College of Law. He teaches international criminal law, international humanitarian law and national security law. He was the founding Chief Prosecutor of the Special Court for Sierra Leone from 2001-2005. Crane served over 30 years in the US federal government, holding numerous key managerial positions and also serving as the Waldemar A. Solf Professor of International Law at the US Army Judge Advocate General's School. JURIST is an online legal news service hosted by the University of Pittsburgh School of Law. “Prosecuting the Dead: Part III”

<http://jurist.org/forum/2012/07/david-crane-magnitsky-iii.php>)

Alas, Russia is sliding down a slippery slope into a criminal abyss. The Magnitsky case only amplifies the distortion of the concept of freedom and democracy by the Putin regime. Dissent at all levels is being quashed and legislation is being passed by a complacent Duma limiting freedom of expression and assembly. Thugs working in the Russian security services operate with impunity outside of the law — arresting, even killing, those who step forward in opposition.¶ Russia, as a member state of the UN, operates largely outside the norms of civilized society. Armed with "veto power" in the UN Security Council, and hence "protected from sanction," Russia slides through recent history, a dangerous snake operating in the shadows and a lethal threat to the strides the international community has made in basic human rights. The ghost of Joseph Stalin, one of the mega-murderers of the twentieth century, lurks once again in the hallways of the Kremlin. He would approve of the actions of Putin and his henchmen.¶ Leaders in Congress, working together across the aisles, have largely rejected the pressure put on them by the Russians. Even a reluctant Obama administration is coming around realizing that something must be done. The legislation pending in Congress is a signal, even a marker, that the US will step forward and do the right thing when the rule of law is challenged in such a blatant and absurd manner as Russia attempts to destroy the reputation and honor of a lone, deceased lawyer. Let's push the red "re-start" button again — this time for the rule of law.

### Magnitsky Act - Yes - Tied to popular legislation

#### Magnistky will pass- being tied to popular trade bill

The Hill 7/26 (Needham, Vicki, “House panel easily approves Russia trade bill”, 7/26/12, <http://thehill.com/blogs/on-the-money/1005-trade/240505-house-panel-easily-approves-russia-trade-bill>) Swoap

Legislation to normalize trade relations with Russia sailed through the House Ways and Means Committee on Thursday despite lingering concerns over the conflict in Syria. The panel approved the measure by voice vote with the majority of those in attendance expressing support for the bill that would repeal the Cold War-era Jackson-Vanik provision and extend permanent normal trade relations to Russia, which is set to join the World Trade Organization on Aug. 22. "We give up nothing with this legislation, not a single U.S. tariff, but we would obtain a powerful new enforcement tool and important rights with respect to the sixth largest economy in the world," said panel Chairman Dave Camp (R-Mich.). The panel's top Democrat, Rep. Sandy Levin (Mich.), said he and Camp are authoring language on Russia's response to the situation in Syria that they expect to include in the committee report, which should be ready in a few days. "We want to make it clear how unsatisfied, unwarranted and untenable" Russia's actions are with Syria and that "we will continue to work on that as one way to express ourselves through the report language." That move didn't satisfy Rep. Bill Pascrell (D-N.J.) who said lawmakers were doing themselves a "disservice" and are, with the bill, rewarding Russia's bad behavior "hoping it will become better behavior." "Putting language in the report is not good enough," he said. He argued that Russia's continued involvement with Syria has everything to do with the trade bill, and that lawmakers "have really gone off the deep end" if they couldn't see that. Camp said he expects human-rights legislation known as the Magnitsky bill, which Finance added during its markup, to be tacked on in the House Rules Committee because his panel does not have jurisdiction over the issue. The trade bill is identical to the trade measure unanimously approved by the Senate Finance Committee last week. "This bill addresses these concerns by making sure that the administration stays on top of Russia’s compliance with its WTO commitments, tackling our longstanding trade issues with Russia and addressing the lack of the rule of law in Russia," Camp said.

### Magnitsky Act - No - Democrats

#### Magnitsky won’t pass- Obama not pushing and Democrats won’t support

WKZO 7/26 (Radio station, “House panel approves bill to upgrade Russia trade ties”, 7/26/12, <http://wkzo.com/news/articles/2012/jul/26/house-panel-approves-bill-to-upgrade-russia-trade-ties/>) Swoap

A key congressional committee on Thursday voted overwhelmingly to lift a Cold War-era restriction on trade with Russia, but the top congressional Republican said President Barack Obama must do more to get the bill passed into law. The White House and business groups want lawmakers to approve the legislation before leaving next week for a month-long recess so U.S. companies can share in the full benefits of Russia's entry in the World Trade Organization on August 22. But House of Representatives Speaker John Boehner appeared to throw cold water on the idea of final congressional approval next week, despite the bipartisan vote in the House Ways and Means Committee in favor of the trade legislation. "If the president really thinks this is an important issue that we have to deal with, then maybe he ought to be out there making the case for it. I haven't seen that as yet," Boehner told reporters. The White House has said passage of the bill is its top trade priority. But the measure faces opposition from labor unions, an important Democratic constituency ahead of the November 6 presidential and congressional elections.

### Oil Prices High

#### Oil prices high now due to Iran tensions - prices and US demand will continue to remain high

Kahn 7/4/12 (Chris, AP staff writer, “New Friction With Iran Jacks Up Oil Prices”, Arizona Daily Star, <http://azstarnet.com/business/local/new-friction-with-iran-jacks-up-oil-prices/article_0216c597-22f3-5646-8898-403f8d197609.html> Pismarov)

Renewed tensions between Iran and the West pushed oil to its highest level in more than a month. Iran is again threatening to block a critical Persian Gulf shipping route in response to a European embargo of Iranian oil. Iran has sparred for months with the West over its nuclear program. Benchmark U.S. crude added $3.91, or 4.7 percent, Wednesday to end at $87.66 per barrel in New York. That's the highest price since May 30. Brent crude, which sets the price of oil imported into the United States, rose above $100 for the first time in three weeks. Brent added $3.34, or 3.4 percent, to finish at $100.68 per barrel in London. Combined with a big gain on Friday, oil has risen by nearly $10 per barrel in less than a week. That's bringing an end to a prolonged drop in pump prices. The national average for gas rose slightly Tuesday to $3.30 per gallon, the first increase in more than two months. Arizona's average is $3.41 per gallon, according to AAA Arizona's survey. Experts say pump prices will range nationally between $3.30 and $3.50 through Labor Day. An increase in U.S. factory orders from April to May (see Business Briefs, this page) also supported oil prices on Tuesday. And analysts are betting that Europe, China and the U.S. will take steps to stimulate their economies, which would boost oil demand. But the main driver was Iran. More than a third of the world's seaborne oil is shipped out of the Persian Gulf, so any move by Iran to shut the vital Strait of Hormuz raises the risk of a confrontation and the disruption of tanker traffic. Iran has threatened to block the waterway since late last year when Western nations imposed financial sanctions and the European Union first proposed an oil embargo.

#### Oil prices rise on Euro Zone confidence

Reuters 7/26 (“Oil Prices Gain on Draghi Pledge”, Fox Business, Reuters, 7/26/12, <http://www.foxbusiness.com/markets/2012/07/26/oil-prices-get-boost-from-ecb-president-comments/>) Swoap

Oil futures rose for a third straight day on Thursday after a pledge by the European Central Bank to protect the euro zone eased some worries about the region's debt crisis. A drop in U.S. jobless-benefit claims for last week also supported crude's advance and with the ECB comments overshadowed worries about slowing global growth and the euro zone's troubles. ECB President Mario Draghi, at a conference in London, pledged to do whatever it takes to preserve the euro zone. He also said tackling high sovereign borrowing costs comes within the central bank's mandate. The euro rallied to a two-week high against the dollar on Draghi's comments, encouraging investors to buy dollar-denominated commodities such as oil and copper. "The comments by Draghi are likely to bring that confidence back," said Eugen Weinberg, head of commodities research at Commerzbank. In London, September Brent crude settled at $105.26 a barrel, gaining 88 cents, after hitting a session high of $106.18. U.S. September crude closed at $89.39, rising 42 cents, after having gained earlier to a session high of $90.47.

#### Oil prices rising on hopes of stimulus

Reuters 7/27 (“Oil Prices on Hopes for Economic Stimulus”, Fox Business, 7/27/12, <http://www.foxbusiness.com/markets/2012/07/27/oil-prices-rise-as-hopes-for-economic-stimulus-grow/>) Swoap

Oil prices rose a fourth day on Friday on hopes for more stimulus from the U.S. Federal Reserve after data showed U.S. economic growth slowed in the second quarter as expected. Dollar-denominated crude futures saw choppy trading as the euro and dollar also seesawed, buffeted by comments from European leaders. The euro strengthened French leader Francois Hollande and his German counterpart, Angela Merkel, said they are determined to do all they can to safeguard the single currency. The euro later pared gains after hitting a session high on a report European Central Bank President Mario Draghi would favor giving the bailout fund a banking license and would meet with German's Bundesbank President Jens Weidmann. "Financial markets see a benign mix of gently rising risk appetite as worries over an imminent euro zone disaster ease and prospects for another U.S. stimulus increase," said Carsten Fritsch, oil analyst at Commerzbank in Frankfurt. Brent September crude rose $1.21 to settle at $106.47 a barrel, posting a 36-cent loss for the week after four straight weekly gains. The premium to October Brent stayed above $1 a barrel. U.S. September crude gained 74 cents to settle at $90.13 a barrel, ending with a 1.43 percent weekly loss after gaining the previous two weeks. But both contracts stayed on track to register healthy monthly gains next week, after both Brent and U.S. crude suffered double-digit tumbles in the second quarter.

#### Oil prices consistently rising on ECB euro zone promises

Zhou 7/27 (Moming, writer for Bloomberg, “Oil Rises For Fourth Day On Stimulus Speculation”, Bloomberg, 7/27/12, <http://www.bloomberg.com/news/2012-07-27/oil-fluctuates-on-u-s-growth-stimulus-speculation.html>) Swoap

Oil rose for a fourth day on speculation that the [European Central Bank](http://topics.bloomberg.com/european-central-bank/) and the U.S. Federal Reserve will ease monetary policy to boost economic growth and curb the debt crisis. Prices gained 0.8 percent after ECB President [Mario Draghi](http://topics.bloomberg.com/mario-draghi/) was said to be planning to hold talks with Bundesbank President Jens Weidmann on stimulus measures including bond purchases. ECB and Fed policy makers are scheduled to gather separately next week to discuss the economy. “What’s underpinning the market is expectations that we are going to see some kind of action from the ECB and the Fed, and that seems to be why [oil prices](http://topics.bloomberg.com/oil-prices/) are firming up around $90,” said[Gene McGillian](http://topics.bloomberg.com/gene-mcgillian/), an analyst and broker at Tradition Energy in [Stamford](http://topics.bloomberg.com/stamford/), Connecticut. Oil for September delivery climbed 74 cents to settle at $90.13 a barrel on the [New York Mercantile Exchange](http://topics.bloomberg.com/new-york-mercantile-exchange/). Prices have risen 16 percent since June 28 and fell 1.4 percent this week. [Brent crude](http://topics.bloomberg.com/brent-crude/) for September settlement gained $1.21, or 1.2 percent, to end the session at a one-week high of $106.47 a barrel on the London-based ICE Futures Europe exchange. Having secured the backing of governments in Spain, France and Germany, Draghi is seeking to win over ECB policy makers for a multi-pronged approach to reduce bond yields in countries such as Spain and Italy, two central bank officials said, speaking on condition of anonymity because the talks are private.

#### Oil prices continue to rise---hopes of Spain’s financial security keep prices elevated

**The Associated Press 7/30**, AP is an American news organization that manages newspapers, radio channels and television programs in the United States and the world. The group operates 243 international news bureaus and serves at least 120 countries, 7/30/12[The Associated Press, “Oil prices continue rise on Europe action hopes” The Associated Press, http:// [www.cbsnews.com/8301-505123\_162-57482017/oil-prices-continue-rise-on-europe-action-hopes/]ADravid](http://www.cbsnews.com/8301-505123_162-57482017/oil-prices-continue-rise-on-europe-action-hopes/%5DADravid)

AP) BANGKOK - **Oil** **prices rose for a fifth day ahead of a meeting Monday between the U.S. Treasury Secretary and top European finance officials as expectations remain elevated for ECB action to prevent Spain's financial woes from deepening**. **Benchmark crude for September delivery was up** 30 cents at $90.43 a barrel at midafternoon Bangkok time in electronic trading on the New York Mercantile Exchange. The contract added 74 cents on Friday to finish at $90.13 per barrel in New York. Brent crude was down 9 cents at $106.38 on the ICE futures exchange in London. **Oil has climbed after last week's vow from European Central Bank chief Mario Draghi to do whatever it takes to keep the euro common currency intact. Similar remarks from the leaders of France and Germany have created a chorus of support for the beleaguered euro, which was facing a new challenge to its existence as a surge in Spain's borrowing costs raised the prospect that one of Europe's biggest economies could ask for a bailout**. U.S. Treasury Secretary Timothy Geithner meets Monday with Draghi and Germany's finance minister to discuss the huge challenges facing Europe and the global economy. They are expected to issue a statement after their meeting which comes amid high expectations that both the ECB and the U.S. Federal Reserve will soon announce new steps to salvage economic growth. China, meanwhile, has been stepping up efforts to counter its slowdown, allowing cities to announce big infrastructure spending plans that would boost construction and also have the side effect of increasing demand for oil and other fuels. In other energy trading, gasoline was up 1.3 cents at $2.809 a gallon and heating oil was almost unchanged at $2.89 a gallon. Natural gas rose 5.5 cents to $3.07 per 1,000 cubic feet.

### Oil Prices Low

#### **Predictive evidence shows oil prices will fall---uncertainty in the global economy means oil prices will be affected**

Dow Jones Newswires 7/26, A real-time financial news organization owned by Dow Jones, which is a part of News Corporation—This news is primarily delivered to over 600,000 brokers, traders, and analysts, 7/26/12[Newswires, “Statoil Is Prepared For Lower Oil, Gas Prices” Newswires, <http://www.foxbusiness.com/news/2012/07/26/statoil-is-prepared-for-lower-oil-gas-prices-ceo/#ixzz228H1fMfr]ADravid>

Norwegian oil giant Statoil ASA (STO) said Thursday it is worried about macroeconomic uncertainty, but prepared if oil and gas prices should fall. The comments came after Statoil disappointed the market with higher-than-expected international costs and earnings that missed expectations, despite improving oil and gas output. "I want to warn against drawing the conclusion that Statoil and the oil companies are immune to the situation in the global economy," said Statoil Chief Executive Helge Lund. He noted that with Europe moving from crisis to crisis, low jobs growth in the U.S. and Asia growing at a slower pace, oil and gas prices are being affected. The benchmark Brent oil price has fluctuated from a high of about $130 a barrel to a low of below $90 a barrel in the last six months. "We believe that in the short term, [the oil price] will stay at the current level or around that, with huge uncertainty to...the world economy," said Mr. Lund in an interview. "In the long term, we believe that demand growth and the growth in the Asian economies will pull it upwards." The company's adjusted earnings before interest and taxes were 45.8 billion Norwegian krone ($7.56 billion) in the quarter, missing analysts' forecast for earnings before interest and taxes of NOK49.2 billion. The second-quarter figures were overall slightly disappointing due largely to higher international operating and exploration costs, said First Securities analyst Teodor Sveen Nilsen. He has a NOK180 target price and a buy rating. Mr. Lund expected production costs to keep rising, because most of the easy-to-get barrels are gone. "The marginal price on the last field getting into the market today is higher than it was ten years ago, and will be even higher in ten years," said Mr. Lund. Statoil said it expected capital expenditures to increase to $18 billion in 2012 due to higher levels of exploration and development activity, compared with prior expectations of $17 billion. Second-quarter net profit was NOK26.43 billion, down 1.8% on the year but better than the consensus forecast of NOK15.6 billion, mainly due to higher oil and gas production. Statoil made one-off gains of NOK5.8 billion from the sale of Statoil Fuel & Retail and NOK7.5 billion from the sale of assets to Centrica. The year-ago net profit included a NOK8.8 billion one-off gain from the sale of 40% of the Peregrino oil field. The company's Chief Financial Officer, Torgrim Reitan, said that even though a large economic crisis is not expected, the company is able to handle it should oil and gas prices drop for a long period of time. "The first line of defense is always to have a lot of money available, and we have," Mr. Reitan said in an interview. "We have a lot of liquidity in secure placements, a lot of northern European government bonds, no exposure to Southern Europe. So we are sure that we'll handle this well." Oil and gas production rose 17% on the year to 1.980 million barrels of oil equivalent a day in April to June, from 1.692 million barrels a day in the same quarter of 2011. This was mainly due to higher gas deliveries from the Norwegian continental shelf, start-ups from Pazflor in Angola and Gullfaks South Brent offshore Norway. Ramp-up of several fields, production from the Bakken field in the United States and lower maintenance activity added to the increase, the company said. Statoil posted second-quarter revenues of NOK186.5 billion, compared to analyst expectations of NOK172.86 billion.

#### Oil prices bearish despite Euro Zone comments

Biers 7/27 (John, writer for Dow Jones, “Oil Rallies on Euro Comments”, Dow Jones Newsletters on NASDAQ, 7/27/12, <http://www.nasdaq.com/article/oil-prices-rise-on-ecb-chiefs-defense-of-euro-zone-20120726-01405>) Swoap

Oil analysts attributed Thursday's rise in prices to Mr. Draghi's comments, which spurred a jump in the euro relative to the dollar. Dollar-denominated commodities like oil become cheaper for consumers in other countries when the dollar falls. But Mr. Draghi's comments came after Wednesday's U.S. oil inventory report that pointed to surprisingly large builds of [crude oil](http://www.nasdaq.com/article/oil-prices-rise-on-ecb-chiefs-defense-of-euro-zone-20120726-01405) and refined products that many analysts considered bearish. That bearish backdrop explains why oil prices gave up some of their gains later Thursday after jumping considerably in the morning, analysts said. Tariq Zahir, a managing member at Tyche Capital Advisors, characterized Wednesday's EIA report as "tremendously bearish." U.S. economic data released Thursday continued to leave markets unimpressed.

#### Oil low and falling on strong dollar and euro zone worries

Singh 7/26 (Gurdeep, writer for WSJ, “OIL FUTURES: Crude Falls on High US Stockpiles, Stronger Dlr”, Wall Street Journal, 7/26/2012, <http://online.wsj.com/article/BT-CO-20120726-703085.html>) Swoap

Crude-oil futures fell in Asian trading Thursday following a bearish U.S. oil inventory report overnight and a stronger U.S. dollar. On the New York Mercantile Exchange, light, sweet crude futures for delivery in September traded at $88.67 a barrel at 0651 GMT, down $0.30 in the Globex electronic session. September Brent crude on London's ICE Futures exchange fell $0.27 to $104.11 a barrel. Buying interest was thin as the dollar rose against other major currencies such as the yen and the euro, making dollar-priced crude oil more expensive to investors holding other currencies. At 0600 GMT, the ICE Dollar Index was at 83.745 compared with 83.641 overnight. Sentiment took a hit after the Energy Information Administration reported an unexpected build in U.S. petroleum stockpiles. The EIA said stocks jumped by 2.7 million barrels last week compared with expectations of an 800,000-barrel draw. "Overall, the data appeared bearish enough to increase the market's sensitivity to any renewed weakening out of the euro zone or global equity markets," Jim Ritterbusch of Ritterbusch and Associates said. Oil prices have been sensitive to euro-zone woes as well as the health of global economy, amid signs of slowing momentum in China, which has helped drag prices lower this year.

### US Economy - Yes - Jobs

#### US economy strong- job growth and deficit forecasts

Reuters 7/28 (“White House lowers growth forecasts, brightens jobs picture”, 7/28/12, <http://in.reuters.com/article/2012/07/27/usa-economy-whitehouse-budget-idINDEE86Q0F020120727>) Swoap

 But the White House brightened its forecast for unemployment - one of the key barometers of Obama's economic leadership - to a 8.0 percent rate this year and 7.7 percent next year, from its first estimate of 8.9 percent in 2012 and 8.6 percent in 2013. It also said the deficit would be slimmer this fiscal year - from October through September - than first anticipated, at $1.211 trillion instead of $1.327 trillion and be slightly wider than first projected in fiscal 2013. <ID:1E8IB01B> "Over the next decade, the White House said cumulative deficits would be $240 billion lower than it forecast in February."

### US Economy - Yes - Stocks

#### **Markets moving upward—increased investor confidence and higher than expected GDP rise**

RTT News 7/27 (Real Time Technology News, “Stocks Moving Higher On Relatively Upbeat GDP Data - U.S. Commentary”, 7/27/12, <http://www.rttnews.com/1933199/stocks-moving-higher-on-relatively-upbeat-gdp-data-u-s-commentary.aspx?type=mu&Node=B5>, Accessed 7/28/12, Chan)

With traders reacting to relatively upbeat U.S. economic data, [stocks](http://www.rttnews.com/1933199/stocks-moving-higher-on-relatively-upbeat-gdp-data-u-s-commentary.aspx?type=mu&Node=B5) have moved moderately higher in early trading on Friday. The major averages have climbed firmly into positive territory, adding to the substantial gains posted in the previous session.¶ The major averages have moved to upside in recent trading and are currently posting notable gains. The Dow is up 74.39 points or 0.6 percent at 12,962.32, the Nasdaq is up 14.80 points or 0.5 percent at 2,908.05 and the S&P 500 is up 9.30 points or 0.7 percent at 1,369.32.¶ The early strength on [Wall Street](http://www.rttnews.com/1933199/stocks-moving-higher-on-relatively-upbeat-gdp-data-u-s-commentary.aspx?type=mu&Node=B5) is partly due to a positive reaction to a Commerce Department report showing that the pace of U.S. economic growth in the second quarter exceeded economist estimates.¶ The report said GDP increased by 1.5 percent in the second quarter compared to an upwardly revised 2.0 increase in the first quarter. Economists had been expecting GDP to increase by about 1.2 percent.

### US Economy - No - Collapse coming

#### We’re heading into a recession—lack of confidence in the uncertain economic environment causes further stagnation

Crutsinger 7/27 (Martin, writer for Bloomberg BusinessWeek, “Few think sluggish US economy will strengthen soon”, 7/27/12, <http://www.businessweek.com/ap/2012-07-27/few-think-sluggish-us-economy-will-strengthen-soon>, Accessed 7/28/12, Chan)

But threats to the U.S. economy have left consumers — who account for about 70 percent of the economy — too anxious to spend freely. Jobs are tight. Pay isn't keeping up with inflation. Retail sales fell in June for a third straight month. Manufacturing has weakened in most areas of the country.¶ Fear is also growing that the economy will fall off a "fiscal cliff" at year's end. That's when tax increases and deep spending cuts will take effect unless Congress reaches a budget agreement.¶ All that is making companies reluctant to expand and hire much.¶ From April through June, U.S. job growth slowed to 75,000 a month, down from a healthy 226,000 average in the first three months of the year.¶ "The European situation has been getting worse and is dragging down the global economy," said Sung Won Sohn, an economics professor at California State University. "And we have got the fiscal cliff to worry about in the United States."¶ Six of the 17 countries that use the euro currency are in recession. Growth has also weakened in powerhouse emerging markets in China, India and Brazil. With these economies slowing, so is their demand for U.S. exports.¶ Sohn estimates the likelihood of a U.S. recession within the next 12 months at 30 percent to 35 percent. That's up from his estimate of 20 percent six months ago.¶ Nariman Behravesh, chief economist at IHS Global Insight, puts the chance of a recession at 25 percent. He expects growth to increase slightly to an annual rate above 2 percent in the second half of this year.¶ Other economists are gloomier. They think growth will muddle along below 2 percent through 2012.¶ Many economists think consumers pulled back sharply on spending last quarter. Analysts at JPMorgan estimate that consumer spending grew at a scant 1 percent annual pace in the April-June period, down from a 2.5 percent annual increase in the first quarter.¶ "Businesses and consumers are quite worried, so they're holding back," Behravesh said. "For consumers, the worry is the jobs markets. Businesses are worried about Europe. And China is looking weaker than most of us would have thought even a few months ago."¶ Behravesh said even companies that think Congress will manage to reach a budget deal by year's end are too uncertain about possible tax changes to step up hiring.¶ "That is making them very cautious about investment decisions," he said.¶ In delivering the Federal Reserve's midyear economic report to Congress last week, Chairman Ben Bernanke sketched a bleak picture. And he warned that unless lawmakers strike a deal, the tax increases and deep spending cuts that will take effect Jan. 1 could trigger another U.S. recession.¶ Bernanke has said the Fed is prepared to take further action if unemployment stays high. He hasn't specified what steps it might take or whether any action is imminent.¶ The lackluster economy is also raising pressure on President Barack Obama in his re-election fight with Mitt Romney, the presumptive Republican presidential nominee.¶ But few think the Fed, the White House or Congress can or will do anything soon that might rejuvenate the economy quickly. Many lawmakers, for example, refuse to increase federal spending in light of historically large budget deficits.¶ "There is nothing out there to light a fire under the economy," said Joel Naroff, chief economist at Naroff Economic Advisors.

### US Economy - No - Growth

#### Growth sluggish, unemployment high- US economy is struggling

AP 7/27 (“U.S. economic growth continues to slow”, Mercury News, 7/27/12, <http://www.mercurynews.com/business/ci_21174354/u-s-economic-growth-continues-slow>)Swoap

U.S. economic growth slowed to an annual rate of just 1.5 percent from April through June, as Americans cut back sharply on spending. The weaker growth adds to worries that the economy could be stalling three years after the recession ended. The Commerce Department also said Friday that the economy grew a little better than previously thought in the January-March quarter. It raised its estimate to a 2 percent rate, up from 1.9 percent. Growth at or below 2 percent isn't enough to lower the unemployment rate, which was 8.2 percent last month. And most economists don't expect growth to pick up much in the second half of the year. Europe's financial crisis and a looming budget crisis in the U.S. are expected to slow business investment further. "The main take away from today's report, the specifics aside, is that the U.S. economy is barely growing," said Dan Greenhaus, chief economic strategist at BTIG LLC. "Along with a reduction in the actual amount of money companies were able to make, it's no wonder the unemployment rate cannot move lower." Some economic data improved over the course of the April-June quarter, while others worsened. Hiring, for example, rose slightly from April to May to June. But home sales weakened.

#### Growth slow and not expected to recover- Europe worries and no business investment

Rugaber 7/26 (Christopher S., AP Economics writer, “US economy looks weaker, business confidence dims”,Bloomberg Businessweek, 7/26/12, <http://www.businessweek.com/ap/2012-07-26/us-durable-goods-orders-fall-outside-aircraft>) Swoap/Shah/Sherman

Economists expect growth slowed in the April-June quarter to an annual rate of only 1.5 percent, according to a survey by FactSet. That's down from 1.9 percent in the first three months of the year.¶ But Harris says that may be too optimistic. He expects growth of only 1.1 percent. And he believes the economy will remain sluggish for the rest of the year.¶ Europe's financial crisis has lowered demand for U.S. exports. And the pending expiration of several U.S. tax cuts at the start of next year, along with scheduled spending cuts, may be weighing on growth.¶ Many U.S. companies may postpone large investment plans until the outlook for those two issues improves, he said.¶ "Why am I going to make a big capital spending decision, when I know that in a few months the economy could take a big hit?" Harris asked. Some economists forecast that the looming U.S. budget crisis could shave several points from next year's growth.

#### Slow second quarter growth rate shows US economy suffering

FT 7/27 (Financial Times, Robin Harding and James Politi, “US economic growth slows to 1.5%”, 7/27/12, <http://www.ft.com/intl/cms/s/0/2e20b90e-d7e8-11e1-9980-00144feabdc0.html#axzz21wfEGFTE>) Swoap

The world’s largest economy has suffered a worrying loss of momentum with US growth slowing to an annualised rate of 1.5 per cent in the second quarter of 2012. The pace of growth is now too slow to bring down unemployment, threatening both the global economic recovery and the re-election prospects of President Barack Obama. The figure, which was broadly in line with market expectations, will add to the Federal Reserve’s fears about progress towards higher employment but may not be alarming enough to force immediate action at an interest rate meeting next week. “The latest GDP data show a more shallow growth recovery and a near term pattern of weakness that supports a case for more accommodation from the Fed,” said Eric Green, chief economist at TD Securities in New York.

#### Slow growth rate stalls US economic recovery

Crutsinger 7/27 (Martin, AP Economics writer, “Unemployment could stay high as US economy slows”, Associated Press, 7/27/12,<http://www.google.com/hostednews/ap/article/ALeqM5gHUEid5CGeQ1vPv60apAVXRiOKXg?docId=ad50b2fa37434989a125f9c690d0d4d9>) Swoap

High unemployment isn't going away — not as long as the economy grows as slowly as it did in the April-June quarter. Weak consumer spending held growth to an annual rate of just 1.5 percent, even less than the 2 percent rate in the first quarter. And few expect the economy to accelerate in the second half of the year as Europe's financial woes and a U.S. budget crisis restrain businesses and consumers. The growth estimate Friday from the government suggested that the U.S. economy could be at risk of stalling three years after the recession ended. Economists generally say even 2 percent annual growth would add only about 90,000 jobs a month. That's too few to keep up with population growth and drive down the unemployment rate, which is stuck at 8.2 percent. The figures came in the Commerce Department's quarterly report on gross domestic product. GDP measures the country's total output of goods and services, from the purchase of a cup of coffee to the sale of fighter jets. "The main takeaway from today's report, the specifics aside, is that the U.S. economy is barely growing," said Dan Greenhaus, chief economic strategist at BTIG LLC. "It's no wonder the unemployment rate cannot move lower."

#### US growth too sluggish for recovery - no consumer spending

Crutsinger 7/27 Martin Crutsinger is a staff writer for Mercury News (“U.S. economic growth continues to slow”, <http://www.mercurynews.com/business/ci_21174354/u-s-economic-growth-continues-slow>, 7/27/2012) Kerwin

U.S. economic growth slowed to an annual rate of just 1.5 percent from April through June, as Americans cut back sharply on spending. The weaker growth adds to worries that the economy could be stalling three years after the recession ended.The Commerce Department also said Friday that the economy grew a little better than previously thought in the January-March quarter. It raised its estimate to a 2 percent rate, up from 1.9 percent.¶ Growth at or below 2 percent isn't enough to lower the unemployment rate, which was 8.2 percent last month. And most economists don't expect growth to pick up much in the second half of the year. Europe's financial crisis and a looming budget crisis in the U.S. are expected to slow business investment further. "The main take away from today's report, the specifics aside, is that the U.S. economy is barely growing," said Dan Greenhaus, chief economic strategist at BTIG LLC. "Along with a reduction in the actual amount of money companies were able to make, it's no wonder the unemployment rate cannot move lower."¶ Some economic data improved over the course of the April-June quarter, while others worsened. Hiring, for example, rose slightly from April to May to June. But home sales weakened.

#### Economic growth sluggish---employment, consumption and export all take big hits this quarter

**The Economist 7/27**, A British news service that focuses on economics and international affairs. Offices are situated in London. The organization releases news magazines and posts current events on their website. 2006 weekly circulation was around 1.5 million copies. 7/27/12[The Economist, “America's economy: Low and slow” The Economist, <http://www.ec> onomist.co m/blogs/freeexchange/2012/07/americas-economy]ADravid

IF RECENT data left any doubt, America's Bureau of Economic Analysis (BEA) dispatched it this morning: **the American economy slowed sharply in the second quarter, adding to the weakest recovery of the post-war period**. The BEA's advanced estimate of economic growth found **that real GDP rose at just a 1.5% annual pace in the second three months of the year, down from 2.0% in the first quarter and a surprisingly strong fourth quarter performance of 4.1%—the fastest three-month spurt of the recovery.** The advance estimate is subject to two revisions in coming months. **Growth slowed across most major categories**. **Personal consumption grew at a more laggardly pace in the second quarter relative to the first, net exports shifted back to a drag on the economy as import growth outpaced exports. And the government remained an economic albatross; the federal government has reduced its contribution to output for all of the past year, and state and local governments have been a drag for 11 consecutive quarters**. Investment added more to growth than in the first quarter, thanks mostly to shifts in inventories. It was a weak report right the way through, though slightly better than markets expected. Nominal output rose at just a 3.1% annual pace in the second quarter, a very weak performance and down sharply from the 4.2% fourth-quarter rate. The report should raise expectations for more Fed action at its meeting next week, not least since the key price gauges also showed significant weakness. The year-on-year change in the implicit price deflator for GDP and the PCE price index both slowed from the first quarter to the second and came in below 2%. Take disinflation across the quarter, which brought inflation rates below 2%, combine it with weak nominal output performance and a substantial slowdown in employment growth, and one has to give the Fed dismal marks, yet again. But perhaps the more interesting perspective is the broader one. This morning's report included revisions to data going back to the end of 2008 (see chart at right). They reveal a slightly better performance in 2009; output fell less in the first half of the year and rose more in the second half, thanks mostly to stronger contributions from government spending and investment. But growth in 2010, at 2.4% for the year, was substantially worse than the initial 3.1% estimate, and **the economy only barely avoided outright contraction early in 2011. All told, the trajectory of recovery has been flatter than initially reported;** but for the last quarter of 2009 and the last quarter of 2011, when growth rose to 4%, output has expanded less than 3% every single quarter of the recovery and below 2% a full third of the time. Since the recovery began in the third quarter of 2009, the output gap has scarcely closed at all, falling from roughly $1 trillion to about $800 billion. Little wonder that unemployment remains well above its long-term rate. **The poor performance will open up additional room for criticism of President Obama by his Republican challenger, Mitt Romney. But even slow growth has typically been enough to carry incumbents to victory. And though it might not much bolster Mr Obama's argument, he can always point to performance in other large economies. Both Britain and the euro zone appear to be in recession, and emerging markets also seem to be slowing sharply. That, too, should encourage the Fed to do more—to shield the American economy from the ill winds blowing in from abroad.**

#### No recovery now - slow growth and poor job numbers

#### [Bartash, ’12 [Jeffery, Jeffry Bartash is a reporter for MarketWatch in Washington, July 27, 2012, http://www.marketwatch.com/story/us-growth-slows-to-15-in-second-quarter-2012-07-27?pagenumber=2](file:///C%3A%5CUsers%5COwner%5CDownloads%5CBartash%2C%20%2712%20%5BJeffery%2C%20Jeffry%20Bartash%20is%20a%20reporter%20for%20MarketWatch%20in%20Washington%2C%20July%2027%2C%202012%2C%20http%3A%5Cwww.marketwatch.com%5Cstory%5Cus-growth-slows-to-15-in-second-quarter-2012-07-27%3Fpagenumber%3D2)

#### WASHINGTON (MarketWatch) — **The U.S. economy took a turn for the worse in the spring as consumers pared spending and businesses invested at a slower pace, with little sign growth will sharply accelerate anytime soon.**Gross domestic product, the value of all goods and services produced in the U.S., rose at a sluggish 1.5% clip in the second quarter, the Commerce Department reported Friday.Economists surveyed by MarketWatch predicted the economy would expand by 1.3% — a forecast that was cut several times as the quarter progressed amid a raft of indicators showing that growth had softened.“In sum, a mediocre report underscoring the economy’s slide into a low level growth rate despite the best efforts of monetary policy,” said Steve Blitz, chief economist of ITG Investment Research.  Most sectors of the economy downshifted in the second quarter, whose growth was lower compared to the prior two periods. The U.S. grew a revised 2.0% in the first quarter and 4.1% in the last three months of 2011.ECONOMY AND POLITICS The slack economy, combined with falling gas prices, kept inflation in check. A measure of inflation linked to consumer prices fell to 1.8% from 2.4% in the prior quarter.Lower inflation give the Federal Reserve more room to act if the central bank decided the economy needs another boost. Many economists believe the central bank will undertake another round of stimulus soon if growth doesn’t pick up.In recent New York trading, stocks moved higher, brushing off the GDP report.  In Washington, Republicans pounced on the weak GDP report and blamed President Obama’s policies for the slow recovery. They hope to recapture the presidency in November based on public dissatisfaction with the fragile economy.Newly revised data on Friday also showed the recovery following the end of the 2007-2009 recession was not as strong as initially reported. Nor was the downturn — the worst since the Great Depression — quite as deep. In the second quarter, consumer spending decelerated to a 1.5% clip from 2.4% in the first three months of the year. Consumer spending is by far the single biggest driver of economic growth.Consumers cut back on an array of goods and services as retail sales fell in all three months of the quarter, the first time that’s happened since the recession.Popular coffee retailer Starbucks , for example, said sales slowed in June in a sign that consumers may have cut back on items they can go without or sought cheaper alternatives.Auto sales, a big contributor to first-quarter growth, provided a much smaller bang in the April-to-June period. Computer sales were also weak.Although gas prices fell last quarter and inflation-adjusted disposable income rose 3.2%, consumers chose to save more money. The savings rate climbed to 4.0% from 3.6%.The greater willingness of consumers to save may reflect worries about the lack of available jobs — the unemployment rate increased during the second quarter for the first time in nearly a year, to 8.2%. The threat of the financial crisis in Europe spreading to the U.S. may also have sapped the confidence of consumers.A separate report released Friday highlighted the decline in confidence. The University of Michigan-Thomson Reuters report on consumer sentiment fell in July to the lowest point of the year.  Another drag on growth was the continued decline in government spending, which fell 1.4% at all levels. Federal outlays dropped 0.4%, mainly because of lower defense spending, while state and local spending declined a steeper 2.1%.

### US Economy - No - Business Confidence

#### US economic growth faltering, business confidence low

AP 7/26 (Associated Press, “US economy looks weaker ahead of key report on growth, businesses appear less confident”, Washington Post Business, 7/26/12, <http://www.washingtonpost.com/business/us-economy-looks-weaker-ahead-of-key-report-on-growth-businesses-appear-less-confident/2012/07/26/gJQAug8cBX_story.html>) Swoap

Businesses placed fewer orders for most long-lasting manufactured goods in June, suggesting many are losing confidence in the slumping U.S. economy. The housing recovery also lost some momentum last month as fewer Americans signed contracts to buy homes. A third report Thursday showed applications for unemployment benefits plunged last week — normally a good sign. But economists quickly dismissed the decline, saying fewer temporary auto layoffs distorted the figure. The latest data added to worries that growth in the April-June quarter could be sharply lower than at the start of the year. The government will issue its first of three estimates for second-quarter growth on Friday. “It looks like the corporate sector is starting to lose confidence in the economy,” said Ethan Harris, co-director of global economics at Bank of America Merrill Lynch, said.

### US Economy - No - Europe

#### Weak economy falling further—European debt crisis, low consumer spending, and job stagnation

Shah 7/28 (Neil, writer for the Wall Street Journal, “Weak Economy Heads Lower”, 7/28/12,

<http://online.wsj.com/article/SB10000872396390443477104577552690628159990.html>, Accessed 7/28/12, Chan)

In the U.S., though, new government figures showed that growth in gross domestic product, the broadest measure of goods and services churned out by the economy, slowed sharply from the first quarter's 2% annual rate and the fourth quarter's 4.1%.¶ That downward slope in growth is worrisome to economists. As the economy loses steam, a pullback can become self-reinforcing as businesses and consumers worry about the future.¶ The slowing economy, along with government data showing the recovery has been weaker than thought, raises the specter that a sudden shock—such as an escalation of Europe's crisis, or next year's looming tax increases and spending cuts—could shove the U.S. back into recession.¶ The Obama administration played down Friday's figures, citing the economy's continued growth. Republicans said the slowdown was evidence of President Barack Obama's lack of success in turning around the economy.¶ The latest report adds to recent signals that could push the Federal Reserve toward taking new steps to spur growth. Not only is growth slow, Friday's report showed inflation running below the Fed's 2% objective. Fed officials will meet on Tuesday and Wednesday to consider their next steps.¶ Chris Klein, chief executive of Fortune Brands Home & Security Inc., whose household products include KitchenCraft cabinets, has noticed a stalling of demand for big-ticket items. "Uncertainty is causing [consumers] to pause a bit," he said.¶ One of the biggest obstacles to recovery is a dearth of consumer spending, which accounts for two-thirds of demand in the economy.¶ Spending rose 1.5% in the second quarter, lower than 2.4% in the first, reflecting weaker demand for cars and big-ticket items. A big reason is the stagnant labor market. Employers added fewer jobs in the second quarter than they have since the labor market began recovering in 2010.¶ "The economy is kind of being strangled," said Bob Baur, chief global economist at Principal Global Investors. "We underestimated how much uncertainty may have contributed to a lack of desire to expand and hire." Mr. Baur expects 2% to 2.5% growth in the second half of the year but has "grown more cautious," he said. ¶ The unemployment rate has barely moved recently. Meanwhile, a Midwestern drought is pushing up food prices, which could make Americans stingier.¶ The White House on Friday said it expected the unemployment rate would fall to 7.9% from the current 8.2% by the end of the year, according to its annual midyear economic review. That estimate assumes Congress will pass some of its spending proposals aimed at boosting jobs, an unlikely prospect given Republican opposition.¶ The administration also cut its 2012 growth projection to 2.3%, compared with 2.7%, and said decreased spending led it to pare its deficit projection to $1.2 trillion in 2012, compared with the $1.33 trillion previously forecast.

### Fiscal Discipline - Yes

#### Fiscal discipline high- deficit reduction

Reuters 7/28 (“White House lowers growth forecasts, brightens jobs picture”, 7/28/12, <http://in.reuters.com/article/2012/07/27/usa-economy-whitehouse-budget-idINDEE86Q0F020120727>) Swoap

 But the White House brightened its forecast for unemployment - one of the key barometers of Obama's economic leadership - to a 8.0 percent rate this year and 7.7 percent next year, from its first estimate of 8.9 percent in 2012 and 8.6 percent in 2013. It also said the deficit would be slimmer this fiscal year - from October through September - than first anticipated, at $1.211 trillion instead of $1.327 trillion and be slightly wider than first projected in fiscal 2013. <ID:1E8IB01B> "Over the next decade, the White House said cumulative deficits would be $240 billion lower than it forecast in February."

#### Obama enforcing tax increases for the rich—balances the budget in time for the election

Trifunov 7/28 (David, writer for the Global Post, “100 days to election, Obama presses for tax cuts”, 7/28/12, <http://www.globalpost.com/dispatch/news/regions/americas/united-states/120728/100-days-election-obama-presses-tax-cuts>, Accessed 7/29/12, Chan)

With 100 days until Americans choose their leader, President [Barack Obama](http://www.globalpost.com/dispatch/news/regions/americas/united-states/120728/100-days-election-obama-presses-tax-cuts) used his weekly address to press Congress on tax cuts while Mitt Romney shifted his foreign [tour](http://www.globalpost.com/dispatch/news/regions/americas/united-states/120728/100-days-election-obama-presses-tax-cuts) to Israel.¶ The president suggested Republican Congressmen hold the fate of average American families in their hands, and can make life easier for everyone by extending the Bush-era tax cuts.¶ “Republicans in Congress and their nominee for president believe that the best way to create prosperity in America is to let it trickle down from the top,” [Obama said](http://www.whitehouse.gov/the-press-office/2012/07/28/weekly-address-house-representatives-must-act-middle-class-tax-cut-exten). “They believe that if our country spends trillions more on tax cuts for the wealthy, we’ll somehow create jobs – even if we have to pay for it by gutting things like education and training and by raising middle-class taxes.”¶ According to the president, Congress is holding “98 percent of American families and 97 percent of small business owners” captive by insisting tax cuts for those who earn more than $250,000 are extended.¶ He wants those cuts to expire and their taxes to increase.¶ The longer this continues, Obama said, the more likely Americans will see their taxes jump by $2,200 next year.¶ “We can’t afford more top-down economics,” the president said.

### Russian Economy - Yes

#### Russian economy strong- high GDP growth, very low inflation

Reid 7/30 (David, analyst for The Eastern European Trust, “Russia offers compelling value to investors”, Interactive Investor, 7/30/12, <http://www.iii.co.uk/articles/45054/russia-offers-compelling-value-investors>) Swoap

Poor global risk appetite, rather than the current state of the Russian economy, is the main driver for these cheap market levels. Russia's GDP is growing at almost 5%. The country has record-low inflation and unemployment levels, achievements for which it has achieved little credit. It is currently running a budget surplus, has almost negligible levels of sovereign debt and over half a trillion dollars of foreign exchange reserves, a position that would be enviable to almost all developed economies at the present time.¶ Russian companies themselves evidently see the value in their own shares. A number of the largest companies have announced and started conducting unprecedented buyback operations over the last few months with a total value in the tens of billions of dollars range. Russian companies are historically criticised for not paying money out to minority shareholders, but this has changed radically over recent months. The state-owned enterprises have been encouraged by the government's pro-investment policy to raise their dividends payout ratios, and now a number of Russian blue-chip companies have sustainable dividend yields of 5-6% or more. For the first time Russia has a dividend yield comparable to that of the global emerging markets, meaning that investors are being paid to hold Russian shares in hard cash rather than relying largely on price appreciation to make gains.

#### Russian economy strong now ---investment in Russia is growing

**Gagarin 7/30**, Economic analyst for Portfolio Advisor—Chair of Gradient Alpha Audit and Consulting Group—Board of Directors and Chair of the Moscow Duma Expert Council for Legislation[Pavel, “Russian economy limbering up for global race” Portfolio Advisor, [http://www.portfolio-adviser.com/comment---analysis/russian-economy-limbering-up-for-global-race]ADravid](http://www.portfolio-adviser.com/comment---analysis/russian-economy-limbering-up-for-global-race%5DADravid)

**Despite the common belief that the business world’s view of Russia is rather skeptical, we see a somewhat different picture in real life.** In 2011, **Coca-Cola announced its intention to invest $3bn in the Russian economy within five years. Recently, Rosneft and ExxonMobil agreed to jointly develop gas fields in the Kara Sea and the Black Sea with a total investment of over $200bn. The Renault-Nissan Alliance, after much deliberation, has decided to increase its share in the Russian car-making giant AvtoVAZ to take a majority stake in the enterprise. Not just multinationals investing in Russia Investments in Russian innovative technologies are also gaining in popularity, especially projects with comparatively small initial capital** (about €1m) and quick payback. Investors are also interested in start-ups - for example, in 2011 the total amount of venture capital investments in the Russian IT sector totalled $237m. Given the general deterioration in the global economy, **Russia is becoming a rather attractive option for investors**. Last year the flow of direct investment into the country amounted to about 3% of GDP. However one shouldn’t forget that last year many investors implemented plans that had previously been postponed because of the crisis. I expect the total volume of foreign investments into the Russian economy will be 30% to 40% lower in 2012 which is still higher than in 2009, thus maintaining the growth trend. As a result Russia, has achieved eighth position in the rating of planned investments by global corporations in 2012-2014. **The growing interest towards investing in Russia is based on recent changes in both the global and Russian economies, as well as on a range of basic factors. Thus, it is quite obvious that investing in the American market does not make sense since in the US local capital is cheaper and more competitive.** In Europe, investors are concerned about a prolonged recession and uncertainty in the future of the euro. The trends in the Asian economies are not very good either. China, judging by the statements of its leaders, will try to fight the crisis relying on its own resources. South and Central America and India remain somewhat exotic for European investors. Against this background, **Russia and a number of other Eastern European countries are becoming more and more attractive as potential investment targets, with Russia appearing to be in the stronger position.** Lower growth but **lower debt** Oddly enough, the macro-economic stability of the country is provided by its commodity-based model of the economy. Thanks to it, lower economic growth rates (compared to the BRICS countries) are offset by an insignificant level of external debt, which constitutes only 9.2% of GDP. During the global debt crisis we believe this can be a decisive factor. This situation is not likely to change for a long time. Energy prices will remain high due to increasing fuel consumption in India and China, as well as growth in global private car ownership. The collapse of the idea of shale oil energy in Europe, continuing tensions in the Middle East and the current policies of OPEC also prevent any foreseeable price decrease. This gives Russia a number of advantages over other developing countries. **Another important trend is the determination of Russian authorities to improve the investment climate. Being vested with exclusive authority, Putin cannot but understand the significance of foreign direct investment and is demonstrating willingness to provide favourable conditions for investors.** Thus, the President has set the government very ambitious tasks: to increase the volume of investment up to 27% of GDP by 2018 and to improve Russia’s position in the World Bank’s rating list from 120th position to 20th. The first step in this direction has been the decision to put a moratorium on tax increases in the non-primary sector. Now there is hope that tax collection practices will become more transparent. "The procedures of tax administration should be comfortable for honest taxpayers," Putin said in his Budget address. The third factor, which gives Russia an advantage in the competition for foreign investment, is **the country's recent accession to the World Trade Organisation. The growing investment attractiveness of Russia, despite the obvious risks that investors face there, suggests changes in the philosophy of European investors. Today, emerging economies of Eastern Europe and the BRICS countries are competing for their attention. Russia is showing the desire to become the leader in this fight.**

#### Russian economy strong- consistent growth

Adomanis 7/26 (Mark, went to Harvard and Oxford, Forbes contributor, “Russia's Economy Is Not in Decline”, Forbes, 7/26/12, <http://www.forbes.com/sites/markadomanis/2012/07/26/russias-economy-is-not-in-decline/>) Swoap/Chan/Dravid/Sherman

I’ve been very confused by the number of articles I’ve seen over the past few weeks that paint Russia as some sort of abysmal economic basket case, a country teetering on the edge of catastrophe. This confuses me partially because the entire Western world is now enveloped in various kinds of slow-motion economic disaster, and partially because when you look at the actual numbers Russia’s economy has actually done OK over the past couple of years. Whether it was Zaiki Laidi making the inaccurate observation that[Russia is “falling behind” the West](http://www.forbes.com/sites/markadomanis/2012/07/20/russia-is-not-falling-behind-the-west/) or [William Martel calling Russia’s economy](http://www.forbes.com/sites/markadomanis/2012/07/25/the-weak-foundations-of-martels-authoritarian-axis/) both “totally dysfunctional” and “command” in nature, people haven’t had a whole lot of love for what has traditionally been [the least popular member of the BRICS](http://www.forbes.com/sites/markadomanis/2012/05/30/a-response-to-ian-bremmer-and-nouriel-roubini-why-we-shouldnt-blackball-russia/).¶ So what I thought I would do is make a simple and straightforward graph of Russia’s economic performance since its economy reached its post-Soviet nadir in 1998.\* Since my expectation is that growth is going to decelerate as the Eurozone crisis, which Russia has somehow managed to avoid sofar, begins to take a toll, I used a quite conservative estimate of 3.3% overall GDP growth for 2012. Since actual growth in the 1st quarter of 2012 was 4.9%, hitting 3.3% means that Russia would experience a pretty noticeable slowdown over the remainder of the year.¶ Does this look to you like a country that is in long-term economic decline? Now Russia was an absolute disaster area in 1998, so the fact that its economy has doubled in size since then should be taken with a very large grain of salt. But I won’t argue with someone if they say “Russia is poor” because Russia really is poor. And if someone says “Russia could grow more quickly if it carried out liberalizing structural reforms” I would agree with that because Russia really does need to carry out liberalizing structural reforms.¶ What I will take issue with, though, is when someone says that Russia is losing economic ground, or that its economy is in some sort of long-term decline. As you can very easily see, it’s simply not possible to argue that Russia’s economy is shrinking because it’s not: the clearly visible trend is of sustained, if not overwhelming, economic growth from a very low base.¶ Meanwhile, just for kicks, here’s a chart comparing the US and Russian economies have performed since 1998 (US inflation adjusted GDP data are from the Bureau of Economic Analysis [here](http://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0CGAQFjAA&url=http%3A%2F%2Fwww.bea.gov%2Fnational%2Fxls%2Fgdplev.xls&ei=g0QRUOKHJqHI6wGBr4HoBg&usg=AFQjCNGSoCrHz7tNxLt3MljlMRBI4mvV7Q&sig2=Lh5zUBJnaE6i4gYxG78D2g)). I used the most recent [IMF prediction](http://www.bloomberg.com/news/2012-07-16/imf-forecast-evolution-for-u-s-gdp-growth-table-.html) of 2% growth in 2012. Again one should note that in 1998 Russia was a pretty nightmarish place to be, but the next time someone tells you Russia is “falling behind” this or that random country it’s worth keeping this chart in mind.¶

### Russian Economy - No

#### Russian economy declining now - Eurozone crisis

Hannon 7/26/12, (Paul Hannon, Wall Street Journal, “European Crisis Seen Spreading to Russia”. 7/26/12. AD: 7/28/12. http://online.wsj.com/article/SB10000872396390444025204577546972960819332.html?mod=googlenews\_wsj|Ashwin)

Russia's economy is more vulnerable to the effects of the euro zone's fiscal and banking crises as commodity prices fall, the European Bank for Reconstruction and Development said Wednesday.¶ Starting in October, the EBRD slashed growth forecasts for eight economies in Central Europe, or CEB, and the Baltics and seven economies in Southeastern Europe, or SEE, citing their close trade and financial links to the euro zone.¶ With strong growth elsewhere in the global economy supporting prices for oil and other raw materials, the EBRD's forecasts for Russia were largely unchanged. But in its latest report on the outlook for the economies in which it invests, the bank said the impact of the currency area's prolonged crisis will spread further east and drag Russia down.¶ "The negative spillovers are reaching east, and to Russia in particular through two main channels: lower commodity prices and a general reduction in risk appetite," said Piroska Nagy, the EBRD's director for country strategy and policy.¶ In May, the EBRD forecast that Russia's economy would grow 4.2% this year and 4.3% in 2013, roughly in line with the 4.3% expansion it posted in 2011. In the bank's latest report, those forecasts were slashed to 3.1% and 3.3%, respectively.¶ On Friday, Russian Economic Development Minister Andrei Belousov said the government expects the economy to grow by between 3.8% and 4% this year, having earlier forecast it would grow by 3.4%.¶ The EBRD warning follows a report by Moody's Investors Service on Monday that said the Russian economy could contract 5% over the next 10 to 12 months and the ruble could depreciate 30% if the euro-zone crisis intensifies.¶ Russia on Monday reaffirmed its support for the currency area.¶ "We hold 40% of our gold and forex reserves in euros, and structurally we're not lowering that level of our reserves, and some of these reserves have been invested in the government securities of European states,"