**Advantage 1 is Costs --**

#### **Defense spending is on the brink post-sequestration -- the longer we wait to check Medicare, the deeper the cuts**

Heritage 11 — Ask Heritage, "Will Congress Defend the Military?," http://www.askheritage.org/will-congress-defend-the-military/, Accessed 4/17/14)//DR. H

Those issues are nothing to gloss over, even though some in Washington would like to pretend they’re not a problem. Since 1965, spending on Medicare, Medicaid and Social Security has more than tripled as a share of the economy, is continuing to grow at a rapid rate, hitting 9.7 percent of GDP this year, and will nearly double by 2050. Meanwhile, spending on defense has dropped over time, even when you add in the costs of the wars in Iraq and Afghanistan. As you can see in Heritage’s Federal Budget in Pictures, that means that spending on entitlement programs is crowding out spending on defense — a core constitutional function of government.

The U.S. military is about to get slashed and burned even further under automatic spending cuts known as “sequestration,” which is mandated under last year’s Budget Control Act. Under sequestration, future defense spending will be cut across the board by nearly $500 billion beginning next year. Add in the $487 billion in cuts already put forward by the President in February (as projected by Secretary of Defense Leon Panetta), America’s military will see its budget drop on average by $100 billion annually over the next decade.

Panetta warned that those cuts will be “devastating,” leaving America with “[t]he smallest ground forces since 1940,” “a fleet of fewer than 230 ships, the smallest level since 1915,” and “[t]he smallest tactical fighter force in the history of the Air Force.” General Martin Dempsey, Chairman of the Joint Chiefs of Staff, bluntly told Congress that the mandated reductions create “very high risk” to national security.

#### **Plan reduces health care prices by up to 70%.**

Ibarra 11 – Sociology Professor @ University of New Mexico – Roberto, "The Initiative to extend Medicare into Mexico," Health, Culture and Society: Volume 1, No. 1, [http://hcs.pitt.edu/ojs/index.php/hcs/article/view/55/84,](http://hcs.pitt.edu/ojs/index.php/hcs/article/view/55/84%2C) Accessed 4/17/14)//DR. H

In 2009, a non-profit organization called the Americans for Medicare in Mexico (AMMAC), led by its founder, Paul Crist, claimed success on its website in gaining support from U.S. law-makers to consider a Medicare in Mexico project.50

The organization‟s ultimate mission is to influence the U.S. Congress to amend Medicare rules to allow health coverage in Mexico, or, at least, to approve a Medicare demonstration project as an initial step in that direction. Crist is a hotel-resort owner in Puerto Vallarta and a former Legislative Aide to Senator Paul Sarbanes (D-MD) who held town hall meetings throughout Mexico informing retirees about the Medicare initiative.

Lobbying efforts by Crist emphasized issues of fairness that retirees in Mexico should be getting what they paid for “through payroll deductions for their entire working lives.”51

The incentive that was pitched to law-makers is the potential for a substantial reduction in Medicare costs in the U.S. (35% to 70%) if seniors could get medical services reimbursed in Mexico rather than in the U.S.52

AMMAC leadership activities attracted media attention to the issue and rallied support from other expatriate organizations such as the Association of American Residents Overseas (AARO), which joined in a letter writing campaign.53

Lobbying efforts continued throughout 2009 and garnered support for the project from 85 congressional offices. On the eve of the health care debates in the U.S. Congress, the AMMAC lobbyist was advised by members of Congress to put the initiative on hold until after the health care reform process was concluded.54

Now that health care reform has passed, Paul Crist believes that “the immigration issue is taking center stage and it has been tough to gain attention for [a] proposed bill” for Medicare in Mexico.55

Potential Medicare savings could increase even more if the flow of medical tourism and the retirement migration of U.S. citizens into Mexico continues to grow. Warner and Jahnke, calculate that with Medicare available in Mexico, the “lower social service costs might offset the increased obligation of covering care in Mexico since many people who would otherwise become dependent on government programs could become self-sufficient,” and if U.S. retirees spend $1,000 in medical services in Mexico that replaces $2,000 in medical costs to Medicare in the U.S., both Mexico and the U.S. will gain new revenues and reduced expenditures, respectively.56

#### Costs are key – high Medicare costs trade off with aircraft carriers.

Curry 13, Tom, 10/27/13, “Budget bargainers will confront defense v. entitlements tradeoffs,” http://www.nbcnews.com/news/other/budget-bargainers-will-confront-defense-v-entitlements-tradeoffs-f8C11469192, Accessed 4/17/14)//DR. H

During the Vietnam War, the phrase “guns versus butter” described the clash between military spending and domestic needs. Today, one way to think about the budget choices Congress faces is an aircraft carrier versus a year of hospice care for a million terminally-ill Medicare recipients.

A House-Senate conference committee begins work in earnest next week to design a budget for the current fiscal year and beyond. The committee faces a Dec. 13 deadline. The goal is to reduce the ever-growing burden of debt -- especially as Baby Boomers leave the workforce and start collecting Medicare and Social Security benefits.

In addition to the inevitable struggle over tax reform and -- for some people at least -- tax increases, the panel of 29 senators and House members will grapple with balancing spending priorities.

The price tag for that new aircraft carrier is $13 billion and rising. The cost of a year of hospice care for terminally ill Medicare recipients is about $16 billion.

In each case the costs are growing. “Gerald R. Ford,” the lead ship in the new generation of aircraft carriers is coming in well over budget. The ship will be christened in two weeks at Newport News Shipbuilding in Virginia.

Its cost of construction has grown by more than 20 percent since Congress authorized it in 2008, according to a report last month by the Government Accountability Office.

Meanwhile, the demographics of the outsized Baby Boom generation are inevitably pushing Medicare costs higher and making Medicare a bigger and bigger piece of the federal spending pie.

The Congressional Budget Office estimates that over the next ten years, defense spending -- not including military retirement benefits and veterans’ benefits -- will increase by 25 percent to $724 billion while Medicare outlays increase by 86 percent to more than $1 trillion.

Building Navy ships and providing medical care for older people on Medicare are also both long-term budget commitments.

A worker who retires this year at age 65 becomes eligible for Medicare and has an average life expectancy of about 20 more years.

Every year the Navy submits to Congress its 30-year shipbuilding plan. The Defense Department’s shipbuilding plan calls for 266 ships to be built between now and 2043 at a cost of $580 billion.

Of course federal budgeting isn’t as simple as buying one item and not another, of trading a ship or a fleet of drones for a given number of days of hospital or hospice care. The job of the conference committee as it meets next week isn’t to decide whether or not to build another aircraft carrier, but to set the top-line targets for broad categories of spending.

But an aircraft carrier vs. a year of hospice care for people on Medicare does illustrate what Senate Budget Committee chairman Sen. Patty Murray, House Budget Committee chairman Paul Ryan and their colleagues will need to contend with.

Ryan and President Barack Obama have both said they want to do something to control Medicare’s cost growth. The Medicare cost cutting ideas Obama put on the table in his Fiscal Year 2014 budget proposal – some of which would require higher-income people to pay more for their benefits -- add up to about $268 billion in savings over ten years, about a three percent reduction in Medicare’s cumulative costs over that period.

#### China’s naval capabilities are outpacing the US -- causes South China Sea, East China Sea, and Taiwan wars -- US budgeting’s key.

O’Rourke 4/10, Ronald, Specialist in National Defense and Maritime Forces, Congressional Research Service, 2014, “China Naval Modernization: Implications for U.S. Navy Capabilities—Background and Issues for Congress,” http://www.fas.org/sgp/crs/row/RL33153.pdf, Accessed 4/21/14)//DR. H

China’s naval modernization effort encompasses a broad array of weapon acquisition programs, including anti-ship ballistic missiles (ASBMs), anti-ship cruise missiles (ASCMs), submarines, surface ships, aircraft, and supporting C4ISR (command and control, communications, computers, intelligence, surveillance, and reconnaissance) systems. China’s naval modernization effort also includes reforms and improvements in maintenance and logistics, naval doctrine, personnel quality, education and training, and exercises.

Observers believe China’s naval modernization effort is oriented toward developing capabilities for doing the following: addressing the situation with Taiwan militarily, if need be; asserting or defending China’s territorial claims in the South China Sea and East China Sea; enforcing China’s view that it has the right to regulate foreign military activities in its 200-mile maritime exclusive economic zone (EEZ); displacing U.S. influence in the Western Pacific; and asserting China’s status as a leading regional power and major world power. Consistent with these goals, observers believe China wants its military to be capable of acting as an anti-access/area-denial (A2/AD) force—a force that can deter U.S. intervention in a conflict in China’s near-seas region over Taiwan or some other issue, or failing that, delay the arrival or reduce the effectiveness of intervening U.S. forces. China may also use its navy for other purposes, such as conducting maritime security (including anti-piracy) operations, evacuating Chinese nationals in foreign countries when necessary, and conducting humanitarian assistance/disaster response (HA/DR) operations.

Potential oversight issues for Congress include the following: whether the U.S. Navy in coming years will be large and capable enough to adequately counter improved Chinese maritime forces while also adequately performing other missions around the world; the Navy’s ability to counter Chinese ASBMs and submarines; and whether the Navy, in response to China’s maritime A2/AD capabilities, should shift over time to a more distributed fleet architecture.

**Taiwan war goes nuclear.**

William **Lowther 13** 3-16, Taipei Times, citing a report by the Center for Strategic and International Studies, 3/16/13, “Taiwan could spark nuclear war: report,” http://www.taipeitimes.com/News/taiwan/archives/2013/03/16/2003557211

Taiwan is the most likely potential crisis that could trigger a nuclear war between China and the US, a new academic report concludes.¶ “Taiwan remains the single most plausible and dangerous source of tension and conflict between the US and China,” says the 42-page report by the Washington-based Center for Strategic and International Studies (CSIS).¶ Prepared by the CSIS’ Project on Nuclear Issues and resulting from a year-long study, the report emphasizes that Beijing continues to be set on a policy to prevent Taiwan’s independence, while at the same time the US maintains the capability to come to Taiwan’s defense.¶ “Although tensions across the Taiwan Strait have subsided since both Taipei and Beijing embraced a policy of engagement in 2008, the situation remains combustible, complicated by rapidly diverging cross-strait military capabilities and persistent political disagreements,” the report says.¶ In a footnote, it quotes senior fellow at the US Council on Foreign Relations Richard Betts describing Taiwan as “the main potential flashpoint for the US in East Asia.”¶ The report also quotes Betts as saying that neither Beijing nor Washington can fully control developments that might ignite a Taiwan crisis.¶ “This is a classic recipe for surprise, miscalculation and uncontrolled escalation,” Betts wrote in a separate study of his own.¶ The CSIS study says: “For the foreseeable future Taiwan is the contingency in which nuclear weapons would most likely become a major factor, because the fate of the island is intertwined both with the legitimacy of the Chinese Communist Party and the reliability of US defense commitments in the Asia-Pacific region.”¶ Titled Nuclear Weapons and US-China Relations, the study says disputes in the East and South China seas appear unlikely to lead to major conflict between China and the US, but they do “provide kindling” for potential conflict between the two nations because the disputes implicate a number of important regional interests, including the interests of treaty allies of the US.¶ The danger posed by flashpoints such as Taiwan, the Korean Peninsula and maritime demarcation disputes is magnified by the potential for mistakes, the study says.¶ “Although Beijing and Washington have agreed to a range of crisis management mechanisms, such as the Military Maritime Consultative Agreement and the establishment of a direct hotline between the Pentagon and the Ministry of Defense, the bases for miscommunication and misunderstanding remain and draw on deephistorical reservoirs of suspicion,” the report says.¶ For example, it says, it is unclear whether either side understands what kinds of actions would result in a military or even nuclear response by the other party.¶ To make things worse, “neither side seems to believe the other’s declared policies and intentions, suggesting that escalation management, already a very uncertain endeavor, could be especially difficult in any conflict,” it says.¶ Although conflict “mercifully” seems unlikely at this point, the report concludes that “it cannot be ruled out and may become increasingly likely if we are unwise or unlucky.”¶ The report says: “With both sides possessing and looking set to retain formidable nuclear weapons arsenals, such a conflict would be tremendously dangerous and quite possibly devastating.”

#### Current tensions ensure miscalc in the East China Sea -- that escalates.

Wang 12/10, Zheng, an Associate Professor in the School of Diplomacy and International Relations at Seton Hall University in New Jersey, USA, and a Global Fellow at the Woodrow Wilson International Center for Scholars. He is the author of ”Never Forget National Humiliation: Historical Memory in Chinese Politics and Foreign Relations, 2014, “How to Prevent Accidental Conflict in the East China Sea,” http://thediplomat.com/2013/12/how-to-prevent-accidental-conflict-in-the-east-china-sea/, Accessed 4/21/14)//DR. H

The clock starts ticking for the next crisis. With China’s announcement of the Air Defense Identification Zone (ADIZ) over the East China Sea and the strong response from Japan, the United States and several other countries, tensions in East Asia are mounting. Since the crisis over the Diaoyu/Senkaku Islands in September 2012, both China and Japan have begun to conduct frequent air and marine patrols in the Diaoyu/Senkakus area. With the flyby of the American B-52s, the area around these tiny islands has become a zone of tension with high probability of an accident and subsequent conflict. Just like the EP-3 collision incident between the US and China in 2001, if states continue to play this game of chicken, then an accident is inevitable. As anyone who studies East Asian international relations knows, a small accident between China and Japan could immediately escalate into a major crisis and even military conflict. Historical memory plays a powerful role in the security of East Asia, more than any other region.

The current situation is indeed dangerous. Scholars who study Sino-Japanese relations have used historical analogies to warn against major conflict. For example, some compare the situation in Europe in 1914 to the current situation between China and Japan. Even though no state wanted to fight in 1914, war still came about partly by accident and miscommunication. Some scholars have begun to call the current situation another “Thucydidean trap.” Under this line of thinking, the Peloponnesian War was inevitable because of the growth of Athenian power and the fear which this caused Sparta. The real source of conflict between China and Japan is not just the tiny islands in the East China Sea, but also the fear that honor is at stake. For this bilateral relationship, victimhood and historical memory are not just psychological issues or concepts related only to perceptions and attitudes as they are in some other relationships. They are key elements in constructing national identity and influencing foreign policy decision making.

China and Japan are the world’s second and third largest economies, meaning any conflict would have disastrous global consequences. Moreover, this bilateral relationship is not truly bilateral. Any conflict between these two countries automatically pulls in the United States. With such a gloomy outlook, it is the time that the governments of the three countries seriously consider how to prevent and to manage crisis and conflict.

#### The United States federal government should establish a medical trade promotion strategy through the development of Medicare insurance program for American citizens living in Mexico with the Mexican Ministry of Health.

#### Advantage 2 is Modeling --

#### Other countries are pressing for international Medicare access – expanding Medicare to Mexico opens the door for other international health agreements.

Forbes, 9 – Business journal, “Medicare In Mexico,” Sept 4, http://www.forbes.com/2009/09/04/mexico-medicare-retirees-personal-finance-health-care.html, Accessed 4/16/14)//DR. H

The U.S. government should pick up the cost of health care for the elderly Americans living in Mexico. That’s the gist of a new lobbying effort aimed at pushing Washington into covering foreign medical expenses for the first time via its sprawling Medicare programs. There are over 1 million U.S. citizens living south of the border, many of them retirees.

The government’s current position is that retired citizens cannot claim benefits for medical treatments received overseas, even if they paid into the Medicare system during their working lives.

The U.S. government is worried that creating a Mexican Medicare exemption might be too complicated and costly to implement and would open the door for Americans in countries as far afield as Poland and Thailand to press for similar benefits, according to David Warner, a professor of health care policy at the University of Texas at Austin and a specialist on Medicare in Mexico.

Paul Crist, a former aid to Sen. Paul Sarbanes, D-Md., now running a hotel in Puerto Vallarta, Mexico, isn’t buying it. Last March, Crist founded the non-profit Americans For Medicare In Mexico. The American businessman has since lobbied 85 members in the U.S. Congress to get Medicare accepted south of the border.

#### Demonstrating success is key – the plan spills over to broader international coverage.

AARO, 9 – Association of American Residents Overseas, Americans for Medicare in Mexico, A.C. (AMMAC) is a legally constituted Mexican non-profit organization dedicated to bringing Medicare coverage to eligible seniors living in Mexico. “Support sought for Demonstration Project for Medicare coverage in Mexico,” http://aaro.org/index.php?option=com\_content&view=article&id=144:aaro-endorses-proposal-for-medicare-demonstration-project-in-mexico&catid=23:medicare&Itemid=27, Accessed 4/16/14)//DR. H

Demonstration Projects are the limited-scale experiments that Medicare undertakes to test innovations in Medicare Program design. Demonstration Projects are aimed at reducing costs, improving health outcomes, increasing Program efficiency, or decreasing bureaucracy and streamlining administration. Medicare does not make large Program changes without first conducting a Demonstration Project.
Medicare legislation provides authorization for Demonstration Projects to be developed and implemented within the U.S., but not in foreign countries. Congressional authorization and waivers of a number of provisions in the Medicare legislation will be required in order to implement a Demonstration Project for seniors living in Mexico.
AMMAC believes that a Demonstration Project for Medicare in Mexico will prove to be successful on a number of levels.
Medicare Program savings will result, thanks to significantly lower health care costs in Mexico.
Improved health outcomes for seniors living in Mexico, who are likely to access care earlier when symptoms arise, and to have more frequent preventive examinations and care.
Stimulate and enhance improvements already underway in certain sectors of the Mexican health provider industry.
In 2009, there is currently the best opportunity yet seen to bring Medicare services to eligible retirees living in Mexico. This is due to a confluence of political and economic events in the United States and Mexico. The current focus on healthcare reform in the U.S. provides an opportunity to promote Demonstration Projects generally, while the need to find Medicare Program cost savings becomes more urgent each year.
According to Paul Crist, the driving force behind ANMAC.....“In the end, this is an issue about fairness (eligible beneficiaries, wherever they live, have paid into the Medicare Trust Fund throughout their working lives); and cost savings for the Medicare Program. I believe this could be the biggest per-beneficiary cost-saving Demonstration project that Medicare has ever undertaken, according to the cost calculations I have done.
The U.S. currently spends at least 1/3 more than the next-most-expensive country for healthcare, this program could be implemented ANYWHERE (not just Mexico) and realize savings to the Medicare system. And ultimately, that is the aim of this project. Medicare can prove that it is administratively feasible to provide benefits to seniors wherever they live, can gain valuable administrative experience by starting in Mexico, working out any difficulties encountered, and gradually extend benefits ANYWHERE.”2

#### That boosts overall economic growth -- creates medical tourist hotspots.

CSIS, 10 – Center for Strategic and International Studies, “Medicare in Mexico,” http://csis.org/blog/medicare-mexico, Accessed 4/16/14)//DR. H

This topic has not gone unnoticed in Mexico or the United States. In Mexico, public and private sector officials recognize the potential profits that the extension of benefits to U.S. retirees could bring to the Mexican economy. With the retiree population in Mexico expected to swell to 5 million by 2025, most of who will be U.S. citizens, the Mexican health care sector could contribute upwards of $6 billion to the GDP if the provision of these services was reimbursed by Medicare. At the same time, with medical costs three to five times lower in Mexico, the country could position itself as a medical tourism destination, providing low-cost quality care to all U.S. citizens. In the United States, public officials recognize that extending these benefits may play a small role in reigning in healthcare costs, allowing retirees to seek procedures at a much lower cost outside the United States.

#### Specifically, Eastern Europe and China would be next because of rock-bottom health care prices

Hylton, ‘9 – Hilary, Cites David C. Warner; professor of public affairs at UT, “Medicare Savings: Is the Answer in Mexico?,” TIME, Oct 23, http://www.time.com/time/nation/article/0,8599,1931559,00.html, Accessed 4/16/14)//DR. H

Resistance to the expansion of Medicare to Mexico is coming from some health-care industry groups like the American Medical Association and the American Hospital Association, according to David C. Warner, who teaches public affairs at the University of Texas LBJ School. Warner says these groups see it as the beginning of a slippery slope that will lead to expansion of Medicare coverage to places like China and Eastern Europe where health-care costs are rock bottom.

#### Eurozone collapse causes World War III

**Gommes, 11** -- former Columbia Law Review senior editor

(Thomas, publisher of Periscope Post, former corporate lawyer, "Eurozone in crisis: The death of the euro could trigger World War III," 12-9-11, www.periscopepost.com/2011/12/eurozone-in-crisis-the-death-of-the-euro-could-trigger-world-war-iii/, accessed 10-23-12, )

Eurozone in crisis: Thedeath of the euro could trigger **World War III** The slow-motion demise of the euro isn’t just financial Armageddon – it could just be one step down the slippery path to World War III. At the risk of being accused of scaremongering, I’ll state my point simply and up front: Things in Europe are not as bad as they seem – they’re worse. And though the commentariat is queuing up to predict the imminent demise of the euro currency and to lament the ongoing recession, that’s not even the half of it: We’re looking at World War III. As major corporations start drawing up contingency plans for a world without the euro and as weaknesses in government finances become ever more glaring, the end of the euro currency becomes an increasingly realistic prospect. Related, the total absence of business growth, or trading among European nations raises the question of what benefits a unified trading block offers. The driving motive behind the original Coal and Steel alliance that ultimately became today’s European Union was a desire among nations, traumatised by the worst war in their collective history, to provide a deterrent against another war. My concern is that that trauma has faded, and that the fear of war has been replaced by the fear of recession. As anyone with even a fleeting familiarity with European history can confirm, ours is not exactly a history of love and peace. In fact, the period since the end of World War II has been probably the longest period of relative peace the region has ever known. Arguably, it’s no coincidence that that period of peace has coincided exactly with the ever strengthening ties that have been forged between European nations over these past 60 years. If the bonds that tie European nations together are weakened, the incentives to avoid **total war** dwindle. And its not as dramatic or far fetched a theory as it may at first sound. The end of the euro currency and a reversion to national currencies could quite possibly provide the impetus for a further dissolution of the union. The unraveling of painstakingly negotiated ties becomes easier and easier as each strand frays and breaks. Combine this unraveling with an ongoing or even deepening recession, and it all makes for a combustible atmosphere. Unfortunately, it is human nature to blame others for our woes. In an environment of unemployment, austerity, and general resentment, it is not difficult to imagine nations starting to point the finger at their neighbours. And without the unifying effect of a common currency, thriving trading relations, free movement of peoples, and common interests, Europe would find itself **increasingly susceptible to** war. Moreover, as so few Europeans in my generation, let alone subsequent generations, have even the slightest inkling about how horrific war is, it may be tempting to consider it as a solution to problems, or at minimum an acceptable response to perceived slights.

#### Medical tourism offers a life vest for Cyprus’s economy.

Peratikos 13, Polis Peratikos, Cyprus Health Service Promotion Board Officer, International Medical Travel Journal, “Cyprus... at the crossroads of medical tourism,” http://www.imtj.com/articles/2013/cyprus-medical-tourism-30175/, Accessed 4/16/14)//DR. H

Cyprus was one of the first entrants into the European medical tourism sector, and, at an early stage, the country established a national initiative to promote medical tourism. IMTJ spoke to Polis Peratikos, Executive Secretary of the Cyprus Health Services Promotion Board about the current market situation in Cyprus and future plans for medical tourism to Cyprus.

Can you provide a brief overview of the role of Cyprus Health Services Promotion Board in the development of Medical Tourism to Cyprus?

Cyprus is a long established tourist destination with an international reputation. It has been an EU member since 2004 which ensures that all the necessary EU directives are introduced and incorporated into national legislation. It is also in the Euro zone which enables people to budget easily for their expenditures. And... it has a unique position at the continental crossroads between Europe, Asia, Africa and the Middle East making itself easily accessible.

Health tourism services in Cyprus have seen marked growth and improvement over recent years, creating the need for an organisation whose main concern would be to place Cyprus on the global medical tourism map through a variety of actions.

In 2006, the Cyprus Chamber of Commerce & Industry took the initiative and established the Cyprus Health Services Promotion Board a non-profit organisation whose membership consists of all the major hospital, clinics, doctors and other stakeholders of the medical tourism industry in Cyprus.

The Cyprus Health Services Promotion Board works closely with the Cyprus Tourism Organisation, the Ministry of Energy Commerce Industry and Tourism, the Ministry of Health, the Cyprus Medical Association and the Cyprus Dental Association. All of these organisations serve as ex-officio members on the board of directors of the Cyprus Health Services Promotion Board, enhancing our efforts to promote Cyprus and expand the island’s medical tourism industry.

The majority of our actions are funded by the CTO and the Ministry of Energy, Commerce, Industry and Tourism; many of our events are co-organised with the medical and the dental associations.

How is Cyprus doing in the Medical Tourism market?

Medical tourism is a relatively new sector in Cyprus and for this reason there are no actual figures regarding the exact number of patients visiting the country. However, the number of treatment requests is constantly increasing, mainly for dental services, cosmetic and spine surgeries, fertility treatments (IVF) and a vast range of other medical and wellness treatments.

Cyprus is particularly attractive to the UK market, as English is widely spoken throughout the island and due to the fact that most of our doctors are familiar with the UK healthcare system. Other important markets for Cyprus are Germany, the Netherlands, Russia and the Middle East.

Is the market growing /declining/static?

Medical tourism is undoubtedly a growing sector for our tourist industry. Several private initiatives have managed to attract patients from all over the world including the US. The reasonably priced health care, the well-equipped technologically – sophisticated hospitals and clinics, the high nursing standards together with the high standards of tourism as well as our traditional hospitality makes Cyprus a quality destination for medical tourism.

How have the recent EU and economic problem effected healthcare in Cyprus and medical tourism in particular?

We see the crisis as an opportunity for further development. Organisational and structural reforms are already taking place and due to the financial crisis more stakeholders have been in search for new niche markets such as medical tourism. Despite the challenging economic environment, we are witnessing new investment opportunities both for the medical and wellness sector in Cyprus; investments that will enhance our product and quality of treatment.

What is the strategy for Cyprus in medical tourism?

After identifying that medical tourism can become a fundamental pillar of our economy, the Cyprus Tourism Organisation conducted a strategy aiming to establish our island as a popular destination for health travellers. This strategy contains views, opinions of all the stakeholders of the medical tourism industry including hospitals, individual doctors, hotel managers, spa and wellness centers, travel agency companies, medical coordinators, government officials and many more. The main markets for Cyprus have been identified as the UK, Russia and the Middle East. Of course as previously mentioned generally all the countries of the EU are equally important.

#### **Absent new sources of growth, Cyprus’s economy is terminally unsustainable -- causes a global war.**

Rockwell 13, Lew, Chairman of the Ludwig von Mises Institute; economics institute, 3/22/13, “Could Cyprus Banking Crisis Trigger a War?” http://www.marketoracle.co.uk/Article39600.html, Accessed 4/16/14)//DR. H

Eric Margolis writes: Realizing they will never be a world power, the Cypriots have decided to settle for being a world nuisance. ~ George Mikes, Hungarian writer

Cyprus is a big pain in the neck for one and all. Its banks are bust due to reckless lending to Greece. The sunny island is a beehive of tax evasion, money laundering, dodgy trade and espionage.

Now, the threatened bankruptcy of Cyprus has triggered the latest European financial crisis.

Russian businessmen and the Russian Mafia have some 30 billion euros stashed away in Cyprus. Russians make up the second largest biggest cohort of Greek Cyprus’ 869,000 people. Some 260,000 ethnic Turks live in the isolated Turkish Republic of Northern Cyprus, which no one but Turkey recognizes.

A 10 billion euro EU bailout is in the works. But the Germans, who will have to fund most of the rescue, are loathe to rescue the Russian mob, and who can blame them?

So the Germans seem set on punishing the wayward Greek Cypriotes and their Russian pals by trying to impose a tax on local bank deposits. This ham-handed plan triggered outrage and fear across Europe, and may ignite a run on banks in Cyprus and Greece. Moscow is furious.

But there’s much more to the Cyprus crisis than its dubious banks. Cyprus has bedeviled Europe and world diplomacy since 1974, then Greek Cypriot far rightists staged a coup and sought union – or "enosis" – with mainland Greece. Turkey promptly intervened with 30,000 troops to protect Turkish Cypriots in the north. Many Greeks fled or were expelled to the south.

Europe and the UN have been trying to sort out the Cyprus mess ever since. After decades of mind-numbing negotiations, former UN chief Kofi Annan proposed a sensible deal in 2004 for a Greek-Turkish federation. Turks accepted, but Greek Cypriots blocked it. Britain, which has two important air bases in Cyprus, backed the status quo.

In the same year, the EU committed the grave error of admitting Cyprus as a member without first insisting that Greek Cypriots agree to a peace deal and Greek-Turkish federation.

Northern Cyprus was left in limbo while the south became part of the EU, assuring the island’s ugly dispute would be come part of the European Union. Cyprus should never have been admitted to the EU.

Europeans who opposed Turkish membership in the EU used Cyprus as a pretext to delay admission, infuriating Turkey.

After decades of patient work developing normal relations after centuries of conflict, Greece and Turkey are again up in arms again over Cyprus. Their dangerous problem of overlapping air and sea claims in the Aegean has revived - just when Greece must slash its bloated military budget.

It gets worse. Very large underwater gas deposits were recently discovered between Cyprus and Israel. Both Cyprus and Israel, who are to jointly develop them, could become energy exporters. They have become very close allies.

"Not so fast" say Cyprus’ Turkish minority. ‘That gas also belongs in part to us!" Ankara insists the gas must be shared and has sent ships to back its claim.

Palestine, Egypt, Lebanon and Syria are also advancing claims to the "Aphrodite" gas field off Cyprus -shades of the tense South China Sea. But most likely to clash are the Turks and Israelis.

Turkey is still boiling mad over the Israeli seizure of a Gaza bound relief ship in 2010 and the killing of nine Turks.

Israel has emerged as a major backer of the embattled Greek government, using its influence in Washington and financial clout.

Russia, increasingly interested in the Greece-Cyprus-Syria region, says it will keep a nine-ship squadron in the eastern Mediterranean as Moscow’s worries over Syria, now under western siege, grow by the day. Moscow is hinting that it mighty bail out Cypriot banks in exchange for the lion’s share of the "Aphrodite" gas fields.

All the elements are in place for a very nasty, dangerous multi-party confrontation in the eastern Mediterranean. The EU could have pre-emptied this danger by using a bank rescue of Cyprus to force Greek Cypriots to make a sensible peace deal with their Turkish neighbors. And by forcing Cyprus to fairly share the offshore gas bonanza with neighboring states. But it probably won’t.

#### Medical tourism is key to East Asian economies.

Snyder et al 2/16, 2014, Jeremy Snyder, Rory Johnston, Valorie Crooks, Krystyna Adams, Leon Hoffman, and Rebecca Whitmore are members of the Simon Fraser University Medical Research Team, “Medical tourism an uncertain prescription for Asian economies,” http://www.eastasiaforum.org/2014/02/16/medical-tourism-an-uncertain-prescription-for-asian-economies/, Accessed 4/16/14)//DR. H

Medical tourism is a practice where patients travel abroad to purchase medically necessary services, such as heart surgeries and hip replacements; elective treatments, such as cosmetic surgeries or reproductive services; and experimental treatments, such as stem cell therapies.

The enthusiastic embrace of medical tourism by East Asian hospitals and governments is, in theory, well justified. Health services exports could potentially diversify regional economies. Industry promoters say it can increase foreign direct investment into the private health sector, help countries retain their existing health workforce, increase training opportunities for health workers, and ensure that the local health sector has access to the latest technological advances. Taken together, these benefits can provide local populations with the opportunity to access cutting-edge and high-quality health services at home.

#### East Asian instability goes nuclear.

**Dibb 1** – head of the Strategic and Defense Studies Centre in the Research School of Pacific and Asian Studies for The Australian National University, former Deputy Secretary for Strategic Policy and Intelligence in the Australian Department of Defense and director of the Joint Intelligence Organisation (Paul, Naval War College Review, "Strategic trends: Asia at a crossroads", 54:1, ProQuest, WEA)

The areas of maximum danger and instability in the world today are in Asia, followed by the Middle East and parts of the former Soviet Union. The strategic situation in Asia is more uncertain and potentially threatening than anywhere in Europe. Unlike in Europe, it is possible to envisage war in Asia involving the major powers: remnants of Cold War ideological confrontation still exist across the Taiwan Straits and on the Korean Peninsula; India and Pakistan have nuclear weapons and ballistic missiles, and these two countries are more confrontational than at any time since the early 1970s; in Southeast Asia, Indonesia-which is the world's fourth-largest country-faces a highly uncertain future that could lead to its breakup. The Asia-Pacific region spends more on defense (about $150 billion a year) than any other part of the world except the United States and Nato Europe. China and Japan are amongst the top four or five global military spenders. Asia also has more nuclear powers than any other region of the world.

Asia's security is at a crossroads: the region could go in the direction of peace and cooperation, or it could slide into confrontation and military conflict. There are positive tendencies, including the resurgence of economic growth and the spread of democracy, which would encourage an optimistic view. But there are a number of negative tendencies that must be of serious concern. There are deep-seated historical, territorial, ideological, and religious differences in Asia. Also, the region has no history of successful multilateral security cooperation or arms control. Such multilateral institutions as the Association of Southeast Asian Nations and the ASEAN Regional Forum have shown themselves to be ineffective when confronted with major crises.

#### Specifically, Chinese economic decline causes great power war.

**Kane 01** [Thomas Kane, PhD in Security Studies from the University of Hull & Lawrence Serewicz, Autumn, <http://www.carlisle.army.mil/usawc/Parameters/01autumn/Kane.htm>]

Despite China's problems with its food supply, the Chinese do not appear to be in danger of widespread starvation. Nevertheless, one cannot rule out the prospect entirely, especially if the earth's climate actually is getting warmer. The consequences of general famine in a country with over a billion people clearly would be catastrophic. The effects of oil shortages and industrial stagnation would be less lurid, but economic collapse would endanger China's political stability whether that collapse came with a bang or a whimper. PRC society has become dangerously fractured. As the coastal cities grow richer and more cosmopolitan while the rural inland provinces grow poorer, the political interests of the two regions become ever less compatible. Increasing the prospects for division yet further, Deng Xiaoping's administrative reforms have strengthened regional potentates at the expense of central authority. As Kent Calder observes, In part, this change [erosion of power at the center] is a conscious devolution, initiated by Deng Xiaoping in 1991 to outflank conservative opponents of economic reforms in Beijing nomenclature. But devolution has fed on itself, spurred by the natural desire of local authorities in the affluent and increasingly powerful coastal provinces to appropriate more and more of the fruits of growth to themselves alone.[ 49] Other social and economic developments deepen the rifts in Chinese society. The one-child policy, for instance, is disrupting traditional family life, with unknowable consequences for Chinese mores and social cohesion.[ 50] As families resort to abortion or infanticide to ensure that their one child is a son, the population may come to include an unprecedented preponderance of young, single men. If common gender prejudices have any basis in fact, these males are unlikely to be a source of social stability. Under these circumstances, China is vulnerable to unrest of many kinds. Unemployment or severe hardship, not to mention actual starvation, could easily trigger popular uprisings. Provincial leaders might be tempted to secede, perhaps openly or perhaps by quietly ceasing to obey Beijing's directives. China's leaders, in turn, might adopt drastic measures to forestall such developments. If faced with internal strife, supporters of China's existing regime may return to a more overt form of communist dictatorship. The PRC has, after all, oscillated between experimentation and orthodoxy continually throughout its existence. Spectacular examples include Mao's Hundred Flowers campaign and the return to conventional Marxism-Leninism after the leftist experiments of the Cultural Revolution, but the process continued throughout the 1980s, when the Chinese referred to it as the "fang-shou cycle." (Fang means to loosen one's grip; shou means to tighten it.)[ 51] If order broke down, the Chinese would not be the only people to suffer. Civil unrest in the PRC would disrupt trade relationships, send refugees flowing across borders, and force outside powers to consider intervention. If different countries chose to intervene on different sides, China's struggle could lead to major war. In a less apocalyptic but still grim scenario, China's government might try to ward off its demise by attacking adjacent countries.

#### Plan’s key to US economic growth.

Wilson 11, US-Mexico expert at several think tanks, 11 – Christopher E. Wilson, Program Associate with the Woodrow Wilson Center’s Mexico Institute, where he focuses on U.S.-Mexico economic integration and border issues. He previously served as a Mexico Analyst for the U.S. Military and has also worked with the Center for North American Studies at American University and IQOM, Inteligencia Comericial, in Mexico City. Christopher completed his M.A. in International Affairs at American University, Mexico institute, Woodrow Wilson international Center for Scholars, “Mexico Institute Working Together: Economic Ties Between the United States and Mexico,” http://www.wilsoncenter.org/sites/default/files/Working20Together20Full20Document.pdf, Accessed 4/16/14)//DR. H

As the baby boom generation begins to hit retirement age, the U.S. faces a demographic challenge. For the next several years, the number of nonworking seniors and youth that each working-age American must support will increase. As a result, a growing share of both personal and national income will have to be dedicated to the needs, including costly medical care, of an aging population. Mexico, on the other hand, still has a younger population. In fact, Mexico is entering what is known as a demographic window, a limited period of time when the working-age population is particularly large compared to dependents.

This situation, normally occurring just once in the development of a society as declining birth rates lead to a demographic transition, provides a unique structural opportunity for high rates of economic growth. Many would suggest a comparison between the U.S. and Mexican population pyramids presents a strong argument for increasing the number of work-related visas available for legal immigration into the U.S., which would help fund programs like Medicare and Social Security while at the same time decreasing unauthorized immigration. But even if one opposes such an idea, increasing trade and economic cooperation with Mexico could offer pathways to capitalize on Mexico’s favorable demographics that do not involve migration.

**Economic decline causes war.**

**Royal, 10** – Jedediah Royal, Director of Cooperative Threat Reduction at the U.S. Department of Defense(Economic Integration, Economic Signaling and the Problem of Economic Crises, Economics of War and Peace: Economic, Legal and Political Perspectives, ed. Goldsmith and Brauer, p. 213-215)

Second, on a dyadic level. Copeland's (1996. 2000) theory of trade expectations suggests that 'future expectation of trade' is a significant variable in understanding economic conditions and security behaviour of states. He argues that interdependent states are likely to gain pacific benefits from trade so long as they have an optimistic view of future trade relations. However, if the expectations of future trade decline, particularly for difficult to replace items such as energy resources, the likelihood for conflict increases, as states will be inclined to use force to gain access to those resources. Crises could potentially be the trigger for decreased trade expectations either on its own or because it triggers protectionist moves by interdependent states.4 Third, others have considered the link between economic decline and external armed conflict at a national level. Blomberg and Hess (2002) find a strong correlation between internal conflict and external conflict, particularly during periods of economic downturn. They write, The linkages between internal and external conflict and prosperity are strong and mutually reinforcing. Economic conflict tends to spawn internal conflict, which in turn returns the favour. Moreover, the presence of a recession lends to amplify the extent to which international and external conflicts self-reinforce each other. (Blombcrj! & Hess. 2002. p. 89) Economic decline has also been linked with an increase in the likelihood of terrorism (Blomberg. Hess. & Weerapana, 2004). which has the capacity to spill across borders and lead to external tensions. Furthermore, crises generally reduce the popularity of a sitting government. "Diversionary theory" suggests that, when facing unpopularity arising from economic decline, sitting governments have increased incentives to fabricate external military conflicts to create a 'rally around the flag' effect. Wang (1996), DeRouen (1995), and Blombcrg. Mess, and Thacker (2006) find supporting evidence showing that economic decline and use of force are at least indirectly correlated. Gelpi (1997), Miller (1999). and Kisangani and Pickering (2009) suggest that the tendency towards diversionary tactics arr greater for democratic states than autocratic states, due to the fact that democratic leaders are generally more susceptible to being removed from office due to lack of domestic support. DeRouen (2000) has provided evidence showing that periods of weak economic performance in the United States, and thus weak Presidential popularity, are statistically linked to an increase in the use of force.

**Mexican instability spills over to create other failed states in Latin America.**

**Manwaring 07** – (Dec. 2007, Max, General Douglas MacArthur Chair and Professor of Military Strategy at the U.S. Army War College, retired U.S. Army colonel, Adjunct Professor of International Politics at Dickinson College, “A CONTEMPORARY CHALLENGE TO STATE SOVEREIGNTY: GANGS AND OTHER ILLICIT TRANSNATIONAL CRIMINAL ORGANIZATIONS IN CENTRAL AMERICA, EL SALVADOR, MEXICO, JAMAICA, AND BRAZIL,” Strategic Studies Institute, http://www.voltairenet.org/IMG/pdf/Transnational\_Criminal\_Organizations.pdf)

This convoluted array of Mexican gangs, Central American Maras, Mexican cartels, and the Mexican Mafia creates an almost anarchical situation throughout the country. As each gang and cartel violently competes and juxtapositions itself to maximize market share and freedom of movement and action, we see an operational environment characterized by the blurring of crime and war. In addition to outrageous violence and bloodshed, this environment is also creating small and large criminal-run “free-enclaves” in the cities and states of the Mexican nation-state. Moreover, **the spillover transcends the supposedly sovereign borders of Mexico and its neighbors**. This situation is similar in many ways to the medieval era, with feudal barons asserting total control over their fiefdoms. Violence and the fruits of violence─arbitrary political control─seem to be devolving to these small, private nonstate actors. This is a serious challenge to existing law and order in Mexico, to the effective sovereignty of that country, and to the security and sovereignty of the other nation-states within and between which the gang phenomenon operates.59

**Escalates to global WMD use.**

**Manwaring 05** (Max G., Retired U.S. Army colonel and an Adjunct Professor of International Politics at Dickinson College, VENEZUELA’S HUGO CHÁVEZ, BOLIVARIAN SOCIALISM, AND ASYMMETRIC WARFARE, October 2005, pg. PUB628.pdf)

President Chávez also understands that the process leading to **state failure is the most dangerous long-term security challenge** facing the global community today. The argument in general is that failing and failed state status is the breeding ground for **instability, criminality, insurgency, regional conflict,** and terrorism. These conditions breed massive humanitarian disasters and major refugee flows. They can host “evil” networks of all kinds, whether they involve criminal business enterprise, narco-trafficking, or some form of ideological crusade such as *Bolivarianismo.* More specifically, these conditions spawn all kinds of things people in general do not like such as murder, kidnapping, corruption, intimidation, and destruction of infrastructure. These means of coercion and persuasion can spawn further human rights violations, torture, poverty, starvation, disease, the recruitment and use of child soldiers, trafficking in women and body parts, trafficking and **proliferation** of conventional weapons systems and **WMD, genocide, ethnic cleansing**, warlordism, and criminal anarchy. At the same time, these actions are usually unconfined and spill over into regional syndromes of poverty, destabilization, and conflict.62 Peru’s *Sendero Luminoso* calls violent and destructive activities that facilitate the processes of state failure “armed propaganda.” Drug cartels operating throughout the Andean Ridge of South America and elsewhere call these activities “business incentives.” Chávez considers these actions to be steps that must be taken to bring about the political conditions necessary to establish Latin American socialism for the 21st century.63 Thus, in addition to helping to provide wider latitude to further their tactical and operational objectives, state and nonstate actors’ strategic efforts are aimed at progressively lessening a targeted regime’s credibility and capability in terms of its ability and willingness to govern and develop its national territory and society. Chávez’s intent is to focus his primary attack politically and psychologically on selected Latin American governments’ ability and right to govern. In that context, he understands that popular perceptions of corruption, disenfranchisement, poverty, and lack of upward mobility limit the right and the ability of a given regime to conduct the business of the state. Until a given populace generally perceives that its government is dealing with these and other basic issues of political, economic, and social injustice fairly and effectively, instability and the threat of subverting or destroying such a government are real.64 But failing and failed states simply do not go away. Virtually anyone can take advantage of such an unstable situation. The tendency is that the best motivated and best armed organization on the scene will control that instability. As a consequence, failing and failed states become dysfunctional states, rogue states, criminal states, narco-states, or new people’s democracies. In connection with the creation of new people’s democracies, one can rest assured that Chávez and his Bolivarian populist allies will be available to provide money, arms, and leadership at any given opportunity. And, of course, the longer dysfunctional, rogue, criminal, and narco-states and people’s democracies persist, the more they and their associated problems endanger **global security, peace, and prosperity**.65