#### **Table of Contents**

Table of Contents	1
Definitions	2
General Information	3
BRIC Investment in the United States is Good	4
United States Investment in BRICs is Good	5
Brazil and the United States Share Goals	6
Russia and the United States Share Goals	7
India and the United States Share Goals	8
China and the United States Share Goals	
China and the United States Share Goals	10
Trade With BRICs is Good	
Trade With BRICs is Substantial.	12
BRICs Do Not Threaten United States Hegemony	
Economic Interdependence is Good	
Tariffs Are Not Significant Barriers	
Rise of Brazil Has Benefitted the United States.	16
Rise of Russia Has Benefitted the United States	17
Rise of India Has Benefitted the United States	
Rise of China Has Benefitted the United States	19
Rise of China Has Benefitted the United States	20
BRICs Promulgate Ideologies in Accordance With Our Own	
Auto Industry Benefits From BRICs	
BRICs Are Not United Against the United States.	23
Rise of BRICs Has Not Yet Been Substantial	24
BRICs Do Not Threaten the United States Militarily	25
BRICS View Iran in the Same Way as the United States	26

#### **Definitions**

#### BRICs – Jim O'Neal, Goldman Sachs, October 1, 2003

#### (Dreaming With BRICs: The Path to 2050)

Jim O'Neal, the man who coined the BRIC acronym, grouped the nations together as "emerging forces in the world economy."

#### BRICs – Conor Sweeney, Reuters, May 16, 2008

#### (BRIC Club to Boost Ties, Seek to Fight Food Crisis)

"Brazil, Russia, India, and China agreed on Friday [in Yekaterinburg, Russia] to formalize their BRIC club to affirm their global economic clout."

#### Has Had - Oxford English Dictionary and English Speakers Worldwide

This phrase is written in the past tense. Therefore, future projections – including Jim O'Neal's original BRIC report – are null and void in the context of the debate.

#### **General Information**

## BRIC Nations Are Growing Rapidly – The Economist, September 18, 2008 (The New Champions)

"At the start of this month, Brazilian shares were up by 345% since November 2001, India's by 390%, Russia's by 639%, and China's by 500%. In 2001, Goldman Sachs had predicted that by the end of the decade the BRIC economies would account for 10% of global GDP at purchasing power parity; by 2007, their share was already 14%...China's GDP will surpass America's before 2030."

# BRIC Demand Will Help American Exporters – The Economist, August 14, 2008 (Rebalancing Act)

"Goldman Sachs forecasts that real domestic demand in the four BRIC countries...will grow by over 9 percent next year, roughly the same as in 2007 and 2008...this will be good for American exporters."

#### **BRIC Investment in the United States is Good**

### Russian Investment in the US is Increasing – William J. Burns, US Ambassador to Russia, July 2007 (US-Russian Mutual Relations)

"Russia is an increasingly important investor in the US economy, with the \$2.3 billion merger of Evraz and Oregon Steel just the latest sign of the growing two-way street in trade."

### Brazil Pumped \$52 Billion Into Consumer Economy – The Economist, September 18, 2008 (The New Champions)

Last July, Carlos Brito pumped \$52 billion into the American consumer economy by purchasing America's Anheuser-Busch company. The Carlos Brito Company continued under the same Anheuser-Busch logo and with the same American employees, meaning that no harm came from the merger. In fact, the \$52 billion brought from Brazil to the US is an entirely positive gain.

# Chinese Have Expanded Opportunity for American Workers – The Economist, September 18, 2008 (A New World)

Since Chinese computer company Lenovo's 2005 purchase of IBM, the company has "hired a group of seasoned international executives, including Bill Amelio, an American, as chief executive." Lenovo's chairman says, "we no longer want to be positioned as a Chinese company...people thought we would manufacture all our products in China, but in fact we have opened our new plant in Greensboro.

### American Jobs Do Not Disappear Overseas – Matthew Bishop, The Economist, September 18, 2008 (A New World)

"[The] fear that American jobs will disappear overseas...is despite plenty of evidence that open economies do better than closed ones, that in America more and better jobs have been created in recent years than ahve been destroyed, and that the [small] number of jobs lost to outsourcing is tiny compared to those wiped out by technological innovation."

# Lenovo Operates in US – Thomas Friedman of the New York Times, 2005 (The World is Flat, Page 245)

"In 2004, IBM sold its whole Personal Computing Division to Chinese computer company Lenovo...the company's headquarters are in New York, its principal manufacturing operations in Beijing and Raleigh and Greensboro, North Carolina."

#### United States Investment in BRICs is Good

## US Investment in Russia is Growing – William J. Burns, US Ambassador to Russia, July 2007 (US-Russian Mutual Relations)

"American direct investment [in Russia] increased by more than 50 percent last year alone."

# Trade With BRICs Benefits the US – Cato Institute, September 16, 2008 (International Trade Greatly Benefits US and World Economies)

"The expansion of international trade has been a boon for Americans and the US economy...expansion of international trade has benefitted the US and its trading partners considerably. The benefits include a higher standard of living, lower prices for consumers, improved efficiency in production, and a greater variety of goods."

# International Trade Does Not Harm Domestic Workers – Cato Institute, September 16, 2008 (International Trade Greatly Benefits US and World Economies)

"International trade only affects 15 percent of the US workforce...the impact is modest relative to overall employment. Net payroll employment in the US has grown by 36 million in the past two decades, alongside a dramatic increase in imports of goods and services."

# American Jobs Do Not Disappear Overseas – Matthew Bishop, The Economist, September 18, 2008 (A New World)

"The fear that American jobs will disappear overseas...is despite plenty of evidence that open economies do better than closed ones, that in America more jobs have been created in recent years than have been destroyed, and that the [small] number of jobs lost to outsourcing is tiny compared to those wiped out by technological innovation."

# International Products Have Financial Benefit – Robert Krol, California State University, September 2008 (Trade, Protectionism, and the US Economy)

"Competition from trade delivers lower prices and more product variety to consumers. Americans are \$300 billion better off today because of the greater product variety from imports."

# US Corporations Provide Russian Jobs – William J. Burns, US Ambassador to Russia, October 23, 2007 (Russia's Economy and Prospects for US-Russian Relations)

GM, Ford, Coca-Cola, and Proctor and Gamble provide for more than 100,000 Russian jobs.

# BRIC Economies Are Insulated From US Financial Shock – The Economist, March 6, 2008 (The Decoupling Debate)

"Fourth-quarter profits of big companies, such as Coca-Cola, IBM, and DuPont, were better than expected as strong sales growth in emerging BRIC markets offset a sharp slowdown at home...bits of American business are rising above their own economy [because of the BRICs]."

## BRIC Consumers Have Increased Demand – Jim O'Neill, Goldman Sachs Group, 2008 (BRIC Shoppers Will Rescue World in Bloomberg)

"The citizens of the BRIC nations are poised to spend more. The BRIC consumer is going to rescue the world."

# BRICs Will Avert Global Recession – The Economic Times, January 20, 2009 (BRIC Needs to Grow at 10 Percent in 2009)

"World recession will be averted primarily due to...emerging economies' growth and investment."

#### **Brazil and the United States Share Goals**

### Brazil Promotes Democracy – The National Intelligence Council, November 2008 (Global Trends 2025)

"The country's maturing commitment to democracy is on a secure footing with fair and open electoral processes and smooth transitions having become routine."

#### **Brazil Promotes Social Programs – The National Intelligence Council, November 2008** (Global Trends 2025)

Significant progress has recently been made on social issues, such as reducing crime and poverty.

# Brazil Shares Economic Goals – Nina Hachigian, Stanford, 2008 (The United States, Pivotal Powers, and the New Global Reality)

"The world's biggest powers share consensus that the nation-state is the primary vehicle for organizing international relations; that open markets create prosperity; that most goods and services should flow easily across borders; that many international institutions are worth supporting; that technology can bring positive change; and that proliferation of nuclear weapons, terrorists, and disease must be eradicated."

# US Has Profited From Brazilian Ethanol – CRS Report for Congress, September 27, 2007 (Ethanol and Other Biofuels)

The US imports Brazilian ethanol through the Caribbean Basin Initiative countries in order to avoid import duties. In 2007, that amount was 450 million gallons.

### Brazil Offers Technological Assistance – CRS Report for Congress, September 27, 2007 (Ethanol and Other Biofuels)

"A team of Brazilian scientists visited the US Department of Energy and Department of Agriculture Laboratories in September." Technology sharing among nations was one of the three primary goals of the memorandum of understanding signed between the US and Brazil.

# Brazil is Eco-Friendly – The Economist, November 19, 2008 (Building on the B in BRIC)

Under the leadership of President Lula da Silva, Brazil has reduced its greenhouse gas emissions by 675 million tons

# Brazil Removed Double Taxation – Ministry of Economy and Foreign Trade, Oct 2007 (Brazil and US to Remove Double Taxation)

In order to boost bilateral trade, Brazil and the US removed double taxation standards. Brazil has welcomed an increase in US investment, which currently stands at \$34 billion.

## Brazil Promotes Alternative Energy – CRS Report for Congress, September 27, 2007 (Ethanol and Other Biofuels)

"On March 7, 2007, [Brazil and the US] signed an agreement to advance research and development bilaterally, help build domestic biofuels industries, and work multilaterally to advance the global development of biofuels."

# Brazil is Combating Hugo Chavez – CRS Report for Congress, September 27, 2007 (Ethanol and Other Biofuels)

Brazil has helped to improve the US image in Latin America and to diminish the influence of President Chavez in the region. In the past few months, "ethanol diplomacy" has helped Brazil reassert regional leadership relative to oil-rich Venezuela.

#### Russia and the United States Share Goals

# Condemnation of Terrorism – Adi Ignatius, TIME Magazine, January 7, 2008 (A Tsar Is Born)

Russian Prime Minster Vladimir Putin "sees terrorism as one of the most profound threats of this century." On behalf of Russian citizens, he says, "we want to be a friend of America."

#### Cooperative Threat Reduction Program – William J. Burns, US Ambassador to Russia, July 2007 (US-Russian Mutual Relations)

The Cooperative Threat Reduction Program, launched as a joint effort by Russia and the US, has successfully "denuclearized Belarus, Ukraine, and Kazakhstan; deactivated over 7,000 nuclear warheads; destroyed more than 600 ICBMs; demolished more than 600 submarine-launched ballistic missiles; and removed highly-enriched uranium from more than a dozen sites around the world."

# Global Initiative to Combat Nuclear Terrorism – Nina Hachigian, Stanford University, 2008 (The United States, Pivotal Powers, and the New Global Reality)

"Russia and the United States are co-founders and co-chairs of the Global Initiative to Combat Nuclear Terrorism, a group of some 50 countries, many of which would have been reluctant to join had it not been for Russia's participation."

# Global Initiative Has Been Successful – US Department of State, July 15, 2006 (US-Russia Joint Statement from St. Petersburg)

"In two short years, the Global Initiative grew to 75 partners, including all European Union members."

# Social Coalitions – William J. Burns, US Ambassador to Russia, July 26, 2007 (Interview With Diplomat Magazine)

The US and Russia have partnered in a number of endeavors: a coalition between our ministries of education to partner universities and internship programs; a coalition between doctors installing laboratories in Eastern Africa to ease the suffering of victims of HIV/AIDS and tuberculosis; the Cooperative Threat Reduction Program, a partnership to reduce global terrorism; the International Space Station, a joint project between Russian and American space exploration programs; and the Global Initiative to Combat Nuclear Terrorism.

# Governmental Structure Does Not Outweigh Similar Economic Goals – Nina Hachigian, Stanford, 2008 (The United States, Pivotal Powers, and the New Global Reality)

"The world's biggest powers do not all govern their people as we would wish, but they do share consensus that the nation-state is the primary vehicle for organizing international relations; that open markets create prosperity; that most goods and services should flow easily across borders; that many international institutions are worth supporting; that technology can bring positive change; and that proliferation of nuclear weapons, terrorists, and disease must be eradicated."

#### India and the United States Share Goals

### India Has Rebounded Since Mumbai Attacks – The Economist, March 6, 2008 (The Decoupling Debate)

"The country's economy won't be hobbled by the terrorist attacks...in Mumbai. India will maintain 9 percent growth. India remains a fast-growing economy and the attacks [will] not color investment decisions."

# India Shares Economic Goals – Nina Hachigian, Stanford, 2008 (The United States, Pivotal Powers, and the New Global Reality)

"The world's biggest powers share consensus that the nation-state is the primary vehicle for organizing international relations; that open markets create prosperity; that most goods and services should flow easily across borders; that many international institutions are worth supporting; that technology can bring positive change; and that proliferation of nuclear weapons, terrorists, and disease must be eradicated."

# India Combats LeT - Nina Hachigian, Stanford University, 2008 (The United States, Pivotal Powers, and the New Global Reality)

"LeT (Lashkar-e-Taiba) has joined with Al Qaeda and has as its chief priority 'to train persons to wage war against nonbelievers, especially the United States.' America's ally in thwarting LeT is India. With the third-largest Muslim population in the world, and Pakistan still a key terror hub next door, India has diligently monitored and countered radical Islamic groups for decades...in Jun 2005, the United States signed a ten-year defense pact that promises continued counterterrorism operations...weeks later, before Congress, Indian Prime Minister Manmohan Singh pledged to make a 'common cause' against terrorism."

# India is Democratic – Goldman Sachs, January 2007 (India's Rising Growth Potential)

"Democracy and democratic values are well-entrenched and the political system is stable [in India]."

#### China and the United States Share Goals

# China Supports Antiterrorism Measures – Nina Hachigian, Stanford University, 2008 (The United States, Pivotal Powers, and the New Global Reality)

"China has signed on to the Container Security Initiative, designed to prevent terrorists from smuggling a nuclear weapon into the United States in a shipping container. Each year, over three million containers leave China's ports bound for the United States...US customs officials are now welcomed in the ports of Hong Kong, Shanghai, and Shenzhen"

# China Supports Nuclear Disarmament – Nina Hachigian, Stanford University, 2008 (The United States, Pivotal Powers, and the New Global Reality)

"China has signed agreements with the United States and joined international conventions such as the Nuclear Non-Proliferation Treaty, the Chemical Weapons Convention, the Comprehensive Test Ban Treaty, the Nuclear Suppliers Group, and others."

# Governmental Structure Does Not Outweigh Similar Economic Goals – Nina Hachigian, Stanford, 2008 (The United States, Pivotal Powers, and the New Global Reality)

"The world's biggest powers do not all govern their people as we would wish, but they do share consensus that the nation-state is the primary vehicle for organizing international relations; that open markets create prosperity; that most goods and services should flow easily across borders; that many international institutions are worth supporting; that technology can bring positive change; and that proliferation of nuclear weapons, terrorists, and disease must be eradicated."

### China Condemns Corruption – Heritage Foundation and Wall Street Journal, 2008 (Index of Economic Freedom)

"China ratified the UN Anti-Corruption Convention in 2005."

## China Controls Exports to US – Kerry Dumbaugh, CRS Report for Congress, October 9, 2008 (Index of Economic Freedom)

"Bilateral efforts have been underway for several years...China and the US signed a memorandum of understanding to cooperate on increasing the public safety of consumer products, including clothing, toys, cigarette and multipurpose lighters, home appliances, chemical products, and bicycle helmets. The two nations' agencies held a Consumer Product Safety Summit in Beijing in 2005, and a second meeting in Washington in September 2007...a ban on melamine in food products and the arrest of the official from the company falsifying the labeling on exported products to evade inspection [have improved product quality]."

### China Working to Uphold Intellectual Property Rights – China Daily Report, May 9, 2008 (Real Issues in China-US Trade Imbalance)

"The Chinese government is committed and has been working vigorously to improve and enforce the relevant laws and regulations to protect intellectual property rights."

#### China Dissolved Subsidies – International Herald Tribune, November 29, 2007 (China Terminates Subsidies to Promote Trade)

"China has agreed to terminate a dozen subsidies to promote trade with the US...these represent approximately 60% of Chinese exports."

#### China and the United States Share Goals

# China Joined World Trade Organization – Goldman Sachs, October 2006 (China's Investment Strength is Sustainable)

"China's entry into the World Trade Organization in 2001...has provided the government with the mandates to deregulate and open formerly state-owned industries." This has made foreign direct investment easier.

## Chinese Currency Reserves Are Not Corrupt – CRS Report for Congress, October 9, 2008 (China-US Relations, Current Issues and Implications for Foreign Policy)

"On June 13, 2007, the US Treasury Department...concluded that China 'did not meet the requirements for designation as a currency manipulator under US law."

## China Supports Reducing Carbon Emissions – CRS Report for Congress, October 9, 2008 (China-US Relations, Current Issues and Implications for Foreign Policy)

"The US and China engage in energy and environmental-related dialogue through the Strategic Economic Dialogue initiative. On December 15, 2006, both countries announced that China would become the third country to join the US in the Future Gen International partnership, a collaborative effort to reduce carbon emissions. The two countries also signed an Energy Efficiency and Renewable Energy Protocol to promote clean, renewable technology."

## China Has Reduced Import Duties – China View News Service, January 22, 2007 (Changes in Import Tariff to Reduce China's Trade Surplus)

The Chinese government reduced tariffs on energy, raw materials, and advanced technologies.

#### **Trade With BRICs is Good**

# BRIC Nations Are Insulated From US Financial Shock - David Rothkopf, Newsweek, November 2008 (A Bigger Clubhouse)

"In the recent global financial meltdown, there were no solutions to the problem that did not involve the BRICs."

#### BRIC Nations Are Insulated From US Financial Shock – The National Intelligence Council, November 2008 (Global Trends 2025)

"Multiple financial centers [have] create[d] redundancies that help insulate markets against financial shocks and currency crises...as regions become more invested in their financial epicenters, incentives to preserve geopolitical stability to shelter these financial flows will increase."

# Trade With BRICs Benefits the US – Cato Institute, September 16, 2008 (International Trade Greatly Benefits US and World Economies)

"The expansion of international trade has been a boon for Americans and the US economy...expansion of international trade has benefitted the US and its trading partners considerably. The benefits include a higher standard of living, lower prices for consumers, improved efficiency in production, and a greater variety of goods."

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# Offshoring Benefits US – Thomas Friedman of the New York Times, 2005 (The World is Flat, Page 146)

"The impression is that offshoring is a lose-lose for American workers," but this is not true; in fact, "offshore factories stimulate American imports. Every dollar a company invests overseas in an offshore factory yields additional exports for its home country...according to a January 26, 2004 study by the Heritage Foundation, American companies that produce at home and abroad...generate 21 percent of economic output and 56 percent of US exports."

# Offshoring Benefits US – Thomas Friedman of the New York Times, 2005 (The World is Flat, Page 147)

"If General Motors builds a factor offshore in Shanghai, it crates jobs in America by exporting goods and services to its own factory in China and benefiting from lower part costs in China for its factories in America."

# Outsourcing Offers Net Benefit – Thomas Friedman of the New York Times, 2005 (The World is Flat, Page 244)

"Corporate America has done well...by outsourcing...if Dell can build every component of its computers in coastal China and sell them in coastal America, Dell benefits and American consumers benefit...Dell stock does well, Dell shareholders do well, Dell customers do well, and the NASDAQ does well. All things related to capital do fine."

#### **Trade With BRICs is Substantial**

## China and Brazil Rank High In Trading Partners – Census Bureau Foreign Trade Statistics, October 2008 (Top Trading Partners)

On the list of America's largest trading partners, China ranks second and Brazil ranks eleventh. All four BRIC nations rank in the top 20.

#### Imports from BRICs Are Substantial – Census Bureau Foreign Trade Statistics, October 2008 (Trade with Brazil, Russia, India, and China)

In 2008, the US imported \$25 million worth of products from Brazil, \$24 million from Russia, \$22 million from India, and \$284 million from China.

# Total Investment Yield is Substantial – China Daily Report, May 9, 2008 (Real Issues in China-US Trade Imbalance)

"According to US Bureau of Economic Analysis, since 1990, the remittance of investment proceeds generated in China by US companies...has totaled \$20.8 billion."

#### **BRICs Do Not Threaten United States Hegemony**

#### Russia Relies on US For Manufactured Goods - CIA World Factbook, 2008

Russia relies on US goods for about 5 percent of their imports, most of which are capital goods only available from the American market.

#### Russia Relies on US For Treasury Stability – CIA World Factbook, 2008

The US and its corporations have invested \$161 billion in Russian treasury bonds, representing 10 percent of their GDP and a significant portion of their annual revenues.

### Global Efforts Fail Without US Cooperation – Harvard International Review, 2007 (A New Climate Treaty)

"For years, despite a steady accumulation of science showing the clear and present dangers of global climate change, efforts toward an effective international response have been at a virtual standstill. The principal reason is that the United States has refused to play."

### BRICs Not Effective Leaders Like the US – Brainard and Lipton, Brookings, August 2008 (Can America Still Lead in the Global Economy)

"The rising powers are...not yet prepared to take on the burdens of global leadership; the need for the United States to provide necessary leadership continues undiminished."

# US Leadership Was Necessary to Begin GTRI and GICNT – Center for Defense Info, 2006 (The Global Threat Reduction Initiative's First Two Years)

United States leadership was necessary to propel the Global Threat Reduction Initiative and the Global Initiative to Combat Nuclear Terrorism to the international stage.

#### **Economic Interdependence is Good**

Interdependence Lessens Financial Shock – Lael Brainard and David Lipton, Brookings, August 2008 (Can America Still Lead in the Global Economy)

"[The US and the BRIC nations] are now too interconnected to fail."

Foreign Direct Investment in Significant – Nina Hachigian, Stanford University, 2008 (The United States, Pivotal Powers, and the New Global Reality)

"We literally own pieces of each other's economies...for this reason, peace will prevail; mutual, deep dependence linked to prosperity raises the stakes of any contest."

#### **Tariffs Are Not Significant Barriers**

Indian Market is Reducing Tariffs – The National Intelligence Council, November 2008 (Global Trends 2025)

"The Indian market for US goods is grow[ing] substantially as New Delhi reduces restrictions on trade and investment."

#### Rise of Brazil Has Benefitted the United States

### Brazil Pumped \$52 Billion Into Consumer Economy – The Economist, September 18, 2008 (The New Champions)

Last July, Carlos Brito pumped \$52 billion into the American consumer economy by purchasing America's Anheuser-Busch company. The Carlos Brito Company continued under the same Anheuser-Busch logo and with the same American employees, meaning that no harm came from the merger. In fact, the \$52 billion brought from Brazil to the US is an entirely positive gain.

## US Has Profited From Brazilian Ethanol – CRS Report for Congress, September 27, 2007 (Ethanol and Other Biofuels)

The US imports Brazilian ethanol through the Caribbean Basin Initiative countries in order to avoid import duties. In 2007, that amount was 450 million gallons.

# Brazil Offers Technological Assistance – CRS Report for Congress, September 27, 2007 (Ethanol and Other Biofuels)

"A team of Brazilian scientists visited the US Department of Energy and Department of Agriculture Laboratories in September." Technology sharing among nations was one of the three primary goals of the memorandum of understanding signed between the US and Brazil.

### Brazilian Ethanol is Good for the Environment – CRS Report for Congress, September 2007 (Ethanol and Other Biofuels)

"Ethanol results in 13% to 22% lower greenhouse gas emissions relative to gasoline."

### Brazil is Eco-Friendly – The Economist, November 19, 2008 (Building on the B in BRIC)

Under the leadership of President Lula da Silva, Brazil has reduced its greenhouse gas emissions by 675 million tons.

# Brazil Has Dissolved Trade Barriers – Goldman Sachs, December 2006 (The B in BRICs: Unlocking Brazil's Growth Potential)

"Since the 1990s, Brazil has reopened its economy to trade and lifted trade barriers."

# Brazil Has Improved Protection of Intellectual Property – CRS Report for Congress, Oct 6, 2008 (US-Brazil Relations)

"Brazil has taken steps to improve its record on protecting intellectual property rights. The Brazilian government has created a national action plan to address piracy and intellectual property crimes...the United States Trade Representative removed Brazil from the Priority Watch List of countries with intellectual property rights violations in 2007."

#### Rise of Russia Has Benefitted the United States

Russian Investment in the US is Increasing – William J. Burns, US Ambassador to Russia, July 2007 (US-Russian Mutual Relations)

"Russia is an increasingly important investor in the US economy, with the \$2.3 billion merger of Evraz and Oregon Steel just the latest sign of the growing two-way street in trade."

Foreign Direct Investment in Russia is High – Reuben Jeffrey, State Department, July 18, 2007 (Challenges and Opportunities for Economic Relations Between Russia and the US)

"Foreign direct investment in Russia is at record high levels."

Trade With Russia is Substantial – Reuben Jeffrey, State Department, July 18, 2007 (Challenges and Opportunities for Economic Relations Between Russia and the US)

"Economic engagement between Russia and the US has been expanding...in 2006, exports to Russia grew by more than 20 percent, reaching \$5 billion, and Russian exports to the US grew almost 30 percent at more than \$19 billion."

#### Rise of India Has Benefitted the United States

### **India Remains Dependent on US Economy – The National Intelligence Council, November 2008** (Global Trends 2025)

"Indian policymakers are convinced that US capital, technology, and goodwill are essential to India's continued rise as a global power. The United States will remain one of India's largest export destinations, the key to international financial institutions and foreign lending."

### **Indian Markets Need US Support – The National Intelligence Council, November 2008** (Global Trends 2025)

"The Indian market for US goods is grow[ing] substantially as New Delhi reduces restrictions on trade and investment."

#### **Indian Military Needs US Support – The National Intelligence Council, November 2008** (Global Trends 2025)

"India's military is eager to benefit from expanded defense ties with Washington."

# India Provides Cheap Services – Thomas Friedman of the New York Times, 2005 (The World is Flat, Page 591)

General Electric's biggest research center outside the US: Bangalore, renting a car from Avis online: it's managed in Bangalore, tracing your lost luggage on Delta or British Airways: done from Bangalore.

#### Mutual Defense Pact – CRS Report for Congress, August 12, 2008 (India-US Relations)

"In June 2005, the US and India signed a ten-yea defense pact to collaborate in multilateral operations, expand two-way defense trade, transfer technology, and establish a bilateral Defense Procurement and Production Group."

### **Indian Trade is Substantial – CRS Report for Congress, August 12, 2008** (India-US Relations)

"Total value of bilateral trade has doubled since 2001...exports to Indian in 2007 totaled \$17.6 billion...bilateral trade in private commercial services is worth \$13 billion more."

### India Does Not Substantially Harm the Environment – CRS Report for Congress, August 12, 2008 (India-US Relations)

"India accounts for 17% of the earth's population but only 4% of its greenhouse gas emissions."

#### Rise of China Has Benefitted the United States

## Trade Deficit is Decreasing – The Economist, August 14, 2008 (Rebalancing Act)

"Trade gaps between America and China [are] shrinking. America's export machine has revved up, which is help[ing] trade imbalances unwind. The trade deficit has fallen by...one quarter since 2006. At the same time as exports have soared, real imports fell by 2 percent [in 2008]. America's exports to China were 20 percent higher in the first half of [2008] compared to the same period in 2007."

#### **Cheap Imports Are Good – Thomas Friedman of the New York Times, 2005**

#### (The World is Flat, Page 143)

"Morgan Stanley estimates that since the mid-1990s alone, cheap imports from China have saved US consumers \$600 billion and have saved US manufacturers untold billions in cheaper parts for their products."

# Chinese Reserve Will Propel Investment – The National Intelligence Council, November 20, 2008 (Global Trends 2025)

"China...claims \$2 trillion in foreign exchanges reserves...and has created sovereign wealth funds with the aim of using their trillions of dollars' worth of assets to achieve higher returns to help them...these funds will return to the west in the form of investments, thereby promoting productivity and competitiveness."

### China Remains Dependent on US Economy – The National Intelligence Council, November 2008 (Global Trends 2025)

"China's economic health [is largely] affected by that of other economies, particularly the United States."

### China Has Liberalized Economy – Heritage Foudnation and Wall Street Journal, 2008 (Index of Economic Freedom)

"Since joining the World Trade Organization in 2002, China has liberalized many sectors of its economy...it has reduced non-tariff barriers pursuant to WTO ascension."

# Offshoring Benefits US – Thomas Friedman of the New York Times, 2005 (The World is Flat, Page 146)

"The impression is that offshoring is a lose-lose for American workers," but this is not true; in fact, "offshore factories stimulate American imports. Every dollar a company invests overseas in an offshore factory yields additional exports for its home country...according to a January 26, 2004 study by the Heritage Foundation, American companies that produce at home and abroad...generate 21 percent of economic output and 56 percent of US exports."

### China Provides Profit and Employment to US – China Daily Report, May 9, 2008 (Real Issues in China-US Trade Imbalance)

"According to a Morgan Stanley report, trade with China in 2004 alone saved American consumers \$100 billion and created four million new jobs."

# US Investors in China Yield Returns – China Daily Report, May 9, 2008 (Real Issues in China-US Trade Imbalance)

"A study by the US Chamber of Commerce shows that more than 70 percent of American companies operating in China have profited from their local businesses...about 45 percent of them full margins higher than the global average."

#### Rise of China Has Benefitted the United States

# Wal-Mart is Example of Outsourcing Success – Thomas Friedman, 2005 (The World is Flat, Page 251)

As Jason Furman of New York University points out, because Wal-Mart manufactures goods cheaply in China, Wal-Mart's discounts save American shoppers anywhere from \$50 to \$250 billion a year.

## China is Substantial Trading Partner – Kerry Dumbaugh, CRS Report, October 9, 2008 (China-US Relations, Current Issues and Implications for US Foreign Policy)

China is now the second-largest US trading partner, with total US-China trade in 2006 at \$343 billion.

### Total Investment Yield is Substantial – China Daily Report, May 9, 2008 (Real Issues in China-US Trade Imbalance)

"According to US Bureau of Economic Analysis, since 1990, the remittance of investment proceeds generated in China by US companies...has totaled \$20.8 billion."

#### **BRICs Promulgate Ideologies in Accordance With Our Own**

#### Russian Federation is Highly Stylized After the US – CIA World Factbook, 2008

Russia is a "federal republic containing separate executive and judicial branches, as well as a bicameral legislature." As of late, Russian executives have been criticized for expanding jurisdiction, but this is not at all unprecedented. Executive privilege, orders, the Bully Pulpit, and other powers have been usurped by America's executive contrary to the wishes of our own Constitution and without the consent of our public. So long as these powers exist in spite of our own checks and balances, it would be foolish to condemn these actions abroad.

# Governmental Structure Does Not Outweigh Similar Economic Goals – Nina Hachigian, Stanford, 2008 (The United States, Pivotal Powers, and the New Global Reality)

"The world's biggest powers do not all govern their people as we would wish, but they do share consensus that the nation-state is the primary vehicle for organizing international relations; that open markets create prosperity; that most goods and services should flow easily across borders; that many international institutions are worth supporting; that technology can bring positive change; and that proliferation of nuclear weapons, terrorists, and disease must be eradicated."

# BRICs Are Members of the Global Initiative to Combat Nuclear Terrorism – Department of State, 2008 (Bureau of International Security and Nonproliferation)

Partners in the Global Initiative to Combat Nuclear Terrorism include the United States, China, India, and Russia.

## BRICs Have Net Positive Effect on Environment – Worldwatch Institute, October 22, 2007 (BRIC Countries Top Many Industrialized Nations in Environmental Commitment)

In a study conducted by the Center for Global Development in 2007, all four BRIC nations ranked in the top five of environmentally friendly nations because they performed well in measurements of commitments to protecting the environment, levels of greenhouse gas emissions, and consumption of ozone-depleting sources. The US lagged far behind them.

### Black Carbon Emissions Not Dramatically Harmful – Center for Biological Diversity, 2009 (Black Carbon)

"Black carbon emissions stay in the atmosphere from 4 to 7 days – for only a week, instead of more than a hundred years, as is the case with carbon dioxide."

# Black Carbon Emissions Not Dramatically Harmful – China CSR Report, March 16, 2007 (Pacific Ocean Climate Affected By Black Carbon)

"Black carbon is an extremely small component of air pollution."

# As We Become Part of Global Market, Labor Demand Expands – Thomas Friedman, 2005 (The World is Flat, Page 266)

The theory that employment will shift due to globalization is wrong because it assumes a finite demand for labor. Economic competition is not "a zero-sum game, a fight over a fixed lump…new jobs are being created in fives, tens, and twenties by small companies that you can't see…if this were not true, America's unemployment rate would be much higher than 4.5 percent."

# Nations Are Too Interconnected to Fail – Thomas Friedman of the New York Times, 2005 (The World is Flat, Page 587)

"No two countries that are both part of a major global supply chain will ever fight against each other as long as they are both part of the same global supply chain."

#### **Auto Industry Benefits From BRICs**

# BRIC Markets Are Expanding Despite US Slowdown – Barbara McClellan, Case Study, November 2008 (BRIC Nations Battered, But Standing Firm in Face of Global Slowdown)

"The BRIC nations are holding firm...Russia and China are the world's fastest growing car markets." Each year since former GM Chairman Jack Smith targeted Russia, India, and China (they were already marketing in Brazil) in 1995 as emerging markets, American auto companies have yielded profit by selling vehicles to BRIC nations.

# BRICs Provide Market Demand – Matthew Symonds, The Economist, November 13, 2008 (A Global Love Affair)

"Mature vehicle markets may be close to saturation, but there is huge unsatisfied demand in the big emerging car markets of Brazil, Russia, India, and China...levels of personal debt are far lower and a smaller proportion of cars are bought on credit...for the first time, passenger vehicle sales in the BRICs, at around 14 million, are overtaking those in America."

# BRIC Demand Has Saved American Auto Companies – The Economist, November 13, 2008 (A Global Love Affair)

"Emerging markets have made the difference between life and death for some of the most famous names in the industry. GM's survival would be in [great] doubt without the meteoric growth it is seeing in China. Thanks to the BRICs, a record 65 percent of GM's sales in the first quarter [of 2008] were outside America."

# BRICs Are Insulated From US Financial Shock – The Economist, March 6, 2008 (The Decoupling Debate)

"In many emerging markets, domestic consumption and investment quickened during 2007. Their consumer spending rose almost three times as fast as in the developed world. Investment...is holding up even better."

# Offshoring Benefits US – Thomas Friedman of the New York Times, 2005 (The World is Flat, Page 147)

"If General Motors builds a factor offshore in Shanghai, it crates jobs in America by exporting goods and services to its own factory in China and benefiting from lower part costs in China for its factories in America."

# Ford Motors Increased Investment in Brazil – Morning Star News Service, April 28, 2008 (Ford Motors Plans to Invest 600 Million in Brazil)

Ford Motors has increased investment in its Brazilian plant in Sao Paulo by \$600 million.

# Ford Motors Expanded Production in Russia – Reuters, May 19, 2008 (Ford Motors to Expand Production in Russia)

Ford Motors has increased annual production capacity at its Leningrad plant by more than 50%.

# GM Tripled Investment in India – Financial Express News Service, November 25, 2007 (General Motors Triples Component Sourcing)

"General Motors...increased its sourcing of auto components from India by three times. The sourcing will be worth \$1 billion."

#### **BRICs Are Not United Against the United States**

# BRICs Are Still Wary of One Another - David Rothkopf, Newsweek, November 2008 (A Bigger Clubhouse)

"China is not eager to have India join the UN Security Council. Russia has no sense of urgency for others to join the G8. India has clashing security concerns with China in Asia."

## BRICs Allow US to Maintain Leadership – The National Intelligence Council, November 20, 2008 (Global Trends 2025)

"Even in 2025, the US will still be the most powerful [nation] on the world stage."

## BRICs Wary of One Another – Ariel Cohen, The Heritage Foundation, May 31, 2008 (Oil and Shifting Geopolitics)

"The contradictions between New Delhi and Beijing and Moscow and Beijing are too numerous to enumerate...the US should not be intimidated."

#### Rise of BRICs Has Not Yet Been Substantial

### US Leads Brazil in Ethanol Production – CRS Report for Congress, September 27, 2007 (Ethanol and Other Biofuels)

"In 2006, the US was the largest producer of ethanol, with 4.9 billion gallons, followed closely by Brazil, with 4.5 billion gallons; together, the two countries produce 69 percent of ethanol in the world."

### Americans Still Far Wealthier Than BRICs – The Economist, September 14, 2006 (Emerging At Last)

The BRIC nations have not surpassed the US in wealth and "in 2040, the average American will still be three to four times richer than the average Chinese."

### Brazil is Not Growing – The Economist, April 12, 2007 (Land of Promise)

"In the past four years, whereas developing countries have grown at an average of 7.3%, Brazil has loped along at 3.3%."

#### **BRICs Do Not Threaten the United States Militarily**

US Has Nuclear Capacity At All Times – Center for Defense Information, 2008 (Sea-Based Strategic Weapons)

"The US employs use of 17 Ohio class nuclear submarines on constant patrol, each capable of delivering a 100 to 475 kiloton yield over a distance of 12,000 kilometers." According to population estimates as recent as 2008, one such submarine patrolling the Arctic Ocean would be capable of destroying Russia's 20 largest cities, killing 24 percent of their population with near immediate action.

#### **BRICs View Iran in the Same Way as the United States**

### Russia Aided Iran After United States Approval – Adi Ignatius, TIME Magazine, January 7, 2008 (A Tsar Is Born)

In late 2007, "Russia made its first shipment of nuclear fuels to Iran...after US intelligence report[ed] the Bush Administration had been wrong about Iran's nuclear weapons development."

### India-Iran Relationship is Acceptable – CRS Report for Congress, August 12, 2008 (India-US Relations)

"All of India's dealings with Iran are permitted under UN Security Council Resolutions... Assistance Secretary of State Boucher calls concerns and India and Iran 'exaggerated.'"