We negate.

## Our first contention is Rebuilding America.

One area where the US must prioritize growth above debt is America's crumbling infrastructure. As the <u>ASCE '17</u> explains, America's infrastructure scores a D+ rating in measures of quality and efficiency, due to decades of insufficient funding and low prioritization.

More specifically, <u>The National Economic Council '14</u> furthers that 65 percent of America's roads are in poor condition, disproportionately in low-income areas, and 45 percent of Americans lack access to public transit.

To deal with these massive insufficiencies, the <u>Economist '11</u> explains that America needs at least \$250 billion per year in spending over the next half-century to keep our system in good repair, but current spending falls 60% short of that amount.

Fortunately, if there's one pro-growth policy Republicans and Democrats can agree on in today's divided government, it's infrastructure spending. Puzzanghera '18 explains that both major parties have come out in support of the initiative, and Representative Peter DeFazio, who is slated to be the next chairman of the House Transportation and Infrastructure committee, has been approached by the president and is optimistic about a bipartisan deal.

Prioritizing debt reduction over growth means these investments won't happen. By definition, prioritizing A over B means that when the two are in conflict, A is chosen over B. Infrastructure spending would cost billions of dollars which could otherwise be used toward debt reduction, so the two are definitionally in conflict, meaning affirming blocks increased spending on infrastructure

The impact of improved infrastructure is boosted productivity.

<u>Treuhaft '13</u> finds that making the investments needed to renew the nation's infrastructure would create 2.4 million well-paying jobs per year, disproportionately benefiting the poor and middle class. These jobs are not just construction, but also long-term retail and operations, which is why <u>Covert '14</u> finds that 90% of jobs created by infrastructure spending last over five years and pay above the national median.

This enables the middle and lower class to cyclically contribute to the economy, as the <u>University of Maryland explains</u> every dollar we invest in infrastructure increases GDP by 3 dollars, solving back for our increasing debt-to-GDP ratio.

## Our second contention is Fiscal Sabotage.

<u>Buchanan '12</u> finds that to reduce the debt by half, or \$10 trillion dollars, Congress would have to run a budget surplus of 500 billion dollars for twenty years, or the equivalent of decreasing spending by 1.5 trillion dollars annually.

Due to this immense scale, prioritizing debt would decimate social spending.

Nobel Prize-winning Economist Paul Krugman '14 explains that debt fears would be used by fiscally-conservative Republicans to bully the nation into slashing social programs, two-thirds of which come at the expense of lower-income families.

Specifically, Elis '18 writes that Mitch McConnell's Senate coalition has used the explosion of the deficit to justify sweeping cuts to Medicare, Medicaid, and Social Security, and prioritizing debt ensures they see this through.

Even in the face of Democratic resistance, these cuts still go through. <u>Kenton '18</u> explains that when Congress agrees to set a spending cap but then subsequently cannot agree on what to cut, Congressional rules force the government into a period of *sequestration*, in which government spending is crushed across the board, proportional to current spending allocation.

Amadeo '18 explains that this happened with the 2011 Budget Control Act, in which Republicans and Democrats couldn't agree on the best way to lower the deficit. When they couldn't agree, the sequester kicked in, which cut spending by 10 percent from 2013 to 2021.

These cuts would be devastating. As <u>Campbell '18</u> furthers, US entitlement spending keeps 44 million Americans out of poverty annually, and a majority of Americans depend on them at some point in their lives.

But even more-so, in addition to the dramatically increasing poverty, austerity measures mean that debt reduction itself would backfire. As the Economist, citing research from the IMF, explains, cuts to social spending have a fiscal multiplier of at least negative 1.5 – that is to say, every \$1 we save from cutting social programs reduces GDP by \$1.50. This is because austerity measures reduce the disposable income of working families, who spend the vast majority of their income.

If GDP falls faster than the debt, the debt-to-GDP ratio *increases* – so prioritizing the debt makes the debt situation worse, raising interest payments as a percent of the overall budget. This is why,

empirically, the <u>Wharton School</u> finds that even though most of Europe dramatically cut social spending after the 2008 recession to bring down debt, debt ratios continued to increase.

The only solution to debt, then, is sustained economic growth. As <u>Krugman</u> concludes that the nation's \$21.5 trillion national debt doesn't matter these days, because average interest payments are below the rate of economic growth.

Thus, we negate.