AFFIRM!

Blake Affirmative

Ridge RW Affirms (Resolved: The United States federal government should prioritize reducing the federal debt over promoting economic growth)

Reynolds 12 of the EMP details that the government spends an average of 750 billion dollars annually on the promotion of economic growth. Tanker of the New York Times 18 furthers that Trump's policies designed to foster economic growth have pushed the annual deficit sky high. Black of The Business Insider 18 implicates that as a result debt is skyrocketing, increasing by 1 trillion dollars in the past 6 months alone, growing 36% faster than GDP.

Our contentions today are going to center around both sides of this resolution, not only will we argue that it is necessary to reduce the federal debt, we would also contend that government promotion of economic growth in it of itself is bad.

With That, Contention 1 is a Developing Dollar Disaster

Nelson from The Federal Reserve Bank of Economics 18 writes that when national debt increases, in order to assure investors, the government also raises interest rates, concluding that every 1% increase in the Debt to GDP ratio increases rates by 2 basis points.

However, Lyons of Investopedia 18 finds that rising interest rates also makes other US government assets such as our currency more profitable, concluding that higher interest rates increase the value of the US dollar by attracting investment into it. This is happening right now as Reuters 18 reports that the deficits caused by the Trump administration have increased the value of the dollar by 7% in the last 3 months.

Unfortunately, Ashton 18 of Investopedia reports that a stronger dollar destroys the developing world, since emerging governments, corporations, and banks that borrow money based on the US dollar face higher debts when the value of the dollar increases.

Already developing countries such as Argentina are starting to slide into economic crisis with the rest of the world following. In fact, Erian 18 of the Guardian concludes that it was a rapidly growing dollar that caused the Asian financial crisis in the 90s, which PBS news reports in Indonesia alone put 80 million people into poverty.

Contention 2 is Developing Economic Failures

The very policies that the government implements to promote and prioritize growth are horrible, creating the conditions necessary for economic devastation for two reasons.

First --- Monetary Madness. Kimberly of Louisville University 17 writes that the federal government spends 100 billion dollars annually investing into sectors like banking and finance. Unfortunately, Lowrey of The Atlantic 12 finds that the vast majority of this money is spent on stock buybacks and financial speculation.

Phillips of The New York Times 18 writes that other policies such as Trump's tax cuts which were specifically designed to change corporate behavior and promote growth, have only been used for more stock buybacks and corporate speculation with nothing going to workers. Watson of Forbes 17 indicates that tax cuts always just go to shareholders and inflated assets.

Tragically, Foster from the University of Oregon 08 concludes that shifting money away from potentially productive uses as tax dollars, into volatile and inflated sectors of the economy like speculative stocks undermines stability and fuels the creation of asset bubbles - increasing the amount and severity of recessions, concluding that we are heading towards a world of rapidly recurring economic crises.

Second --- Monetary Limits. If the economy grows faster than it can handle, inflation spikes and a crisis becomes all but inevitable. Unfortunately, Borodovsky of the Wall Street Journal 18 writes that governmental policies tailored towards economic growth like increased spending, fiscal stimulus, and tax cuts all risk making the market grow too much too fast.

We are already seeing this right now, as Lachman of the IMF 18 reports that the US economy is dangerously close to popping specifically because of US policy. The impact would be devastating as the CRS 18 reports that an overheated economy cannot be sustained, eventually forcing a recession under the strain of rising prices and demand.

Historical precedent exists as Michael 18 from Loyola University writes that it was federal policy that created incentives and subsidies for the housing market which ultimately caused its rapid growth and crash in 2008.

The Impact of Financial Crises is Developing Poverty.

Gurtner from The Graduate Institute of Geneva 12 writes that even though recessions and financial crises originate in the developed world, they hit developing countries the hardest as they are the most vulnerable. As a result he finds that the last financial crisis, cut the per capita income of the poorest 390 million africans by 20%.

All in all, Tufts University 17 estimates that 100 million people were pushed into poverty and stayed there due to the great recession. Even a minor financial crisis would be devastating for the developing world, as the IMF quantifies that every 1% decline in growth across developing countries would put 20 million people into poverty.

Newark Narrative Affirmative

Ridge RW Affirms (Resolved: The United States federal government should prioritize reducing the federal debt over promoting economic growth)

Our First Contention is Monetary Madness

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Our Second Contention is Investor Confidence

Reynolds of the EMP details that the government spends an average of 750 billion dollars annually on the promotion of economic growth. Tanker of the New York Times furthers that Trump's policies designed to foster economic growth have pushed the annual deficit sky high. Black of The Business Insider implicates that as a result debt is skyrocketing, increasing by 1 trillion dollars in the past 6 months alone, growing 36% faster than the economy.

However, this is only the beginning. Indeed, current debt levels are absolutely nothing compared to what we can see in the coming decades, as The University of Chicago predicts that growing entitlement costs will push the debt up to 60 trillion dollars and beyond with multi trillion dollar annual deficits decimating any perception of fiscal stability.

While this may not have any direct effects, the perception that this debt gives off. Currently, the government finances debt is by selling bonds to investors - which equates to investors lending money to the government. Investors are always willing to lend, as the US government is often touted as being the safest place to keep money.

Unfortunately, the National Interest indicates if the US government if it allows its debt to get so high, all investors will see is a complete lack of fiscal discipline causing them to call into question the safety of lending money to America. **Quite simply put, No one is willing to give money to any person, or any country that simply cannot manage it.** All in all, Bohn from the University of California at Santa Barbara concludes that excessive debt erodes investor confidence in US monetary stability and solvency, undermining the perception that lending money to the US is safe.

Already, Leon of Reuters writes in 2018 that foreign investors are slowly becoming more and more reluctant to give the US money, and worst of all Bloomberg Magazine in 2018 writes that America's credit

rating, a universal standard for deciding the safety and reliability of investments, is at risk of a downgrade due to our high debt.

Voting AFF in today's debate solves this growing confidence crisis, because A) by prioritizing the reduction of national debt we prevent it from ever reaching a point where investors start to worry, but also B) when investors see that the US is committed towards responsibly managing its finances they will never have a reason to fear or doubt the US.

Alternatively, the Congressional Budget Office reports that a negative ballot will inevitably lead to a crisis during which investors would lose confidence in the government's ability to manage its budget. **The impacts of a confidence crisis is economic devastation**

Kewalramani 18 of The Economic Times writes that if the US is no longer considered a safe investment, then there would no longer be anywhere in the economy where you could keep your money and be safe, causing investors to immediately pull all of their money out of the economy, sparking a financial crisis. Even when we're not in periods of crisis, Rapoza of Forbes writes that the lack of a safe standard in the economy will lead to widespread volatility which Johnson of Uchicago writes would dramatically diminish economic growth across America.

The Bad Boi

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However, Lyons of Investopedia 18 finds that rising interest rates also makes other US government assets such as our currency more profitable, concluding that higher interest rates increase the value of the US dollar by attracting investment into it. This is happening right now as Reuters 18 reports that the deficits caused by the Trump administration have increased the value of the dollar by 7% in the last 3 months.

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Contention 2 is Developing Economic Failures

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Unfortunately this perception is key, as Bohn from the University of California at Santa Barbara finds that excessive debt erodes investor confidence in US monetary stability, undermining the perception that lending money to the US is safe.

Already, Leon of Reuters writes in 2018 that foreign investors are slowly becoming more and more reluctant to give the US money, and worst of all Bloomberg Magazine in 2018 writes that America's credit rating, a universal standard for deciding the safety and reliability of investments, is at risk of a downgrade due to our high debt.

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Freehold Fun

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Contention 1: A Confidence Crisis

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Contention 2: A Developing Dollar Disaster

Nelson from The Federal Reserve Bank of Economics 18 writes that when national debt increases, in order to assure investors, the government also raises interest rates, concluding that every 1% increase in the Debt to GDP ratio increases rates by 2 basis points.

However, Lyons of Investopedia 18 finds that rising interest rates also makes other US government assets such as our currency more profitable, concluding that higher interest rates increase the value of the US dollar by attracting investment into it. This is happening right now as Reuters 18 reports that the deficits caused by the Trump administration have increased the value of the dollar by 7% in the last 3 months.

Unfortunately, Ashton 18 of Investopedia reports that a stronger dollar destroys the developing world, since emerging governments, corporations, and banks that borrow money based on the US dollar face higher debts when the value of the dollar increases.

Already developing countries such as Argentina are starting to slide into economic crisis with the rest of the world following. In fact, Erian 18 of the Guardian concludes that it was a rapidly growing dollar that caused the Asian financial crisis in the 90s, which PBS news reports in Indonesia alone put 80 million people into poverty.

Revival

Ridge RW Affirms The Aforementioned Resolution

OUR FIRST AND SOLE CONTENTION IS INSOLVENCY.

Tully 18 of Fortune Magazine explains that whether you affirm or negate at some point the government will be forced to eventually reduce the debt. This is because currently the US government is acting on the assumption that it can keep on borrowing debt and no one cares, but eventually the rest of the world will no longer turn a blind eye to American fiscal irresponsibility and will stop lending, forcing action.

Even if this doesn't happen, Tully continues that as the national debt gets worse and worse ordinary americans will start to demand action from their politicians, finding that political outcry over debt in the past is what forced the government to raise taxes and cut spending in the 90s giving America a surplus. This means that no matter what the government will eventually prioritize reduction of debt over the promotion of economic growth.

However, the longer we wait to do this the worse off our economy will be. Zandi 18 of UC Berkeley explains that the longer we wait to act on the debt the deeper the spending cuts and the bigger the taxes have to be in order to reduce the debt. For example, if we started 3 years from now we would have to cut an extra 300 billion dollars compared to if we started right now. However, starting cuts later rather than now still electrifies our economy for 2 reasons.

First --- The Reckoning

We are already seeing the creeping effects of debt infiltrate our economy, Bohn 18 of UC Santa Barbara indicates that high debt levels give off the perception that the US is fiscally irresponsible and quite simply does not know how to manage money, eroding faith in the American economy. Bloomberg 18 corroborates that our high debt burden is putting us at risk of seeing our credit rating - a measure of confidence in the American economy - be downgraded.

Tragically, Rapoza of Forbes finds that if our credit rating was downgraded the extreme market volatility it would cause could cost the American Economy millions of jobs. Sunil 11 of The Economic Times adds on that such a downgrade would also spark investor panic all across the world potentially precipitating another recession similar to 2008. Even worse, debt has very devastating long term impacts on the economy as well.

Pomona College 18 details that increasing debt constrains the government, making it much harder to increase spending or cut taxes when we need to in fear of spiking already high deficits. Koch of Atlantic University finds that additionally, high debt crowds out private investment by forcing investors to buy government bonds instead. All in all, Mitchell 18 of George Mason University writes that high government borrowing will cost the American economy 1.2 trillion dollars and decrease average American income by 15% in the next decade.

Second --- Monetary Madness

Not only does the debt have innate harms to the economy, the very policies that the government implements to promote and prioritize growth are horrible. For example, Kimberly of Louisville University 17 writes that the federal government spends 100 billion dollars annually investing into sectors like banking and finance. Unfortunately, Lowrey of The Atlantic 12 finds that the vast majority of this money is spent on stock buybacks and financial speculation.

Moreover, Phillips of The New York Times 18 writes that other policies such as Trump's tax cuts which were specifically designed to promote growth, have only been used for stock buybacks and corporate speculation with nothing going to workers. Watson of Forbes 17 indicates that tax cuts always just go to shareholders and inflated assets.

Tragically, Foster from the University of Oregon 08 writes that when more and more money is put into unstable areas of the economy like financial markets it undermines overall stability while promoting volatility and financial bubbles, creating the conditions necessary for rapidly recurring recessions, each of which, Tufts University implicates could put 100 million people into poverty.

Overall, for these 2 reasons Chief Economist Mark Zandi indicates that current American Fiscal policy is a slowly ticking time bomb, that in the end will ruin us all. Comparatively, shifting the government towards more controlled policy will actually benefit the economy

For example, the EPI reports that a financial transaction tax or FTT which is a tax levied on financial transactions like buying stocks or speculating has been proposed in both chambers of congress in order to raise revenue. This policy is likely to pass as Glazer of the Wall Street Journal reports that both republicans and democrats want to reign in the financial sector. Taibbi 18 of Bard College says that such a tax would reign in and disincentivize financial games and speculation, promoting responsibility and deterring recessions.

EEUUUUYYYAAAAGH!

Ridge WR Affirms (Resolved: The United States federal government should prioritize reducing the federal debt over promoting economic growth)

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Contention 2: Recessionary Gaps

Subpoint A: Preventing Recession.

The very policies that the government implements to promote and prioritize growth are horrible. For example, Kimberly of Louisville University 17 writes that the federal government spends billions dollars annually investing into sectors like banking and finance. Unfortunately The Atlantic 12 finds that majority of this money is spent on stock buybacks and financial speculation. Moreover, Phillips of The New York Times 18 writes that other policies such as Trump's tax cuts which were specifically designed to promote growth, have only been used for stock buybacks and corporate speculation. Tragically, Foster from the University of Oregon 08 writes that when money is piled into unstable areas of the economy like financial markets it undermines overall economic stability while promoting volatility creating the conditions necessary for rapidly recurring recessions.

Subpoint B: Taxing Recession

Shifting the government towards more controlled policy to reduce debt will actually benefit the economy. For example, the EPI reports that a financial transaction tax or FTT which is a tax levied on financial transactions like buying stocks or speculating has been proposed in both chambers of congress in order to raise revenue and reduce debt. This policy is likely to pass as Glazer of the Wall Street Journal

reports that both republicans and democrats want to reign in the financial sector. Taibbi 18 of Bard College says that such a tax would disincentivize putting money into financial games and speculation, promoting responsibility and deterring recessions.

Subpoint C: Controlling Recession.

Currently during times of recession the US spends a lot of resources in order to revive the economy out of the crisis. However, what Bianchi of UMaryland indicates is that high debt levels limit the flexibility of the US government to increase spending even higher during times of crisis. Even if running even bigger deficits during a time of recession is possible, The Economist indicates that high debt levels make politicians very apprehensive to pass fiscal stimuli, even during times of recession. Tragically, Zandi of the CBPP finds that without a stimulus the 2008 recession would have been 460% worse than it actually was.

All in all, minimizing recessions is crucial.

The Graduate Institute of Geneva 12 writes that even though recessions and financial crises originate in the developed world, they hit developing countries the hardest as they are the most vulnerable. As a result he finds that the last financial crisis, cut the per capita income of the poorest 390 million africans by 20%, while putting 100 million people into poverty.

Contention 3: Inherent Harms

Pomona College 18 details that increasing debt creates a perception of fiscal irresponsibility in the US government, making companies uncertain if they want to maintain investments and projects in America. Koch of Atlantic University finds that additionally, high debt crowds out private investment by encouraging investors to buy government bonds instead. All in all, Mitchell 18 of George Mason University writes that high government borrowing will cost the American economy 1.2 trillion dollars and decrease average American income by 15% in the next decade.

Rebuttal: promotion of econ growth

The problem with this comes from Bohn 18 of UC Barbara who indicates that skyrocketing debt raises questions on whether the US will ever be able to pay its debt down, causing investors to stop lending us money. Already, Reuters 18 indicates that foreign lending to the US is down, and Winkler 18 of Bloomberg writes that for the first time in history investors now see lending money to china as safer than lending it to America. Moreover, Tully 18 continues that as the national debt gets worse and worse americans will start to demand action from their politicians, finding that political outcry over debt is what forced the government to raise taxes and cut spending in the 90s giving America a surplus.

No matter what the government will eventually have to promote the reduction of federal debt over the promotion of economic growth. Luckily, The CBO in 2018 indicates that if we made the necessary changes to our deficit and started repaying our loans right now we would be able to pay back all of our debt at the cost of only 3% of GDP, however, if we wait and let our debt accrue, the cuts made to our budget in order to pay back all of our interest and loans will be over 50% larger by 2030.

, and CBS news reports we are likely to see 2-3 rate hikes next year.

New Offense Lol

Stagnation

- Tully of Pomona College 2018; debt = inflexibility (gov't can't cut texes or stimulate economy accordingly to the degree we need to revive growth).
- Koch of Atlantic State University; debt = crowd out private sector investment by increasing gov't bond demand.
- The Economist 11; This has lead Japan to stagnation.

Credit Risk

- Bohn of UC Barbara in 2011; high debt increases = investors become unsure
- We are at risk rn; Bloomberg in 2018: US credit rating at risk of sliding down
- Forbes 2018; Downgrade = raises market rates + lots of volatility = millions of jobs
- Economic Times 2011; investor panic across the world would ensure = 2008 recession

Crowding Out

- George Mason University: borrowing directly takes money out of the economy and uses it to finance the gov'ts debt = taking away potentially productive investment money; current state = will cost GDP 1.2 trillion dolalrs, and decrease per capita income by 15% in America by 2030.

We could pay off a 100% debt-to-GDP ratio without inflation, at least if we returned promptly to growth and didn't rack up a whole lot more debt first. But even if the United States eliminated all of its outstanding debt today, we would still face terrible projections of future deficits. In a sense, this fact puts us in a worse situation than Ireland or Greece. Those countries have accumulated massive debts, but they would be in good shape (Ireland) or at least a stable basket case (Greece) if they could wipe out their current debts. Not us. Promised Medicare, pension, and Social Security payments (known as "unfunded liabilities") can be thought of as "debts" in the same way that promised coupon payments on government bonds are debts. To get a sense of the scope of this problem, **we can try to translate the forecasts of deficits in our entitlement programs to a present value. These estimates are rough, of course, but typical numbers are $60 trillion or more — swamping our $14 trillion of actual federal debt.** The idea that these fiscal problems could lead to a debt crisis is hardly a radical insight. As even the circumspect Congressional Budget Office warned earlier this year: a growing level of federal debt would also increase the probability of a sudden fiscal crisis, during which investors would lose confidence in the government's ability to manage its budget, and the government would thereby lose its ability to borrow at affordable rates. It is possible that interest rates would rise gradually as investors' confidence declined, giving legislators advance warning of the worsening situation and sufficient time to make policy choices that could avert a crisis. But as other countries' experiences show, it is also possible that investors would lose confidence abruptly and interest rates on government debt would rise sharply. The exact point at which such a crisis might occur for the United States is unknown, in part because the ratio of federal debt to GDP is climbing into unfamiliar territory and in part because the risk of a crisis is influenced by a number of other factors, including the government's long-term budget outlook, its near-term borrowing needs, and the health of the economy. When fiscal crises do occur, they often happen during an economic downturn, which amplifies the difficulties of adjusting fiscal policy in response.Bernanke has been echoing this warning with a degree of bluntness very unusual for a Fed chairman. In testimony before the House Budget Committee earlier this year, he said: The question is whether these [fiscal] adjustments will take place through a careful and deliberative process . . . or whether the needed fiscal adjustments will come as a rapid and painful response to a looming or actual fiscal crisis . . . . **if government debt and deficits were actually to grow at the pace envisioned, the economic and financial effects would be severe**. Neither the CBO nor Chairman Bernanke mentioned inflation in these warnings. But precisely the situation they warn about carries a significant risk of inflation amid a weakening economy — an inflation that the Fed could do little to control. To see why, start with a basic economic question: Why does paper money have any value at all? In our economy, the basic answer is that it has value because the government accepts dollars, and only dollars, in payment of taxes. The butcher takes a dollar from his customer because he needs dollars to pay his taxes. Or perhaps he needs to pay the farmer, but the farmer takes a dollar from the butcher because he needs dollars to pay his taxes. As Adam Smith wrote in The Wealth of Nations, "A prince, who should enact that a certain proportion of his taxes should be paid in a paper money of a certain kind, might thereby give a certain value to this paper money." Inflation results when the government prints more dollars than the government eventually soaks up in tax payments. If that happens, people collectively try to get rid of the extra cash. We try to buy things. But there is only so much to buy, and extra cash is like a hot potato — someone must always hold it. Therefore, in the end, we just push up prices and wages. The government can also soak up dollars by selling bonds. It does this when it wants temporarily to spend more (giving out dollars) than it raises in taxes (soaking up dollars). But government bonds are themselves only a promise to pay back more dollars in the future. At some point, the government must soak up extra dollars (beyond what people are willing to hold to make transactions) with tax revenues greater than spending — that is, by running a surplus. If not, we get inflation. **If people come to believe that bonds held today will be paid off in the future by printing money rather than by running surpluses, then a large debt and looming future deficits would risk future inflation**. And this is what most observers assume. In fact,

however, fears of future deficits can also cause inflation today. The key reason is that our government is now funded mostly by rolling over relatively short-term debt, not by selling long-term bonds that will come due in some future time of projected budget surpluses. Half of all currently outstanding debt will mature in less than two and a half years, and a third will mature in under a year. **Roughly speaking, the federal government each year must take on $6.5 trillion in new borrowing to pay off $5 trillion of maturing debt and $1.5 trillion or so in current deficits. As the government pays off maturing debt, the holders of that debt receive a lot of money. Normally, that money would be used to buy new debt. But if investors start to fear** inflation, which will erode the returns from government bonds, **they won't buy the new debt. Instead, they will try to buy stocks, real estate, commodities, or other assets** that are less sensitive to inflation. But there are only so many real assets around, and someone has to hold the stock of money and government

NEGATE!

Tradeoff Negative

Ridge RW Negates (Resolved: The United States federal government should prioritize reducing the federal debt over promoting economic growth)

Our contentions today are going to center around both sides of this resolution, not only will we argue that the promotion of economic growth is good, we are also going to argue that increasing the federal debt is also a good thing.

With That, Our First and Sole Contention is Economics.

Reynolds of the EMP 12 details that the government spends an average of 750 billion dollars annually on the promotion of economic growth. Tanker of the New York Times 18 furthers that Trump's policies designed to foster economic growth have pushed the annual deficit sky high. Black of The Business Insider 18 implicates that as a result debt is skyrocketing, increasing by 1 trillion dollars in the past 6 months alone.

Davidson of The Wall Street journal 18 finds that half of all american economic growth is fueled by government spending and policies tailored towards economic promotion, indeed, Fox of Bloomberg News 18 indicates that for every 1% increase in the deficit there has been a 1.2% increase in economic growth. This has been a boon, as the US economy is now growing at 4% annually, the highest in decades.

This increase in the government debt is a good thing for two critical reasons.

Subpoint A: Private Sector Debt

Roberts from The University of Pennsylvania 18 indicates that when the government increases its debt it does so by selling more government bonds, and when corporations attempt to get loans they sell corporate bonds. Investors therefore must choose between safe government bonds and risky alternatives like corporate bonds.

Roberts indicates that the market always prefers the safer alternative, finding that investors respond to increased government borrowing by increasing their holdings of government debt and decreasing their holdings of corporate debt, concluding that every percentage point increase in government debt reduces corporate lending by 12 points, finalizing that every 10 dollar increase in American debt leads to a 3 dollar decrease in corporate debt.

This is happening right now, as Goldstein of the Wall Street Journal 18 finds that after skyrocketing the amount of debt they have been taking on since 2008, in 2018 corporate debt has decreased for the first time in decades. We must maintain this progress, as The Economist 18 writes that if corporate debt started to grow again at previous rates, it would eventually become so large that any slight economic shock could force companies to default massive amounts of loans sparking a recession. It is for this reason that Bianchi of the University of Maryland writes that decreasing corporate debt back down to normal levels would decrease the chance of a recession by 10 times..

Gurtner from The Graduate Institute of Geneva 12 writes that even though recessions and financial crises originate in the developed world, they hit developing countries the hardest as they are the most

vulnerable. As a result, Tufts University 17 estimates that 100 million people were pushed into poverty and stayed there due to the great recession

Subpoint B: Developing Crises

Bell from The University of Chicago 18 finds that due to historically low US interest rates investors are moving aways from buying US debt and towards buying foreign debt. Osterland of CNBC 18 indicates that as a result, we are seeing the amount of purchases of emerging market and developing countries debt skyrocket.

Luckily, the increasing national debt solves back for this. Nelson from The Federal Reserve Bank of Economics 18 writes that when national debt increases, in order to assure investors, the government also raises interest rates, concluding that every 1% increase in the Debt to GDP ratio increases rates by 2 points.

As a result, Kosar of Forbes 18 writes that in the status quo US interest rates are rising dramatically. As a result, Capretta 18 of the AEI confirms that recent shifts in US economic policy away from the reduction of debt and towards the prioritization of economic growth has started to decrease the amount of foreign debt being bought. Reuters 18 confirms that the amount of emerging debt held by investors has decreased for the first time in years.

The gradual decrease of the amount of foreign debt through steadily increasing interest rates as the debt increases must be continued, or else, Zumbran of the Wall Street Journal 18 indicates that when an economic downturn or sputtering of growth inevitably happens in a developing country, investors will pull all of their money out immediately crashing the countries economy.

Zumbran continues that if emerging debt was to continue to grow, the resulting foreign outflow in response to a disaster could be on the level of the 2008 financial crisis, which Gurtner indicates cut the per capita income of the poorest 390 million africans by 20%. Even if it's not as bad as 2008 the IMF quantifies that every 1% decline in growth across developing countries would put 20 million people into poverty.

Golden Negative

Ridge RW Negates (Resolved: The United States federal government should prioritize reducing the federal debt over promoting economic growth)

The thesis of our case is that increasing the federal debt is good.

Contention 1: Developing Crises

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Contention 2: The Reckoning

Reynolds 12 of the EMP details that the government spends an average of 750 billion dollars annually on the promotion of economic growth. Tanker 18 of the New York Times furthers that Trump's policies designed to foster economic growth have pushed the annual deficit sky high. Black 18 of The Business Insider implicates that as a result debt is skyrocketing, increasing by 1 trillion dollars in the past 6 months alone, growing 36% faster than GDP. **Forcing the government to start reducing the federal debt would enact devastating policy.**

Tully 18 of Fortune Magazine indicates that even if the federal government implemented entitlement reform and implemented major spending caps on discretionary spending, it would have to raise taxes by

22%, just to keep the debt at 2017 levels. Unfortunately, by taking money out of the economy, the NBER finds that a tax increase of 1 percent of GDP in order to pay back the national debt, lowers GDP growth by 3 percentage points.

This would be devastating, as Roemer of Harvard University 17 writes that the only way to reduce poverty is with growth, the collapse of economic growth with massive tax increases, would force 40 million Americans to remain in poverty.

Moreover, National Affairs 11 indicates that even with all of this, the only way to keep the deficit down is through structural changes and massive cuts to entitlement spending. Tragically, Schram of Stanford University indicates that decreases in welfare have a dramatic, almost 1 to 1 impact on increasing poverty.

Contention 3: Bond Disaster

The government borrows money by selling bonds to investors. If it was to reduce its debt it would A) stop selling these bonds and B) buy back many bonds. As a result, Buchanan 12 of George Washington University writes that a dedicated policy shift towards paying off our debt would mean the end of government bonds.

That's really problematic because Johnson of Uchicago 11 writes that when investors sell off and are no longer able to access government bonds, they put their money towards risky investments like real estate and financial games like speculation.

Tragically, Foster from the University of Oregon 08 concludes this shifting away of money from safe and productive investments into volatile and inflated sectors of the economy undermines stability and fuels the creation of asset bubbles - increasing the amount and severity of recessions creating the conditions necessary for rapidly recurring recessions, each of which Tufts University implicates puts 100 million people into poverty.

https://www.forbes.com/sites/jessecolombo/2018/08/29/the-u-s-is-experiencing-a-dangerous-corporate-debt-bubble/

Corporate Debt Bubble

Newark Narrative Negative

Ridge RW Negates (Resolved: The United States federal government should prioritize reducing the federal debt over promoting economic growth)

Our First Contention Concerns Welfare

National Affairs 11 indicates the only way to keep the deficit down is through structural changes and massive cuts to entitlement spending. Tragically, Schram of Stanford University indicates that decreases in welfare have a dramatic, almost 1 to 1 impact on increasing poverty. Entitlements are sure to be cut, as Stein 18 of The Washington Post indicates that republicans desperately want to target medicare, medicaid and social security, but are just looking for the perfect opportunity.

Our Second Contention Concerns Economic Growth

Davidson of The Wall Street journal 18 finds that half of all american economic growth is fueled by government spending and policies tailored towards economic promotion, indeed, Fox of Bloomberg News 18 indicates that for every 1% increase in the deficit there has been a 1.2% increase in economic growth. This has been a boon, as the US economy is now growing at 4% annually, the highest in decades.

Our Third Contention Concerns Infrastructure

America is crumbling and needs to be rebuilt. Surowiecki 18 of The New Yorker contextualizes that in the distant past, Infrastructure was at the heart of American public policy. Works such as the Los Angeles Aqueduct, Hoover Dam, and the Interstate Highway System transformed our economy. However, today, we spend significantly less on infrastructure as a share of G.D.P. than we did fifty years ago—less, even, than fifteen years ago.

Unfortunately, we're paying the price for decreased infrastructure spending as The American Civil Society of Engineers after evaluating 16 categories of infrastructure, ranging from rails to schools to airports to dams gave American infrastructure a D+ grade, close to total collapse. Overall,the report card projected a total investment of $4.59 trillion would be required by 2025 to bring U.S. infrastructure from a D+ to a B grade. Charap 18 from The University of Pennsylvania concludes that high-quality infrastructure is vital to the U.S. economy and that infrastructure costs are sure to pay off in the long-term.

Unfortunately, our politicians are hung up about the debt. Long 18 from The Washington Post contextualizes that while both Democrats and Republicans have talked up the issue, and it has a lot of public support infrastructure has repeatedly slipped down the priority list because Congress can't agree on a funding source, and can't stomach adding more to the federal deficit. However, voting neg ends American prioritization of reducing federal debt over growth, pivoting policy towards fixing America no matter what the cost.

Indeed, Postral 18 of Bloomberg news indicates that the democratic house now provides the opportunity to finally pass an infrastructure plan financed by increasing the national debt, turning what has been a decades long dream into reality. Zanona 18 of The Hill further reports that Trump has indicated a direct interest towards working with democrats on a direct 1 trillion dollar injection of money straight towards

infrastructure spending even though it may add a lot to the federal deficit because priorities are finally shifting away from debt and towards growth.

All in all, if you affirm, the government will be gridlocked when it comes to infrastructure policy due to fears of increasing debt, but when you negate, the government becomes enabled to do what needs to be done to fix America even if the debt increases.

Infrastructure spending is key to driving growth across America. Indeed, The Associated Builders and Contractors estimates that a $1.5 trillion infrastructure plan like the one proposed by President Donald Trump could create nearly 16 million construction jobs from 2019 to 2021. Moreover, as infrastructure crumbles it will lead to massive economic harms, The Wharton School of Economics implicates America's failing infrastructure will cost our economy 4 trillion dollars of GDP, 7 trillion in lost business sales and over 2.5 million American jobs by 2025.

This is all historically corroborated as William 18 of The Atlantic reports that Infrastructure has played a crucial role in the making, and remaking, of the modern American city. Public works have expanded access to essential goods and to economic opportunities, and they have contributed to universal improvements in the standard of living.

The Big Boi

Ridge RW Negates (Resolved: The United States federal government should prioritize reducing the federal debt over promoting economic growth)

The thesis of our case is that increasing the federal debt is good.

Our first contention concerns Infrastructure

Unfortunately, American infrastructure is in shambles as The American Civil Society of Engineers after evaluating 16 categories, gave American infrastructure a D+ grade, close to total collapse. Overall,the report card projected a total investment of $4.59 trillion would be required by 2025 to bring U.S. infrastructure from a D+ to a B grade. Charap 18 from The University of Pennsylvania concludes that high-quality infrastructure is vital to the U.S. economy and that infrastructure costs are sure to pay off in the long-term.

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When you negate, the government realigns its priorities and is willing to increase the debt for economic growth through infrastructure development.

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Contention 2: The Reckoning

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22%, just to keep the debt at 2017 levels. Unfortunately, by taking money out of the economy, the NBER finds that a tax increase of 1 percent of GDP in order to pay back the national debt, lowers GDP growth by 3 percentage points.

This would be devastating, as Roemer of Harvard University 17 writes that the only way to reduce poverty is with growth, the collapse of economic growth with massive tax increases, would force 40 million Americans to remain in poverty.

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Freehold Fun

Ridge RW Negates (Resolved: The United States federal government should prioritize reducing the federal debt over promoting economic growth)

Contention 1: Infrastructure

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Unfortunately, our politicians are hung up about the debt. Long 18 from The Washington Post contextualizes that while both Democrats and Republicans have talked up the issue, and it has a lot of public support, infrastructure has repeatedly slipped down the priority list because Congress can't agree on a funding source, and can't stomach adding more to the federal deficit. However, voting neg ends American prioritization of reducing federal debt over growth, pivoting policy towards fixing America no matter what the cost.

Indeed, Postral 18 of Bloomberg news indicates that the democratic house now provides the opportunity to finally pass an infrastructure plan financed by increasing the national debt, turning what has been a decades long dream into reality. Zanona 18 of The Hill further reports that Trump has indicated a direct interest towards working with democrats on a direct 1 trillion dollar injection of money straight towards infrastructure spending even though it may add a lot to the federal deficit because priorities are finally shifting away from debt and towards growth.

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Belly Armor

Ridge WR Negates

Contention 1: Rebuilding Our Nation

American infrastructure is in shambles as The American Civil Society of Engineers after evaluating 16 categories, gave American infrastructure a D+ grade, close to total collapse. Charap 18 from The University of Pennsylvania concludes that high-quality infrastructure is vital to the U.S. economy and that infrastructure costs are sure to pay off in the long-term.

Unfortunately, our politicians are hung up about the debt. Long 18 from The Washington Post contextualizes that while it has a lot of public support, infrastructure has slipped down Congress' priority list because it doesn't want to add more to the federal deficit. Voting neg ends American prioritization of reducing federal debt over growth, pivoting policy towards fixing America no matter what the cost.

Indeed, Postral 18 of Bloomberg news indicates that the democratic house now provides the opportunity to finally pass an infrastructure plan financed by increasing the national debt. Zanona 18 of The Hill further reports that Trump has indicated a direct interest towards working with democrats on a 1 trillion dollar injection of money straight towards infrastructure.

When you negate, the government realigns its priorities and is willing to increase the debt for economic growth through infrastructure development.

Infrastructure spending is key to driving growth across America. Indeed, The Associated Builders and Contractors estimates that a $1.5 trillion infrastructure plan like the one proposed by President Donald Trump could create nearly 16 million construction jobs. Moreover, as infrastructure crumbles it will lead to massive economic harms, The Wharton School of Economics implicates America's failing infrastructure will cost our economy 4 trillion dollars of GDP.

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Black 18 of The Business Insider implicates that as a result debt is skyrocketing, increasing by 1 trillion dollars in the past 6 months alone, growing 36% faster than GDP. **Forcing the government to reduce the federal debt when it is so big would enact devastating policy.**

Indeed, National Affairs 11 indicates that the only way to keep the deficit down is through structural changes and massive cuts to entitlement spending. Tragically, Schram of Stanford University indicates that decreases in welfare have a 1 to 1 impact on increasing poverty.

Moreover, Tully 18 of Fortune Magazine indicates that even after the federal government implements entitlement reform and implemented major spending caps on discretionary spending, it would have to raise taxes by 22%, just to keep the debt at 2017 levels.

By taking money out of the economy the NBER finds that a tax increase of 1 percent of GDP lowers GDP growth by 3 percentage points. Tragically, Roemer from Harvard University writes that growth is crucial for economic mobility, meaning that the collapse of it on this level would trap 40 million Americans in poverty

Conversely, maintaining deficit spending in order to promote economic growth has tangible benefits. Davidson of The Wall Street journal finds that half of all american economic growth is fueled by government spending, Indeed, Bloomberg News 18 indicates that for every 1% increase in the deficit there is a 1.2% increase in economic growth. This has been a boon, as the US economy is now growing at 4% annually, the highest in decades.

Contention 3: Securitizing The Economy

The government borrows money by selling bonds to investors. If it was to reduce its debt it would A) stop selling these bonds and B) buy back many bonds. As a result, Buchanan 12 of GWU writes that a dedicated policy shift towards paying off our debt would mean the end of government bonds. That's really problematic because Johnson of Uchicago 11 writes that when investors sell off and are no longer able to access government bonds, they put their money towards risky investments like real estate and financial games like speculation.

The end of bonds amplifies economic devastation. Foster from the University of Oregon 08 concludes this shifting away of money from safe and productive investments into volatile and inflated sectors of the economy undermines stability and fuels the creation of asset bubbles - increasing the amount and severity of recessions creating the conditions necessary for rapidly recurring recessions.

Indeed, Olivier 18 of Harvard University indicates that increasing scarcity of safe assets in the economy such as government bonds is empirically corroborated with more bubbles and more recessions, finding that historically the chronic lack of such assets plunges the world into cyclical recessions.

Tufts

1) **Bailouts bad asf**
    a) Tamny 10 of Forbes → While the bailout might initially have seemed like a good idea, the entire point of recessions is to wipe out the bad and inefficient companies, when the government bails them out, it's interfering with the market correction perpetuating the behavior that caused the recession in the first place.
    b) The presence and clear indication that the government will bail out the economy is what creates recessions, Slavov of The university of Michigan: because they know gov't will bail them out Banks have taken more risky investments creating the conditions for recession
        i) Both of these are empirically corroborated: New York Times → if the government had not enacted the 1998 bailout of hedge funds which enabled the 2008 recession to happen, Moore of the Heritage Foundation: had gov't never done stimulus, recovery growth would've been more than 2% for the decade after the recession, and 5 million more people would have had their jobs by 2014; Rolling Stone in 2018 → Gov't bailout in 2008 has guaranteed another financial crises.

Ridge RW Affirms (Resolved: The United States federal government should prioritize reducing the federal debt over promoting economic growth)

Contention 1 is The Interest Dilemma

The debt is growing insanely fast. Black 18 of The Business Insider writes that currently debt is skyrocketing, increasing by 1 trillion dollars in the past 6 months alone, growing 36% faster than GDP. While this may have been acceptable back when we were in a recession like 2008, this is unprecedented for a time of economic growth. Indeed, the International Monetary Fund indicates that currently the US is the only developed country in the world with an increasing Debt to GDP Ratio. The problem comes from Bohn 18 of UC Barbara who indicates that skyrocketing debt during a time of such growth is raises questions on whether the US will ever be able to pay its debt down. Indeed, Leon of Reuters writes in 2018 that foreign investors are slowly becoming more and more reluctant to give the US money. Instead Winkler 18 of Bloomberg writes that for the first time in history investors now see chinese bonds as safer than American bonds.

There are 2 impacts.

First --- Budget Devastation.

When loans to America seem more dangerous the government is forced to increase interest rates on bonds in order to make up for the increased risk, which will eat up our national debt. Indeed, Schwartz 18 of the New York Times indicates that in the next Decade Interest payments on the debt will be over 900 billion dollars every year. The CBO in 2018 indicates that if we made the necessary changes to our deficit and started repaying our loans right now we would be able to pay back all of our debt at the cost of only 3% of GDP, however, if we wait and let our debt accrue, the cuts and tax hikes made to our budget in order to pay back all of our interest and loans will be over 50% larger by 2030.

The alternative would be to use debt or simply print out money in order to pay back debt, which Krugman 18 indicates would render the US insolvent and push us towards hyperinflation. Moreover, even if this

was possible, Tully 18 of Fortune indicates that political pressure will force politicians to check back increasing debt and pay their loans through cuts, just as it did in the 90s.