

# IN THE NEWS

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## World News

It seems like an upside-down relationship between the US and Russia. Not only do we rely on Russia to transport our astronauts to the space station, but it seems we are buying weapons from there. Case in point, the US plans to spend \$572 million to buy 30 Russian helicopters for the Afghanistan military [1]. Meanwhile, Russia is reluctant to negotiate a US led treaty to reduce nuclear weapons stockpile in part because of China's program [2]. What's more, it appears that Russia's construction of a new medium ranged missile is in violation of the existing 1987 Intermediate-range Nuclear Forces (INF) Treaty [3]. It is unclear why the US would entertain a new treaty when Russia is cheating on an existing one. Russia is not the only country advancing its nuclear weapons capability; one piece suggests Iran tested a new rocket engine that can be used for intercontinental ballistic missiles [4].

One of the results of unfair trade is the loss of US industry, jobs, and most importantly tax revenue. As a consequence, the US military will downsize. For instance, the US Army plans to reduce its size by 80,000 people, including reducing the number of combat brigades from 45 down to 33 [5]. For our number one trade competitor China, this is a dream come true. Not only does China expand its military at the cost of US jobs; but more importantly, the US military is downsizing. Why fight on the battlefield when victory can be achieved by cheating on trade? The graphic below depicts the 2012 through April 2013 monthly trade deficit with communist China. Furthermore, the figure on page 2 illustrates how much more carbon based fuel is consumed by China as compared to the US. This figure also depicts the increase in China (and India) while the US is decreasing. To further illustrate an unfair business practice for US companies trying to operate in the Chinese market, consider the next example. Following a rumor that a US company was going out of business, American Chip Starnes, co-owner of Specialty Medical Supplies was jailed pending providing severance pay to 100 employees that still have jobs [6].

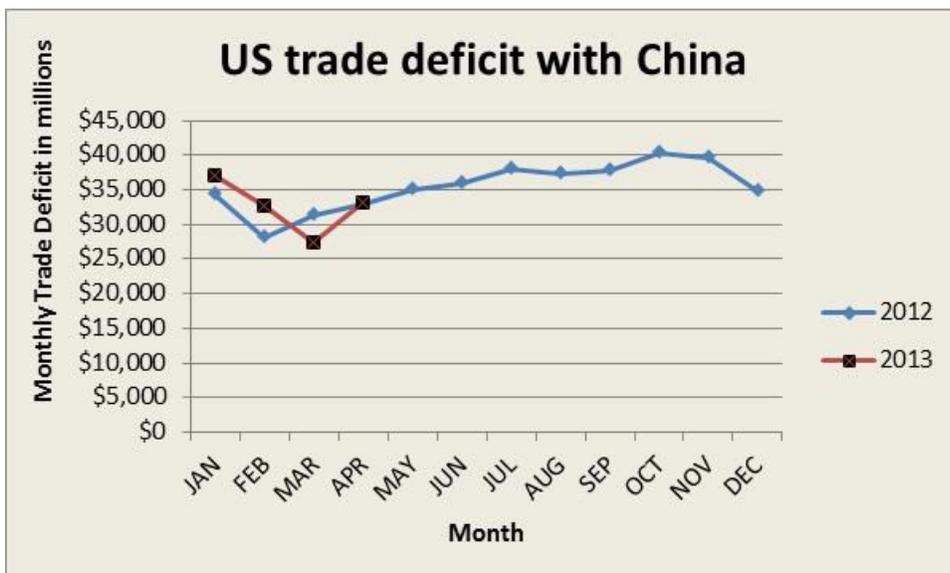
Meanwhile, with its newfound wealth China continues to advance its space program. For instance, China is planning to launch a lunar rover this year [7]. What's more, (Continued on page 2)

### Inside this issue:

Syria	3
Economy	4
China's Pollution	4

### Special points of interest:

- US to buy Russian helicopters for Afghanistan military
- Russia violates 1987 Intermediate-range Nuclear Forces (INF) Treaty
- US Army to cut 12 out of 45 combat brigades



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When the tyrant has disposed of foreign enemies by conquest or treaty and there is nothing to fear from them, then he is always stirring up some war or other, in order that the people may require a leader—Plato

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## World News

(Continued from page 1)

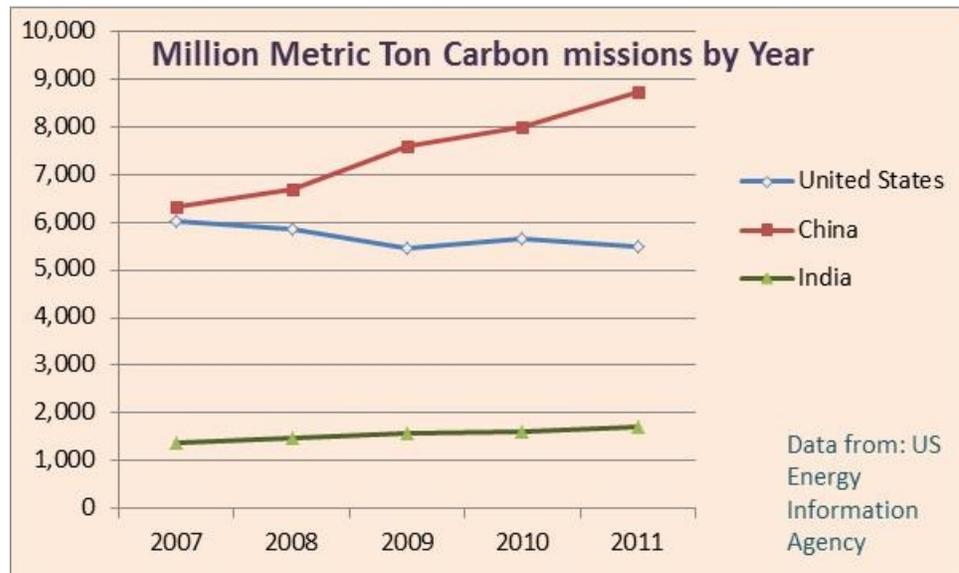
China successfully concluded a 15-day manned mission to the experimental space module [8].

1. Abbott, Charles, Reuters, *U.S. says it will buy Russian helicopters for Afghan military*, June 17, 2013.
2. Aviation Week, *Subnuclear Proposition*, June 24, 2013.
3. Gertz, Bill, Washington

Free Beacon, *Russia said to be violating 1987 missile accord*, June 25, 2013.

4. Gertz, Bill, Washington Free Beacon, *Iran ICBM Advances*, June 28, 2013.
5. CBS News, *Army to cut brigades at 10 U.S. bases*, June 25, 2013.
6. Watt, Louise, AP, *Chinese workers holding US boss say wages unpaid*, June 25, 2013.

7. David, Leonard, Space.com, *China Ready- ing 1st Moon Rover for Launch This Year*, June 21, 2013.
8. Jones, Terril Yue, and Martina, Michael, Reuters, *Chinese astronauts land safely after "perfect" space mission*, June 26, 2013.



## Syria

It seems the war in Syria is expanding to include more external players. Case in point, one report indicates Saudi Arabia will supply Syrian rebels with advanced surface to air missiles [1]. Moreover, Saudi Arabian officials argued the world should not allow Iran and Hezbollah to prop up the Syrian government [2]. Meanwhile, Syrian leaders are blaming the civil war on Saudi Arabia [3].

One report indicates the rebel forces have received anti-tank and surface to air missile from outside sources [4]. What's more, it appears the rebel weapons include a quantity of SA-16 shoulder launched surface to air missiles [5]. One piece suggests the rebels are also getting weapons from Libya [6].

The war in Syria includes many of the challenges seen in Iraq and Afghanistan. For instance, a bomb in the capital Damascus killed 10 soldiers at a check point [7]. Furthermore, in one recent attack against a military airport, rebels detonated a car bomb inside the base and fired rockets [8].

In the meantime, Russia con-

tinues to challenge the West while supporting Syria. For instance, Russian leaders voiced concern over US troops in Jordan [9].

Thus far, the number of people killed in the Syrian war is estimated at 100,000 [10]. Moreover, it appears that escalations will certainly increase the frequency of war casualties.

1. AFP, *Saudi Arabia wants missiles for Syrian rebels: report*, June 16, 2013.
2. Voice of America, *S. Arabia Decries Iran, Hezbollah Involvement in Syria*, June 25, 2013.
3. Surk, Barbara, AP/ABC News, *Syria Blames Saudi Arabia for Conflict*, June 25, 2013.
4. Chivers, C. J., et. al., New York Times, *In Turnabout, Syria Rebels Get Libyan Weapons*, June 21, 2013.
5. Chulov, Martin, The Guardian (UK), *Threat of sectarian war grows in Syria as jihadists get anti-aircraft missiles*, June 15, 2013.
6. Abedine, Saad, CNN, *Syrian rebels say they have received anti-tank and anti-aircraft missiles*, June 21, 2013.
7. Surk, Barbara, ABC News/AP, *Bomb in Syrian Capital Kills 10 Soldiers*, June 16, 2013.
8. El Baltaji, Dana, Bloomberg, *Syrian Rebels' Car Bomb Explodes Inside Aleppo Military Airport*, June 23, 2013.
9. Reed, John, Financial Times, *Russia voices alarm over US troops in Jordan*, June 24, 2013.
10. AFP, *Syria toll passes 100,000 as peace meet prospects fade*, June 26, 2013.

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*Mad kings and mad bulls  
are not to be held by  
treaties and packthread—  
Benjamin Franklin*

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## Economy

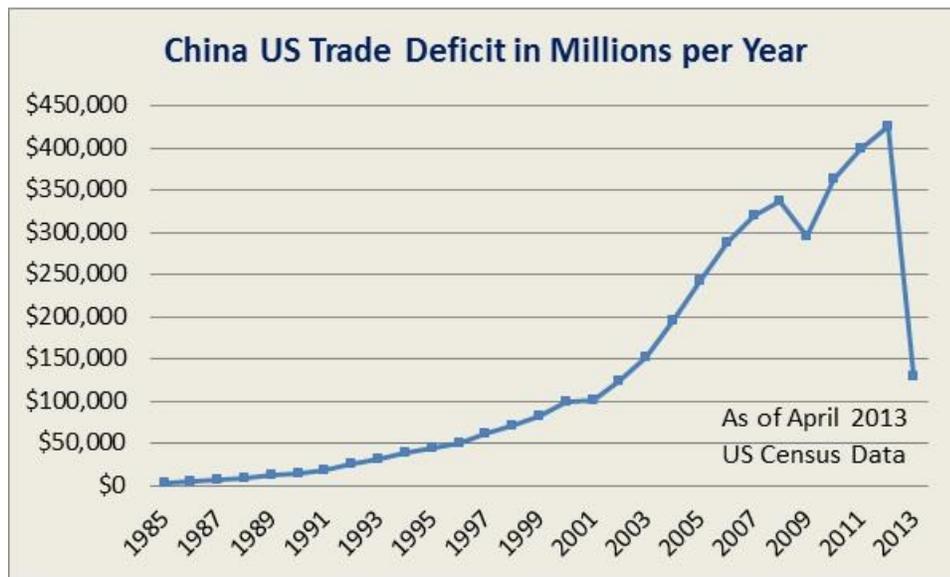
The economic picture remains poor for a number of Americans. For instance, one poll of 1,000 people indicates 76% of Americans are living paycheck to paycheck [1]. This indicates little saving and virtually no safety net for most people. For the week ending June 15, the number of first time unemployment claims reported by the Labor Department was

354,000 [2]. Meanwhile, for the week ending June 22, the number of claims was 346,000 [3]. To show where the US jobs have gone, the graph below shows the year-by-year trade deficit with China.

1. Johnson, Angela, CNN Money, *76% of Americans are living paycheck-to-paycheck*, June 24, 2013.
2. Jamrisko, Michelle,

Bloomberg, *Jobless Claims in U.S. Climbed More Than Forecast Last Week*, June 20, 2013.

3. Woellert, Lorraine, Bloomberg, *Jobless Claims in U.S. Declined 9,000 Last Week to 346,000*, June 27, 2013.



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No treaty is ever an  
impediment to a cheat—  
Sophocles

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## China's Pollution

It appears that China's pollution is having long term impacts on its population. Case in point, Chinese immigrants to New York were found to have significantly higher levels of toxic heavy metals [1]. Perhaps the heavy metals are impacting the people through drinking water. For example, the Danjiangkou Reservoir, a major drinking water source is heavily polluted [2].

In contrast to China's open pollution approach to industry,

the US plans to further cut back. Case in point, the President plans to use Executive Orders to cut carbon emissions [3]. Unfortunately, this will have no impact on the pollution coming from China and may cause more US industry to relocate in China thereby making the global problem worse. Note: the chart on page 2 depicts China as the leader of carbon emissions.

1. Yin, David, Forbes, *Chi-*

*nese Still Affected By Mainland Pollution, Even After Moving To New York*, June 21, 2013.

2. Yao, Yang, China Daily, *Major source for Beijing water plan 'polluted'*, June 20, 2013.
3. Sanchez, Raf, The Telegraph (UK), *Barack Obama to cut emissions in vow to save planet*, June 26, 2013.