

IN THE NEWS

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World News

We live in a world where the well intentioned ideas often result in unintended consequences. Consider, On September 7, 1977, President Carter signed a treaty that transferred control of the Panama Canal to the government of Panama [1]. In the years to follow, there were concerns over the growing influence of Chinese companies linked to the Panama Canal [2]. Now the newest US destroyer, the USS Zumwalt, broke down in the Panama Canal [3]. 1979 was also the year President Carter severed diplomatic relations with Taiwan in favor of the Peoples Republic of China (PRC) [4]. Now the PRC issued a protest over the president of Taiwan calling the US president elect [5]. So in summary, China's rise to power is a product of our own making; and the PRC is our most serious economic and military adversary.

Other concerns regarding China include South and East China Sea expansion. For instance, one piece indicates China is in a multiyear process to reclaim the Senkaku Islands from Japan [6]. Moreover, China tested the launch of 10 DF-21 intermediate range ballistic missiles [7]. This also comes as China and Russia continue to advance their hypersonic efforts [8]. However, the Russia naval operation off the coast of Syria illustrated limitation with their Aircraft Carrier [9].

1. Funke, Daniel, Los Angeles Times, *A timeline of the Panama Canal*, June 24, 2016
2. Sung, Catherine, Taipei Times, *China's links to Panama Canal unsettle Taipei*, Washington, December 14, 1999.
3. Browne, Ryan, CNN, *New cutting-edge \$4B Navy destroyer malfunctions in Panama Canal*, November 24, 2016.

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Security

Once again, Chinese cyber threats are in the news. For instance, one report indicates a number of Android smart phones include a Trojan horse that sends all text messages to China at 72 hour intervals [1].

In large scale hacking attacks, the US Government remains a target. For example, personal data on 134,386 current and former sailors was compromised [2]. Then hackers

using malicious software were responsible for infecting 1.3 million Android phones since August [3].

Hacking banks overseas is also in the news. One report indicates hackers netted \$31 million from the Russian central bank [4]. Another piece indicates central banks in Saudi Arabia were victims of Iranian malicious software [5]. Then there is a report that hackers breached a bank in Liechtenstein [6],

1. Apuzzo, Matt, and Schmidt, Michael S., New York Times, *Secret Backdoor in Some U.S. Phones Sent Data to China, Analysts Say*, November 15, 2016.
2. Blake, Paul, and Martinez, Luis, ABC News, *Navy Says Personal Data of Over 134,000 Sailors Was Hacked*, November 24, 2016.
3. Fox-Brewster, Thomas,

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Special points of interest:

- Terrorism at Ohio State University
- Carrier to remain in the USA
- Ford will not move manufacturing to Mexico
- Apple will build iPhones in the USA

Security

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- Forbes, *Android 'Gooligan' Hackers Just Scored The Biggest Ever Theft Of Google Accounts*, November 30, 2016.
4. Pagliery, Jose, CNN, *Hacks at Russian central bank have cost 2 billion rubles*, December 3, 2016.
 5. Riley, Michael, Bloomberg, *Saudi Central Bank Systems Said to Be Struck by Iran Malware*, December 2, 2016.
 6. Perez, Roi, SC Magazine, *Hackers demand ransom from Liechtenstein bank customers*, November 29, 2016.

*Always mystify, mislead
and surprise the enemy if
possible—Stonewall Jackson*

World News

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4. Department of State, Office of the Historian, *China Policy*, history.state.gov/milestones/1977-1980/china-policy
5. AFP, *China protests to US after Trump speaks to Taiwan leader*, December 3, 2016.
6. Gertz, Bill, Washington Free Beacon, *Japanese Intelligence Tells Pentagon China Engaged in Multi-Year Takeover Attempt of Senkaku Islands*, November 23, 2016.
7. Gertz, Bill, Washington Free Beacon, *China Flight-Tests 10 DF-21 Missiles*, December 2, 2016.
8. Gertz, Bill, Washington Free Beacon, *Air Force: Hypersonic Missiles From China, Russia Pose Growing Danger to U.S.*, November 30, 2016.
9. Hodge, Nathan, and Barnes, Julian E., Wall Street Journal, *Russian Campaign in Syria Exposes Moscow's Defense Gaps*, November 28, 2016.

Terrorism

As we consider what the next potential terrorist tool may be, we need to look no further than the Middle East. Case in point, multiple fires set in Israel forced the evacuation of 80,000 people [1].

In Iraq, the Islamic State (IS) claimed responsibility for a truck bomb explosion that kill at least 73 following a Shiite religious observance [2]. Additionally, the IS continues to use suicide bombers in defense of Mosul [3].

The IS remains active throughout the world. Case in point, women suicide bombers were used against Libyan forces [4].

Once again, terrorism struck the US. A Somali born Mus-

lim terrorist wounded 11 people at Ohio State University [4]. Later, IS claimed the attacker was one of their followers [5].

1. BBC News, *Israel fires: Dozen suspects arrested on suspicion of arson*, November 25, 2016.
2. Faraj, Murtada, AP/ABC News, *Death Toll in Iraq Bombing Claimed by IS Rises to 73*, November 25, 2016.
3. CBS News, *ISIS pounds Iraqi fighters near Mosul*, December 3, 2016.
4. Elumamim Ahmed, and Zeitoun, Ismail, Reuters, *Women bombers emerge from Islamic State redoubt to attack Libyan forces*, December 2, 2016.
5. Blau, Max, et. al., CNN, *Investigators believe Ohio State attacker was inspired by ISIS and Al-Awlaki*, November 29, 2016.
6. Shapiro, T. Rees, et. al., Washington Post, *Islamic State says Ohio State attacker was its 'soldier,' school seeks unity as classes resume*, November 29, 2016.

Online is ridiculous.

*Places like Ohio State
bring people here together,
and students teach each
other—Gordon Gee*

Economy

Good news is developing on the trade front. Ford announced it will not move its Lincoln SUV manufacturing (from Kentucky to Mexico) [1]. Furthermore, there are reports that Apple will move some of its manufacturing from China back to the US [2]. Then Carrier announced plans to stay in America, saving 1,000 jobs [3].

In other news, the Dow Jones Industrial Average closed above 19,000 for the first time [4]. According to the Labor Department, for the week ending November 12, the number of first time unemployment claims was 235,000 [5]. For the week ending November 19, the number reported was 251,000 [6]. Then for the week ending November 26, the number reported was 268,000 [7].

Meanwhile, China's central bank set the exchange rate between the Dollar and Yuan to its lowest level in 8 years [8]. This means, Chinese goods will be cheaper than equivalent American products. China also announced a new 10% on cars costing 1.3 million yuan (\$188,852) and above [9].

In other good news, for the first time in 60 years, the US became a net exporter of natu-

ral gas [10]. What's more, one piece suggests America's fracking industry will keep OPEC on the defensive going forward [11]. Nevertheless, OPEC agreed to a 1.2 million barrel per day oil production cutback; an action that drove the price of oil above \$50 per barrel [12].

1. Rogers, Christina, and Stoll, John D, Wall Street Journal, *Ford's Change on Kentucky Plant Is an Olive Branch to Donald Trump Administration*, November 18, 2016.
2. Street, Chriss W, Breitbart, *Silicon Valley Bows to Trump: Apple to Build iPhones in America*, November 18, 2016.
3. Briggs, James, Indianapolis Star, *Donald Trump's deal with Carrier could save 1,000 jobs in Indianapolis*, November 29, 2016.
4. Imbert, Fred, CNBC, *Dow closes above 19,000 as stocks notch record closing highs; telecoms spike 2%*, November 22, 2016.
5. Sussman, Anna Louie, Wall Street Journal, *U.S. Jobless Claims Fall*, November 17, 2016.
6. Worstall, Tim, Forbes, *Low Jobless Claims Reflect America's Economic Stagna-*

tion - We Need More Unemployment, November 23, 2016.

7. Leubsdorf, Ben, Wall Street Journal, *U.S. Jobless Claims Rose to 268,000 During Thanksgiving Week*, December 1, 2016.
8. AP, *China Currency Dips To Lowest Level versus Dollar In 8 Years*, November 24, 2016.
9. Reuters, *China's New Tax Could Hurt Ferrari*, Aston Martin, and Rolls-Royce, December 1, 2016.
10. Blackmon, David, Forbes, *While OPEC Gets All The Attention, The U.S. Quietly Becomes A Net Exporter Of Natural Gas*, November 28, 2016.
11. Helman, Christopher, Forbes, *Deal Or No Deal, OPEC Can't Win In Fight Against American Frackers*, November 29, 2016.
12. Sheppard, David, et. al., Financial Times, *Oil back above \$50 as Opec agrees supply cut*, November 30, 2016.

War is cruelty. There is no use trying to reform it. The crueller it is, the sooner it will be over.—William Tecumseh Sherman
