# 1st Off

**Immigration will pass – current GOP defections are creating political opportunity to pressure the leadership – picking off more moderate GOP means House leaders will cave and get a conference committee vote**

**Sargent, 10/30** (Greg, The Plum Line blog, Washington Post, “Immigration reform is definitely undead” <http://www.washingtonpost.com/blogs/plum-line/wp/2013/10/30/immigration-reform-is-definitely-undead/>)

We now have three House Republicans who have signed on to the House Dem comprehensive immigration reform bill, putting immigration reform officially back in the “undead” category.¶ GOP Rep. David Valadao of California is officially on board with the bipartisan proposal, according to a statement from the Congressman sent my way:¶ “I have been working with my colleagues on both sides of the aisle to find common ground on the issue of immigration reform. Recently, I have focused my efforts on joining with likeminded Republicans in organizing and demonstrating to Republican Leadership broad support within the Party to address immigration reform in the House by the end of the year.¶ “By supporting H.R. 15 I am strengthening my message: Addressing immigration reform in the House cannot wait. I am serious about making real progress and will remain committed to doing whatever it takes to repair our broken immigration system.”¶ Valadao’s move is not wholly unexpected, given that he inhabits a moderate district with a lot of Latinos. But his insistence that addressing immigration reform “cannot wait” is helpful. It seems like an implicit message to the GOP leadership: We must act this year, and on this bill, if necessary.¶ This comes after GOP Reps. leana Ros-Lehtinen and Jeff Denham Jeff Denham did the same. Denham has said he expects “more” Republicans to ultimately sign on, and has also said that the House GOP leadership told him there will be a vote on something immigration-related by the end of the year.¶ It’s unclear whether there will actually be a House vote on anything involving immigration before the year runs out, and it seems very unlikely that there will be a vote on the House Dem measure, which is essentially the Senate comprehensive immigration reform bill, without the Corker-Hoeven border security amendment that House Dems dislike, and instead with another border security amendment House Dems like swapped in.¶ However, the movement among Republicans towards the Dem bill — even if it is only a trickle for now — is interesting, as a reminder that immigration reform can happen if House GOP leaders actually want it to.¶ To be sure, immigration reform faces a huge obstacle: The stark underlying structural realities of the House Republican caucus. Far too few Republican members have large enough Latino populations to impact the outcome in 2014. With primaries coming, there just may be no incentive for Republicans to act until after the 2014 elections.¶ But there are other factors to consider. In some key respects, immigration reform poses its own unique set of political challenges and conditions — it is not quite as polarizing an issue as, say, Obamacare or even the question of whether to agree to new revenues as part of a budget deal. Major GOP aligned constituencies — the U.S. Chamber of Commerce, evangelicals, high tech and agricultural interests in the districts of House Republicans – want immigration reform. What’s more, there is a built-in incentive for Republicans to put this issue behind them, given the slow forward march of demographic realities.¶ Also, as longtime immigration operative Simon Rosenberg explains, Congressional Republicans have a long history of working on this issue. And some polls show that even sizable chunks of Republican voters want comprehensive reform, particularly if it is packaged with border security. Republican pollster Whit Ayres’ research, in particular, has shown that even GOP primary voters want action when informed that the other option is the status quo or “de facto amnesty,” as some pro-reform Republicans put it.¶ Indeed, if there is anything that can make something happen, it’s the possibility that inaction is far more difficult politically for Republicans than many of them (and many commentators) claim. The immigration problem — “de facto amnesty” is not going away. If more Republicans like these three urge action inside the GOP caucus, it’s not impossible that House GOP leaders will allow votes on border security, the Kids Act, or potentially the legalization proposal that Republicans are said to be working on. That could possibly get us to conference.

**It will be a fight and it requires all of Obama’s capital to pass it**

**Orlando Sentinel, 11/1** (editorial, “It’ll take both parties to clear immigration logjam” database: LibraryPressDisplay (at the University of Michigan)

For those who thought the end of the government shutdown would provide a break from the partisan bickering in Washington, think again. The battle over comprehensive immigration reform could be every bit as contentious.¶ Polls show the popular momentum is there for comprehensive reform, which would include a path to citizenship for many of the nation's 11 million undocumented immigrants. But it'll take plenty of political capital from President Obama and leaders in both parties on Capitol Hill to make it happen.¶ Immigration-reform activists, who have been pushing for reform for years, are understandably impatient. This week police arrested 15 who blocked traffic at a demonstration in Orlando.¶ There are plenty of selling points for comprehensive immigration reform. An opportunity for millions of immigrants to get on due right side of the law. Stronger border security. The chance for law enforcement to focus limited resources on real threats to public safety instead of nannies and fruit pickers. A more reliable work force to meet the needs of key industries. Reforms to let top talent from around the world stay here after studying in U.S. universities.¶ The Senate passed its version of comprehensive immigration in June. It includes all of the benefits above. Its path to citizenship requires undocumented immigrants to pay lines, learn English, ass a criminal background check and wait more than a decade.¶ So far, House Republicans have balked, taking a piecemeal rather than comprehensive approach. Many members fear being challenged from the light for supporting "amnesty”.¶ Yet polls show the public supports comprehensive reform. In June, a Gallup poll found 87 percent of Americans - including 86 percent of Republicans - support a pathway to citizenship like the one outlined in the Senate bill.¶ Florida Republican Sen. Marco Rubio took flak from tea-party supporters for spear- heading the comprehensive bill. Now, apparently aiming to mend fences, he says immigration should be handled piecemeal He's politically savvy enough to know that's a dead end.¶ But comprehensive reform won't have a chance without President Obama making full use of his bully pulpit to promote it, emphasizing in particular all that undocumented immigrants would need to do to earn citizenship. House Democratic leaders will have to underscore the president’s message.

**New economic engagement drains capital and specifically derails immigration by shifting the focus from security to economics**

Shear, 13 (Michael, NYT White house correspondent, 5/5, <http://www.nytimes.com/2013/05/05/world/americas/in-latin-america-us-shifts-focus-from-drug-war-to-economy.html?pagewanted=all>)

Last week, Mr. Obama returned to capitals in Latin America with a vastly different message. Relationships with countries racked by drug violence and organized crime should focus more on economic development and less on the endless battles against drug traffickers and organized crime capos that have left few clear victors. The countries, Mexico in particular, need to set their own course on security, with the United States playing more of a backing role. That approach runs the risk of being seen as kowtowing to governments more concerned about their public image than the underlying problems tarnishing it. Mexico, which is eager to play up its economic growth, has mounted an aggressive effort to play down its crime problems, going as far as to encourage the news media to avoid certain slang words in reports. “The problem will not just go away,” said Michael Shifter, president of the Inter-American Dialogue. “It needs to be tackled head-on, with a comprehensive strategy that includes but goes beyond stimulating economic growth and alleviating poverty. “Obama becomes vulnerable to the charge of downplaying the region’s overriding issue, and the chief obstacle to economic progress,” he added. “It is fine to change the narrative from security to economics as long as the reality on the ground reflects and fits with the new story line.” Administration officials insist that Mr. Obama remains cleareyed about the security challenges, but the new emphasis corresponds with a change in focus by the Mexican government. The new Mexican president, Enrique Peña Nieto, took office in December vowing to reduce the violence that exploded under the militarized approach to the drug war adopted by his predecessor, Felipe Calderón. That effort left about 60,000 Mexicans dead and appears not to have significantly damaged the drug-trafficking industry. In addition to a focus on reducing violence, which some critics have interpreted as taking a softer line on the drug gangs, Mr. Peña Nieto has also moved to reduce American involvement in law enforcement south of the border. With friction and mistrust between American and Mexican law enforcement agencies growing, Mr. Obama suggested that the United States would no longer seek to dominate the security agenda. “It is obviously up to the Mexican people to determine their security structures and how it engages with other nations, including the United States,” he said, standing next to Mr. Peña Nieto on Thursday in Mexico City. “But the main point I made to the president is that we support the Mexican government’s focus on reducing violence, and we look forward to continuing our good cooperation in any way that the Mexican government deems appropriate.” In some ways, conceding leadership of the drug fight to Mexico hews to a guiding principle of Mr. Obama’s foreign policy, in which American supremacy is played down, at least publicly, in favor of a multilateral approach. But that philosophy could collide with the concerns of lawmakers in Washington, who have expressed frustration with what they see as a lack of clarity in Mexico’s security plans. And security analysts say the entrenched corruption in Mexican law enforcement has long clouded the partnership with their American counterparts. Putting Mexico in the driver’s seat on security marks a shift in a balance of power that has always tipped to the United States and, analysts said, will carry political risk as Congress negotiates an immigration bill that is expected to include provisions for tighter border security. “If there is a perception in the U.S. Congress that security cooperation is weakening, that could play into the hands of those who oppose immigration reform,” said Vanda Felbab-Brown, a counternarcotics expert at the Brookings Institution in Washington. “Realistically, the border is as tight as could be and there have been few spillovers of the violence from Mexico into the U.S.,” she added, but perceptions count in Washington “and can be easily distorted.” “Drugs today are not very important to the U.S. public over all,” she added, “but they are important to committed drug warriors who are politically powerful.” Representative Michael T. McCaul, a Texas Republican who is chairman of the Homeland Security Committee, has warned against the danger of drug cartels forming alliances with terrorist groups. “While these threats exist, you would be surprised to find that the administration thinks its work here is done,” he wrote in an opinion article for Roll Call last month, pressing for more border controls in the bill. The Obama administration has said any evidence of such cooperation is very thin, but even without terrorist connections, drug gangs pose threats to peace and security. Human rights advocates said they feared the United States would ease pressure on Mexico to investigate disappearances and other abuses at the hands of the police and military, who have received substantial American support. The shift in approach “suggests that the Obama administration either doesn’t object to these abusive practices or is only willing to raise such concerns when it’s politically convenient,” said José Miguel Vivanco, director of Human Rights Watch’s Americas division. Still, administration officials have said there may have been an overemphasis on the bellicose language and high-profile hunts for cartel leaders while the real problem of lawlessness worsens. American antidrug aid is shifting more toward training police and shoring up judicial systems that have allowed criminals to kill with impunity in Mexico and Central America. United States officials said Mr. Obama remains well aware of the region’s problems with security, even as he is determined that they not overshadow the economic opportunities. It is clear Mr. Obama, whatever his words four years ago, now believes there has been too much security talk. In a speech to Mexican students on Friday, Mr. Obama urged people in the two countries to look beyond a one-dimensional focus on what he called real security concerns, saying it is “time for us to put the old mind-sets aside.” And he repeated the theme later in the day in Costa Rica, lamenting that when it comes to the United States and Central America, “so much of the focus ends up being on security.” “We also have to recognize that problems like narco-trafficking arise in part when a country is vulnerable because of poverty, because of institutions that are not working for the people, because young people don’t see a brighter future ahead,” Mr. Obama said in a news conference with Laura Chinchilla, the president of Costa Rica.

**Increasing green cards generates an effective base of IT experts- solves cybersecurity**

McLarty 9 (Thomas F. III, President – McLarty Associates and Former White House Chief of Staff and Task Force Co-Chair, “U.S. Immigration Policy: Report of a CFR-Sponsored Independent Task Force”, 7-8, http://www.cfr.org/ publication/19759/us\_immigration\_policy.html)

We have seen, when you look at the table of the top 20 firms that are H1-B visa requestors, at least 15 of those are IT firms. And as we're seeing across industry, much of the hardware and software that's used in this country is not only manufactured now overseas, but it's developed overseas by scientists and engineers who were educated here in the United States.

We're seeing a lot more activity around cyber-security, certainly noteworthy attacks here very recently. It's becoming an increasingly dominant set of requirements across not only to the Department of Defense, but the Department of Homeland Security and the critical infrastructure that's held in private hands. Was there any discussion or any interest from DOD or DHS as you undertook this review on the security things about what can be done to try to generate a more effective group of IT experts here in the United States, many of which are coming to the U.S. institutions, academic institutions from overseas and often returning back? This potentially puts us at a competitive disadvantage going forward.

MCLARTY: Yes. And I think your question largely is the answer as well. I mean, clearly we have less talented students here studying -- or put another way, more talented students studying in other countries that are gifted, talented, really have a tremendous ability to develop these kind of technology and scientific advances, we're going to be put at an increasingly disadvantage. Where if they come here -- and I kind of like Dr. Land's approach of the green card being handed to them or carefully put in their billfold or purse as they graduate -- then, obviously, that's going to strengthen, I think, our system, our security needs.

**Cyberterrorism will cause accidental launch that triggers the Dead Hand and nuclear war**

Fritz 9 (Jason, BS – St. Cloud, “Hacking Nuclear Command and Control”, Study Commissioned on Nuclear Non-Proliferation and Disarmament, July, www.icnnd.org/Documents/Jason\_Fritz\_Hacking\_NC2.doc)

*Direct control of launch*
The US uses the two-man rule to achieve a higher level of security in nuclear affairs. Under this rule two authorized personnel must be present and in agreement during critical stages of nuclear command and control. The President must jointly issue a launch order with the Secretary of Defense; Minuteman missile operators must agree that the launch order is valid; and on a submarine, both the commanding officer and executive officer must agree that the order to launch is valid. In the US, in order to execute a nuclear launch, an Emergency Action Message (EAM) is needed. This is a preformatted message that directs nuclear forces to execute a specific attack. The contents of an EAM change daily and consist of a complex code read by a human voice. Regular monitoring by shortwave listeners and videos posted to YouTube provide insight into how these work. These are issued from the NMCC, or in the event of destruction, from the designated hierarchy of command and control centres. Once a command centre has confirmed the EAM, using the two-man rule, the Permissive Action Link (PAL) codes are entered to arm the weapons and the message is sent out. These messages are sent in digital format via the secure Automatic Digital Network and then relayed to aircraft via single-sideband radio transmitters of the High Frequency Global Communications System, and, at least in the past, sent to nuclear capable submarines via Very Low Frequency (Greenemeier 2008, Hardisty 1985). The technical details of VLF submarine communication methods can be found online, including PC-based VLF reception. Some reports have noted a Pentagon review, which showed a potential “electronic back door into the US Navy’s system for broadcasting nuclear launch orders to Trident submarines” (Peterson 2004). The investigation showed that cyber terrorists could potentially infiltrate this network and insert false orders for launch. The investigation led to “elaborate new instructions for validating launch orders” (Blair 2003). Adding further to the concern of cyber terrorists seizing control over submarine launched nuclear missiles; The Royal Navy announced in 2008 that it would be installing a Microsoft Windows operating system on its nuclear submarines (Page 2008). The choice of operating system, apparently based on Windows XP, is not as alarming as the advertising of such a system is. This may attract hackers and narrow the necessary reconnaissance to learning its details and potential exploits. It is unlikely that the operating system would play a direct role in the signal to launch, although this is far from certain. Knowledge of the operating system may lead to the insertion of malicious code, which could be used to gain accelerating privileges, tracking, valuable information, and deception that could subsequently be used to initiate a launch. Remember from Chapter 2 that the UK’s nuclear submarines have the authority to launch if they believe the central command has been destroyed. Attempts by cyber terrorists to create the illusion of a decapitating strike could also be used to engage fail-deadly systems. Open source knowledge is scarce as to whether Russia continues to operate such a system. However evidence suggests that they have in the past. Perimetr, also known as Dead Hand, was an automated system set to launch a mass scale nuclear attack in the event of a decapitation strike against Soviet leadership and military. In a crisis, military officials would send a coded message to the bunkers, switching on the dead hand. If nearby ground-level sensors detected a nuclear attack on Moscow, and if a break was detected in communications links with top military commanders, the system would send low-frequency signals over underground antennas to special rockets. Flying high over missile fields and other military sites, these rockets in turn would broadcast attack orders to missiles, bombers and, via radio relays, submarines at sea. Contrary to some Western beliefs, Dr. Blair says, many of Russia's nuclear-armed missiles in underground silos and on mobile launchers can be fired automatically. (Broad 1993) Assuming such a system is still active, cyber terrorists would need to create a crisis situation in order to activate Perimetr, and then fool it into believing a decapitating strike had taken place. While this is not an easy task, the information age makes it easier. Cyber reconnaissance could help locate the machine and learn its inner workings. This could be done by targeting the computers high of level official’s—anyone who has reportedly worked on such a project, or individuals involved in military operations at underground facilities, such as those reported to be located at Yamantau and Kosvinksy mountains in the central southern Urals (Rosenbaum 2007, Blair 2008) Indirect Control of Launch Cyber terrorists could cause incorrect information to be transmitted, received, or displayed at nuclear command and control centres, or shut down these centres’ computer networks completely. In 1995, a Norwegian scientific sounding rocket was mistaken by Russian early warning systems as a nuclear missile launched from a US submarine. A radar operator used Krokus to notify a general on duty who decided to alert the highest levels. Kavkaz was implemented, all three chegets activated, and the countdown for a nuclear decision began. It took eight minutes before the missile was properly identified—a considerable amount of time considering the speed with which a nuclear response must be decided upon (Aftergood 2000). Creating a false signal in these early warning systems would be relatively easy using computer network operations. The real difficulty would be gaining access to these systems as they are most likely on a closed network. However, if they are transmitting wirelessly, that may provide an entry point, and information gained through the internet may reveal the details, such as passwords and software, for gaining entrance to the closed network. If access was obtained, a false alarm could be followed by something like a DDoS attack, so the operators believe an attack may be imminent, yet they can no longer verify it. This could add pressure to the decision making process, and if coordinated precisely, could appear as a first round EMP burst. Terrorist groups could also attempt to launch a non-nuclear missile, such as the one used by Norway, in an attempt to fool the system. The number of states who possess such technology is far greater than the number of states who possess nuclear weapons. Obtaining them would be considerably easier, especially when enhancing operations through computer network operations. Combining traditional terrorist methods with cyber techniques opens opportunities neither could accomplish on their own. For example, radar stations might be more vulnerable to a computer attack, while satellites are more vulnerable to jamming from a laser beam, thus together they deny dual phenomenology. Mapping communications networks through cyber reconnaissance may expose weaknesses, and automated scanning devices created by more experienced hackers can be readily found on the internet. Intercepting or spoofing communications is a highly complex science. These systems are designed to protect against the world’s most powerful and well funded militaries. Yet, there are recurring gaffes, and the very nature of asymmetric warfare is to bypass complexities by finding simple loopholes. For example, commercially available software for voice-morphing could be used to capture voice commands within the command and control structure, cut these sound bytes into phonemes, and splice it back together in order to issue false voice commands (Andersen 2001, Chapter 16). Spoofing could also be used to escalate a volatile situation in the hopes of starting a nuclear war. “ \*\*[they cut off the paragraph]\*\* “In June 1998, a group of international hackers calling themselves Milw0rm hacked the web site of India’s Bhabha Atomic Research Center (BARC) and put up a spoofed web page showing a mushroom cloud and the text “If a nuclear war does start, you will be the first to scream” (Denning 1999). Hacker web-page defacements like these are often derided by critics of cyber terrorism as simply being a nuisance which causes no significant harm. However, web-page defacements are becoming more common, and they point towards alarming possibilities in subversion. During the 2007 cyber attacks against Estonia, a counterfeit letter of apology from Prime Minister Andrus Ansip was planted on his political party website (Grant 2007). This took place amid the confusion of mass DDoS attacks, real world protests, and accusations between governments.

# 2nd Off

**Text: The People’s Republic of China should [do the plan].**

**China solves Venezuelan oil better – empirics.**

Cerna 11. [Michael, staff @ CRC, "China's growing presence in Latin America: Implications for US and Chinese presence in the region" China Research Center -- Vol 10 No 1 -- www.chinacenter.net/chinas-growing-presence-in-latin-america-implications-for-u-s-and-chinese-presence-in-the-region/]

In 2009, China became Brazil’s largest single export market, eclipsing the U.S. for the first time in history. Later, Brazil’s then-president, Luiz Inacio Lula da Silva, and his Chinese counterpart, Hu Jintao, signed an agreement that allowed the China Development Bank and Sinopec to loan Brazil’s state-controlled oil company, Petrobras, $10 billion in return for as many as 200,000 barrels a day of crude oil for ten years (Economist, 2009). This is but one example of how China is seizing lending opportunities in Latin America when traditional lenders such as the Inter-American Development Bank are being pushed to their limits. “Just one of China’s loans, the $10 billion for Brazil’s national oil company, is almost as much as the $11.2 billion in all approved financing by the Inter-American Bank in 2008,” according to The New York Times.¶ It was not only in Brazil that China went after oil. In order to meet rising industrial needs and consumer demand, China has pursued investments and agreements with a variety of Latin American oil producers. In 2007 Venezuela agreed to a $6 billion joint investment fund for infrastructure projects at home and for oil refineries in China able to process Venezuelan heavy crude oil (Santiso, 2007). Venezuela planned to increase oil exports to China by 300,000 barrels per day. Then in 2009, Venezuela announced a $16 billion investment deal with the Chinese National Petroleum Corporation (CNPC) for oil exploration in the Orinoco River to develop heavy crude oil resources (Economist, 2009). Meanwhile, the CNPC has invested $300 million in technology to use Venezuela’s Orimulsion fuel in Chinese power plants. This exemplifies Venezuela’s desire to break away from the U.S. During a visit to China in 2004, President Chavez said shifting exports to China would help end dependency on sales to the United States (Johnson, 2005).

**Venezuela prefers Chinese oil engagement – no strings attached.**

Romero and Barrionuevo 9. [Simon, Brazil bureau chief, Alexei, journalist, "Deals help China expand sway in Latin America" New York Times -- April 15 -- www.nytimes.com/2009/04/16/world/16chinaloan.html?\_r=0]

China has also pushed into Latin American countries where the United States has negligible influence, like Venezuela.¶ In February, China’s vice president, Xi Jinping, traveled to Caracas to meet with President Hugo Chávez. The two men announced that a Chinese-backed development fund based here would grow to $12 billion from $6 billion, giving Venezuela access to hard currency while agreeing to increase oil shipments to China to one million barrels a day from a level of about 380,000 barrels.¶ Mr. Chávez’s government contends the Chinese aid differs from other multilateral loans because it comes without strings attached, like scrutiny of internal finances. But the Chinese fund has generated criticism among his opponents, who view it as an affront to Venezuela’s sovereignty.

**Chinese influence in Latin America is expanding at the expense of the US – it’s zero-sum**

**Martinez 13** – Columnist for the Sun Sentinel (Guillermo I., “America Losing Influence Throughout Latin America”, SunSentinel, 5/23, [http://articles.sun-sentinel.com/2013-05-23/news/fl-gmcol-oped0523-20130523\_1\_drug-cartels-latin-america-pri)//VP](http://articles.sun-sentinel.com/2013-05-23/news/fl-gmcol-oped0523-20130523_1_drug-cartels-latin-america-pri%29//VP)

Once upon a time, as many fairy tales start, the United States was the prevailing force in Latin America. It had a coherent policy for its southern neighbors, and its opinions mattered to those who governed in the region. Despite President Barack Obama's recent trip to Mexico and Costa Rica, and Vice President Joe Biden's upcoming trip to the region, that is **no more**. The days when John F. Kennedy created the Alliance for Progress and was a hero to the young throughout the western hemisphere have been gone for more than half a century. The time when Jimmy Carter pledged to back only those governments that respected human rights and encouraged that caudillos be ousted is also a historical footnote. True, the world has changed. The attacks of September 11, 2001 made everyone look to the East; to Iraq, to Afghanistan, to Iran, Syria and other countries in the Middle East. Israel is still crucial to American foreign policy, more so now that militants are willing to die to kill Americans and Israelis. Latin America also changed when the late Venezuelan president Hugo Chávez was elected. The rising price of oil gave Chávez riches beyond belief and he began sharing it with similar-minded leaders in Cuba, Nicaragua, Bolivia, Ecuador, Uruguay and Argentina; just to name a few. Colombia once depended greatly on the Plan Colombia assistance from the United States to fight the FARC guerrillas and the drug lords that governed much of the country. The emphasis on the Plan Colombia since Juan Manuel Santos took office has decreased. Santos also believes in negotiations with the FARC and closer ties to those who govern in Venezuela. Mexico counted on American intelligence assistance and money to fight the drug cartels until Obama's visit to Enrique Peña Nieto, recently elected president. The communique at the end of the meeting talked about new economic cooperation between the two nations and how together they would fight the drug cartels. Not highlighted was the Mexican-imposed position that the United States agents would no longer be welcome in their country and that the cooperation would be respectful of their sovereign rights. Peña Nieto, the candidate of the PRI (Institutional Revolutionary Party) wanted a different approach to the war on drugs; one that would mitigate the violence that had killed thousands of Mexicans in the last decade. Finally, China has helped change the equation. After the fall of the Soviet Union and the Berlin Wall, for several years the United States was the only super power. When American presidents spoke, the world listened. Now China offers both a challenge to the United States, as a second super power, and has become an **alternative economic trading partner** for countries throughout the world. Still, it is inconceivable that American media and officials pay so little attention to the region. Maybe those around President Obama have not told him that Iran has close ties with Argentina, Cuba and Venezuela. Certainly the administration must know Cuba and Venezuela are so close that many critics of President Nicolás Maduro are now saying Cubans are helping to keep him in power. They talk, only part in jest, that there is a new country in the region called Cubazuela – the alliance between Cuba's Raúl Castro and Maduro's supporters is so close. It is true all have heard the main culprit of the drug trade in the world is American and European consumption. Yet the United States has waged war on the producers and importers, and not on the consumers at home. Seldom has Latin America been **further** from American influence. Many of the **leftists' presidents** in the region consider the United States their **enemy**. Others maintain cordial, or even friendly relations with Washington, but are quick to negotiate economic deals with China. The task is not easy, granted. Yet it would help if the United States and the Obama Administration articulated a policy for its neighbors in Latin America. They should not be a second thought in America foreign policy. The region deserves better. So does the United States. This country needs to improve those ties or continue to lose status as a premier world power. This is no fairy tale.

**Plan crowds out Chinese influence in Latin America**

**Goldwyn 13** – President, Goldwyn Global Strategies, LLC (4/11/2013, David L., “The Impact of the Tight Oil and Gas Boom on Latin America and the Caribbean: Opportunities for Cooperation,” House Committee on Foreign Affairs; Subcommittee on the Western Hemisphere; “Energy Opportunities in Latin America and the Caribbean” http://docs.house.gov/meetings/FA/FA07/20130411/100622/HHRG-113-FA07-Wstate-GoldwynD-20130411.pdf, JMP)

III. The Impact of Hemispheric Energy Trends on U.S. Foreign Policy The tight oil boom will produce competitive pressure on the region’s oil and gas producers. If global oil prices soften, revenues could fall significantly and put major fiscal pressure on governments highly dependent on resource revenues for their budgets. The market will impact these economies far more than any U.S. policy can. But there will be a **debate over economic frameworks** in the hemisphere, and the U.S. should be a part of it. While U.S. influence in the hemisphere has waned in key areas in recent years, our ability to help these economies revive through **energy investment**, and to grow through more competitive energy feed stocks can help change this pattern if we take advantage of it. We have key strategic partners in the region including Brazil, Mexico, Chile, Argentina, and Colombia. We can effectively use trade as a tool for good, as witnessed by the US-Colombia Free Trade Agreement. We need to appreciate the salience of legitimate regional issues like poverty and advocate how our economic and political models can alleviate them. Examples of this are addressing trade barriers to agricultural imports, expanding educational opportunities in the U.S. for future leaders, improving the visa application process, dealing with migration issues with Mexico in a spirit of respect and fairness, supporting World Bank and Inter American Development Bank infrastructure programs in the hemisphere, supporting the development of civil society and the capacity of democratic institutions, and treating our relations with our hemispheric neighbors as intrinsically important, not as litmus tests of loyalty to the U.S. on issues external to the region itself. In countries where we face ideological competition, it is crucial that we do not abandon the field. We need to increase our diplomatic engagement and defend our way of thinking. A. Uncertainty in Venezuela Venezuela has long been seen as the leader of a regional group of states seeking to wage an ideological and political competition for regional influence with the U.S. Yet the death of President Chavez, whose charisma has long been regarded as a key facet of the Bolivarian narrative, and Venezuela’s growing economic problems, which were recently reflected by the government’s efforts to devalue the currency by more than 30% against the dollar, have led some observers to believe that the influence of the Venezuelan model has peaked. Many are now forecasting that the Brazilian economic model, which still provides for a generous state role in the economy, yet does so in a more market-friendly and democratic context, will gain clout among states in the region that remain skeptical of liberal economics and the Washington consensus. In the wake of Hugo Chavez’s death, many questions remain about whether political change is possible in Venezuela itself. Indeed, the opposition candidate in the April 14 election to succeed Chavez, Henrique Capriles, is a vocal adherent of the Brazilian model that many say is gaining regional traction. Yet it is widely assumed that Chavez’ handpicked successor, Vice President Nicolas Maduro, will win the election. Several divergent prognostications have been made regarding what a Maduro Presidency would entail for the U.S. While some perceive Maduro as a pragmatist who may be amenable to normalizing bilateral ties, others believe that he will be eager to prove his Bolivarian credentials to Chavez’s constituency and reject any U.S. entreaties to reengage. Still others doubt whether he will be able to retain the Presidency at all should the economic situation deteriorate further. Diosdado Cabello, a fellow Chavez adherent who is President of the National Assembly and is reported to be a popular figure among the Venezuelan Armed Forces, is commonly cited as an individual capable of seizing the Presidency, potentially through forcible means, should an opportunistic situation present itself. The manner in which the next Venezuelan President manages Venezuela’s oil wealth will have significant implications for international oil markets, which remain fairly tight due to supply disruptions in geopolitical hotspots Iran, South Sudan, Yemen, and Syria. In February 2012, the Economist estimated that international markets have lost 1.25 million barrels per day as a result of these and other recent supply disruptions.28 Venezuela is an even more significant player in international markets; EIA estimates that it exports around 1.7 million barrels of crude per day.29 The impacts on Venezuela’s own economy will also be very profound, as Venezuela’s economy is far from diversified and remains nearly entirely dependent on the oil sector. In recent years, PdVSA’s exploration and production capital expenditures have not been sufficient to reverse production declines in the country’s mature conventional fields or to harness the country’s massive oil sands reserves in the Orinoco Belt. These unconventional resources are thought to account for around 90% of Venezuela’s remaining proven oil reserves. In order to maintain production at a reasonable clip, the next Venezuelan President will have to improve the country’s oil and gas investment regime to attract international firms with expertise in enhanced oil recovery techniques in conventional fields and in the unique, challenging technical requirements for producing the extra heavy crude oil in the Orinoco Belt, and that also have the resources to alleviate massive infrastructure bottlenecks that plague the oil sands production. It is hard to be optimistic about Venezuela’s near term prospects. Canadian heavy crudes are likely to fulfill a greater share of the US need for heavy crude. While heavy coking refinery capacity is growing world wide, Venezuela will face a challenging market for its crudes and lower profit margins as the distance to market will grow. B. The Status of Current Dialogues The US has had a number of bilateral and multilateral energy policy forums in the hemisphere over the years. These forums are platforms to understand market dynamics, share best practices on energy efficiency and conservation, share understanding on ways to enhance energy production, and exchange views on how a nation’s energy policies may be enhanced or reformed to promote the nation’s own policy. These policy dialogues are also essential for building the understanding and relationships that are **essential for trade promotion** and conflict resolution. Numerous dialogues and programs have been enacted since 2008, when I wrote that engagement with the Western Hemisphere needed to be renewed. Among those are a number of programs and initiatives aimed at energy relations. The Energy and Climate Partnership of the Americas (ECPA) was founded at the invitation of President Obama following the April 2009 Summit of the Americas, hosted in Trinidad and Tobago. ECPA was intended to focus on issues including energy efficiency, renewable energy, cleaner and more efficient use of fossil fuels, energy poverty, and infrastructure, and Secretary of State Clinton later proposed expanding the focus to include sustainable forests and land use and climate change adaptation. ECPA brings together governments and public and private sector partners to implement initiatives and complete projects, and boasts numerous initiatives in Central and South America and the Caribbean. Among the ECPA Initiatives are the Colombia Biomass Initiative, which aims to develop a technological plan for the production of energy from agroindustrial biomass, and the Chile Renewable Energy Center, which is intended to serve as a tool and resource for the region as it seeks to increase its use of renewable fuels. Both projects are undertaken in collaboration with the U.S. Department of Energy, which provides technical assistance and opportunities for collaborative work. Numerous dialogues exist today between the U.S. and Brazil. The U.S.-Brazil Strategic Energy Dialogue (SED), a presidential-level partnership aiming to deepen energy cooperation between the two nations, is one of the most significant. Strengthening energy security, the creation of new jobs and industries and reduction of carbon emissions are key goals of the SED. Major topics of the dialogue include biofuels, renewables and the sustainable development of oil and gas resources. The US has a trilateral energy policy dialogue with Canada and Mexico, which has addressed electric power, energy conservation, harmonization of standards and market outlooks. It has taken many forms, but it functions very well. In May 2012 the U.S., Mexico, Canada Map of Potential Carbon Dioxide Storage Capacity was released, identifying capacity in North America for at least 500 years worth of carbon dioxide emissions. The “New North American Carbon Storage Atlas” was created through the North American Carbon Atlas Partnership, and was developed by DOE, Natural Resources Canada, and the Mexican Ministry of Energy. We have many paths for cooperation. What we need now is a sharper focus on what we should prioritize, so we can maximize our impact and make the most of the limited engagement of our senior officials. IV. Energy Security Opportunities for the U.S. The Committee is wise to see the unique period of opportunity that the massive changes in oil and gas markets have created for U.S. foreign policy. While we will be more self-sufficient at home, our national security will still depend on a diverse global supply of oil gas, one able to withstand the inevitable disruptions we will face. If we can take this moment to help the hemisphere increase its own self sufficiency, wean itself from high carbon fuels, access more cost competitive feed stocks for power and transportation, and reduce dependence on subsidized Venezuelan fuel oil, we will have helped our own national security interests and helped to foster a freer, more prosperous, and more climate secure hemisphere. Here I offer six steps that the United States can take to meet its energy security goals in the Hemisphere. 1. Sustain Efforts Aimed at Energy Efficiency and the Adoption of Biofuels and Renewable Technologies Lowering global carbon emissions in order to mitigate the impacts of climate change is an important step towards ensuring global energy security. Latin America is highly dependent upon fossil fuels for its energy needs, most notably oil, coal and natural gas. Fuel oil is still a frequently used fuel for power generation, in spite of the fact that it is relatively inefficient and particularly bad for the environment. Hydropower has long been the favored form of renewable energy in Latin America, but changing weather patterns and droughts have prevented it from being fully reliable. The United States has, as described above, undertaken initiatives aimed at expanding the spread of biofuels and renewables in the Western Hemisphere, and this should remain a priority. The expiration of the U.S. tariff on imported biofuels was a step in the right direction, and more can be done to develop biofuels industries in Latin America. The development of new industries, clean energy research centers and government policies incentivizing the use of renewable technologies for power generation will help to build long-term, sustainable industries in the Hemisphere. Regardless of the power source used, energy efficiency is a worthwhile goal for Latin America. The IEA noted in the World Energy Outlook 2012 that while energy intensity is not particularly high in Latin America, it is primarily because high energy intensity in energy producing nations is offset by low energy use in energy importing nations. Improving energy efficiency, particularly in energy producing nations, will permit more efficient use of energy resources, allowing them to stretch farther. Existing forums like the ECPA already have energy efficiency as an issue of focus and can aid in connecting companies that represent successful and proven efficiency technologies with partners in Latin America. 2. Propagate Advanced Production Technologies Abroad Latin America has significant reserves of oil and gas, including potentially huge unconventional resources. One of the fastest, and perhaps easiest, ways for the U.S. to ensure diversification of energy supplies is to help other nations take advantage of the unconventional energy revolution. This will mean sharing technology, building regulatory regimes, improving environmental safety standards and possibly even developing infrastructure in nations with shale gas and tight oil reserves. The U.S. should continue to expand upon the work that the Department of State and partner agencies are attempting to achieve through UGTEP, offering technical, regulatory, geological and other support to countries that want to develop their shale oil and gas resources. There are also roles for companies to play, sharing their technology and technical expertise through partnerships, investment opportunities or service contracts. Helping other nations develop their domestic resources will increase global energy security by increasing and diversifying global supply. Natural gas is also, as far as fossil fuels go, a relatively low-carbon source of energy, and the expansion of the shale gas boom may offset global coal consumption and carbon emissions, serving as a boon for climate goals as well. By helping other nations, such as Colombia, Brazil and Mexico, adapt to changing energy markets and complex new sources of energy, the U.S. will be simultaneously ensuring its own energy security. 3. Research Ways to Encourage Gas Penetration in the Caribbean With abundant natural gas supply a short distance from the Caribbean, the US should look for ways to back out fuel oil and gasoline as a feedstock for power and transportation. While these nations are trying to maximize renewable energy, they still need a non-intermittent source of power generation. But short driving distance makes CNG or other natural gas technologies a real possibility. The key challenges are moving gas to small islands, ensuring storage or other means of security of supply, and identifying the right forms of vehicle technology. How to make this transition economically is a question for engineers as well as policymakers. The U.S. should design ways that private foundations, in tandem with our national laboratories and perhaps the OAS, can look for near-term, practical ways to increase natural gas utilization. Combined with a permissive policy on natural gas exports to the Caribbean, this could be major step forward for climate and national security for the Caribbean. 4. Reconsider the U.S. Policy Regarding Oil and Gas Exports and Swaps In light of the unconventional revolution, the U.S. will have surpluses of natural gas and even light oil, given that the domestic refining system is primarily configured to process heavy oil. Large price differentials also exist for U.S. resources, largely as a result of infrastructure and policy constraints that keep them trapped in the U.S. Current U.S. policy only permits the export of crude oil in highly limited circumstances. A careful reconsideration of U.S. export policy, particularly towards oil, may be warranted. Allowing some exports or swaps of light oil produced in the U.S. for the heavy oil needed for refineries would enable us to supply our hemispheric neighbors, increase export earnings, and sustain domestic job growth. Granting an additional avenue for sale of energy resources, either oil or gas, will also ensure that artificial barriers to export don’t lead to decreased production, high domestic prices and lost value to the economy, while simultaneously adding to global energy supply stability and security. The hemisphere can also benefit from additional exports of natural gas. Mexico imports costly LNG at oil-linked prices. The Caribbean is dependent on fuel oil for power generation and Brent prices gasoline for transportation. These exports could present a political advantage as well as an economic one, granting the U.S. with another tool to use in the Western Hemisphere, where Venezuelan influence is cemented by subsidized sales of crude oil and products. 5. Complete the U.S.-Mexico Transboundary Agreement On February 20, 2012, the U.S. and Mexico signed a transboundary hydrocarbons agreement that allows for the joint the development of oil and gas reservoirs that cross the international maritime boundary between the two countries in the Gulf of Mexico.30 If implemented, the agreement would end the current moratorium on exploration and production in the border area. While the Mexican Senate ratified the agreement on April 12, 2012, the Obama Administration has not formally submitted the agreement to the U.S. Congress for passage. The entry into force of this agreement would render significant benefits for both the U.S. and Mexico.31 It would provide a means for Pemex to collaborate with private companies in the Gulf of Mexico border area, which would give Pemex a crucial opportunity to gain expertise in deepwater activities that could be applied to the firm’s operations throughout Mexico. This would serve U.S. interests by boosting Mexican production and reducing U.S. dependence on imports from more politically troublesome regions, which have replaced lagging Mexican exports in recent years.32 Conversely, U.S. reticence to implement the agreement may send the wrong signal to Mexico and dampen enthusiasm for energy sector reform at a time when the stage may be set for historic change. Indeed, competent implementation of the agreement could demonstrate to Mexico that its interests can be protected in joint production regimes with U.S. companies and bring about an impetus for broader Mexican energy reforms. 6. Revive Energy Diplomacy and Commercial Engagement Energy diplomacy and commercial advocacy should be vital components of U.S. energy policy in the coming decades. The global energy system is projected to remain dependent upon fossil fuels for the foreseeable future, and as a result, having access to reliable, affordable sources of energy will remain important, as will the stability of energy markets. Energy diplomacy should center on ensuring that the U.S. has good working relationships with the countries that produce and consume energy. Successful energy diplomacy can serve a critical role in managing tensions over energy development, transportation, investment, and other issues. The Department of State has significantly increased its capabilities to conduct energy diplomacy through the establishment of the Energy and Natural Resources Bureau, led by Ambassador Carlos Pascual. Its programs should be robustly funded. We should also deepen the international energy diplomacy capacity of the Department of Energy. The Department of Energy’s relationships with civil servants in ministries across the globe provide a bridge across changes in government here and there. They can talk when the politics of non-energy issues obstruct dialogue among the foreign ministries. It is easier to get Energy Ministers together for regular meetings than Secretaries of State. Their staff should be expanded and serious program budget established to make our cooperation more than rhetorical. For true reform to be achieved, foreign ministers and heads of government will have to be involved, as this will be the key to integrating energy security into foreign policy. The three countries that need robust attention at this time are Mexico, Brazil and Venezuela. Mexico is considering major reforms and we have much we can share at a technical level on gas markets, unconventional oil and gas technology, safe regulation of the deepwater, and energy efficiency. We should create a quiet bilateral mechanism for sharing this information with Mexican ministries, its nascent regulator and PEMEX. Changing global markets also impact Brazil, and we should ensure that the Strategic Energy Dialogue is reactivated as soon as new officials are on board at the Department of Energy. Venezuela is trickier because it is in political transition and there is a great deal of rhetorical hostility. But the US had a **technical dialogue** with Venezuela that lasted over 30 years. We need to know the new officials at the Ministry and PdVSA and to **share our view of market realities**, even if we may not agree on them. Sometime in 2013, after the Venezuelan elections, this **technical dialogue should be revived**, perhaps at the Assistant Secretary, or Deputy Assistant Secretary level. Conclusion Mr. Chairman, the ties between Latin America and the Caribbean and the energy security of the United States are numerous. Here I have addressed only a few of the possible avenues for improving U.S. energy security, and there are undoubtedly more, but the overarching conclusion is that energy security goals in the Hemisphere can be achieved through improved dialogue and relations with allies and adversaries alike. As I stated in 2008, it will require new approaches to energy and foreign policy. It will require fresh policy approaches, money, and creative diplomacy. But more than anything it **will require leadership**. As a citizen I thank the committee for its leadership on this critical issue.

**Chinese influence is key to its economy**

**Arnson et al 09** – (Cynthia Anderson, Mark Mohr, Riordan Roett, writers for Woodrow Wilson International Center for Scholars, “Enter the Dragon? China’s Presence in Latin America”, http://www.wilsoncenter.org/sites/default/files/EnterDragonFinal.pdf) (JN)

China’s role in Latin America is, above all, based on trade, despite U.S. concerns about China’s military inﬂuence in Latin America. The major exception to this rule is Cuba, for which China represents a political relationship as well as one based on economic interests. Although Venezuelan authorities may also prefer that its relationship with China have political as well as economic dimensions, it is not clear that China has the same expectations of its relationship with Venezuela. To China, Latin America **represents a signiﬁcant source of the necessary natural resources** that will help China **maintain its economic growth**. Due primarily to trade with China, Latin America’s trade volume grew from $2.8 billion in 1988 to $49 billion in 2005. Also, and as publicly announced, China intends to surpass $180 billion in trade with Latin America by 2010, not only due to the country’s need for natural resources, but also as a result of China’s intention to diversify and expand its markets in the region. Thus, Latin America represents a substantial market for Chinese goods.

**China economic decline causes extinction**

**Plate, 03 –** Mr. Plate is a member of the Pacific Council on International Policy, the Century Association of New York and the Phi Beta Kappa Society(Tom Plate, “Why Not Invade China” Asia Pacific Media Networks, 6/30, [http://asiamedia.ucla.edu/TomPlate2003/06302003.htm)//JS](http://asiamedia.ucla.edu/TomPlate2003/06302003.htm%29//JS)

But imagine a China disintegrating -- on its own, without neo-con or CIA prompting, much less outright military invasion -- because the economy (against all predictions) suddenly collapses. That would knock Asia into chaos. Refugees by the gazillions would head for Indonesia and other poorly border-patrolled places, which don't want them and can't handle them; some in Japan might lick their chops for World War II Redux and look to annex a slice of China. That would send small but successful Singapore and Malaysia -- once Japanese colonies -- into absolute nervous breakdowns. India might make a grab for Tibet, and while it does, Pakistan for Kashmir. Say hello to World War III Asia-style! That's why wise policy encourages Chinese stability, security and economic growth -- the very direction the White House now seems to prefer. If neo-cons like Kristol really care about Bush, they ought to relocate their common sense and get off his back. Bush has enough on his plate, trying to put Iraq back together. In the final analysis, neo-con insanity is more of a danger to the Bush presidency than China

# 3rd Off

**The plan’s neoliberal policies is the root cause of economic crisis and guarantees inevitable systems collapse**

**Palley 10 –** PhD in economics from Yale (Thomas, MA in IR from Yale, and a BA from Oxford, “AMERICA’S EXHAUSTED PARADIGM: MACROECONOMIC CAUSES OF THE FINANCIAL CRISIS AND GREAT RECESSION”, New School Economic Review, Volume 4(1), 2010: 15-43, ZBurdette)

This paper traces the **roots** of the current financial crisis to a **faulty U.S. macroeconomic paradigm**. One flaw in this paradigm was the neoliberal growth model adopted after 1980 that relied on debt and asset price inflation to drive demand in place of wage growth. A second flaw was the model of U.S. engagement with the global economy that created a **triple economic hemorrhage of spending on imports, manufacturing job losses, and off-shoring of investment.** Financial deregulation and financial excess are important parts of the story, but they are not the ultimate cause of the crisis. These developments contributed significantly to the housing bubble but they were a **necessary** part of the neoliberal model, their function being to fuel demand growth by making ever larger amounts of credit easily available. As **the neoliberal model slowly cannibalized itself** by undermining income distribution and accumulating debt, the economy needed larger speculative bubbles to grow. **The flawed model of global engagement accelerated the cannibalization process**, thereby creating need for a huge bubble that only housing could provide. However, when that bubble burst it pulled down the entire economy because of the bubble’s massive dependence on debt. The old postWorld War II growth model based on rising middle-class incomes has been dismantled, while the new neoliberal growth model has imploded. The United States needs a new economic paradigm and a new growth model, but as yet this challenge has received little attention from policymakers or economists.

**Neoliberal engagement of Latin America results in inequality, political oppression, military intervention, and environmental destruction – makes extinction inevitable**

**Makwana 6** (Rajesh, As a non-governmental organisation with consultative status at the Economic and Social Council of the United Nations (ECOSOC), STWR works to influence policy through research and publications outlining how to rapidly secure basic human needs through greater international cooperation and economic sharing., 23rd November 06, <http://www.stwr.org/globalization/neoliberalism-and-economic-globalization.html>, ZBurdette)

Neoliberalism and Economic Globalization

The goal of neoliberal economic globalization is the removal of all barriers to commerce, and the privatization of all available resources and services. In this scenario, public life will be at the mercy of market forces, as the extracted profits benefit the few, writes Rajesh Makwana.

The thrust of international policy behind the phenomenon of economic globalization is neoliberal in nature. Being hugely profitable to corporations and the wealthy elite, neoliberal polices are propagated through the IMF, World Bank and WTO. Neoliberalism favours the free-market as the most efficient method of global resource allocation. Consequently it favours large-scale, corporate commerce and the privatization of resources.

There has been much international attention recently on neoliberalism. Its ideologies have been rejected by influential countries in Latin America and its moral basis is now widely questioned. Recent protests against the WTO, IMF and World Bank were essentially protests against the neoliberal policies that these organizations implement, particularly in low-income countries.

The neoliberal experiment has failed to combat extreme poverty, has exacerbated global inequality, and is hampering international aid and development efforts. This article presents an overview of neoliberalism and its effect on low income countries.

Introduction

After the Second World War, corporate enterprises helped to create a wealthy class in society which enjoyed excessive political influence on their government in the US and Europe. Neoliberalism surfaced as a reaction by these wealthy elites to counteract post-war policies that favoured the working class and strengthened the welfare state.

Neoliberal policies advocate market forces and commercial activity as the most efficient methods for producing and supplying goods and services. At the same time they shun the role of the state and discourage government intervention into economic, financial and even social affairs. The process of economic globalization is driven by this ideology; removing borders and barriers between nations so that market forces can drive the global economy. The policies were readily taken up by governments and still continue to pervade classical economic thought, allowing corporations and affluent countries to secure their financial advantage within the world economy.

The policies were most ardently enforced in the US and Europe in the1980s during the Regan–Thatcher–Kohl era. These leaders believed that expanding the free-market and private ownership would create greater economic efficiency and social well-being. The resulting deregulation, privatization and the removal of border restrictions provided fertile ground for corporate activity, and over the next 25 years corporations grew rapidly in size and influence. Corporations are now the most productive economic units in the world, more so than most countries. With their huge financial, economic and political leverage, they continue to further their neoliberal objectives.

There is a consensus between the financial elite, neoclassical economists and the political classes in most countries that neoliberal policies will create global prosperity. So entrenched is their position that this view determines the policies of the international agencies (IMF, World Bank and WTO), and through them dictates the functioning of the global economy. Despite reservations from within many UN agencies, neoliberal policies are accepted by most development agencies as the most likely means of reducing poverty and inequality in the poorest regions.

There is a huge discrepancy between the measurable result of economic globalization and its proposed benefits. Neoliberal policies have unarguably generated massive wealth for some people, but most crucially, they have been unable to benefit those living in extreme poverty who are most in need of financial aid. Excluding China, annual economic growth in developing countries between 1960 and 1980 was 3.2%. This dropped drastically between 1980 and 2000 to a mere 0.7 %. This second period is when neoliberalism was most prevalent in global economic policy. (Interestingly, China was not following the neoliberal model during these periods, and its economic growth per capita grew to over 8% between 1980 and 2000.)

Neoliberalism has also been unable to address growing levels of global inequality. Over the last 25 years, the income inequalities have increased dramatically, both within and between countries. Between 1980 and 1998, the income of richest 10% as share of poorest 10% became 19% more unequal; and the income of richest 1% as share of poorest 1% became 77% more unequal (again, not including China).

The shortcomings of neoliberal policy are also apparent in the well documented economic disasters suffered by countries in Latin America and South Asia in the 1990s. These countries were left with no choice but to follow the neoliberal model of privatization and deregulation, due to their financial problems and pressure from the IMF. Countries such as Venezuela, Cuba, Argentina and Bolivia have since rejected foreign corporate control and the advice of the IMF and World Bank. Instead they have favoured a redistribution of wealth, the re-nationalization of industry and have prioritized the provision of healthcare and education. They are also sharing resources such as oil and medical expertise throughout the region and with other countries around the world.

The dramatic economic and social improvement seen in these countries has not stopped them from being demonized by the US. Cuba is a well known example of this propaganda. Deemed to be a danger to ‘freedom and the American way of life’, Cuba has been subject to intense US political, economic and military pressure in order to tow the neoliberal line. Washington and the mainstream media in the US have recently embarked on a similar propaganda exercise aimed at Venezuela’s president Chavez. This over-reaction by Washington to ‘economic nationalism’ is consistent with their foreign policy objectives which have not changed significantly for the past 150 years. Securing resources and economic dominance has been and continues to be the USA’s main economic objective.

According to Maria Páez Victor:

“Since 1846 the United States has carried out no fewer than 50 military invasions and destabilizing operations involving 12 different Latin American countries. Yet, none of these countries has ever had the capacity to threaten US security in any significant way. The US intervened because of perceived threats to its economic control and expansion. For this reason it has also supported some of the region’s most vicious dictators such as Batista, Somoza, Trujillo, and Pinochet.”

As a result of corporate and US influence, the key international bodies that developing countries are forced to turn to for assistance, such as the World Bank and IMF, are major exponents of the neoliberal agenda. The WTO openly asserts its intention to improve global business opportunities; the IMF is heavily influenced by the Wall Street and private financiers, and the World Bank ensures corporations benefit from development project contracts. They all gain considerably from the neo-liberal model.

So influential are corporations at this time that many of the worst violators of human rights have even entered a Global Compact with the United Nations, the world’s foremost humanitarian body. Due to this international convergence of economic ideology, it is no coincidence that the assumptions that are key to increasing corporate welfare and growth are the same assumptions that form the thrust of mainstream global economic policy.

However, there are huge differences between the neoliberal dogma that the US and EU dictate to the world and the policies that they themselves adopt. Whilst fiercely advocating the removal of barriers to trade, investment and employment, The US economy remains one of the most protected in the world. Industrialized nations only reached their state of economic development by fiercely protecting their industries from foreign markets and investment. For economic growth to benefit developing countries, the international community must be allowed to nurture their infant industries. Instead economically dominant countries are ‘kicking away the ladder’ to achieving development by imposing an ideology that suits their own economic needs.

The US and EU also provide huge subsidies to many sectors of industry. These devastate small industries in developing countries, particularly farmers who cannot compete with the price of subsidized goods in international markets. Despite their neoliberal rhetoric, most ‘capitalist’ countries have increased their levels of state intervention over the past 25 years, and the size of their government has increased. The requirement is to ‘do as I say, not as I do’.

Given the tiny proportion of individuals that benefit from neoliberal policies, the chasm between what is good for the economy and what serves the public good is growing fast. Decisions to follow these policies are out of the hands of the public, and the national sovereignty of many developing countries continues to be violated, preventing them from prioritizing urgent national needs.

Below we examine the false assumptions of neoliberal policies and their effect on the global economy.

Economic Growth

Economic growth, as measured in GDP, is the yardstick of economic globalization which is fiercely pursued by multinationals and countries alike. It is the commercial activity of the tiny portion of multinational corporations that drives economic growth in industrialized nations. Two hundred corporations account for a third of global economic growth. Corporate trade currently accounts for over 50% of global economic growth and as much as 75% of GDP in the EU. The proportion of trade to GDP continues to grow, highlighting the belief that economic growth is the only way to prosper a country and reduce poverty.

Logically, however, a model for continual financial growth is unsustainable. Corporations have to go to extraordinary lengths in order to reflect endless growth in their accounting books. As a result, finite resources are wasted and the environment is dangerously neglected. The equivalent of two football fields of natural forest is cleared each second by profit hungry corporations.

Economic growth is also used by the World Bank and government economists to measure progress in developing countries. But, whilst economic growth clearly does have benefits, the evidence strongly suggests that these benefits do not trickle down to the 986 million people living in extreme poverty, representing 18 percent of the world population (World Bank, 2007). Nor has economic growth addressed inequality and income distribution. In addition, accurate assessments of both poverty levels and the overall benefits of economic growth have proved impossible due to the inadequacy of the statistical measures employed.

The mandate for economic growth is the perfect platform for corporations which, as a result, have grown rapidly in their economic activity, profitability and political influence. Yet this very model is also the cause of the growing inequalities seen across the globe. The privatization of resources and profits by the few at the expense of the many, and the inability of the poorest people to afford market prices, are both likely causes.

Free Trade

Free trade is the foremost demand of neoliberal globalization. In its current form, it simply translates as greater access to emerging markets for corporations and their host nations. These demands are contrary to the original assumptions of free trade as affluent countries adopt and maintain protectionist measures. Protectionism allows a nation to strengthen its industries by levying taxes and quotas on imports, thus increasing their own industrial capacity, output and revenue. Subsidies in the US and EU allow corporations to keep their prices low, effectively pushing smaller producers in developing countries out of the market and impeding development.

With this self interest driving globalization, economically powerful nations have created a global trading regime with which they can determine the terms of trade.

The North American Free Trade Agreement (NAFTA) between the US, Canada, and Mexico is an example of free-market fundamentalism that gives corporations legal rights at the expense of national sovereignty. Since its implementation it has caused job loss, undermined labour rights, privatized essential services, increased inequality and caused environmental destruction.

In Europe only 5% of EU citizens work in agriculture, generating just 1.6% of EU GDP compared to more than 50% of citizens in developing countries. However, the European Common Agricultural Policy (CAP) provides subsidies to EU farmers to the tune of £30 billion, 80% of which goes to only 20% of farmers to guarantee their viability, however inefficient this may be.

The General Agreement on Trade and Services (GATS) was agreed at the World Trade Organization (WTO) in 1994. Its aim is to remove any restrictions and internal government regulations that are considered to be "barriers to trade". The agreement effectively abolishes a government’s sovereign right to regulate subsidies and provide essential national services on behalf of its citizens. The Trade Related agreement on International Property Rights (TRIPS) forces developing countries to extend property rights to seeds and plant varieties. Control over these resources and services are instead granted to corporate interests through the GATS and TRIPS framework.

These examples represent modern free trade which is clearly biased in its approach. It fosters corporate globalization at the expense of local economies, the environment, democracy and human rights. The primary beneficiaries of international trade are large, multinational corporations who fiercely lobby at all levels of national and global governance to further the free trade agenda.

Liberalization

The World Bank, IMF and WTO have been the main portals for implementing the neoliberal agenda on a global scale. Unlike the United Nations, these institutions are over-funded, continuously lobbied by corporations, and are politically and financially dominated by Washington, Wall Street, corporations and their agencies. As a result, the key governance structures of the global economy have been primed to serve the interests of this group, and market liberalization has been another of their key policies.

According to neoliberal ideology, in order for international trade to be ‘free’ all markets should be open to competition, and market forces should determine economic relationships. But the overall result of a completely open and free market is of course market dominance by corporate heavy-weights. The playing field is not even; all developing countries ar e at a great financial and economic disadvantage and simply cannot compete.

Liberalization, through Structural Adjustment Programs, forces poorer countries to open their markets to foreign products which largely destroys local industries. It creates dependency upon commodities which have artificially low prices as they are heavily subsidized by economically dominant nations. Financial liberalization removes barriers to currency speculation from abroad. The resulting rapid inflow and outflow of currencies is often responsible for acute financial and economic crisis in many developing countries. At the same time, foreign speculators and large financial firms make huge gains. Market liberalization poses a clear economic risk; hence the EU and US heavily protect their own markets.

A liberalized global market provides corporations with new resources to capitalize and new markets to exploit. Neoliberal dominance over global governance structures has enforced access to these markets. Under WTO agreements, a sovereign country cannot interfere with a corporation’s intentions to trade even if their operations go against domestic environmental and employment guidelines. Those governments that do stand up for their sovereign rights are frequently sued by corporations for loss of profit, and even loss of potential profit. Without this pressure they would have been able to stimulate domestic industry and self sufficiency, thereby reducing poverty. They would then be in a better position to compete in international markets.

**Reject the aff as a means to create space for alternatives to neoliberal engagement.**

**Munck, professor of Globalization and Social Exclusion, 3** (Ronaldo, Department of Sociology, Social Policy & Social Work Studies and Globalisation and Social Exclusion Unit, University of Liverpool, “Neoliberalism, necessitarianism and alternatives in Latin America: there is no alternative (TINA)?”, Third World Quarterly, Vol 24, No 3, pp 495–511, 2003, [http://www-e.uni-magdeburg.de/evans/Journal%20Library/Trade%20and%20Countries/Neoliberalism,%20necessitarianism%20and%20alternatives%20in%20Latin%20America.pdf](http://www-e.uni-magdeburg.de/evans/Journal%20Library/Trade%20and%20Countries/Neoliberalism%2C%20necessitarianism%20and%20alternatives%20in%20Latin%20America.pdf), ZBurdette)

Taking as its point of departure the position that there are or must be alternatives to neoliberalism, this article explores the issue in relation to some examples from Latin America. The 2001–02 virtual collapse of the economy of Argentina and the recent victory of Workers Party candidate, Lula, in Brazil highlight, in very different ways, the need for a viable alternative democratic economic strategy for Latin America. Many progressive analysts seem to be paralysed by a false ‘necessitarianism’ which grants more coherence and solidity to the neoliberal project than it merits. Argentina puts paid to that illusion. Will the exciting experience of Porto Alegre’s ‘participatory budget’ in Brazil now be scaled up to the national level or does ‘globalisation’ block this option? Do the old questions of imperialism and dependency now come to the fore again after being left dormant under the spell of globalisation? We may not have all the answers yet but Latin America is back in the foreground of thinking and practice around alternative economic theories.

There is no alternative (TINA) was an oft-repeated expression of Margaret Thatcher’s, used to dismiss any plausible alternatives to her brand of hard-nosed neoliberalism. One imagines that her friend General Pinochet, with whom she shared tea during his enforced stay in London, would agree with her. What is more surprising is the influence the TINA philosophy has had on social science analysis of neoliberalism in Latin America since Pinochet. What I propose is a radically anti-necessitarian approach to neoliberalism, inspired by the work of Roberto Mangabeira Unger. Things are not always how they are because they have to be so. There is life beyond neoliberalism. There are alternatives taking shape all the time at all levels of society in Latin America. The so-called Washington Consensus is no longer so consensual even in Washington and there is growing recognition that globalisation requires global governance. We therefore need to return to the rise of neoliberalism and globalisation in a nonnecessitarian spirit and examine the whole horizon of possibilities that is now opening up in Latin America as elsewhere. If the virtual collapse of Argentina in 2001–02 shows that ‘actually existing’ neoliberalism simply does not work even on its own terms, the exciting but also challenging prospects now opening up in Brazil under Lula underline the urgency of developing a credible and viable alternative to its policies.

# 4th Off

**Prices rising now – will remain above $100 – best and most predictive evidence**

**AllAfrica News 7-30** (“High Oil Prices - Boom to Some, Doom to Others”, 2013, http://m.allafrica.com/stories/201307301218.html/, )

Oil prices have remained **consistently high** and volatile over the past few years. According to estimates, they may remain this way at least until 2014. The Brent crude spot price, which averaged 112 dollars a barrel in 2012, is **projected** to remain **above 100 dollars** a barrel. This is at an average of 108 dollars and 101 dollars per barrel, in 2013 and 2014, respectively. High oil prices may dampen the global economy, which is still struggling to recover from the 2008 financial crisis. High oil prices above 100 dollars can be explained by many factors and they may affect economies in an uneven way, with an unclear outcome for the global economy as a whole. According to estimates by the International Monetary Fund (IMF), a 50pc increase in oil prices, due to a supply shock, would lead to a one to 1.5pc decrease in output, in many regions of the world. Rising oil prices will affect African economies differently depending on whether they are net exporters or net importers of the commodity. For oil-importing economies, high oil prices could translate into high import bills with adverse effects on inflation, production and employment. In contrast, oil-exporting economies could benefit from high oil prices, because an increase in oil revenues improves their balance of payments. In addition, price volatility may harm both importers and exporters of oil. It lowers, for instance, the predictability of marginal costs of production for companies. The uncertainty regarding their cash flows may induce companies to reduce their investments and limit job creation, which can consequently harm economic growth. Oil prices have increased since 2003, from less than 40 dollars to more than 100 dollars per barrel today. Oil prices fell sharply in 2008, before recovering steadily since then. Prices were volatile during 2011 and 2012, mainly because of the Arab Spring and events in Libya, in addition to conflict between Sudan and South Sudan. Many uncertain and conflicting factors on both supply and demand sides have contributed to the persistent high oil prices in recent years. Geopolitical factors are the main causes that drove up oil prices in producing countries. In the past decade, wars in Iraq and political tensions in the Middle East and North Africa have affected the oil market. More recently, disagreements between Western nations and Iran - one of the largest oil producers and exporters in the world - have fuelled risks of sharp disruptions in oil supplies globally. This, in turn, had a significant impact on prices of the commodity. In contrast, major oil producing countries, mainly Saudi Arabia, may not be able to boost production and instead have to cover losses elsewhere, as their capacities are reaching their limit. The decline in aggregate oil inventories and high costs of oil extraction and production are other supply-side factors affecting oil prices. Increasing demand from major emerging economies, such as China and India, has also played an important role in keeping oil prices **persistently high** over the past years. The Asian continent surpassed the US and is now the largest consumer of oil in the world. Despite the slowdown in economic growth in China and India, demand will **remain higher**. This will keep oil prices at high levels. Furthermore, as growth is resuming in the US and as the crisis in the euro area seems to be easing, global demand for oil may increase.

**An increase in Venezuelan oil production would lower oil prices**

**Philip, 10** (George Philip, Professor of Comparative and Latin American politics at the London School of Economics, "Oil and Twenty-First Century Socialism in Latin America: Venezuela and Ecuador", London School of Economics, Latin America and International Affairs Program, www.lse.ac.uk/IDEAS/publications/reports/pdf/SU005/philip.pdf))

At the same time, both countries face specific domestic and external challenges in their oil sectors. The Venezuelan and Ecuadorian economies depend heavily on oil and gas exports, which provide the material foundations for both their foreign and domestic radicalism. In terms of export income, Venezuela and Ecuador are the most oil dependent countries in the region, with the corollary that they are the least dependent on the performance of their non-oil economies. Worryingly, though, Venezuelan oil and gas exports are currently in decline, partly as the result of long term trends and partly because of Chavez’s style of government. Ecuadorian oil exports are not really in decline in the same way but they are likely to grow only slowly while domestic consumption may grow faster. Some 40 percent of Ecuadorian oil is now consumed domestically and the figure for Venezuela is nearly 30 percent. domestic prices are very low in both cases and some oil listed under ‘domestic consumption’ may well have been smuggled to Colombia, whose oil consumption appears suspiciously low, and also to Guyana. International oil prices have risen significantly in the past decade, which has more than offset –for now at least – the consequences of stagnant or falling production. These issues point to a important and growing area of vulnerability in both countries.

**Russian economy is booming now—high oil prices are a critical factor:**

Tatyana Lisina, 13 (staff writer, “Russian economy becomes biggest in Europe,” 7/17/13, <http://rbth.ru/business/2013/07/17/russian_economy_becomes_biggest_in_europe_28149.html>, Accessed 7/18/2013, rwg)

According to data from the World Bank, Russia's economy has jumped ahead of all the European nations, becoming the fifth largest worldwide in terms of GDP. Experts are confident that, in the future, the gap between the Russian Federation and the Old World will widen further.¶ Central Bank of Russia Chairman Sergei Ignatiev and Russia's Finance Minister Anton Siluanov at the G20 finance ministers meeting during the Spring Meeting of the International Monetary Fund and World Bank in Washington, on April 19. Source: Reuters¶ According to data published by the World Bank in July, Russia is fighting the global economic crisis much more successfully than most developed countries. Based on GDP adjusted for purchasing power parity (PPP), Russia jumped ahead of all the EU nations in 2012, including Germany, which is number six in the world.¶ Ahead of Russia in the top five were the United States, China, India and Japan. The World Bank data substantiated the IMF rankings published in late 2012, even though the IMF rankings put Russia in sixth place, slightly behind Germany.¶ July's World Bank rankings of GDP adjusted for PPP further confirm the noteworthy level of the Russian economy, experts say. According to IMF data on nominal GDP, Russia rose from ninth to eighth place.¶ In addition, in early July, the World Bank shifted Russia to the group of countries with high national income per capita; for the last decade, Russia was in the category of upper middle income.¶ The ascent in the rankings will become a significant advantage for Russia's accession to the Organization for Economic Cooperation and Development (OECD), which is planned for 2015. To raise per capita GDP, OECD experts recommend increasing labor productivity, stimulating innovation, and implementing financial and tax regulation.¶ Reviewing 22 years of modernization in Russian economy¶ Reviewing 22 years of modernization in economy¶ The success of Russia's economy does not surprise experts. According to Yaroslav Lissovolik, chief economist at Deutsche Bank, the ranking by GDP adjusted for PPP fully reflects the consumption of goods and services in the economy.¶ “The Russian economy is generating growth due to favorable oil prices, at a time when Europe is in a recession and its prospects for exiting this recession are not clear. The situation in southern Europe, which affects Germany and other countries, is particularly complicated.

**A surge in world oil production will devastate Russia’s economy.**

Aimee Duffy, (staff writer), Apr. 20, 2013. Retrieved Apr. 22, 2013 from http://www.fool.com/investing /general/2013/04/20/cheap-oil-may-be-here-before-you-know-it.aspx

The problem is that isn't quite how it works. Russia, for one, has always been dependent on oil prices. In fact, it was the collapse of oil prices in the late '80s that ended up being the straw that broke the USSR's back. As Tyler Priest wrote in the Journal of American History last June:¶ The oil price collapse also played a lead role in ending the Cold War. It undermined the economy of the Soviet Union, which had quietly become the world's largest oil pro­ducer, dependent on oil export revenues to pay for imported manufactured goods from the West and to support the economies of East European satellites. Plummeting crude prices cost the Soviet Union an alarming $20 billion per year, causing panic in the Polit­buro.¶ Right there you've got the world leader in oil production combined with the necessity of high oil prices, and all that comes of it is a price collapse -- a collapse caused, I might add, by a surge in world production and OPEC's inability to stick to its quota system. The price of oil was halved in one year, falling to $14 in 1986.

**Weakened Russian economy risks a nuclear war.**

Patrick F. Speice, 2006 (staff, William and Mary Law Review), February 1, 2006. Retrieved Apr. 22, 2013 from Lexis.

Moreover, the end of the Cold War eliminated the rationale for maintaining a large military-industrial complex in Russia, and the nuclear cities were closed. This resulted in at least 35,000 nuclear scientists becoming unemployed in an economy that was collapsing. Although the economy has stabilized somewhat, there are still at least 20,000 former scientists who are unemployed or underpaid and who are too young to retire, raising the chilling prospect that these scientists will be tempted to sell their nuclear knowledge, or steal nuclear material to sell, to states or terrorist organizations with nuclear ambitions. The potential consequences of the unchecked spread of nuclear knowledge and material to terrorist groups that seek to cause mass destruction in the United States are truly horrifying. A terrorist attack with a nuclear weapon would be devastating in terms of immediate human and economic losses. Moreover, there would be immense political pressure in the United States to discover the perpetrators and retaliate with nuclear weapons, massively increasing the number of casualties and potentially triggering a full-scale nuclear conflict. In addition to the threat posed by terrorists, leakage of nuclear knowledge and material from Russia will reduce the barriers that states with nuclear ambitions face and may trigger widespread proliferation of nuclear weapons. This proliferation will increase the risk of nuclear attacks against the United States or its allies by hostile states, as well as increase the likelihood that regional conflicts will draw in the United States and escalate to the use of nuclear weapons.

# 1NC Oil Production

#### Venezuela’s economy is improving

Robertson 8/23 - writer, journalist and activist based in Venezuela, a regular contributor to Venezuelanalysis.com and Nsnbc, (Ewan, August 23, 2013, “Venezuelan Economy Records Better than Expected Q2 Growth of 2.6%”, http://venezuelanalysis.com/news/9965)//HH

Mérida, 23rd August 2013 (Venezuelanalysis.com) – The Venezuelan economy experienced better than expected GDP growth of 2.6% for the April – June period this year, with the country’s central bank predicting the economy to continue growing throughout 2013.

The figures are good news for President Nicolas Maduro, and suggest that the government is overcoming economic problems which affected Maduro’s popularity in the run up to the presidential election in April.

“I want to congratulate the government’s economic teams. Good news came out today that has made the bitter people bitter…after the sabotage that they [opposition sectors] committed against the economy…we’ve recovered the economy slowly, but sustainably,” Maduro said yesterday.

Total growth for the first six months of 2013 compared with the same period last year is 1.6%, with the Venezuelan economy having experienced eleven quarters of sustained GDP expansion.

In the first quarter of this year the economy grew by a sluggish 0.5% [updated figure] in the context of rising inflation and scarcity levels. The country was also hit by a political shock in March, when late President Hugo Chavez passed away.

According to the Venezuelan Central Bank’s (BCV) report yesterday, the non-oil sectors of the economy which most expanded in the second quarter were finance (24.3%), communications (6.7%), water and electricity (6.0%), manufacturing (5.7%), trade (4.2%), community services (3.6%) and public services (2.9%).

#### Oil not key to Venezuela’s economy – current economic status proves

Kraul and Mogollon **8/15** - Freelance writer, covers Latin America for Los Angeles Times, LA Times correspondent specializing in Caracas, (Chris and Mery, August 15, 2013, LA Times, “Venezuela's economic, political woes knock its currency to its knees”, http://www.latimes.com/world/la-fg-venezuela-devalue-20130816,0,2455883.story)//HH

Jose Manuel Puente, an economist at the IESA think tank and graduate school in Caracas, said "macroeconomic imbalances" in Venezuela meant the country's economy would be the worst in Latin America this year.

"The slowdown in economic growth, high and persistent inflation and high levels of scarcities [of basic foodstuffs] will combine to make Venezuela's the worst-performing economy on the continent, despite the extraordinary oil boom that the country is still benefiting from," Puente said.

Cross apply Cerna, Chinese Oil investment increasing, solves the advantage.

#### No Internal Link – Venezuelan inflation

Reuters 8/6 - International news agency in New York, (August 6, 2013, “UPDATE 1-Venezuela's annual inflation hit 42.6 pct in July”, [http://www.reuters.com/article/2013/08/06/venezuela-inflation-idUSL1N0G71AB20130806)//HH](http://www.reuters.com/article/2013/08/06/venezuela-inflation-idUSL1N0G71AB20130806%29//HH)

Aug 6 (Reuters) - Venezuela's annual inflation rate hit 42.6 percent in July, one of the highest levels in the world, even as the month-on-month rise of consumer prices slowed to 3.2 percent, from 4.7 percent in June, the central bank said on Tuesday.

The rise in the yearly rate follows a currency devaluation in the OPEC nation and heavy state spending last year. It is the highest annual figure since 2008, when the central bank changed the methodology it uses to calculate inflation.

The increase in July, which takes accumulated inflation to 29.0 percent for the first seven months of the year, was spurred by a 6.4 percent jump in transport costs and a 4.9 percent rise in the cost of clothing and footwear.

The devaluation of the bolivar currency in February, and heavy state spending in 2012 when the late socialist leader Hugo Chavez won re-election, have exacerbated price pressures in Venezuela, which has suffered from high inflation for decades.

#### Venezuela would say no

Shifter 13 – president of the Inter-American Dialogue, Michael, 5-3-13, “What Does the Future Hold for U.S.-Venezuela Relations?” http://www.thedialogue.org/page.cfm?pageID=32&pubID=3297

Q: The future of U.S.-Venezuela relations remains uncertain in the early days of the Nicolás Maduro administration. Maduro has voiced a desire for "respectful relations" with the United States, though Washington has still not recognized his government. The United States has denied that it is considering sanctions against Venezuela, and Venezuelan authorities recently arrested a U.S. citizen on accusations of attempting to spark social unrest. The State Department has denied any efforts to destabilize the Venezuelan government. Will U.S.-Venezuela relations be better or worse under Maduro than they were under Hugo Chávez? What do Maduro's cabinet picks portend about the future of bilateral relations? Should businesses be more worried about political risk in Venezuela now than they were when Chávez was alive?¶ A: Michael Shifter, president of the Inter-American Dialogue: "The prospects for improved relations between the United States and Venezuela under the Maduro administration now appear rather dim. Maduro's rhetoric directed at Washington has been notably tough and aggressive, as he seeks to shore up support among the Chavista base. Arresting a U.S. citizen and accusing him of stirring up trouble in Venezuela is a vintage Chávez tactic, aimed at diverting attention from the country's myriad, fundamental problems. Lacking Chávez's political skills and common touch, Maduro is in a particularly shaky position, compounded by questions of legitimacy following the April 14 elections. To date, personnel picks and policy signals coming out of the administration have been confusing and mixed. Some in Maduro's team are hardliners, while others, such as Calixto Ortega--the recently appointed representative in Washington--are more open and moderate. Ortega, for example, was very active in the so-called Boston Group, an effort that sought to facilitate dialogue between Chavista and opposition lawmakers. As long as Maduro's political standing remains precarious, he will be severely constrained in his ability to pursue closer ties with the United States. There is no appetite or interest in Washington to adopt punitive measures and apply sanctions against Venezuela. In light of Maduro's confrontational rhetoric and actions--and disturbing incidents of violence--no one is calling for a rapprochement. Still, assuming that things begin to settle down, and given that other governments have already recognized Maduro, it would be surprising if Washington didn't eventually come around and deal with the practical reality."

#### Even massive economic decline has zero chance of war

**Jervis, 11 -** Professor in the Department of Political Science and School of International and Public Affairs at Columbia University (Robert, "Force in Our Times," December 2011, Survival, Vol. 25, No. 4, p. 403-425, SMS)

Even if war is still seen as evil, the security community could be dissolved if severe conflicts of interest were to arise. Could the more peaceful world generate new interests that would bring the members of the community into sharp disputes?45 A zero-sum sense of status would be one example, perhaps linked to a steep rise in nationalism. More likely would be a worsening of the current economic difficulties, which could itself produce greater nationalism, undermine democracy, and bring back old-fashionedbeggar-thy-neighbor economic policies. While these dangers are real, it is hard to believe that the conflicts could be great enough to lead the members of the community to contemplate fighting each other. It is not so much that economic interdependence has proceeded to the point where it could not be reversed – states that were more internally interdependent than anything seen internationally have fought bloody civil wars. Rather it is that even if the more extreme versions of free trade and economic liberalism become discredited, it is hard to see how without building on a pre-existing high level of political conflict leaders and mass opinion would come to believe that their countries could prosper by impoverishing or even attacking others. Is it possible that problems will not only become severe, but that people will entertain the thought that they have to be solved by war? While a pessimist could note that this argument does not appear as outlandish as it did before the financial crisis, an optimist could reply (correctly, in my view) that the very fact that we have seen such a sharp economic down-turn without anyone suggesting that force of arms is the solution shows that even if bad times bring about greater economic conflict, it will not make war thinkable.

#### Global economy resilient

Zakaria, 9 - PhD in pol sci from Harvard. Editor of Newsweek, BA from Yale, PhD in pol sci, Harvard. He serves on the board of Yale University, The Council on Foreign Relations, The Trilateral Commission, and Shakespeare and Company. Named "one of the 21 most important people of the 21st Century" (Fareed, The Secrets of Stability, 12 December 2009, http://www.fareedzakaria.com/articles/articles.html)

One year ago, the world seemed as if it might be coming apart. The global financial system, which had fueled a great expansion of capitalism and trade across the world, was crumbling. All the certainties of the age of globalization—about the virtues of free markets, trade, and technology—were being called into question. Faith in the American model had collapsed. The financial industry had crumbled. Once-roaring emerging markets like China, India, and Brazil were sinking. Worldwide trade was shrinking to a degree not seen since the 1930s.¶ Pundits whose bearishness had been vindicated predicted we were doomed to a long, painful bust, with cascading failures in sector after sector, country after country. In a widely cited essay that appeared in The Atlantic this May, Simon Johnson, former chief economist of the International Monetary Fund, wrote: "The conventional wisdom among the elite is still that the current slump 'cannot be as bad as the Great Depression.' This view is wrong. What we face now could, in fact, be worse than the Great Depression."¶ Others predicted that these economic shocks would lead to political instability and violence in the worst-hit countries. At his confirmation hearing in February, the new U.S. director of national intelligence, Adm. Dennis Blair, cautioned the Senate that "the financial crisis and global recession are likely to produce a wave of economic crises in emerging-market nations over the next year." Hillary Clinton endorsed this grim view. And she was hardly alone. Foreign Policy ran a cover story predicting serious unrest in several emerging markets.¶ Of one thing everyone was sure: nothing would ever be the same again. Not the financial industry, not capitalism, not globalization.¶ One year later, how much has the world really changed? Well, Wall Street is home to two fewer investment banks (three, if you count Merrill Lynch). Some regional banks have gone bust. There was some turmoil in Moldova and (entirely unrelated to the financial crisis) in Iran. Severe problems remain, like high unemployment in the West, and we face new problems caused by responses to the crisis—soaring debt and fears of inflation. But overall, things look nothing like they did in the 1930s. The predictions of economic and political collapse have not materialized at all.¶ A key measure of fear and fragility is the ability of poor and unstable countries to borrow money on the debt markets. So consider this: the sovereign bonds of tottering Pakistan have returned 168 percent so far this year. All this doesn't add up to a recovery yet, but it does reflect a return to some level of normalcy. And that rebound has been so rapid that even the shrewdest observers remain puzzled. "The question I have at the back of my head is 'Is that it?' " says Charles Kaye, the co-head of Warburg Pincus. "We had this huge crisis, and now we're back to business as usual?"¶ This revival did not happen because markets managed to stabilize themselves on their own. Rather, governments, having learned the lessons of the Great Depression, were determined not to repeat the same mistakes once this crisis hit. By massively expanding state support for the economy—through central banks and national treasuries—they buffered the worst of the damage. (Whether they made new mistakes in the process remains to be seen.) The extensive social safety nets that have been established across the industrialized world also cushioned the pain felt by many. Times are still tough, but things are nowhere near as bad as in the 1930s, when governments played a tiny role in national economies.¶ It's true that the massive state interventions of the past year may be fueling some new bubbles: the cheap cash and government guarantees provided to banks, companies, and consumers have fueled some irrational exuberance in stock and bond markets. Yet these rallies also demonstrate the return of confidence, and confidence is a very powerful economic force. When John Maynard Keynes described his own prescriptions for economic growth, he believed government action could provide only a temporary fix until the real motor of the economy started cranking again—the animal spirits of investors, consumers, and companies seeking risk and profit.¶ Beyond all this, though, I believe there's a fundamental reason why we have not faced global collapse in the last year. It is the same reason that we weathered the stock-market crash of 1987, the recession of 1992, the Asian crisis of 1997, the Russian default of 1998, and the tech-bubble collapse of 2000. The current global economic system is inherently more resilient than we think. The world today is characterized by three major forces for stability, each reinforcing the other and each historical in nature.

# 1NC Credibility

#### No Internal Link – 7 reasons

Human rights, Military arms purchases, Iran relations, Exportation of Venezuelan populism to Latin America, Declining cooperation on anti-drug/terrorism efforts, US imposed sanctions (FARC, Iranian support, Hezbollah), Palmer

Sullivan 4/9 - Specialist in Latin American Affairs. Foreign Affairs, Defense, and Trade Division, (Mark P. Sullivan, April 9, 2013, “Hugo Chávez’s Death: Implications for Venezuela and U.S. Relations”, http://www.fas.org/sgp/crs/row/R42989.pdf)//HH

Over the years, U.S. officials have expressed concerns about human rights, Venezuela’s military arms purchases, its relations with Iran, and its efforts to export its brand of populism to other Latin American countries. Declining cooperation on anti-drug and anti-terrorism efforts has been a major concern. The United States has imposed sanctions: on several Venezuelan government and military officials for helping the Revolutionary Armed Forces of Colombia (FARC) with drug and weapons trafficking; on three Venezuelan companies for providing support to Iran; and on several Venezuelan individuals for providing support to Hezbollah. In late 2010, the Chávez government revoked an agreement for U.S. Ambassador-designate Larry Palmer to be posted to Venezuela. The Obama Administration responded by revoking the diplomatic visa of the Venezuelan Ambassador to the United States.

#### U.S. oil investment means relations are inevitable

Alvarado 13 --- former diplomat in the Mission of Venezuela to the Organization of American States (5/31/2013, Liza Torres Alvarado, “The U.S. Must Re-evaluate its Foreign Policy in Latin America,” http://www.isn.ethz.ch/isn/Digital-Library/Articles/Detail/?lng=en&id=164370, JMP)

Although there has been a decline in U.S. influence in the region, its presence is still there. In Venezuela, for example, U.S. oil companies have seen their actions limited, yet they still operate there. The United States is Venezuela’s top commercial partner, as Venezuela supplies 12 percent of U.S. oil imports.

Relations between the United States and Latin America have experienced cyclical ups and downs. Geographically, the United States and Latin America are linked and have a natural shared market, so there will always be a relationship of one sort or another. The United States will continue to seek to exert its influence over the region, whether through future plans for the placement of military bases or the promotion of bilateral trade agreements.

#### No warming and it's definitely not anthro – WE control quals, bias and recency

Burnett, 12 – Sterling, Ph.D., Senior Fellow in Environment and Energy at the National Center for Policy Analysis (NCPA), “Fraud and Heartland: A Scandal for Climate Alarmists, not Skeptics,” 2-22, http://environmentblog.ncpa.org/fraud-and-heartland-a-scandal-for-climate-alarmists-not-skeptics/.

Sadly (for him), Peter Gleick, the researcher at issue, could have obtained a good deal of the information he sought through a request for Heartland’s 990, a tax document that non-profits have to provide to any who request it. Rather than going through legitimate channels to obtain what information he could or, better still, questioning the veracity of the initial document he received — and there were many reasons to question that document, among them the fact that it was delivered to him anonymously — using someone else’s name, a Heartland board member — he requested internal documents. Despite all the sound and fury surrounding this episode over the last week, really, nothing new was learned in the memos. As Time Magazine summed it up: “The alleged memos seem to confirm that the Heartland Institute is trying to push it’s highly skeptical view of climate science into the public sphere, which is only surprising if you’ve paid exactly zero attention to the climate debate over the past decade.” Gleick admits that his actions were wrong and apologized but said he did it out of “frustration.” One has to ask, frustration over what? Is he perhaps frustrated with the fact that he and his fellow climate alarmists have, as of yet, been unable to convince Americans that the scientific case for climate action is settled and stampede them into calling for policies that forcibly restrict energy use? Daily polls show more American’s are coming to doubt the argument that human actions are causing a warming that would result in catastrophic climate change. Or perhaps he is frustrated with the fact that an increasing number of scientists – scientists with as good or better credentials and reputations as those who argue that humans are causing warming — continue to highlight the weakness, discrepancies and contradictions that continue to plague global warming theory and demonstrate that the case in far from closed. Perhaps Glieck and his ilk are frustrated because they constantly bray that scientists and think tanks that show skepticism concerning one or another critical point of global warming theory are exceedingly well-funded; when the reality is, and Gleick knows it, these scientists and think tanks are very modestly funded when compared to the billions that are spent to on climate research, politics and on politically favored technologies by governments, billionaires and corporations who will benefit from climate policies, and the non-profit foundations and think tanks that want to use fear of global warming to reshape the Western economic system into what they believe would be a more humane, equitable (socialist), global version of society. A society where international bodies, with bureaucracies staffed by “experts” beyond the reach of crass democratic politics and mass opinion will steer the ship of global-state in the direction of the “true” public good. Time magazine notes that if anything, the Heartland memos debunk the idea of a well-funded “. . . vast right-wing conspiracy,” behind global warming skepticism. Who says the Progressive era has passed?

#### **No extinction from climate change**

NIPCC 11 – the Nongovernmental International Panel on Climate Change, an international panel of nongovernment scientists and scholars, March 8, 2011, “Surviving the Unprecedented Climate Change of the IPCC,” online: http://www.nipccreport.org/articles/2011/mar/8mar2011a5.html

In a paper published in Systematics and Biodiversity, Willis et al. (2010) consider the IPCC (2007) "predicted climatic changes for the next century" -- i.e., their contentions that "global temperatures will increase by 2-4°C and possibly beyond, sea levels will rise (~1 m ± 0.5 m), and atmospheric CO2 will increase by up to 1000 ppm" -- noting that it is "widely suggested that the magnitude and rate of these changes will result in many plants and animals going extinct," citing studies that suggest that "within the next century, over 35% of some biota will have gone extinct (Thomas et al., 2004; Solomon et al., 2007) and there will be extensive die-back of the tropical rainforest due to climate change (e.g. Huntingford et al., 2008)." On the other hand, they indicate that some biologists and climatologists have pointed out that "many of the predicted increases in climate have happened before, in terms of both magnitude and rate of change (e.g. Royer, 2008; Zachos et al., 2008), and yet biotic communities have remained remarkably resilient (Mayle and Power, 2008) and in some cases thrived (Svenning and Condit, 2008)." But they report that those who mention these things are often "placed in the 'climate-change denier' category," although the purpose for pointing out these facts is simply to present "a sound scientific basis for understanding biotic responses to the magnitudes and rates of climate change predicted for the future through using the vast data resource that we can exploit in fossil records." Going on to do just that, Willis et al. focus on "intervals in time in the fossil record when atmospheric CO2 concentrations increased up to 1200 ppm, temperatures in mid- to high-latitudes increased by greater than 4°C within 60 years, and sea levels rose by up to 3 m higher than present," describing studies of past biotic responses that indicate "the scale and impact of the magnitude and rate of such climate changes on biodiversity." And what emerges from those studies, as they describe it, "is evidence for rapid community turnover, migrations, development of novel ecosystems and thresholds from one stable ecosystem state to another." And, most importantly in this regard, they report "there is very little evidence for broad-scale extinctions due to a warming world." In concluding, the Norwegian, Swedish and UK researchers say that "based on such evidence we urge some caution in assuming broad-scale extinctions of species will occur due solely to climate changes of the magnitude and rate predicted for the next century," reiterating that "the fossil record indicates remarkable biotic resilience to wide amplitude fluctuations in climate."

# 2nc

# CP

# solvency

Romero and Barrionuevo 9. [Simon, Brazil bureau chief, Alexei, journalist, "Deals help China expand sway in Latin America" New York Times -- April 15 -- www.nytimes.com/2009/04/16/world/16chinaloan.html?\_r=0]

China has also pushed into Latin American countries where the United States has negligible influence, like Venezuela.¶ In February, China’s vice president, Xi Jinping, traveled to Caracas to meet with President Hugo Chávez. The two men announced that a Chinese-backed development fund based here would grow to $12 billion from $6 billion, giving Venezuela access to hard currency while agreeing to increase oil shipments to China to one million barrels a day from a level of about 380,000 barrels.¶ Mr. Chávez’s government contends the Chinese aid differs from other multilateral loans because it comes without strings attached, like scrutiny of internal finances. But the Chinese fund has generated criticism among his opponents, who view it as an affront to Venezuela’s sovereignty.

#### China engagement solves Venezuelan oil.

Grant 9. [Will, Mexico and Central America Correspondent, "China in huge Venezuela oil deal" BBC News -- September 17 -- news.bbc.co.uk/2/hi/8260200.stm]

Venezuela has announced a $16bn (£10bn) investment deal with China for oil exploration in the Orinoco river.¶ The move comes shortly after Venezuela signed a similar agreement with Russia, which is estimated to be $20bn (£12bn).¶ President Hugo Chavez said the deals would boost oil production in Venezuela by about 900,000 barrels per day.¶ Investors in Venezuela's oil industry have complained for months that a lack of government investment in infrastructure has hurt production.¶ Multi-polar world¶ Speaking on state television, Mr Chavez said the deal with China was over three years and that the investment would go towards developing heavy crude oil resources in the Orinoco River belt.¶ For President Chavez it is part of a wider effort to increase his base of bilateral partners in the oil industry.

#### Chinese investment solves.

Gallagher 13 [Kevin is a staff writer for the Guardian. “Latin America playing a risky game by welcoming in the Chinese dragon.”http://www.theguardian.com/global-development/poverty-matters/2013/may/30/latin-america-risky-chinese-dragon//HK]

The Chinese president, Xi Jinping, travels to the US and Latin America this week, for the first time since he took office in March. What a difference a decade makes. Ten years ago, there would hardly have been any fanfare about a Chinese visit to the region. Now, for Brazil, Chile and others, China is the most important trade and investment partner. China-Latin America trade surpassed $250bn (£165bn) last year.¶ Although China's impact in Africa receives the most attention, China trades just as much in Latin America as in Africa, and has more investments in the region. Chinese finance in Latin America – chiefly from the China Development Bank and the Export-Import Bank of China – is staggeringly large and growing. In a recently updated report, colleagues and I estimate that, since 2005, China has provided loan commitments of more than $86bn to Latin American countries. That is more than the World Bank or the Inter-American Development Bank have provided to the region during the same period.¶ China's presence is a great opportunity for Latin America, but it brings new risks. If the region can seize the new opportunities that come with Chinese finance, countries could come closer to their development goals, and pose a real challenge to the way western-backed development banks do business. However, if Latin American nations don't channel this new trade and investment toward long-term growth and sustainability, the risks may take away many of the rewards.¶ First, the positive side. Chinese trade and investment is partly a blessing for Latin America because it diversifies the sources of finance – finance that for too long has relied on the west. The US and European economies have been anaemic since 2008, and trade with China has tugged Latin American growth rates to impressive levels. Every 1% increase in Chinese growth is correlated with a 1.2% increase in Latin American growth.¶ Chinese finance is more in tune with what Latin American nations want, rather than with what western development experts say they "need". Whereas the US and international financial institutions (IFIs) such as the World Bank and IMF tend to finance in line with the latest development fads such as trade liberalisation and micro-anti-poverty programmes, Chinese loans tend to go into energy and infrastructure projects in a region that has an annual infrastructure gap of $260bn.¶ Neither do Chinese loans come with the harsh strings attached to IFI finance. The IFIs are notorious for their "conditionalities" that make borrowers sign up to austerity and structural adjustment programmes that have had questionable outcomes on growth and equality in the region.¶ But there are risks. While the Chinese do not attach policy conditions to their loans, they have required that borrowers contract Chinese firms, buy Chinese equipment, and sometimes sign oil sale agreements that require nations to send oil to China in exchange for the loans instead of local currency.¶ Chinese investment accentuates the deindustrialisation of Latin America. Large scale, capital intensive commodities production is not very employment-intensive, nor does it link well with other sectors of an economy. Dependence on commodities can cause a "resource curse" where the exchange rate appreciates such that exporters of manufacturing and services industries can't compete in world markets – and thus contribute to deindustrialisation and economic vulnerability.¶ Producing natural resource-based commodities also brings major environmental risk. Many of China's iron, soy and copper projects are found in Latin America's most environmentally sensitive areas. In areas such as the Amazon and the Andean highlands, conflict over natural resources, property rights and sustainable livelihoods have been rife for decades.¶ In our report, we find that Chinese banks actually operate under a set of environmental guidelines that surpass those of their western counterparts when at China's stage of development. Nevertheless, those guidelines are not on par with 21st century standards for development banking. Stronger standards should be in place at a time when environmental concerns are at an all-time high.¶ With every opportunity comes a challenge. Latin Americans have access to a new source of finance that gives them more leeway to meet their own development goals. If Latin America doesn't channel some of the finance to support macroeconomic stability, economic diversification, equality and environmental protection, this new source of finance could bring great risk.

# Us not key aff ev

 “ Venezuela is highly dependent on those revenues for their ongoing stability”

**Ladislaw and Verrastro, CSIS Energy, 2013**

**Stratford Jun 6 2013**

<http://www.stratfor.com/analysis/potential-opening-us-venezuelan-relations> accessed 7/2 tm

For Venezuela, there is a more pressing need at hand: Attracting international capital and direct investment in its petroleum sector. A series of nationalizations and years of draining funds from national oil company Petroleos de Venezuela have left the energy sector dilapidated and underfinanced. Oil production is down from its peak, and for technical reasons oil will probably become increasingly difficult and more expensive to extract, export and refine. Maintaining high levels of production is a national priority and a political necessity for Maduro's fledgling government. In order to achieve production gains, however, Maduro will need capital and technology that Petroleos de Venezuela cannot afford. Venezuela has negotiated billions of dollars worth of loans from the Export-Import Bank of China, the China National Petroleum Corporation, Russian oil company Rosneft, energy services company Schlumberger and U.S. supermajor Chevron. But to turn the sector around will require long-term capital commitments from oil majors with the ability to lead their own exploration and production projects, independently or in collaboration with Petroleos de Venezuela

# China SOI

# 2nc impact

**b. timeframe – perception of the plan slashes Chinese soft power**

\*perception link – Chinese soft power is driven by perceived ideology of success – Chinese soft power is driven by the prospect of economic growth, the perception of increasing US influence in the region crowds-out PRC investment and Chinese investment

**Ellis 11** – Associate professor with the William J. Perry Center for Hemispheric Defense Studies (R. Evan, “Chinese Soft Power in Latin America: A Case Study”, NDU Press, Issue 60, 1st Quarter, [http://www.ndu.edu/press/lib/images/jfq-60/JFQ60\_85-91\_Ellis.pdf)//VP](http://www.ndu.edu/press/lib/images/jfq-60/JFQ60_85-91_Ellis.pdf%29//VP)

It is also important to clarify that soft power is based on **perceptions** and emotion (that is, inferences), and not necessarily on objective reality. Although China's current trade with and investment position in Latin America are still **limited** compared to those of the United States,3 its influence in the region is based not so much on the current size of those activities, but rather on hopes or fears in the region of what it could be in the future. Because **perception drives soft power**, the nature of the PRC impact on each country in Latin America is shaped by its particular situation, hopes, fears, and prevailing **ideology**. The "Bolivarian socialist" regime of Hugo Chávez in Venezuela sees China as a powerful ally in its crusade against Western "imperialism," while countries such as Peru, Chile, and Colombia view the PRC in more traditional terms as an important investor and trading partner within the context of global free market capitalism. The core of Chinese soft power in Latin America, as in the rest of the world, is the widespread perception that the PRC, because of its sustained high rates of **economic growth** and technology development, will present tremendous business opportunities in the future, and will be a power to be reckoned with globally. In general, this perception can be divided into seven areas: hopes for future access to Chinese markets hopes for future Chinese investment influence of Chinese entities and infrastructure in Latin America hopes for the PRC to serve as a **counterweight** to the United States and Western institutions China as a development model affinity for Chinese culture and work ethic China as "the wave of the future." In each of these cases, the soft power of the PRC can be identified as operating through distinct sets of actors: the political leadership of countries, the business community, students and youth, and the general population.

**c. turns and solves case –**

**China’s engagement in Latin America is key to CCP stability.**

**Farnsworth, 12** – Vice-president of the Council of the Americas in Washington DC (Eric, “Memo to Washington: China's Growing Presence in Latin America,” Americas Quarterly, Vol. 6, No. 1, Winter, 2012, http://www.americasquarterly.org/Farnsworth)//VP

What is China doing in the Americas? It’s a good question—and an increasingly important one for policymakers in Washington. According to one U.S. analyst, it’s about “goodwill, good business and strategic position.”1 Perhaps. But the jury is still out, mostly because China’s interest in the Western Hemisphere is barely a decade old. For many years, beyond attempts to wean Latin American and Caribbean nations away from support for Taiwan and efforts to build Third World solidarity, China’s footprint in the Americas was light. That has now changed. Since then-President Jiang Zemin’s 13-day trip to Latin America in April 2001 and the subsequent visits of President Hu Jintao in 2004 and 2011, Chinese engagement with the region has exploded. Today, China is the top trade partner of Brazil and Chile, and the second trade partner of Argentina and Peru. By late 2010, Chinese enterprises had invested almost $44 billion in the region, according to China’s National Development and Reform Commission, almost a quarter of which was invested in 2010 alone. Top investment targets included Brazil, but also Argentina, Chile, Ecuador, Panama, Peru, and Venezuela. Innovative financing by Chinese entities was often behind the deals—and in some cases, such as Ecuador and Venezuela, investments took the form of loans secured by guaranteed future deliveries of oil. That is a marked change from 2003, the year before Hu’s first visit, when China invested just $1 billion in all of Latin America. By now the outlines of the story are well known. As part of the dash for **economic growth that the Chinese Communist Party believes will help to maintain its legitimacy**—an average annual rate of 9.8 percent from 1979 to 2009, including an 8.7 percent growth rate in 2009 when much of the rest of the world faced economic collapse—Beijing is on a global quest to lock in the natural resources that fuel its growth. From Southeast Asia to Africa to Latin America and beyond, China is scouring the globe to invest in primary commodities. By the end of 2011, more than $3 trillion in foreign exchange reserves provided an impressive war chest from which to purchase the global assets that China’s leaders believe they need to support economic growth—and thus political stability—for the medium to longer term. As China faces its own near-term leadership transition, efforts to purchase domestic political stability with foreign trade and investment are likely to intensify. At the same time, Latin American nations that have been the primary trade and investment partners with China have also gained handsomely, at least in the short term, in the sectors that produce primary goods. Longer term questions abound regarding the balance and terms of trade, the nature of the investments that China is making, and the values that are being promoted or undermined by such investments.2 Additionally, nations that are not supplying significant amounts of commodities to China, including Mexico and Central America, view China more as an aggressive competitor than as an economic partner. The costs and benefits of trade with China are unequally distributed across the Americas.

**CCP instability leads to nuclear war**

**Rexing, 05** – Staff Writer (San, “The CCP’s Last Ditch Gamble: Biological and Nuclear War”, Epoch Times, 8/5, http://english.epochtimes.com/ news/5-8-5/30975.html)//VP

What, then, is the gist of this wild, last-ditch gamble? To put it in a few words: A cornered beast is fighting desperately to survive in a battle with humanity. If you don’t believe me, read some passages directly from the speeches. 1) “We must prepare ourselves for two scenarios. If our biological weapons succeed in the surprise attack [on the US], the Chinese people will be able to keep their losses at a minimum in the fight against the U.S. If, however, the attack fails and triggers a nuclear retaliation from the U.S., China would perhaps suffer a catastrophe in which more than half of its population would perish. That is why we need to be ready with air defense systems for our big and medium-sized cities. Whatever the case may be, we can only move forward fearlessly for the sake of our Party and state and our nation’s future, regardless of the hardships we have to face and the sacrifices we have to make. The population, even if more than half dies, can be reproduced. But if the Party falls, everything is gone, and forever gone!” 2) “In any event, we, the CCP, will never step down from the stage of history! We’d rather have the whole world, or even the entire globe, share life and death with us than step down from the stage of history!!! Isn’t there a ‘nuclear bondage’ theory? It means that since the nuclear weapons have bound the security of the entire world, all will die together if death is inevitable. In my view, there is another kind of bondage, and that is, the fate our Party is tied up with that of the whole world. If we, the CCP, are finished, China will be finished, and the world will be finished.” 3) “It is indeed brutal to kill one or two hundred million Americans. But that is the only path that will secure a Chinese century, a century in which the CCP leads the world. We, as revolutionary humanitarians, do not want deaths. But if history confronts us with a choice between deaths of Chinese and those of Americans, we’d have to pick the latter, as, for us, it is more important to safeguard the lives of the Chinese people and the life of our Party. That is because, after all, we are Chinese and members of the CCP. Since the day we joined the CCP, the Party’s life has always been above all else!” Since the Party’s life is “above all else,” it would not be surprising if the CCP resorts to the use of biological, chemical, and nuclear weapons in its attempt to extend its life. The CCP, which disregards human life, would not hesitate to kill two hundred million Americans, along with seven or eight hundred million Chinese, to achieve its ends. These speeches let the public see the CCP for what it really is. With evil filling its every cell the CCP intends to wage a war against humankind in its desperate attempt to cling to life. That is the main theme of the speeches. This theme is murderous and utterly evil. In China we have seen beggars who coerced people to give them money by threatening to stab themselves with knives or pierce their throats with long nails. But we have never, until now, seen such a gangster who would use biological, chemical, and nuclear weapons to threaten the world, that all will die together with him. This bloody confession has confirmed the CCP’s nature: that of a monstrous murderer who has killed 80 million Chinese people and who now plans to hold one billion people hostage and gamble with their lives.

# link

**China investment in Venezuelan oil trades off – Chavez uses China as a replacement for the US**

**Fergusson, 12** – Writer for E-International Relations (Robert Murray, “The Chinese Challenge to the Monroe Doctrine”, E-International Relations, July 23, http://www.e-ir.info/2012/07/23/does-chinese-growth-in-latin-america-threaten-american-interests/)//VP

As mentioned above, although not exclusively, most of China’s most high profile oil deals have been with Venezuela, led by the enigmatic Hugo Chavez, a country that at least in principle, should be considered an ideological ally. Xinhua reports that Venezuela’s average daily exports of Crude oil were 55,000 in the first quarter of 2007, a year-on-year increase of 40.3%. [27] China has not just been interested in oil, but in the exploration of hitherto untapped oil fields. Lafargue notes that in August 2005 “China and Venezuela created a joint company, in order to develop the Zumano field in the state of Anzoátegui, where reserves are estimated at 400 million barrels,” [28] suggesting Beijing is in for the long haul. In the same month, Hugo Chavez announced that Venezuela intends to “increase its number of tankers from 21 to 58 over the next seven years with a ship-building program in cooperation with China,” [29] clearly signifying its commitment to increasing trade with China, despite the high freight costs of traversing the Pacific. Mainly for ideological reasons, “Venezuela has vowed to increase its oil exports to China to 1 million bpd by 2011, although energy analysts maintain that there are … difficulties with this ambition,” [30] including the current inability of China to process Venezuelan heavy crude, which will be dealt with in detail below. It has to be mentioned though, that contrary to the belief held in America, dealings with Venezuela come at a political cost. Rather than being the architect of a malevolent anti-U.S coalition, China is in fact, a rather manipulated party. Winning suggests that Hugo Chavez has been “seeking a counterweight to Washington, which buys 12% of its crude oil – Venezuela has been courting Beijing with a promise to triple oil exports to China, including products like fuel oil, to 1 million barrels per day by 2012.” [31] Energy is China’s soft spot – it badly needs reliable supply of resources, but simultaneously, as part of its ‘peaceful rise’ it cannot afford to draw the ire of the United States. Therefore Beijing has to walk the political tightrope between appeasing Caracas’s desire to agitate Washington, and appeasing Washington’s mistrust of any Sino-Venezuelan cooperation. Llana and Ford summarise the differing motivations as follows: While Chavez’s rhetoric revolves around the creation of a new “multipolar” world – one with multiple power centres – China is driven mostly by the need for primary products, as it devours goods from Africa to Latin America, and anywhere else it can find the raw materials it needs to fuel its rapid economic growth. [32] Essentially, if Venezuelan hydrocarbons were not so important to the Chinese economy, Beijing would not have any involvement with the Venezuelans as it is not in its interest to draw the ire of the sole superpower.

# Credibility

## xt – alt causes

#### Alt causes to relations

#### First, Snowden

#### 1. Morales’ plane

Reuters 7/4 - International news agency in New York, (July 4, 2013, “Latin American countries call summit over diversion of Evo Morales's plane”, www.telegraph.co.uk/news/worldnews/southamerica/bolivia/10158924/Latin-American-countries-call-summit-over-diversion-of-Evo-Moraless-plane.html)//HH

Bolivia said Mr Morales was returning from Moscow on Tuesday when France and Portugal abruptly banned his plane from entering their airspace due to suspicions that Edward Snowden, wanted by Washington for leaking secrets, was onboard. Italy and Spain also banned the plane from their skies, it said.¶ The unusual treatment of the Bolivian military aircraft touched a sensitive nerve in the region, which has a history of US-backed coups. Regional leaders, particularly from the left, rallied behind Mr Morales, Bolivia's first indigenous president and a former union leader of the country's coca farmers.¶ "(These are) vestiges of a colonialism that we thought were long over. We believe this constitutes not only the humiliation of a sister nation but of all South America," Argentine President Cristina Kirchner said in a speech in Buenos Aires.¶ Heads of state in the 12-nation South American bloc Unasur denounced the "unfriendly and unjustifiable acts." The grouping issued a statement late on Wednesday saying the presidents of Ecuador, Bolivia, Venezuela, Argentina, Uruguay and Surinam had agreed to attend a summit in Cochabamba, Bolivia, on Thursday.¶ "Latin America demands an explanation," tweeted Ecuadorean leader Rafael Correa. "If what happened to Evo does not merit a Unasur summit, I don't know what does."¶ Dilma Rousseff, president of regional economic powerhouse Brazil, issued a statement repudiating the European countries that denied Mr Morales access to their airspace based on what she called the "fanciful" notion that Mr Snowden might be on board.¶ The Chilean Foreign Ministry issued a statement saying it "lamented" what happened to Mr Morales and that more clarity was needed on the facts.¶ Much more blunt was the statement from Mexico's Congress condemning what it called the "disgraceful and discriminatory" treatment Mr Morales had received in Europe.¶ A spokesman at France's Foreign Ministry blamed the flap on "an administrative mishap," saying France never intended to ban Mr Morales from its airspace and that there were delays in getting confirmation that the plane had fly-over permits.¶ International agreements allow civilian airplanes to overfly countries without obtaining permission ahead of every flight. But state aircraft including Air Force One, the plane that carries the US president, must obtain clearance before they cross into foreign territory.¶ Government aircraft, whether carrying diplomats or missiles, always require approval before they can enter foreign airspace, legal experts said.¶ Bolivian officials were quick to accuse the United States of strong-arming the Europeans into denying access to their air space in an "act of intimidation" against Mr Morales for suggesting that while attending an energy conference in Moscow he would consider granting asylum to Snowden if requested. Morales said earlier this week no request had been made.¶ The White House declined to comment on the assertion that it was behind the plane scandal.¶ President Barack Obama has warned that giving Mr Snowden asylum would carry serious costs.

#### 2. Asylum

Washington Post 7/2 - (July 2, 2013, “Venezuela’s President Maduro defends Edward Snowden: ‘He did not kill anyone’”, www.washingtontimes.com/news/2013/jul/2/venezuelas-president-maduro-defends-edward-snowden/?page=all)//HH

Meanwhile, Mr. Snowden’s increasingly desperate bids for asylum to escape prosecution on espionage charges could lead him back to America — specifically, South America.¶ Venezuelan President Nicolas Maduro defended the accused leaker to Russian reporters Tuesday during a visit to Moscow to meet with Russian President Vladimir Putin.¶ “He did not kill anyone and did not plant a bomb,” said Mr. Maduro, according to the Interfax news agency. “What he did was tell a great truth in an effort to prevent wars. He deserves protection under international and humanitarian law.”¶

#### 3. Dialogue collapse

Negroponte 7/2 - senior fellow with the Latin America Initiative under Foreign Policy at Brookings, (Diana Villiers, July 2, 2013, “Consequences for Venezuela if Maduro Offers Asylum to Edward Snowden”, http://www.brookings.edu/blogs/up-front/posts/2013/07/02-snowden-venezuela-asylum-negroponte)//HH

In appointing Ortega to Washington, bilateral relations had begun to improve. “Ortega has a lot of knowledge of U.S. society, and we know that he will contribute a lot towards increasing dialogue…We want to have the best ties with all the world’s governments, and the U.S. government, but on the basis of respect. There can be no threats,” said Maduro in his April 24th statement reported by www.venezuelanalysis.com. “I have decided to name Calixto Ortega so that dialogue with U.S. society can increase, with the universities, the academic world, the social and union world, the Afro-American community, the Latino community, Congress, senators, representatives, the economic, trade and energy sectors.” Ortega, the former Venezuelan minister to the Latin American parliament was well received at the State Department and hope exists in Washington that bilateral relations can improve on a steady and pragmatic basis.¶ However, flying Snowden to Venezuela and granting him asylum will blow apart the prospects for improved relations. The recently formed Continental Coalition of Social Movements in support of the Bolivarian Alliance (ALBA) may rejoice that Snowden can operate and speak freely in Venezuela, but the prospects of dialogue with U.S. economic, trade and energy sectors will fizzle out. Without U.S. support, few nations will step in to help meet Venezuela’s rising debt repayments and falling foreign reserves. In deciding whether to give Snowden a way out of Moscow, Maduro must balance the economic wellbeing of Venezuela against the short term notoriety of saving Snowden.

#### 4. Relations at a boiling point

Sanchez **7/12** - Research Fellow at the Council on Hemispheric Affairs, (Alejandro, June 7, 2012, “US-Latin America relations approaching boiling point over Snowden Saga”, http://www.voxxi.com/us-latin-america-relations-snowden-saga/)//HH

The fate of the NSA whistleblower, Edward Snowden, remains unclear, and it is complicating US-Latin America relations, building to a potential boiling point.

Meanwhile, some Latin American states like Bolivia, Nicaragua and Venezuela have offered him asylum. Should Snowden actually manage to fly to, and remain in, one of these states, we could see a further deterioration of Washington relations with one, or more, of these ALBA nations.

Edward Snowden confirmed today in Moscow that he is seeking temporary asylum in Rusia until he can close a deal with a Latin American country.

### warming

#### No warming and it's definitely not anthro – WE control quals, bias and recency

Burnett, 12 – Sterling, Ph.D., Senior Fellow in Environment and Energy at the National Center for Policy Analysis (NCPA), “Fraud and Heartland: A Scandal for Climate Alarmists, not Skeptics,” 2-22, http://environmentblog.ncpa.org/fraud-and-heartland-a-scandal-for-climate-alarmists-not-skeptics/.

Sadly (for him), Peter Gleick, the researcher at issue, could have obtained a good deal of the information he sought through a request for Heartland’s 990, a tax document that non-profits have to provide to any who request it. Rather than going through legitimate channels to obtain what information he could or, better still, questioning the veracity of the initial document he received — and there were many reasons to question that document, among them the fact that it was delivered to him anonymously — using someone else’s name, a Heartland board member — he requested internal documents. Despite all the sound and fury surrounding this episode over the last week, really, nothing new was learned in the memos. As Time Magazine summed it up: “The alleged memos seem to confirm that the Heartland Institute is trying to push it’s highly skeptical view of climate science into the public sphere, which is only surprising if you’ve paid exactly zero attention to the climate debate over the past decade.” Gleick admits that his actions were wrong and apologized but said he did it out of “frustration.” One has to ask, frustration over what? Is he perhaps frustrated with the fact that he and his fellow climate alarmists have, as of yet, been unable to convince Americans that the scientific case for climate action is settled and stampede them into calling for policies that forcibly restrict energy use? Daily polls show more American’s are coming to doubt the argument that human actions are causing a warming that would result in catastrophic climate change. Or perhaps he is frustrated with the fact that an increasing number of scientists – scientists with as good or better credentials and reputations as those who argue that humans are causing warming — continue to highlight the weakness, discrepancies and contradictions that continue to plague global warming theory and demonstrate that the case in far from closed. Perhaps Glieck and his ilk are frustrated because they constantly bray that scientists and think tanks that show skepticism concerning one or another critical point of global warming theory are exceedingly well-funded; when the reality is, and Gleick knows it, these scientists and think tanks are very modestly funded when compared to the billions that are spent to on climate research, politics and on politically favored technologies by governments, billionaires and corporations who will benefit from climate policies, and the non-profit foundations and think tanks that want to use fear of global warming to reshape the Western economic system into what they believe would be a more humane, equitable (socialist), global version of society. A society where international bodies, with bureaucracies staffed by “experts” beyond the reach of crass democratic politics and mass opinion will steer the ship of global-state in the direction of the “true” public good. Time magazine notes that if anything, the Heartland memos debunk the idea of a well-funded “. . . vast right-wing conspiracy,” behind global warming skepticism. Who says the Progressive era has passed?

# oil

#### Venezuela’s economy is improving

Robertson 8/23 - writer, journalist and activist based in Venezuela, a regular contributor to Venezuelanalysis.com and Nsnbc, (Ewan, August 23, 2013, “Venezuelan Economy Records Better than Expected Q2 Growth of 2.6%”, http://venezuelanalysis.com/news/9965)//HH

Mérida, 23rd August 2013 (Venezuelanalysis.com) – The Venezuelan economy experienced better than expected GDP growth of 2.6% for the April – June period this year, with the country’s central bank predicting the economy to continue growing throughout 2013.

The figures are good news for President Nicolas Maduro, and suggest that the government is overcoming economic problems which affected Maduro’s popularity in the run up to the presidential election in April.

“I want to congratulate the government’s economic teams. Good news came out today that has made the bitter people bitter…after the sabotage that they [opposition sectors] committed against the economy…we’ve recovered the economy slowly, but sustainably,” Maduro said yesterday.

Total growth for the first six months of 2013 compared with the same period last year is 1.6%, with the Venezuelan economy having experienced eleven quarters of sustained GDP expansion.

In the first quarter of this year the economy grew by a sluggish 0.5% [updated figure] in the context of rising inflation and scarcity levels. The country was also hit by a political shock in March, when late President Hugo Chavez passed away.

According to the Venezuelan Central Bank’s (BCV) report yesterday, the non-oil sectors of the economy which most expanded in the second quarter were finance (24.3%), communications (6.7%), water and electricity (6.0%), manufacturing (5.7%), trade (4.2%), community services (3.6%) and public services (2.9%).

#### Oil not key to Venezuela’s economy – current economic status proves

Kraul and Mogollon **8/15** - Freelance writer, covers Latin America for Los Angeles Times, LA Times correspondent specializing in Caracas, (Chris and Mery, August 15, 2013, LA Times, “Venezuela's economic, political woes knock its currency to its knees”, http://www.latimes.com/world/la-fg-venezuela-devalue-20130816,0,2455883.story)//HH

Jose Manuel Puente, an economist at the IESA think tank and graduate school in Caracas, said "macroeconomic imbalances" in Venezuela meant the country's economy would be the worst in Latin America this year.

"The slowdown in economic growth, high and persistent inflation and high levels of scarcities [of basic foodstuffs] will combine to make Venezuela's the worst-performing economy on the continent, despite the extraordinary oil boom that the country is still benefiting from," Puente said.

#### No Internal Link – Venezuelan inflation

Reuters 8/6 - International news agency in New York, (August 6, 2013, “UPDATE 1-Venezuela's annual inflation hit 42.6 pct in July”, [http://www.reuters.com/article/2013/08/06/venezuela-inflation-idUSL1N0G71AB20130806)//HH](http://www.reuters.com/article/2013/08/06/venezuela-inflation-idUSL1N0G71AB20130806%29//HH)

Aug 6 (Reuters) - Venezuela's annual inflation rate hit 42.6 percent in July, one of the highest levels in the world, even as the month-on-month rise of consumer prices slowed to 3.2 percent, from 4.7 percent in June, the central bank said on Tuesday.

The rise in the yearly rate follows a currency devaluation in the OPEC nation and heavy state spending last year. It is the highest annual figure since 2008, when the central bank changed the methodology it uses to calculate inflation.

The increase in July, which takes accumulated inflation to 29.0 percent for the first seven months of the year, was spurred by a 6.4 percent jump in transport costs and a 4.9 percent rise in the cost of clothing and footwear.

The devaluation of the bolivar currency in February, and heavy state spending in 2012 when the late socialist leader Hugo Chavez won re-election, have exacerbated price pressures in Venezuela, which has suffered from high inflation for decades.