

IN THE NEWS

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World News

The wars in the Middle-East continue to expand. For instance, reports indicate the Iraqi city of Ramadi fell to Islamic State (IS) fighters [1]. Following this news, Iran-backed fighters were ordered to retake the city [2]. In yet another setback, it appears the IS seized the last Syrian government-controlled border crossing between Syria and Iraq [3]. Following this victory, reports indicate the IS captured the historic Syrian city Palmyra [4].

Then there is a report that the IS has solidified its foothold in Libya [5]. For instance, militias are actively fighting IS terrorists in the central city of Sirte [6]. One report indicates the IS has captured former Libyan leader Gaddafi's home town [7]. What's more, the Middle-East is moving towards a nuclear weapons armed hot spot. Case in point, one report indicates Saudi Arabia has made the decision to purchase nuclear weapons from Pakistan to counter the expected arsenal Iran is developing [8].

Meanwhile, the fighting in Yemen continues. One piece indicates Iran is sending additional fighters to the war torn country [9]. What's more, Saudi Arabian led airstrikes left at least 80 dead [10]. In other news, at least 4 Americans are believed to be captives of the Houthi rebels [11].

As China continues constructing artificial islands in the South China Sea, some countries are concerned over military aspects of the expansion. For instance, one report documents an encounter where a US aircraft was warned to leave the area by the Chinese in the area of a newly constructed island [12]. Additionally, there is a report China is jamming US military drones, as they near the newly created islands [13]. Then there is a report indicating China is constructing two lighthouses on reclaimed islands and is adding offensive military capabilities [14]. Finally, one piece indicates two Chinese motorized artillery pieces were seen on one of the artificial islands [15].

1. Fishel, Justin, ABC News, 'Terrible Day,' as Iraq Says City of Ramadi Falls to ISIS, May 17, 2015.
2. BBC News, Iran-backed militias 'ordered to recapture Iraq's IS-held Ramadi', May 18, 2015.
3. BBC News, Islamic State 'seizes key Syria-Iraq border crossing', May 22, 2015.
4. Morris, Loveday, Washington Post, Capture of Palmyra marks Islamic

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Security

According to IRS reports, hackers exploited the Get Transcript system, compromising approximately 100,000 taxpayer returns [1]. In response to the breach, the FBI has initiated an investigation into the matter [2]. Moreover, House lawmakers started questioning IRS officials about the computer vulner-

abilities [3].

The cost of security breaches continues to rise. One study suggests the average cost associated with a data breach now stands at \$6.5 million [4].

Whenever power goes out and the utility company asserts the exact cause is not known we have to wonder if there is more to the story.

Case in point, north of Boston, 44,000 customers of the National Grid were without power and the root cause was under investigation [5].

1. NBC News/AP, IRS Says Thieves Stole Tax Info From 100,000 Taxpayers, May 26,

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Special points of interest:

- Hackers breach IRS Transcript System
- US Economy shrank 0.7% during first quarter

Security

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2. Dunsmuir, Lindsay, Reuters, *FBI Launches Probe Into Theft of U.S. Taxpayer Information*, May 28, 2015.
3. McKinnon, John D., Wall Street Journal, *House Lawmakers Seek Info on IRS Computer Vulnerabilities*, May 29, 2015.
4. Carman, Ashley, SC Magazine, *Study: Average cost of data breach is \$6.5M*, May 27, 2015.
5. AP, *Almost 45,000 lose power north of Boston*, May

29, 2015.

World News

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- State's 2nd major gain in past week, May 21, 2015.
5. Nissenbaum, Dion, and Abi-Habib, Maria, *Islamic State Solidifies Foothold in Libya to Expand Reach*, May 18, 2015.
6. Musa, Rami, Washington Post/AP, *Militias, Islamic State extremists clash in central Libya*, May 20, 2015.
7. Laessing, Ulf, Reuters, *Gaddafi's home town falls to Islamic State in anarchic Libya*, May 21, 2015.
8. Sanderson, Bill. York Post, *Saudi Arabia to buy nuclear bombs from Pakistan: report*, May 17, 2015.
9. Gertz, Bill, Washington Free Beacon, *U.S. Intelligence: Iran Sending More Fighters to Yemen*, May 27, 2015.
10. Ghobari, Mohammed, Reuters, *Air strikes kill at least 80 in deadliest bombings of Yemen war*, May 28, 2015.
11. Miller, Greg, and Goldman, Adam, Washington Post, *Houthi rebels in Yemen are holding multiple Americans prisoner*, May 29, 2015.
12. Sciutto, Jim, CNN, *Exclusive: China warns U.S. surveillance plane*, May 20, 2015.
13. Gertz, Bill, Washington

2015.

Free Beacon, *Chinese Military Using Jamming Against U.S. Drones*, May 22, 2015.

14. Rajagopalan, Megha, Reuters, *China to extend military reach, build light-houses in disputed waters*, May 26, 2015.
15. Barnes, Julian E., and Lubold, Gordon, Wall Street Journal, *U.S. Surveillance on Island Reveals Chinese Arms*, May 28, 2015.

*The patriot volunteer,
fighting for country and his
rights, makes the most
reliable soldier on earth.—
Stonewall Jackson*

Terrorism

One report indicates Islamic State (IS) terrorists are being smuggled into Europe as part of the boat loads of immigrants fleeing war torn Libya [1]. In Malaysia, the IS continues expanding its reach as evidenced by the arrest of approximately 100 terrorists [2].

In Iraq, terrorist attacks continue. For instance, two bombings in Baghdad, near prominent hotels, killed at least 15 people [3].

Saudi Arabia is seeing an uptick of terrorism. For instance, a suicide bomber killed at least 10 people at a Shia mosque located in the Eastern Province [4]. In another instance, a car bomb exploded near a Shi'ite mosque in Dammam, killing at least 4

people [5]. The IS claimed responsibility for these latest bombings [6].

1. BBC News, *Islamic State militants 'smuggled to Europe'*, May 17, 2015.
2. Gertz, Bill, Washington Free Beacon, *Islamic State Expands to Malaysia, Infiltrates Military*, May 20, 2015.
3. Yacoub, Sameer N., ABC News/AP, *Iraqi Authorities Raise Baghdad Attacks Death Toll to 15*, May 29, 2015.
4. BBC News, *Saudi Arabia: Suicide bomber strikes Shia mosque*, May 22, 2015.
5. Fahmy, Omar, and El Dahan, Maha, Reuters, *Saudi Arabia says four killed in foiled attack on*

Dammam mosque, May 29, 2015.

6. El Dahan, Maha, and Aboudi, Sami, Reuters, *Islamic State claims blast killing four at Saudi mosque*, May 29, 2015.

*You don't hurt 'em if you
don't hit 'em—Chesty
Puller*

Economy

According to the Labor Department, for the week ended May 16 the number of first time unemployment claims was 274,000 [1]. Then in the week ending May 23, the number increased to 282,000 [2].

While the US continues to struggle through a tough economic recovery, the same is not true for China. Case in point, one report indicates, on average, China is creating a new billionaire per week [3]. In more bad news, according to the Commerce Department, the US economy shrank by 0.7% during the first three months [4]. One report blames the staggering trade deficit for the economic downturn [5]. Another piece indicates economists at Goldman Sachs determined the change in the trade balance removed 1.9 percentage points off overall growth during the first quarter [6].

Consider, the prosperous Toyota City in Japan, home to 422,000 people and enriched by the auto industry [7]. In contrast, Detroit's bankruptcy problems continue to plague the once great city [8]. What's more, the 1960 Census listed Detroit as the 5th largest US

city with over 1.2 million residents [9]. By 2013, the estimated population fell below 690,000 [10]. Yet last year, Japanese car sales in China fell as US brand names increased [11]. This indicates that even today, Japan applies unfair trade practices on US auto imports. One needs to look no further than Detroit to see the consequences of allowing such practices.

1. Mutikani, Lucia, Reuters, *U.S. labor market resilient despite sluggish economy*, May 21, 2015. .
2. Benen, Steve, MSNBC, *Jobless claims climb a bit, reach five-week high*, May 28, 2015.
3. Yan, Sophia, CNN Money, *China gets a new billionaire every week*, May 26, 2015.
4. Fox News, *US economy shrank at 0.7 percent rate in first quarter*, May 29, 2015.
5. Davidson, Paul, USA Today, *Economy shrank 0.7% in the first quarter*, May 29, 2015.
6. Schwartz, Nelson D., New York Times, *U.S. Economy Contracted 0.7% in First Quarter*, May 29,

2015.

7. Beade, Anne, AFP, *Toyota City: symbol of Japan's auto rise*, May 17, 2015.
8. WDET, *Bankruptcy Judge to Detroit Citizens: Stay on It*, May 28, 2015.
9. www.census.gov/population/www/documentation/twps0027/tab19.txt
10. quickfacts.census.gov/qfd/states/26/2622000.html
11. Yu, Rose, Market Watch, *Nissan, Honda China car sales fall further*, December 2, 2014.

We can't continue to use oil and gas for 75 percent of our consumption when they make up seven percent of our domestic reserves. We need to shift to plentiful coal while taking care to protect the environment, and to apply stricter safety standards to nuclear energy.

—Jimmy Carter
