

IN THE NEWS

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MAY 18, 2014

World News

alks to get Iran to back away from its nuclear program have been unsuccessful [1]. Now that Iran' has the green light to develop nuclear weapons without consequence, the nuclear arms race in the Middle-East is ramping up. For example Saudi Arabia displayed its new nuclear capable Chinese D3 ballistic missiles [2]. The nuclear arms race is not limited to the Middle-East and the US is at greater risk from rogue nations. Case in point, one report indicates North Korea has developed nuclear weapons that fit onto their ballistic missiles [3].

In Asia, China is wasting no time in exploiting its new power. For example, China decided to send an oil drilling rig into waters claimed by Viet Nam [4]. In response, Vietnam sent a number of warships into the area and some collisions resulted [5]. Then, Vietnamese protesters killed one Chinese worker in retaliation for China's oil rig [6]. The violence continued and at last count, at least 21 people died in the Vietnam riots directed against Chinese companies [7]. The widespread rioting forced China to evacuate over 3,000 Chinese citizens [8]. Meanwhile, Chinese officials demanded Vietnam do a better job controlling the violence [9].

Elsewhere in the South China Sea, the Philippines government released pictures depicting a Chinese permanent facility built atop Mabini Reef, claimed by both sides [10]. Some are suggesting that a perceived weakened US, emboldens China into taking a more militaristic posture [11]. Additionally, China continues to be more aggressive. In the latest example, Gen. Fang Fenghui, chief of the general staff of the People's Liberation Army lashed out at US military policy in Asia [12].

Russia teaches us that when we give away our resources, it's hard to enforce sanctions. Case in point, Russian officials announced that starting in 2020, the US would be banned from the International Space Station [13]. While the debate on sanctions continues, US officials released satellite images showing Russian forces located near the Ukraine border [14].

While China, Russia, and outer countries continue to ramp up their military, the US continues to down size. For instance, the US Army will shed another 30,000 active duty personnel over the next 17 -months bringing the total force to 450,000 (down from 550,000 in 2012) [15]. For countries hostile to the US, this is good news; 100,000 US forces eliminated before any conflict starts.

- BBC News, Iran nuclear talks: Deal still possible, says Tehran, May 18, 2014.
- Gertz, Bill, Washington Free Beacon, Saudi Arabia Shows Off Chinese Missiles, May 2, 2014.
- Gertz, Bill, Washington Free Beacon, Report: N. Korea Has Nuclear Warheads for Missiles, May 5, 2014. (Continued on page 2)

Security

Software security fixes were again in the news. Adobe released a patch to correct problems with their Reader, Flash, Acrobat and Illustrator products [1]. Additionally, Apple released product upgrades that include security fixes

[2]. Then Microsoft release a major patch correcting a number of security flaws [3].

Constantin, Lucian, PC World, Adobe patches critical flaws in Reader, Acrobat, Flash Player, and Illustrator,

May 14, 2014.

2. Moen, Dan, Mac World, OS X 10.9.3, iTunes 11.2 arrive with bug fixes, feature enhancements, May 15, 2014.

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Special points of interest:

- China moves oil rig into Vietnam claimed waters
- 7th bank shuttered

Security

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 Rashid, Fahmida Y., PC Magazine, Microsoft Patch Tuesday Update Fixes IE, Windows Bugs Currently Under Attack, May 13, 2014.

The fishermen know that the sea is dangerous and the storm terrible, but they have never found these dangers sufficient reason for remaining ashore.—
Vincent Van Gogh

(Continued from page 1)

- 4. AP/Miami Herald, Vietnam protests Chinese oil rig in disputed sea, May 5, 2014.
- Mogato, Manuel, and Martina, Michael, Tensions surge in South China Sea as China locks horns with Philippines, Vietnam, Reuters, May 7, 2014.
- Buckley, Chris, et. al., New York Times, Anti-Chinese Violence Turns Deadly and Spreads in Vietnam, May 15, 2014.
- Liljas, Per, Time, Anti-China Riots in Vietnam Leave at Least 21 Dead,

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May 15, 2014.

- 8. Jethro Mullen, CNN, China evacuates thousands of citizens from Vietnam after deadly attacks, May 18, 2014.
- Davis, Bob, Wall Street Journal, Beijing Presses Vietnam After Anti-Chinese Riots, May 17, 2014.
- Koplowitz, Howard, International Business
 Times, Philippines Accuses
 China Of Reclaiming South
 China Sea Reef, May 15,
 2014.
- Moore, Jeff, UPI, Dangerous checkmate scenario developing in the South China Sea, May 16, 2014.

- Sisk, Richard, Business Insider, Pentagon Press Conference Turns Into Heated Debate Between Top Generals From US And China, May 15, 2014.
- The Telegraph (UK), Russia to ban US from using Space Station over Ukraine sanctions, 13 May 2014.
- Croft, Adrian, Reuters, U.S. releases satellite images of Russian forces near Ukraine, 13 May 2014.
- Washington Free Beacon, Army to Reduce Active Duty Soldiers by Another 30,000, 13 May 2014.

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The best political weapon is the weapon of terror.

Cruelty commands respect.

Men may hate us. But, we don't ask for their love; only for their fear.—

Heinrich Himmler

Terrorism

he fighting within Iraq

instance, militants killed 30

soldiers in their barracks [1].

a bombing of a café, that

killed 15 people [2].

This follows attacks, including

Meanwhile, the next location

the US is scheduled to depart

from, Afghanistan, is becom-

activities. Case in point, Tali-

ban fighters killed at least 11

Syria continues to be a hotbed

stance, at least 43 people were

when a car bomb was detonat-

Terrorist fighting in Africa is

making news. For instance, in

Kenya, back to back blasts in a

crowded market killed at least

evacuating from Kenya due to

10 people [5]. This comes

after British tourists started

in separate attacks in three

of terrorist activity. For in-

killed at a border crossing

ed [4].

Afghan provinces [3].

ing a hot bed for terrorist

continues to escalate. For

increased terrorist threats [6]. In northern part of Africa, fighting in Benghazi, Libya, left at least 43 dead and 100 wounded in combat between irregular military forces and Islamist militants [7]. Finally, one piece indicates the militant Boko Haram terrorist organization in Nigeria, has

 New York Times/AP, 20 Iraqi Soldiers Are Killed in Barracks Attack, May 11, 2014.

ties to al-Qaeda [8].

- ABC News/AP, Attacks in Iraq, Including Cafe Bombing, Kill 15, May 8, 2014.
- Johannsen, Alissa, New York Times, Taliban Wage Deadly Attacks in 3 Afghan Provinces, May 12, 2014.
- 4. Barnard, Anne, New York Times, Car Bomb Kills More Than 40 at Syrian Border Crossing, May 15, 2014.

- Jorgic, Drazen, and Malalo, Humphrey, Reuters, Back-to-back blasts kill at least 10 in Kenyan capital, May 16, 2014.
- Karimi, Faith, and Isaac, Lindsay, CNN, Vacationers evacuated from Kenya after warnings of 'high threat' of terrorism, May 16, 2014.
- Bosalum, Feras, et. al., Reuters, Death toll from clashes in Libya's Benghazi 43, more than 100 wounded, May 17, 2014.
- 8. BBC News, Nigeria schoolgirl kidnappings: Boko Haram 'has al-Qaeda links', May 17, 2014.

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Economy

In a further sign of business contraction, Office Depot announced plans to close 400 stores by 2016 [1]. Meanwhile, regulators continued closing banks. The AztecAmerica Bank in Illinois became the seventh financial institution shuttered this year [2].

The US posted a \$40.4 billion trade deficit during March, including \$20.4 billion with China [3]. As the trade deficit with China continues unabated, China is imposing new trade restrictions. Case in point, due to heavy demand China is imposing limits on foreign brands of milk powder and infant formula [4]. A question here is how is limiting dairy product imports fair trade?

According to the Labor Department, for the week ended May 3, 319,000 people applied for first time unemployment benefits [5]. Then for the following week, the number fell to 297,000 [6].

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 Forbes, Office Depot
 Shares Soaring Nearly 20%
 As Retailer Vows To Close
 400 Stores, May 6, 2014.
- 2. Minneapolis Star Tribune/AP, Federal regulators take over small bank in Illinois; makes 7th US bank failure of 2014, May 16, 2014.
- Crutsinger, Martin, ABC News/AP, US Trade Deficit Drops 3.6 Percent in March, May 6, 2014.

- Wong, Edward, New York Times, China Further Restricts Foreign Dairy Brands, May 5, 2014.
- NBC News/Reuters, Jobless Easing: Weekly Unemployment Claims Fall More than Expected, May 8, 2014.
- Reuters/Fox News, Weekly Jobless Claims Fall to Seven-Year Low, May 15, 2014.
- 7.

Just like the Alamo,
somebody damn well
needed to go to their aid.
Well, by God, I'm going to
Viet Nam's aid!—Lyndon
B. Johnson

China Pollution

hina's pollution continues to find its way to the sky over the US. Case in point, in early May, Chinese air pollution produced a haze over Anchorage, Alaska [1].

In China's capital, Beijing, there are 500 people assigned

to enforcing environmental regulations; however, there are over 5,000 complaints per month [2].

 Medred, Craig, Alaska Dispatch, Southcentral Alaska skies clouded with Chinese pollution, May 3, 2014.

 The Guardian (UK), Beijing's smog police outgunned in China's war on pollution, May 14, 2014.

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