

## IN THE NEWS

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### World News

China's military published a Web photograph of its new mobile ICBM on a highway after leaving a factory; the missiles carry 10 warheads each [1]. With so many delivery systems, the question is how many nuclear weapons does China actually have? While the number of Chinese nukes remains a mystery, the communist giant's regional expansion are clarifying. For instance, when Mao was in charge of China he urged Japan not to apologize for World War II because they helped him rise to power [2]. In contrast, today the Chinese government is allowing anti-Japanese nationalism to increase tension [3].

Elsewhere in Asia there are indications that North Korea may be preparing another nuclear weapon test. For instance, satellite pictures show fresh digging in the area used for testing atomic explosions [4]. In the meantime, the UN released a report detailing torture, enslavement, murder, and other crimes committed by the North Korean government [5]. The UN findings on North Korea also accused China of aiding and abetting crimes against humanity [6].

In a move that finally caught China's attention, Japan is refusing to return approximately 660 pounds of mostly bomb grade plutonium to the US; enough for 50 atomic bombs [7]. If Japan is to survive, the island nation will need a credible nuclear weapons capability. If Japan's leaders believe the US is unwilling to back them, they will likely develop their own capability. Meanwhile, analysts indicate China is preparing for a short but intense war with Japan [8]. In trying to explain China's actions, the chief of U.S. intelligence indicated China believes it is their historical destiny; in effect, their manifest destiny [9]. As tensions continue, China continues to maintain the pressure. For example, three Chinese coast guard ships entered the 12-mile territorial waters off the Senkakus islands and remained there for three hours before departing [10].

China's role as the export leader is having a dramatic impact on Japan. For example, Japan reported a \$27 billion January trade deficit [11]. As the economic pain hits Japan and the pollution pain hits China; there will be greater reliance on nationalism. In turn, this could result in armed conflict between the two Asian countries.

Asia is not the only source of nuclear threats to the US. For instance, intelligence officials warned the Senate Armed Services Committee that Iran will have an ICBM in 2015

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#### Special points of interest:

- Minimum wage increase will kill more jobs
- China nationalism

### Security

We often think of Las Vegas gambling as a secure form of entertainment. However, the Las Vegas Sands Corporation was hacked on February 10 [1].

Security breaches at US universities made the news. For instance, hackers breached Texas State Technical College computers

exposing personal information on nearly 5,000 people [2]. Then on February 18, the University of Maryland was breached and 300,000 personal records were exposed [3].

Another trend that is expanding is once a person's personal information has been breached, they are now more likely to become

victims of fraud. For instance, one article indicates that in 2013, 46% of people that had their personal data stolen were later victims of fraud [4]. The problem is exacerbated when approximately 44% of banks, payment processors, and merchant services providers are not using state-of-the-art security tools [5].

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## Security

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3. Svitek, Patrick. and Anderson, Nick, Washington Post, *U-Md. computer security attack exposes 300,000 records*, February 20, 2014.
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*We don't let them have ideas. Why would we let them have guns?—Joseph Stalin*

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## World News

(Continued from page 1)

(next year) [12]. This follows Iranian tests of two ballistic missiles [13]. Moreover, Iran hosted a “Death to America” protest celebrating the 35<sup>th</sup> anniversary where the US embassy was seized [14].

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7. Blanchard, Ben, et. al., Reuters, *China concerned at Japan holding weapons-grade plutonium*, February 17, 2014.
8. Chiaramonte, Perry, Fox News, *China preps military for 'short, sharp war' with Japan, US Navy analyst says*, February 19, 2014.
9. CBS News/AP, DNI James Clapper: *China's aggressiveness driven by sense of historical destiny*, February 4, 2014.
10. The China Post, *destiny, China ships near Tokyo-controlled islands in East China Sea: Japan*, February 18, 2014.
11. AFP, *Japan logs record \$27 bn Jan. trade deficit on surging imports*, February 20, 2014.
12. Washington Free Beacon, *Intel Chief: Iran Will Have ICBM By 2015*, February 11, 2014.
13. Kredon, Adam, Washington Free Beacon, *Iran: Ballistic Missile Test a 'Firm Response' to U.S.*, February 11, 2014.
14. Kredon, Adam, Washington Free Beacon, *Iranians: 'We Are Eager for U.S. Military Option'*, February 11, 2014.

## Terrorism

China's far western region of Xinjiang remains a hot bed for terrorism. In the latest outbreak, China claims 11 terrorists were killed [1].

With the porous US Southern border, the risk of terrorists entering by way of Mexico is a concern. For instance, one article cautions that al-Qaeda has man portable shoulder fired missiles that could enter the US through Mexico and end up bringing down a commercial airplane [2].

Moreover, the Iranian backed Hamas organization has the same capability. Case in point, during 2012, Hamas fired 10 missiles at Israel aircraft [3]. This comes after Iran's President called for Jerusalem to be liberated from Israel [4].

Most assuredly, history is a topic lacking in Western dealings with Islamic terrorists. For example, the Islamic ISIS group was initially welcome by rebels in Northern Syria but was later despised following horrific acts of barbarianism [5].

New weapons technology will likely change the threats to commercial aircraft. For example, the US Navy is deploying a laser weapon and has plans

for rail gun technology [6]. Unlike missiles that can only be fired once, energy weapons can be fired repeatedly limited only by electrical power. Thus, a single laser weapon could threaten a number of commercial aircraft and could pass undetected through airport security explosives detectors.

We can expect more bad news coming from Afghanistan. For example, one report indicates the Taliban terrorists organization will expand as the US withdraws troops from Afghanistan [7]. Moreover, the Taliban attacked Afghan police, killing 19 with 6 reported missing [8].

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2. Ehrenfeld, Rachel, Aviation Week & Space Technology, *Protect Airlines From SAM Treat*, February 17, 2014.
3. Washington Free Beacon, *Hamas Tests Missiles Against Israel*, February 20, 2014.
4. Washington Free Beacon, *Iranian President Wants Jerusalem Liberated 'From the Yoke of Israel'*,

February 19, 2014.

5. Damon, Arwa, and Razek, Raja, CNN, *Exclusive: Syrian town left scarred by opposition group ISIS' brutal rule*, CNN, February 17, 2014.
6. Sharp, David, AP, *US Navy ready to deploy laser for 1st time*, February 17, 2014.
7. Gertz, Bill, Washington Free Beacon, *Report: Taliban Insurgency to Grow After Troop Drawdown*, February 21, 2014.
8. Anwar, Mohammed, Reuters, *Afghan Taliban kill 19 soldiers, suspend prisoner swap attempt*, February 23, 2014.

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*The worst form of  
inequality is to try to make  
unequal things equal—  
Aristotle*

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## Economy

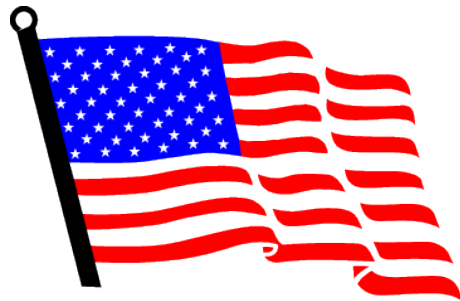
For the week ending February 8, the number of first time unemployment claims reported by the Labor Department was 339,000 [1]. Then for the following week, the number reported was 336,000 [2]. To put these numbers into context, the 56<sup>th</sup> largest city in the US is Aurora, Colorado with a population approximately 339,000. If we added both weeks for a sum of 675,000; this would be more than the 19<sup>th</sup> largest city, El Paso that has approximately 672,000 people.

While the US continues to export jobs to China at a staggering rate, new ideas for easing the pain are being touted. For instance, the President proposed raising the mini-

mum wage to \$10.10 per hour; however, the CBO estimates it will kill 500,000 jobs [3]. In response, White House officials claimed a rise in the minimum wage would not impact employment [4]. What's more, the 500,000 job loss would adversely impact those trying to find jobs. Consider that 38 percent of young African Americans are unemployed [5]. Without a base job to report on a resume, these people are not getting a fair opportunity to advance. It remains unclear why allowing unfair trade practices with China is not addressed.

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2. AP/Washington Post, *How states fared on unemployment benefits claims*, February 20, 2014.
3. Goldfarb, Zachary A., Washington Post, *Minimum-wage hike would help alleviate poverty, but could kill jobs*, CBO reports, February 19, 2014.
4. Washington Free Beacon, *White House Says Minimum Wage Hike Will Not Affect Employment*, February 18, 2014.
5. PBS News Hour, *Unemployment rates are higher for young people, minorities*, February 8, 2014.



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*If you wish to be a success  
in the world, promise  
everything, deliver  
nothing—Napoleon  
Bonaparte*

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## China Pollution

The pollution in China is such that the central government is planning actions to reduce the continuing damage. For example, China is offering cities a \$1.65 billion incentive for reducing air pollution [1]. Additionally, China plans to spend \$330 billion to combat

water pollution [2].

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2. Chen, Kathy, and Reklev,

Stian, Reuters, *China to spend \$330 billion to fight water pollution –paper*, February 18, 2014.