

IN THE NEWS

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World News

As part of Mao's cultural revolution in China, millions were killed [1]. And yet, there are those in China who still support Mao and his communist ways [2]. What's more, in India, the Maoists are still fighting [3]. Perhaps this is a good example where the history is written by the victors.

In the South China Sea, Chinese jets intercepted a U.S. reconnaissance plane [4]. This appears to violate an agreement reached in 2015 between the US and China to avoid such conflicts [5]. However, China is getting more aggressive and warned the US it is prepared to fight for the South China Sea [6]. Perhaps encounters such as these are indicators of unfair trade costs. After sapping the wealth of the US, China is now in a position to challenge the US military.

The fighting in Syria continues along many fronts. It appears the Islamic State (IS) launched a successful attack against the strategic Russian T4 base in central Syria [7]. Additionally, the IS and Syrian government are both attacking a separate group of rebels [8]. Elsewhere, multiple terrorist bombings in government controlled areas killed at least 80 people [9].

The GAO reported the US is still using 1970's IBM computers to control nuclear and ballistic arms [10]. On the surface, this would seem to be a serious problem. However, let's examine this a little. Back in the 70's programmers mastered assembly language. The programs had little space for extensions (such as malicious software). In contrast, today we rely on crappy programs operating on crappy operating systems with so many hardware interfaces, it's nearly impossible to protect. Consider the Voyager spacecraft still working fine with older technology.

1. Neville-Hadley, Peter, Wall Street Journal, *The Scars of Mao's Cultural Revolution*, May 3, 2016.

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Security

State sponsored cyber-attacks are not slowing down. Despite past promises, Chinese cyber-attacks continue unabated [1].

Readers may recall, Apple refused to help the FBI unlock a secured iPhone used by San Bernardino terrorists [2]. Now, there are concerns that Apple's ride-hailing app investment in China will require the company to work with Chinese security and intelligence agencies [3].

Meanwhile, patch management continues to drive commercial products. For instance, VMware released patches to correct vulnerabilities that enabled malicious software to execute at privilege [4].

Whenever there is an unexpected power outage, it calls into focus the risks to the critical infrastructure. For instance, much of downtown Seattle was without power for approximately one hour and the cause of

the failure could take weeks to determine [5].

1. Gertz, Bill, Washington Free Beacon, *The Cyber Threat: Government Debates Cyber Counterattacks As Chinese Attacks Continue Unabated*, May 16, 2016.
2. Nakashima, Ellen, Washington Post, *Apple vows to resist FBI demand to crack iPhone*

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Special points of interest:

- Egypt Air plane crash
- Old computers

Security

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- linked to San Bernardino attacks, February 17, 2016.
3. Gertz, Bill, Washington Free Beacon, *Apple Investment in China Raising Security Questions*, May 20, 2016.
 4. Barth, Bradley, SC Magazine, *VMware patches vulnerabilities that enable malicious code execution, privilege escalation*, May 19, 2016.
 5. Bellisle, Martha, AP/ABC News, *Large Power Outage Disrupts Seattle's Downtown Core*, May 25, 2016.

*Festivals cause diseases,
since they lighten cares but
increase gluttony—
Apollonius of Tyana*

World News

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2. Shih, Gerry, AP, *Maoists still a force 50 years after the Cultural Revolution*, May 15, 2016.
3. Times of India, *Police to step up anti-Maoist ops*, May 29, 2016.
4. Gibbons-Neff, Thomas, Washington Post, *Chinese jets intercept U.S. recon plane, almost colliding over South China Sea*, May 18, 2016.
5. Ali, Idreesm Reuters, *Pentagon says China aircraft intercept violated 2015 agreement*, May 26, 2016.
6. Mody, Seema, and Kemp, Ted, CNBC, *China says it's ready if US 'stirs up any conflict' in South China Sea*, May 19, 2016.
7. Berlinger, Joshua, CNN, *Did ISIS attack Russian military equipment at key Syrian base?*, May 25, 2016.
8. Karam, Zeina, AP/Washington Times, *Syria rebels under fire from IS militants, government troops*, May 28, 2016.
9. El Deeb, Sarah, AP, *Multiple blasts in Syria government strongholds kill 80*, May 23, 2016.
10. Perez, Roi, SC Magazine, *US GAO finds nukes are controlled by computer from 1970's*, May 26, 2016.

Terrorism

The war in Afghanistan continues to erode. For instance one report indicates the Taliban cut the main highway between Kabul and the northern part of the country [1]. Additionally, it appears. Mullah Akhtar Muhammad Mansour, the Afghanistan Taliban leader, was killed in a drone strike within Pakistan [2]. Since then, the Taliban has selected Mullah Akhtar Muhammad Mansoura as its new leader [3].

The war in Libya continues to degrade. For instance, one report suggests the US and 20 other countries are considering arming the Government of Libya in its battle against the Islamic State (IS) [4]. This comes as the Human Rights Watch organization detailed human rights atrocities conducted by the IS in Sirte, Libya [5].

Meanwhile, the Middle-East remains on edge. In Iraq, terrorist bombs left at least 46 dead [6]. Additionally, an

Egypt Air flight between France and Cairo crashed just prior to leaving Greece's air space [7].

One piece describes how the IS mixes in terrorists with migrants heading to Europe [8]. This will likely be an EU problem for some time to come.

1. Nordland, Rod, New York Times, *Taliban Cut Off Afghan Highway Linking Kabul to Northern Gateways*, May 14, 2016.
2. Harris, Gardiner, New York Times, *Obama Confirms Death of Mullah Mansour, Taliban Leader, in U.S. Strike*, May 23, 2016.
3. Mashal, Mujib, and Nader, Zahra, New York Times, *Taliban Name New Leader After Confirming Predecessor Died in U.S. Strike*, May 25, 2016.
4. Pop, Valentina, Wall Street Journal, *Taliban Cut Off Afghan Highway*
5. AP/Wall Street Journal, *Rights Group Documents Islamic State Atrocities in Libyan City of Sirte*, May 18, 2016.
6. Pearson, Michael, and Arif, Merieme, CNN, *At least 46 dead in latest Iraq violence*, May 17, 2016.
7. Pearson, Michael, et. al., CNN, *EgyptAir Flight 804: Wreckage found, airline official says*, May 19, 2016.
8. Heretik, Jack, Washington Free Beacon, CNN *Exclusive Explores ISIS Fighters Mixing In with Refugees*, May 26, 2016.

Linking Kabul to Northern Gateways, May 16, 2016.

*From the deepest desires
often come the deadliest
hate—Socrates*

Economy

Something we haven't seen in some time is a significant spike in inflation. However, for April inflation shot up by 0.4% [1].

For the week ending May 14, the number of first time unemployment claims reported by the Labor Department was 278,000 [2]. Then for the following week, the number reported was 268,000 [3].

Perhaps we can learn a way forward from one company in China. Foxconn, the large Chinese Apple supplier is replacing 60,000 workers with robots [4]. So why do we need to manufacture devices in China if the labor force is robots?

Meanwhile, China continues to destroy US industry through the use of unfair trade practices. For instance, some are calling the practices employed by China against

US steel companies nothing short of war [5].

As the economy continues to struggle, there are other impacts to those that have retired. Case in point, one of the largest private pension funds, Central States Pension, is running out of money and is facing insolvency [6]. Finally, in a further sign of economic weakness, the Sports Authority announced it will close its 463-store chain [7].

1. Meyer, Ali, Washington Free Beacon, *Inflation Shot Up in April to Fastest Pace Seen in More Than Three Years*, May 17, 2016.
2. CNBC/Reuters, *US weekly jobless claims total 278,000 vs 275,000 estimate*, May 19, 2016.
3. RT News, *U.S. Weekly Jobless Claims Drop For Second Straight Week*, May

26, 2016.

4. Mamiit, Aaron, Tech Times, *It Has Begun: Apple Supplier Foxconn Replaces 60,000 Employees With Robots*, May 26, 2016.
5. Ellyatt. Holly, CNBC, *China has conducted a 'war'—not trade—with steel, experts say*, May 20, 2016.
6. Lobosco, Katie, CNN Money, *Pensions may be cut to 'virtually nothing' for 407,000 people*, May 20, 2016.
7. Jones, Charisse, USA Today, *Sports Authority shutting down with giant going-out-of-business sale*, May 23, 2016.

There is no such thing as justice in the abstract; it is merely a compact between me—Epicurus
