

Resolved: The United States ought to eliminate subsidies for fossil fuels.

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<u>History</u>

The history of subsidies for the fossil fuel industry dates back to a historic 1926 for most contemporary analysis. I say this because as we will look at later, the concept of a "subsidy" is a term that might become debatable in this current resolution. But back to 1926. Oil field exploration in the mid 1920's was based on the technology of the time. This meant that if you thought there was oil under a plot of land, you had to drill until you either hit one of the telltale signs of oil, a natural gas pocket, or you hit rock. For oil companies, this was a long and expensive process as a dry well could end up costing the company thousands. With the oil industry being a relatively small and new venture, this hit to the profit margins raised the cost of oil, and by means of compensation in prices, raised the end price to the consumer of the oil that was found and brought to market. At this time in America, oil was taking over as a primary fuel source for many homes. Oil burning stoves and heaters were replacing old coal and wood burning machines. In transportation, oil was being used to power large ships and the distillation of oil would create gas, the fuel of the newly developed and mass-produced automobile. The United States Congress, seeing that the rising costs of oil and oil products would eventually hurt the consumer, passed the first law that allowed oil companies to deduct the cost of "dry wells" from their end of year tax bills. This allowed the government to absorb the burden for a failed drilling operation while allowing the oil company to continue to explore the oil fields without fear of bankruptcy. It was also around this time that the government began to provide financial incentives both in terms of low interest loans and business grants as well as tax breaks to coal mining companies that could not find enough work and thus had to slow production.

As the United States entered the Great Depression, the "hands off" policies of Herbert Hoover left the energy industry floundering. As more and more people lost their jobs, people cut back on driving and the use of industrial heating in their homes. This cut back on the product that was sold by energy companies and put a crunch on their bottom line. The overall effect was a snowball. As the energy companies and mining operations found themselves short on cash, they couldn't pay the workers. In some parts of the US, this only exacerbated the unemployment rate and further pushed people away from the luxuries of driving and oil heating.

Like most industry in America, what pulled saved the day was the US entrance into World War II. As the wartime factories fired industry back up, as unemployment fell, and as the government needed every ounce of coal and drop of oil for the war machine, the government began to give preferential treatment to companies that provided fossil fuels to the government. Call it what you will: discounts based on bulk, patriot bonus, or freedom energy grants, these government kick backs to the energy industry ensured that fuel was supplied to every tank, battleship, and factory in America.



In the world post WWII, people began to be more critical of the fossil fuel industry. The nuclear age had been ignited by the dropping of the atomic bombs in Japan. At the same time, natural gas, a by product of oil drilling, had been commercialized into a cheap fuel for homes and appliances in the growing suburbs. People were all clambering for the newest gas burning stove or furnace and the government had promised that the atomic energy age would free us from our dependency on fossil fuels. People sat around and waited for their dreams of nuclear powered cars and atomic energy plants to free us from coal and oil, but that dream never game. In the 1950's and 60's, the technology just wasn't there to make efficient use of these things. At the same time, President Dwight Eisenhower signed into law the first interstate roads bill that mandated the modernization of the highway system. This meant two things. First, the roads would be built in at least half o the United States using tar and other oil-based materials. Second, the automobile would see a revitalization as it became easy for the family to travel. You also have at this time two major wars: Korea and Vietnam. Both wars would require large amounts of fossil fuels to power industry as well as the vehicles of war. These two factors ensured that the fossil fuel industry would be sticking around.

During this whole time, the United States was growing and so was our consumption of fossil fuels. By the 1970's our consumption had far outstripped our production and the vast majority of our fossil fuels, mainly oil, would be imported from areas like Mexico and the Middle East. In 1973, the Oil Producing Economic Countries proposed and executed an embargo against many nations in the West over their intervention in the latest Israel War. This meant that a large portion of oil flowing into the United States was gone. This caused oil-based products to draw a premium price. Road construction was halted or delayed, and gas not only shot up in price but what was available was only so in small quantities. Towards the end of the embargo, conditions had deteriorated so much that most gas stations had a "priority needs" list that mandated any emergency vehicles got it first, then other government vehicles, then the average consumer got what was left. Following the conclusion of the embargo in 1974, the government put into place measures to ensure that should an event like this happen again, the US could bear the brunt for at least a short time. What came out of this was the strategic petroleum reserve. The government began to backfill empty oil wells with new oil purchased from other suppliers. Today, the US has enough oil stored in these wells to supply the country for 9-12 months. Second, the government established a series of emergency subsidies and oversite bodies to watch oil ang gas prices. Should prices rise due to supply issues, the idea is that small amounts of m0ney can be pumped into the industry soften the burden on the consumer for a short time.

Today, in the year 2019, subsidies exist in two distinct forms. Directly, the government provides some financial support to refineries that blend ethanol into their gas. Under the Trump administration, grants have been established to help hire back laid off coal miners. However, most of our subsidies are provided in an indirect form via tax breaks. The coal, oil, natural gas, and petroleum industry receives billions in tax breaks each year for their production, distribution, and even profit loss. In 2010, BP's Deep Horizon drilling rig caught fire



and exploded in the Gulf of Mexico. Millions of barrels of oil flowed for weeks from the uncapped well. As punishment, BP was fined 20 billion dollars by the government. This, however, was offset by the 15.3 billion dollars that BP was able to claim as a business loss on their taxes as this was the market value of the oil that they couldn't sell.

The main competitor of the fossil fuel industry is the green tech industry. While still not on the same level as the fossil fuel industry, the green tech industry has seen a huge jump in their federal funding and tax breaks in recent years. Under Trump, there have been cutbacks, but the green tech industry still nets billions each year in federal subsidization.



Topic Analysis

When we first look at this topic, there were a lot of people in the debate community that viewed this more of a policy or a PF resolution as it seemed to be more of a statement of policy with the word "ought" placed in the center of it rather than a statement of value. However, this is the nuanced beauty of how LD works. In this case, the resolution wants us to attribute values based on the outcomes of affirming or negating rather than just affirming or negating. So in this regard, it is going to be important to clearly define and defend in your cases what and why you are defending. In effect, you will be treating this like a policy debate advantage style of case where each contention flows with a narrative but gives you an independent reason to vote for your side of the debate. In the sections below, we will look at some popular values and the arguments that might be made to tie these together.

One thing to look at in the debate is what happens in a post affirmative world. We have ended subsidies, but the money is there. Just because we ended the system of subsidization doesn't mean we take the truckloads of cash that we would have put into the system and burn it. So one has to ask if the affirmative has the ability to reallocate this funding or if that would be extra topical. Furthermore, how far can an affirmative go in this reallocation? Does what we reallocate the money to have to be on the level to the debate topic or can we fund things that have nothing to do with the energy sector? From this standpoint, I might argue that if the affirmative gets to reallocate the money, it go to pay for things that solve back the harms from the affirmative.

The speed at which the elimination takes place is also up for debate. Does it need to be immediate or can it be phased out. I cover this mover in the definition debates below.

One final issue that will be brought up is the critical ground and where it exists. Although I won't go in depths here, some basic ideas would be on the affirmative, debating the capitalism k and how the elimination of subsidies rolls back the producer mentality and government sponsorship of industry and lets the markets take over. You could also read biopower as government intervention into the fossil fuel industry creates a system of life or death controls that spills over. Negative critical ground is a bit thinner, but one could run Nietzsche as he argues that morality and decision making must be done in a marketplace so subsidizing green tech and not fossil fuels destroys this balance. Luke's Field of Flesh is an interesting argument that argues we attempt to solve problems in the world from a position of Western privilege and by doing so, we have lost our connection to the natural world. So we can't have real policy change unless we recognize we are just flesh like everything else.



One area that I want to focus on in the topic analysis before the values is the definitions. I feel that this is one of the first topics in quite a while that allows for some really interesting definition debates.

Fossil Fuels- Not much debate here as the traditional coal, oil, natural gas, and petroleum-based fuels are all generally though of as fossil fuels. This generally means anything created from the decay and breakdown of organic material over the course of millions of years. Some debaters might try to argue that peat is included in this as it is organic, but I'd argue that it doesn't meet the decay and breakdown standard.

Eliminate- First speedbump of the debate. What does it mean to eliminate? Most definitions will say it means to completely remove. Where I see the debate going is the speed at which this happens. On the affirmative, do you need to defend an immediate removal cold turkey or can you justify a phase out? On the negative, is there grounds to argue that a gradual phaseout is your topic area and the affirmative must defend an immediate and total end? This has a huge impact on the debate. If the affirmative defends a total end now, that means that we get to snap our finders and an entire industry is left without billions right as people in the Northern hemisphere are going into the winter months. If the affirmative defends a gradual phaseout, could the negative argue that this is unfair as it allows them to spike out of all of their timeframe arguments and offense? How about on the negative? What ground does the negative get? Do they get the converse of the affirmative or can they justify a different timeframe to phase out? Or is this all just overthinking the debate, and do we pretend that there are no real world impacts and that things just happen?

Subsidies- This is the second speedbump. Generally, a subsidy is defined as a government support to assist an industry or consumer in price support. So in this regard, both the direct and indirect subsidies (grants, loans, and tax breaks) as stated above would be fair game. But the more economically focused topic definition is funding given by the government to an industry to support the consumer. In this regard, it would only count physical money transfers and tax breaks would be limited out. This dramatically changes the course of the debate as there are far more tax breaks than direct funding subsidies in the government today. Also, more industries benefit from subsidies that are indirect than direct. Finally, the topic literature tends to focus on tax breaks as a form of subsidy.



Affirmative potential areas of argument

Process- This would be twofold. The first would look to what is the government's first obligation, which one might define as their duty to promote social change and social welfare. The continued use of fossil fuels harms the environment and pollutes our world, it puts millions into poverty, ties us to foreign nations, and hinders our social programs as we give billions away in tax breaks to fossil fuel companies. It is an imperative that we get away from these fuels as fast as we can. An affirmative can argue that by cutting off the industry, we spur a movement towards green tech.

Second, there is a technologically process route. The green tech industry has hit a wall, especially with our current administration. In order to spur on new developments and move us towards a green world, we need a shock to the system. In this case, the shock is the elimination of fossil fuels subsidies.

Utilitarianism – The greatest good for the greatest number is a debate that both sides can claim. On the affirmative, you are going to want to rely heavily on your impact scenarios for life or death situations that fossil fuels cause. The environment and poverty are good ones to go with here. If you can show that the subsidies are destroying the environment and this will eventually lead to human death, then the greatest good is to eliminate the subsidies and cripple the industry. Granted, this requires you to win that by eliminating the subsidies you WILL cripple the industry, but you can also argue that any reduction is a reduction.

Justice- Justice is loosely defined as giving each person their due. In this regard, look to whom is affected the most by pollution caused by fossil fuel subsidies. Look at who suffers from black lung or from cancer due to exposure to raw petroleum. The few that benefit from fossil fuels ride on the backs of those that are stuck producing the fuels. Also, when pollution strikes, when there is an oil spill, or when there is a coal mine collapse, it tends to take place in poor and underdeveloped areas. One big rallying cry around the BP oil spill in 2010 was that action would have been swift and harsh had the rig been off the coast of New England and not Louisiana. When researching this value, err towards environmental justice as it will get you the biggest research haul.

Morality- When looking at what is most moral, the argument centers around "to whom do we own our obligation?" One could argue that we owe our moral obligation to each other, ourselves, and to future generations. If this is the case, then doing what is morally right requires that we eliminate fuel subsidies because subsidies lead to instances of poverty. Our



subsidization here in the US means that we fuel slave labor and poor working condition in other parts of the world so large multinational corporations can fuel our needs and consumption. For one hundred years, we've maintained "out of sight, out of mind." This mentality has to end.

Survival – One argument that I had students run back in the day when we were debating the use of nuclear weapons was to read Carl Sagan's "Pale Blue Dot" as a justification for our value of survival. Although better cards exist, you can't beat his prose. The end goal is the same no matter whom you use. We all live on this planet, and unless we develop deep space travel soon, it is the only place we have to call home. If we mess up this planet, we are dead and it is by our own hands. The human species has to take care of this planet the best we can until we get the ability to leave, and that means ending fossil fuel subsidies.



Negative potential areas of argument

Moral competition- In debate, we often have two competing moral standards to follow. Fredrick Nietzsche argued that the only way to find true morality was to let the ideas compete openly. If we apply this to the idea of fossil fuels and green energy, we should let the values and ideas compete openly. Right now, both industries are subsidies heavily, so we should see which the people and market prefer before making a decision on which to cut.

Utilitarianism – On the negative, so much of our lives is dependent on fossil fuels that to end the subsidies, even in a phase out, would be devastating. Especially as we enter the winter months, families depend on subsidization to heat their homes. Schools and public sector workers need fuel subsidies to provide transportation. Our roads are paved with oil and fossil fuels are used to make the goods we use to maintain our lives. For this, you wouldn't argue that there are no harms to the subsidies, but you would want to argue that the harms are outweighed on the negative.

Quality of Life- Our quality of life would be harmed. Similar to the justification for utility, our lives are dependent on fossil fuels. This extends to beyond the consumer goods and extends into the necessary goods. Modern day plastics for medical implants are made using processed oil, natural gas provides heat for buildings and fuels some public transit. Cutting off subsidies would also put thousands out of work as industry would be forced to close their doors due to the rising cost of doing business.

Social Contract- The basic argument behind the social contract is that as humans, we emerged from a state of nature and formed societies and governments. We then tastily gave up our right to do whatever we wanted for social order and in return, our government gave us protection and the guarantee that they would keep us safe and secure. One could argue that the subsidies are part of this guarantee as the need for a reliable fuel source is so great, that it would ne negligent for a government to even think of ending this support network.



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