States CP

Text: The 50 states and relevant territories should (insert plan text)

Giving authority to the states would maximize solvency – it’s the best way to fund and manage

Edwards 11

(Chris, director of tax policy studies at the Cato Institute, November 16, 2011, “Federal Infrastructure Investment,” http://www.cato.org/publications/congressional-testimony/federal-infrastructure-investment)

The U.S. economy needs infrastructure, but state and local governments and the private sector are generally the best places to fund and manage it. The states should be the "laboratories of democracy" for infrastructure, and they should be able to innovate freely with new ways of financing and managing their roads, bridges, airports, seaports, and other facilities. It is true that — like the federal government — the states can make infrastructure mistakes. But at least state-level mistakes aren't automatically repeated across the country. If we ended federal involvement in high-speed rail, for example, California could continue to move ahead with its own system. Other states could wait and see how California's system was performing before putting their own taxpayers on the hook.

Politics DA

Jackson-Vanik needs to and will be repealed because of agriculture market threats

Sorensen 6-27

By Loretta Sorensen, Midwest Producer. “Vilsack: Repeal Jackson-Vanik amendment or lose trade with Russia.” Posted: Wednesday, June 27, 2012 12:16 pm on Midwest Producer. http://www.midwestproducer.com/news/markets/vilsack-repeal-jackson-vanik-amendment-or-lose-trade-with-russia/article\_dc5cff3e-c07b-11e1-a016-0019bb2963f4.html.

If Congress fails to act before mid-August in repealing the 1974 Jackson-Vanik amendment, American farmers, ranchers and producers could lose a significant opportunity to capture market share for American agriculture products when Russia joins the World Trade Organization (WTO) this fall. In an interview with Midwest Producer, USDA Secretary of Agriculture Tom Vilsack noted that delaying the repeal doesn't make good business sense or common sense. "Every one of our 100 legislators has a 'beef' if you will with Russia," Vilsack said. "It may be in regard to intellectual property, Internet issues, Russia's approach to Syria or any other of a host of issues. They're using this discussion (about Jackson-Vanik) as a vehicle for having all these other discussions which have nothing to do with trade. This is not the time nor the place to inject all these issues that have nothing to do with exports. "We saw a 70 percent increase in U.S. beef sales to Russia in the past 12 months," Vilsack added. "There's obviously a desire and an interest in purchasing American products. If we lose this opportunity, it will be difficult and take time to regain the lost market share." The Jackson-Vanik amendment to the Trade Act of 1974 was implemented to pressure the Soviet Union to allow emigration of Soviet Jews, prisoners of conscience and victims of religious persecution. The legislation required the U.S. to enact annual certification of Russia's full compliance with the Jackson-Vanik amendment. With the collapse of the Soviet Union two decades ago, freedom of emigration became a reality for all citizens. If the amendment remains in place, the U.S. is the only country that will not be able to take full advantage of reduced tariffs, quotas and access to Russian markets once Russia completes the requirements for WTO membership. "Russian membership in the WTO is a good thing for the U.S.," Vilsack said. "Russia gains very little through repeal of the legislation. We gain far better access to Russian markets and a much leveler playing field to compete with other countries that will try to sell ag products to Russia." In December 2011, trade ministers at the 8th Ministerial Conference of the World Trade Organization celebrated conclusion of 18 years of negotiations for Russia to agree to comply with WTO requirements. Russia was then invited to become the 154th WTO member. In the process of approving Permanent Normal Trade Relations (PNTR) with Russia, Congress must pass a short and simple bill that grants Russia PNTR status and repeals Jackson-Vanik. Failure to do so will mean the U.S. will be in violation of WTO rules once Russia becomes a WTO member. Through Russia's WTO membership, Moscow will be required to enact a host of economic reforms that will further open the Russian market to U.S. goods and services and provide a process for addressing any future unfair or unsupported trade barriers that might arise. In an address to the U.S. Senate Committee on Finance on June 21, 2012, Vilsack noted that the USDA strongly supports establishing PNTR with Russia and ensuring that Russia remains one of the U.S. top export markets as it joins WTO. "PNTR is not a favor to Russia," Vilsack said. "It is a significant opportunity for America's farmers, ranchers and producers. It will provide improved, predictable access to Russia's 140 million consumers and an expanding middle class that has grown by more than 50 percent in the last decade." Vilsack explained that the U.S. has been extending market access to Russia since 1992 on an annual basis. U.S. agricultural exports to Russia in fiscal year 2011 were nearly $1.4 billion, contributing significantly to the U.S. agricultural trade surplus. The U.S. imported only $25 million of agricultural products from Russia in 2011. As part of its WTO membership agreement, Russia will reduce tariffs on a number of agricultural products. Soybean tariffs will be at zero. For soybean meal, tariffs will be reduced from 5 percent to 2.5 percent. Maximum bound tariffs on most cheeses will drop from 25 percent to 15 percent within three years. Russia's duties are already relatively low for many fruits and tree nuts, but those rates will be bound and, in many cases, reduced substantially within a few years of accession. Through the Russian WTO membership, U.S. farmers will have more certain and predictable market access, Russia will be obligated to apply its trade regime in a manner consistent with WTO rules, and they will be obligated to follow detailed rules governing transparency in development of trade policies and measures. Compliance with Russia's obligations will be enforceable through use of the WTO dispute settlement process. "I believe Jackson-Vanik will be repealed," Vilsack said. "There is bipartisan support for the repeal. I believe members of Congress realize farmers, ranchers and producers will be at a serious disadvantage if the repeal doesn't happen. We can't cede that much territory to our competitors."

Mass transit policies are unpopular – GOP will block due to electoral demographics

Freemark ’11 (Yonah – Master of Science in Transportation from the Massachusetts Institute of Technology; Bachelor of Arts in Architecture, Department of Civil and Environmental Engineering, Yale University with Distinction. Also a freelance journalist who has been published in Planning Magazine; Next American City Magazine; Dissent; The Atlantic Cities; Next American City Online; and The Infrastructurist – He created and continues to write for the website The Transport Politic – The Transport Politic – “Understanding the Republican Party’s Reluctance to Invest in Transit Infrastructure”

January 25th, 2011 – http://www.thetransportpolitic.com/2011/01/25/understanding-the-republican-partys-reluctance-to-invest-in-transit-infrastructure/)

Highway funding, on the other hand, has remained relatively stable throughout, and that’s no surprise, either: The middle 50% of congressional districts, representing about half of the American population, features populations that live in neighborhoods of low to moderate densities, fully reliant on cars to get around. It is only in the densest sections of the country that transit (or affordable housing, for instance) is even an issue — which is why it appears to be mostly of concern to the Democratic Party. Republicans in the House for the most part do not have to answer to voters who are interested in improved public transportation. This situation, of course, should be of significant concern to those who would advocate for better transit. To put matters simply, few House Republicans have any electoral reason to promote such projects, and thus, for the most part they don’t. But that produces a self-reinforcing loop; noting the lack of GOP support for urban needs, city voters push further towards the Democrats. And sensing that the Democratic Party is a collection of urbanites, those from elsewhere push away. It’s hard to know how to reverse this problem.

Political Capital is key to balance the fight within the agenda

Stokes, ’11 [Bruce Stokes January 26, 2011 An Agenda, If You Can Keep It <http://nationaljournal.com.proxy.library.emory.edu/member/daily/an-agenda-if-you-can-keep-it-20110126?mrefid=site_search>]

After years of relative quiescence, Congress actually has a trade agenda in 2011: possible votes on the Korea, Colombia, and Panama trade agreements, and on Russia’s application to join the World Trade Organization. Whether, when, how, and which elements of this agenda will be completed will largely depend on political calculations in the White House and on Capitol Hill. “The first question,” observed William Reinsch, president of the National Foreign Trade Council, “is, how many of these fights does the administration want to have?” At the top of the list will be the U.S.-Korea Free Trade Agreement, which President Obama made his own by arm-wrestling the South Koreans for fixes to benefit the American auto industry. Now, that it has the support of Ford and the United Auto Workers, most observers agree that the deal with South Korea has sufficient votes for passage. And Obama has said he wants Congress to act on it by June. But the business community also wants action on the Colombia and Panama agreements negotiated by the George W. Bush administration. “From our perspective,” said Calman Cohen, president of the Emergency Committee for American Trade, “they are like three children. We want them all to go forward.” Congressional GOP leaders agree. “I strongly believe that we should consider all three agreements in the next six months,” House Ways and Means Committee Chairman Dave Camp, R-Mich., said at a trade hearing this week. Objections to the Panama accord, based on tax and labor issues, seem to pose no major obstacles. Organized labor continues to highlight the murders of union organizers in Colombia and other labor-rights abuses there, but Ways and Means ranking member Sander Levin, D-Mich., a longtime critic of Colombia’s record on these issues, suggested in testimony this week that some accommodation might be possible. “I believe there is now an opportunity for the two governments to work together mutually to achieve real progress on the ground,” he said. Republican leaders in Congress have talked of voting on all three trade deals, possibly one right after the other, to facilitate the legislative calendar and, the administration suspects, to aggravate divisions among Democrats. Parliamentarians, meanwhile, will have to decide if fast-track negotiating authority still applies to the Colombia agreement. Because Congress failed to act on it when it was first submitted, the fast-track authority for the deal expired. This is not a problem in the House, where Republicans control the Rules Committee, but it is in the Senate, where fast-track is needed to facilitate a vote. Business lobbyists think that the Korea deal could move by itself before the August recess but that doing all three together will take considerably more time, contrary to Camp’s ambitions. Members of the business community are less sanguine about legislation blessing Russia’s application to join the WTO, where membership can be held up by any current member. Georgia has yet to give its assent to Russia’s application, which might make the need for U.S. action moot. To give Moscow the green light, Congress would have to accord Russia most-favored-nation trading status, thus granting it the lowest possible U.S. tariffs. That, in turn, requires waiving the Jackson-Vanik amendment to the 1974 trade act, effectively acknowledging that emigration from Russia is no longer a U.S. concern. Although Washington has no complaints about Russian emigration policy, Jackson-Vanik has long been seen as useful leverage over Moscow that many in Congress may be loath to relinquish. Capitol Hill staffers warn that passage of Russian WTO membership will be an uphill fight. Moscow has few champions in Congress, where Senate debate late last year over the New START deal demonstrated deep-seated suspicion among conservatives. Russia’s piracy of intellectual property and its past use of health and safety standards to bar the importation of U.S. poultry have also soured business interests. Buyers’ remorse over China’s admission to the WTO fuels congressional reluctance to make the same mistake twice. And Moscow’s past history of quixotic actions—cutting off gas to Ukraine, for example—makes advocates of WTO membership wary of going out on a limb only to have Moscow cut it off. Moscow is anxious to join the WTO, however, and membership is a key element in the administration’s “reset” of U.S.-Russia relations. Moreover, a Russia that is subject to international rules and dispute settlement might be better than a Russia operating outside the law. Ever since the financial crisis began in 2008, Russia has been one of the most frequent instigators of protectionist trade practices. WTO membership could help discipline such behavior. Veterans of past trade battles on Capitol Hill advise that the administration might have to give Congress something to vote for—some new oversight or restraint—to ease the pain of voting to waive Jackson-Vanik. When China was granted admission to the WTO, for example, Congress created a commission to report on Beijing’s human-rights record. After two years of relegating divisive trade issues to the back burner, in 2011 the administration now has a legislative trade agenda. The question is how much political capital it is willing to invest to get it through Congress. The White House can anticipate hand-to-hand combat in budget negotiations with Republicans over discretionary spending. Such conflict will unavoidably preoccupy administration strategists, who may want to husband their resources for more electorally attractive issues. Congress could accomplish a fair amount on trade this year, but doing so could be an uphill slog.

Repeal is key to Relations

Gvosdev, 2-19-12 [Nikolas K., former editor of the National Interest, and a frequent foreign policy commentator in both the print and broadcast media. He is currently on the faculty of the U.S. Naval War College, <http://www.worldpoliticsreview.com/articles/11441/the-realist-prism-resetting-the-u-s-russia-reset>]

The third is whether some of the new foundations in the U.S.-Russia relationship have solidified to the point that they can help weather the current storms. In contrast to the situation in 2008, there are now some important institutional connections in place. The Northern Distribution Network could represent enough ballast -- both in terms of the income generated for Russia and the safe route it offers the U.S. and NATO for the war effort in Afghanistan and for egress once the drawdown begins in the coming year -- to help prevent the relationship from veering out of control. The partnership between Exxon and Rosneft to develop both the Russian Arctic and additional projects in North America creates another set of incentives to keep ties on a level basis, as does the immense potential of a fully realized partnership between Russian and American firms in the nuclear power industry. American car manufacturers have found Russia to be a booming export market, while the U.S. space program is now dependent on Russia to ferry astronauts and cargo to maintain America’s manned presence in space. In short, there are a growing number of interests that depend on the preservation of healthy U.S.-Russia relations for their own success. But it is not yet clear whether they have sufficient clout to outweigh the naysayers on both sides. An upcoming decision-point could offer a good indication of what to expect. The World Trade Organization is expected to ratify Russia’s accession later this spring. However, American firms will not be able to take advantage of Russia's WTO membership as long as U.S. trade with Russia is still subject to the Cold War-era Jackson-Vanik amendment. Congress would first have to agree to "graduate" Russia from the terms of the legislation, but many members remain hesitant. An unofficial swap would see Russia given permanent normal trading relations status, but with new legislation applying "smart sanctions" against specific Russian individuals and entities accused of condoning human rights abuses, most notably in the death of Russian lawyer Sergei Magnitsky. Whether this Solomonic compromise could work, however, remains to be seen. The Russian government has already responded very negatively to sanctions unilaterally imposed by the State Department and may be quite unwilling to accept such a compromise, even if it means graduating Russia from Jackson-Vanik. At the same time, there remains resistance within Congress to "giving up" one of its last remaining tools to pressure Russia on a whole range of issues, from chicken imports to religious freedom. The fate of the Jackson-Vanik amendment, therefore, is the canary in the coal mine for U.S.-Russia relations. If a successful repeal is negotiated, it bodes well for regenerating the relationship. However, if Obama, like George W. Bush before him, is unable to secure Russia’s graduation, this could end up being a fatal blow to the whole idea of the reset.

US-Russia relations solve nuclear war and every major impact

Allison & Blackwill, ’11 [Graham, director of the Belfer Center for Science and International Affairs at Harvard’s Kennedy School, former assistant secretary of defense in the Clinton administration, Robert D., Henry A. Kissinger senior fellow for U.S. foreign policy -- Council on Foreign Relations, served as U.S. ambassador to India and as deputy national security adviser for strategic planning in the Bush administration, both co-chairmen of the Task Force on Russia and U.S. National Interests, co-sponsored by the Belfer Center and the Center for the National Interest, 10-30-11 Politico, “10 reasons why Russia still matters,” <http://dyn.politico.com/printstory.cfm?uuid=161EF282-72F9-4D48-8B9C-C5B3396CA0E6>]

That central point is that Russia matters a great deal to a U.S. government seeking to defend and advance its national interests. Prime Minister Vladimir Putin's decision to return next year as president makes it all the more critical for Washington to manage its relationship with Russia through coherent, realistic policies. No one denies that Russia is a dangerous, difficult, often disappointing state to do business with. We should not overlook its many human rights and legal failures. Nonetheless, Russia is a player whose choices affect our vital interests in nuclear security and energy. It is key to supplying 100,000 U.S. troops fighting in Afghanistan and preventing Iran from acquiring nuclear weapons. Ten realities require U.S. policymakers to advance our nation's interests by engaging and working with Moscow. First, Russia remains the only nation that can erase the United States from the map in 30 minutes. As every president since John F. Kennedy has recognized, Russia's cooperation is critical to averting nuclear war. Second, Russia is our most consequential partner in preventing nuclear terrorism. Through a combination of more than $11 billion in U.S. aid, provided through the Nunn-Lugar Cooperative Threat Reduction program, and impressive Russian professionalism, two decades after the collapse of the “evil empire,” not one nuclear weapon has been found loose. Third, Russia plays an essential role in preventing the proliferation of nuclear weapons and missile-delivery systems. As Washington seeks to stop Iran's drive toward nuclear weapons, Russian choices to sell or withhold sensitive technologies are the difference between failure and the possibility of success. Fourth, Russian support in sharing intelligence and cooperating in operations remains essential to the U.S. war to destroy Al Qaeda and combat other transnational terrorist groups. Fifth, Russia provides a vital supply line to 100,000 U.S. troops fighting in Afghanistan. As U.S. relations with Pakistan have deteriorated, the Russian lifeline has grown ever more important and now accounts for half all daily deliveries. Sixth, Russia is the world’s largest oil producer and second largest gas producer. Over the past decade, Russia has added more oil and gas exports to world energy markets than any other nation. Most major energy transport routes from Eurasia start in Russia or cross its nine time zones. As citizens of a country that imports two of every three of the 20 million barrels of oil that fuel U.S. cars daily, Americans feel Russia’s impact at our gas pumps. Seventh, Moscow is an important player in today’s international system. It is no accident that Russia is one of the five veto-wielding, permanent members of the U.N. Security Council, as well as a member of the G-8 and G-20. A Moscow more closely aligned with U.S. goals would be significant in the balance of power to shape an environment in which China can emerge as a global power without overturning the existing order. Eighth, Russia is the largest country on Earth by land area, abutting China on the East, Poland in the West and the United States across the Arctic. This territory provides transit corridors for supplies to global markets whose stability is vital to the U.S. economy. Ninth, Russia’s brainpower is reflected in the fact that it has won more Nobel Prizes for science than all of Asia, places first in most math competitions and dominates the world chess masters list. The only way U.S. astronauts can now travel to and from the International Space Station is to hitch a ride on Russian rockets. The co-founder of the most advanced digital company in the world, Google, is Russian-born Sergei Brin. Tenth, Russia’s potential as a spoiler is difficult to exaggerate. Consider what a Russian president intent on frustrating U.S. international objectives could do — from stopping the supply flow to Afghanistan to selling S-300 air defense missiles to Tehran to joining China in preventing U.N. Security Council resolutions. So next time you hear a policymaker dismissing Russia with rhetoric about “who cares?” ask them to identify nations that matter more to U.S. success, or failure, in advancing our national interests.

**Spending DA**

**U.S. growth is slow but still increasing- turn around still possible**

Norris, chief financial correspondent at NY times, 6/15/12 (Floyd, “A Slow Recovery in the United States, but It’s All Relative”, <http://www.nytimes.com/2012/06/16/business/economy/a-slow-recovery-but-its-all-relative.html>, NYtimes)

THE slow pace of the American economic recovery seems likely to be a major issue in this year’s presidential election. But by the standards of other developed countries, the United States has done rather well since the credit crisis blossomed in 2008 and sent the world into recession. The American economy, adjusted for inflation, was 1.2 percent larger in the first quarter of this year than it was in the peak quarter before the recession. As the accompanying charts show, only Canada among the Group of 7 industrialized economies has done better. It has benefited from being an exporter of natural resources that China needs, but it also escaped the worst of the downturn because its banks, better regulated than those in this country, did not finance a real estate bubble during the boom. Even Canada, however, had one quarter last year when its economy declined. The charts show the performance of the Group of 7 nations, including three members of the euro zone, and that of seven other countries that use the euro. Of the 14, the United States is the only one to show consistent growth over the most recent four quarters. It has reported a growing economy for 11 consecutive quarters, even if the pace of growth has not been very fast.

Taxpayer subsidies and federal grants have not improved transit systems

Love and Cox 91

Jean, Illinois-based consultant who specializes in transportation, privatization, and the economics of the private sector, Wendell, Illinoi-based consultant who specializes in transportation, privatization, and the economics of the private sector, 10/17/91, “False Dreams and Broken Promises: The Wasteful Federal Investment in Urban Mass Transit”, Cato Institute, Cato Policy Analysis No.162, http://www.cato.org/pubs/pas/pa-162.html

Over the past quarter century, U.S. taxpayers have pumped more than $100 billion in subsidies into the nation's urban mass transit systems. That massive taxpayer investment has paid for urban public transportation systems that fewer and fewer Americans are using. Incredibly, mass transit ridership is lower today--not only as a percentage of commuter trips taken but also in absolute numbers of riders-- than it was in the early 1960s. Despite the low and declining use of bus and rail systems, federal grants for urban transit now appear to be as popular as ever: bills before both houses of Congress would provide increases of up to 20 percent in public aid for municipal bus and rail systems. The considerable support within Congress for expanded transit aid is not surprising. Since the federal government created the Urban Mass Transportation Administration during Lyndon Johnson's administration, public transit has been a fertile field of dreams and promises. Tax-supported transit lobbyists(1) supply Congress and state houses with visions of magic carpets that whisk commuters around gleaming cities. The alleged virtues of public transit are by now familiar. For weary motorists, public transit systems promise less automobile-generated traffic congestion; for environmentalists, less air pollution; for city planners, a first step toward urban revitalization; for the poor, inexpensive access to efficient transportation; for conservationists, less wasteful use of energy; and for the business community, a way to lure suburbanites back to central business districts. Regrettably, more than two decades of experience with publicly supported bus and rail systems have exposed each of those dreams as a costly illusion. Public transit systems have failed to deliver any of the promised benefits. \* Transit subsidies are not increasing ridership. Transit ridership is lower today than it was 30 years ago--before the billion-dollar subsidies began. People, including transit executives(2) and elected officials, tend to ride public transit only when they have no other reasonable choice. \* Transit subsidies have not reduced road congestion. The shiny new multi-billion-dollar rail systems have not diverted meaningful numbers of drivers from their cars; most new patronage has been of less expensive, more flexible bus lines and energy-efficient car and van pools.(3) \* Transit subsidies do not reduce air pollution. Because public transit has not increased ridership, transit has had no discernible impact on air quality in cities. Mass transit patronage is so low that even doubling it would have a negligible effect on air quality. \* Public transit is not energy efficient. The average public transit vehicle in the United States operates with more than 80 percent of its seats empty.(4) Because of the low average number of passengers per bus, energy consumption per passenger mile for public transit buses now is greater than that for private automobiles and far exceeds that for car and van pools.(5) \* Transit subsidies have not helped revitalize cities. Cities, such as Buffalo, with new multi-billion-dollar rail systems have not reduced flight from their central business districts. Even with ever-greater subsidies for public transit, the exodus of businesses and residents from downtown areas is accelerating.(6) \* Urban transit does not benefit the poor. Ridership studies show that the poor are not heavy users of federally subsidized transit systems. Transit provided only 7 percent of trips made by low-income people.(7) The cold, hard lesson of the last 25 years is that instead of promoting increased efficiency in bus and rail service, higher taxpayer subsidies have paid higher-than-inflationary transit costs. Subsidies have financed exces-sive compensation for transit employees, declines in transit productivity, and swollen bureaucracies--not increased sevices. If public transit costs had risen only at the same rate as private bus industry costs, service levels now could be more than double the 1989 level.(8) Worst of all, taxpayer subsidies, particularly federal grants, have actually impeded the development of efficient and cost-effective urban transit programs in U.S. cities. The experience of other industrialized nations and some selected systems in the United States demonstrates that by tearing down the significant regulatory barriers, which prevent private, unsubsidized transit systems from developing, and by encouraging competitive contracting by private providers for subsidized systems, the mobility needs of urban residents can be met at lower cost and greater convenience to customers. Conversely, if Congress approves further large increases in transit subsidies, they will fuel further increases in transit costs. Those funding increases will ill-serve the interests of urban commuters, and they will certainly ill-serve the interests of American taxpayers.

Stimulus measures through infrastructure lead to cost overruns and balloons the deficit

Rugy and Mitchel, senior research fellows at the Mercatus Center, 2011(Veronique and Matthew, September, “Would More Infrastructure spending stimulate the economy?”, http://mercatus.org/sites/default/files/publication/infrastructure\_deRugy\_WP\_9-12-11.pdf)

Four years into the deepest recession since World War II, the U.S. economy expanded at a rate of only 0.7 percent in the first half of 2011. This means that the economy is growing at a slower pace than the population and that capita output continues to fall.2 In response, the president has announced a plan for yet more deficit-financed stimulus spending.3 Like the two previous stimulus bills, this one focuses on infrastructure spending. The president‘s plan is rooted in the belief that stimulus spending and deeper deficits will give the economy the lift it needs to create more jobs. The hope is that, eventually, the economy will grow fast enough to allow the government to begin to pay down the national debt. There are three problems with this approach. First, despite the claims of stimulus proponents, the evidence is not at all clear that more stimulus would be helpful right now. Second, even if one adheres to the idea that more government spending can jolt the economy, spending—particularly infrastructure spending—cannot be implemented in the way Keynesians say it ought to be. This greatly undermines its stimulative effect. Third, while no one disputes the value of good infrastructure, this type of spending typically suffers from massive cost overruns, waste, fraud, and abuse. This makes it a particularly bad vehicle for stimulus. In sum, further stimulus would be a risky short-term gamble with near-certain negative consequences in the long term.

Government spending is economically destructive

Mitchell, ‘05

Daniel J., expert on tax reform and supply-side tax policy, Cato member, Heritage Foundation senior fellow, economist for Senator Bob Packwood and the Senate Finance Committee, served on the 1988 Bush/Quayle transition team, Director of Tax and Budget Policy for Citizens for a Sound Economy, articles found in Wall Street Journal, New York Times, Investor’s Business Daily, and Washington Times, bachelor’s and master’s degrees in economics from the University of Georgia and a Ph.D. in economics from George Mason University, 3/15/05, “The Impact of Government Spending on Economic Growth”, Executive Summary Backgrounder published by the Heritage Foundation, No. 1831

A growing government is contrary to America’s economic interests because the various methods of financing government—taxes, borrowing, and printing money—have harmful effects. This is also true because government spending by its very nature is often economically destructive, regardless of how it is financed. The many reasons for the negative relationship between the size of government and economic growth include: • The extraction cost. Government spending requires costly financing choices. The federal government cannot spend money without first taking that money from someone. All of the options used to finance government spending have adverse consequences. •The displacement cost. Government spending displaces private-sector activity. Every dollar that the government spends means one less dollar in the productive sector of the economy. This dampens growth since economic forces guide the allocation of resources in the private sector. • The negative multiplier cost. Government spending finances harmful intervention. Portions of the federal budget are used to finance activities that generate a distinctly negative effect on economic activity. For instance, many regulatory agencies have comparatively small budgets, but they impose large costs on the economy’s productive sector. • The behavioral subsidy cost. Government spending encourages destructive choices. Many government programs subsidize economically undesirable decisions. Welfare encourages people to choose leisure. Unemployment insurance programs provide an incentive to remain unemployed. • The behavioral penalty cost. Government spending discourages productive choices. Government programs often discourage economically desirable decisions. Saving is important to help provide capital for new investment, yet the incentive to save has been undermined by government programs that subsidize retirement, housing, and education. • The market distortion cost. Government spending hinders resource allocation. Competitive markets determine prices in a process that ensures the most efficient allocation of resources. However, in both health care and education, government subsidies to reduce out-of-pocket expenses have created a “third-party payer” problem. • The inefficiency cost. Government spending is a less effective way to deliver services. Government directly provides many services and activities such as education, airports, and postal operations. However, there is considerable evidence that the private sector could pro- vide these important services at higher quality and lower costs. • The stagnation cost. Government spending inhibits innovation. Because of competition and the desire to increase income and wealth, individuals and entities in the private sector constantly search for new options and opportunities. Government programs, however, are inherently inflexible. The common-sense notion that government spending retards economic performance is bolstered by cross-country comparisons and academic research. International comparisons are especially useful. Government spending consumes almost half of Europe’s economic output—a full one-third higher than the burden of government in the U.S. This excessive government is associated with sub-par economic performance: • Per capita economic output in the U.S. in 2003 was $37,600—more than 40 percent higher than the $26,600 average for EU–15 nations. • Real economic growth in the U.S. over the past 10 years (3.2 percent average annual growth) has been more than 50 percent faster than EU–15 growth during the same period (2.1 percent). • Job creation is much stronger in the U.S., and the U.S. unemployment rate is significantly lower than the EU–15’s unemployment rate. • Living standards in the EU are equivalent to living standards in the poorest American states—roughly equal to Arkansas and Montana and only slightly ahead of West Virginia and Mississippi, the two poorest states. The global evidence is augmented by dozens of academic research papers. Using varying methodologies, academic experts have found a clear negative relationship between government spending and economic performance. For instance, a National Bureau of Economic Research paper found: “A reduction by one percentage point in the ratio of primary spending over GDP [gross domes- tic product] leads to an increase in investment by 0.16 percentage points of GDP on impact, and a cumulative increase by 0.50 after two years and 0.80 percentage points of GDP after five years.” According to a New Zealand Business Roundtable study, “An increase of 6 percentage points in government consumption expenditure as a percentage of GDP, (from, say 10 percent to 16 percent) would tend to reduce the annual rate of growth of GDP by about 0.8 percent.” An International Monetary Fund study con- firmed that “Average growth for the preceding 5- year period...was higher in countries with small governments in both periods.” Even the Organisation for Economic Co-operation and Development admitted: Taxes and government expenditures affect growth both directly and indirectly through investment. An increase of about one percentage point in the tax pressure— e.g. two-thirds of what was observed over the past decade in the OECD sample— could be associated with a direct reduction of about 0.3 per cent in output per capita. If the investment effect is taken into account, the overall reduction would be about 0.6–0.7 per cent. This is just a sampling of the academic research presented in the main paper. While no single research paper should be viewed as definitive, given the difficulty of isolating the impact of one policy on overall economic performance, the cumulative findings certainly bolster the theoretical and real-world arguments in favor of smaller government. Government spending should be significantly reduced. It has grown far too quickly in recent years, and most of the new spending is for purposes other than homeland security and national defense. Combined with rising entitlement costs associated with the looming retirement of the baby-boom generation, America is heading in the wrong direction. To avoid becoming an uncompetitive European-style welfare state like France or Germany, the United States must adopt a responsible fiscal policy based on smaller government. Budgetary restraint should be viewed as an opportunity to make an economic virtue out of fiscal necessity. Simply stated, most government spending has a negative economic impact. To be sure, if government spends money in a productive way that generates a sufficiently high rate of return, the economy will benefit, but this is the exception rather than the rule. If the rate of return is below that of the private sector-as is much more common-then the growth rate will be slower than it otherwise would have been. There is overwhelming evidence that government spending is too high and that America's economy could grow much faster if the burden of government was reduced. The deficit is not the critical variable. The key is the size of government, not how it is financed. Taxes and deficits are both harmful, but the real problem is that government is taking money from the private sector and spending it in ways that are often counterproductive. The need to reduce spending would still exist-and be just as compelling-if the federal government had a budget surplus. Fiscal policy should focus on reducing the level of government spending, with particular emphasis on those programs that yield the lowest benefits and/or impose the highest costs. Controlling federal spending is particularly important because of globalization. Today, it is becoming increasingly easy for jobs and capital to migrate from one nation to another. This means that the reward for good policy is greater than ever before, but it also means that the penalty for bad policy is greater than ever before.

Economic downturns cause global wars

**Mead 9** — Henry Kissinger Senior Fellow at the CFR, Professor at Yale (Walter Russel, "What Doesn't Kill You Makes You Stronger," The New Republic)

So far, such half-hearted experiments not only have failed to work; they have left the societies that have tried them in a progressively worse position, farther behind the front-runners as time goes by. Argentina has lost ground to Chile; Russian development has fallen farther behind that of the Baltic states and Central Europe. Frequently, the crisis has weakened the power of the merchants, industrialists, financiers, and professionals who want to develop a liberal capitalist society integrated into the world. Crisis can also strengthen the hand of religious extremists, populist radicals, or authoritarian traditionalists who are determined to resist liberal capitalist society for a variety of reasons. Meanwhile, the companies and banks based in these societies are often less established and more vulnerable to the consequences of a financial crisis than more established firms in wealthier societies. As a result, developing countries and countries where capitalism has relatively recent and shallow roots tend to suffer greater economic and political damage when crisis strikes--as, inevitably, it does. And, consequently, financial crises often reinforce rather than challenge the global distribution of power and wealth. This may be happening yet again. None of which means that we can just sit back and enjoy the recession. History may suggest that financial crises actually help capitalist great powers maintain their leads--but it has other, less reassuring messages as well. If financial crises have been a normal part of life during the 300-year rise of the liberal capitalist system under the Anglophone powers, so has war. The wars of the League of Augsburg and the Spanish Succession; the Seven Years War; the American Revolution; the Napoleonic Wars; the two World Wars; the cold war: The list of wars is almost as long as the list of financial crises. Bad economic times can breed wars. Europe was a pretty peaceful place in 1928, but the Depression poisoned German public opinion and helped bring Adolf Hitler to power. If the current crisis turns into a depression, what rough beasts might start slouching toward Moscow, Karachi, Beijing, or New Delhi to be born? The United States may not, yet, decline, but, if we can't get the world economy back on track, we may still have to fight.

Case

1. The case doesn’t actually solve the harms. Government action alone can’t solve transportation inequity because the aff can’t fiat the mindset change of local lawmakers. The local level of organization isn’t fiated under the plan, so there is no way to control the specific discriminatory policies of the status quo.

2. There are other factors of transportation that the aff doesn’t solve that contribute to ableism. To actually solve discrimination against disabled people, the plan would have to make things like street crossings more accessible to the disabled.

3. And, the status quo solves everything the aff would solve anyway—the poor are surrounded by public transportation

Edward L. Glaesera et al 2006 (Edward L. Glaesera, NBER, USA Harvard University, Matthew E. Kahn, Tufts University, USA UCLA & Jordan Rappapor, Federal Reserve Bank of Kansas City) “Why Do The Poor Live In Cities? The Role of Public Transportation” http://dash.harvard.edu/bitstream/handle/1/2958224/why%20do%20the%20poor%20live%20in%20cities.pdf

Our evidence supports the importance of public transportation in explaining the location decisions of the poor. Within cities, proximity to public transportation does well at predicting the location of the poor. This holds for rail transit stops in 16 cities that have expanded their rail transit systems over the last 30 years, and for bus stops in Los Angeles. Across cities, the poor are likely to live in cities with more public transportation and the poor are less centralized when the suburb-central city gap in public transit is less. Lower levels of central city public transportation in the West may explain why the centralization of the poor is less in that region.

4. Public transportation causes the urbanization of poverty

Edward L. Glaesera et al 2006 (Edward L. Glaesera, NBER, USA Harvard University, Matthew E. Kahn, Tufts University, USA UCLA & Jordan Rappapor, Federal Reserve Bank of Kansas City) “Why Do The Poor Live In Cities? The Role of Public Transportation” http://dash.harvard.edu/bitstream/handle/1/2958224/why%20do%20the%20poor%20live%20in%20cities.pdf

More than 19 percent of people in American central cities are poor. In suburbs, just 7.5 percent of people live in poverty. The income elasticity of demand for land is too low for urban poverty to come from wealthy individuals' wanting to live where land is cheap (the traditional explanation of urban poverty). A significant income elasticity for land exists only because the rich eschew apartment living, and that elasticity is still too low to explain the poor's urbanization. The urbanization of poverty comes mainly from better access to public transportation in central cities. We follow LeRoy and Sonstelie [23] and argue that the primary reason for central city poverty is public transportation. The large financial costs of automobiles make them unattractive to the poor; public transportation offers a time-intensive alternative that will be more appealing to those with low incomes. Public transportation relies on high densities, so if inner cities have public transportation and suburbs do not, then this can explain the urbanization of the poor. This view does not require a monocentric model. If suburbs are a complete urban environment built around the car, and inner cities are rival area built around public transportation, then it is easy to understand why the poor live and work in inner cities.

5. Don’t evaluate their ethics without first looking at the consequences of its actual implementation. Viewing ethics in isolation is irresponsible.

Jeffery C. Issac, Professor of political science at Indiana-Bloomington & Director of the Center for the Study of Democracy and Public Life. PhD Yale University. 2002. From “Ends, Means, and Politics.” Dissent Magazine. Volume 49. Issue # 2. Available online @ subscribing institutions using Proquest.

As a result, the most important political questions are simply not asked. It is assumed that U.S. military intervention is an act of "aggression," but no consideration is given to the aggression to which intervention is a response. The status quo ante in Afghanistan is not, as peace activists would have it, peace, but rather terrorist violence abetted by a regime--the Taliban--that rose to power through brutality and repression. This requires us to ask a question that most "peace" activists would prefer not to ask: What should be done to respond to the violence of a Saddam Hussein, or a Milosevic, or a Taliban regime? What means are likely to stop violence and bring criminals to justice? Calls for diplomacy and international law are well intended and important; they implicate a decent and civilized ethic of global order. But they are also vague and empty, because they are not accompanied by any account of how diplomacy or international law can work effectively to address the problem at hand. The campus left offers no such account. To do so would require it to contemplate tragic choices in which moral goodness is of limited utility. Here what matters is not purity of intention but the intelligent exercise of power. Power is not a dirty word or an unfortunate feature of the world. It is the core of politics. Power is the ability to effect outcomes in the world. Politics, in large part, involves contests over the distribution and use of power. To accomplish anything in the political world, one must attend to the means that are necessary to bring it about. And to develop such means is to develop, and to exercise, power. To say this is not to say that power is beyond morality. It is to say that power is not reducible to morality. As writers such as Niccolo Machiavelli, Max Weber, Reinhold Niebuhr, and Hannah Arendt have taught, an unyielding concern with moral goodness undercuts political responsibility. The concern may be morally laudable, reflecting a kind of personal integrity, but it suffers from three fatal flaws: (1) It fails to see that the purity of one's intention does not ensure the achievement of what one intends. Abjuring violence or refusing to make common cause with morally compromised parties may seem like the right thing; but if such tactics entail impotence, then it is hard to view them as serving any moral good beyond the clean conscience of their supporters; (2) it fails to see that in a world of real violence and injustice, moral purity is not simply a form of powerlessness; it is often a form of complicity in injustice. This is why, from the standpoint of politics--as opposed to religion--pacifism is always a potentially immoral stand. In categorically repudiating violence, it refuses in principle to oppose certain violent injustices with any effect; and (3) it fails to see that politics is as much about unintended consequences as it is about intentions; it is the effects of action, rather than the motives of action, that is most significant. Just as the alignment with "good" may engender impotence, it is often the pursuit of "good" that generates evil. This is the lesson of communism in the twentieth century: it is not enough that one's goals be sincere or idealistic; it is equally important, always, to ask about the effects of pursuing these goals and to judge these effects in pragmatic and historically contextualized ways. Moral absolutism inhibits this judgment. It alienates those who are not true believers. It promotes arrogance. And it undermines political effectiveness.

6. Absolute ethics make hard and fast decisions impossible.

Saul Alinsky, well recognized community organizer and founder of the Industrial Areas Foundation. Recipient of the Pacem in Terris Peace and Freedom Award. 1971. From “Rules for Radicals.” Chapter entitled “Of Ends and Means.” Pg. 24-27 [This evidence is gender paraphrased]\*

We cannot think first and act afterwards. From the moment of birth we are immersed in action and can only fitfully guide it by taking thought. -- Alfred North Whitehead That perennial question, "Does the end justify the means?" is meaningless as it stands; the real and only question regarding ethics of means and ends is, and always has been, "Does this particular end justify this particular means?" Life and how you live it is the story of means and ends. The end is what you want, and the means is how you get it. Whenever we think about social change, the question of means and ends arises. The man of action views the issue of means and ends in pragmatic and strategic terms. He has no other problem; he thinks only of his actual resources and the possibilities of various choices of action. He asks of ends only whether they are achievable and worth the cost; of means, only whether they will work. To say that corrupt means corrupt the ends is to believe in the immaculate conception of ends and principles. The real arena is corrupt and bloody. Life is a corrupting process from the time a child learns to play his mother off against his father in the politics of when to go to bed; he who fears corruption fears life. The practical revolutionary will understand Goethe's "conscience is the virtue of observers and not of agents of action"; in action, one does not always enjoy the luxury of a decision that is consistent both with one's individual conscience and the good of man[HUMAN]\*kind. The choice must always be for the latter. Action is for mass salvation and not for the individual's personal salvation. He [OR SHE]\*who sacrifices the mass good for his [OR HER]\* personal conscience has a peculiar conception of "personal salvation"; he doesn't care enough for people to be "corrupted" for them. The men who pile up the heaps of discussion and literature on the ethics of means and ends - which with rare exception is conspicuous for its sterility - rarely write about their own experiences in the perpetual struggle of life and change. They are strangers, moreover, to the burdens and problems of operational responsibility and the unceasing pressure for immediate decisions**.** They are passionately committed to a mystical objectivity where passions are suspect. They assume a nonexistent situation where men dispassionately and with reason draw and devise means and ends as if studying a navigational chart on land. They can be recognized by one of two verbal brands: "We agree with the ends but not the means," or "This is not the time." The means-and-end moralists or non-doers always wind up on their ends without any means. The means-and-ends moralists, constantly obsessed with the ethics of the means used by the Have-Nots against the Haves, should search themselves as to their real political position. In fact, they are passive - but real - allies of the Haves. They are the ones Jacques Maritain referred to in his statement, "The fear of soiling ourselves by entering the context of history is not virtue, but a way of escaping virtue." These nondoers were the ones who chose not to fight the Nazis in the only way they could have been fought; they were the ones who drew their window blinds to shut out the shameful spectacle of Jews and political prisoners being dragged through the streets; they were the ones who privately deplored the horror of it all - and did nothing. This is the nadir of immorality. The most unethical of all means is the non-use of any means. It is this species of man who so vehemently and militantly participated in that classically idealistic debate at the old League of Nations on the ethical differences between defensive and offensive weapons. Their fears of action drive them to refuge in an ethics so divorced from the politics of life that it can apply only to angels, not to men. The standards of judgment must be rooted in the whys and wherefores of life as it is lived, the world as it is, not our wished-for fantasy of the world as it should be.