

IN THE NEWS

VOLUME 10 ISSUE 7

MAY 21, 2017

World News

One consequence of North Korean aggression; calls to reform Japan's peace constitution are growing [1]. This would allow Japan to enhance offensive military capabilities. In an unexpected twist, North Korea is reported to have criticized China [2]. Closer to home, the national intelligence director indicated North Korea poses a potentially "existential" threat to the United States [3]. For instance, North Korea successfully launched a ballistic missile that is believed capable of carrying a nuclear warhead [4]. One report indicates North Korea's latest ballistic missile launch was designed to test a nuclear capable reentry warhead [5]. The last act of aggression during this newsletter cycle, the communist north launched a medium range ballistic missile [6].

China continues to expand its military footprint. Case in point, the 12,000-ton China Coast Guard (CCG) cutter 3901, the world's largest, completed a patrol in the South China Sea [7]. Meanwhile, one piece suggests China is installing missile launchers on the disputed artificial islands [8]. In a further act of aggression, Chinese fighters intercepted a US aircraft over the East China Sea [9]. Finally, China also introduced a domestic built attack helicopter, the Z-19E [10].

1. Olsen, Kelly, AFP, *Japan's 'peace constitution' under pressure at 70*, May 2, 2017.
2. Kim, Hyung-Jin, AP/Washington Post, *N. Korea issues direct criticism of China amid nuke dispute*, May 4, 2017.
3. Pennington, Matthew, AP, *North Korea poses 'existential' threat, U.S. intel chief warns*, May 11, 2017.
4. Lendon, Brad, CNN, *North Korea says missile could carry large nuclear warhead*, May 14, 2017.
5. Gertz, Bill, Washington Free Beacon, *North Korea Tested Warhead*

(Continued on page 2)

Security

The largest ransomware attack ever hit at least 99 countries [1]. One report suggests the malicious software was stolen from US developed cyber-warfare tools [2]. Microsoft released a statement warning of the risk of state sponsored digital weapons [3].

There are indications the ransomware attack was launched by North Korea [4]. In a predictable response, China is reluctant to blame North Korea for

the global ransomware attack [5]. Elsewhere, Disney is being blackmailed; the bad actors are threatening to release a stolen movie if the ransom is not paid [6].

The race to correct security flaws before bad actors can exploit them continues. Intel released a security patch for a firmware vulnerability [7]. Additionally, Microsoft released patches to fix 57 vulnerabilities [8]. Meanwhile, Adobe issued patches to correct 7 vulner-

abilities [9]. Then Cisco released a patch to fix a critical vulnerability in its Cluster Management Protocol [10].

1. BBC News, *Massive ransomware infection hits computers in 99 countries*, May 13, 2017.
2. Perlroth, Nicole, and Sanger, David E, New York Times, *Hackers Hit Dozens of Countries Exploiting Stolen N.S.A.*

(Continued on page 2)

Inside this issue:

Terrorism	3
Economy	4

Special points of interest:

- Weaponized malicious software

*There is no substitute for
victory—Douglas
MacArthur*

(Continued from page 1)

- Tool, May 12, 2017.
- Greene, Jay, Wall Street Journal, *Microsoft Claims Stolen U.S. Government Computer Code Fuels Cyberattack*, May 14, 2017.
 - Perlroth, Nicole, and Sanger, David E., New York Times, *In Computer Attacks, Clues Point to Frequent Culprit: North Korea*, May 15, 2017.
 - Mozur, Paul, and Perlez,

Security

- Jane, New York Times, *China Is Reluctant to Blame North Korea, Its Ally, for Cyberattack*, May 17, 2017.
- BBC News, *Disney hack: Ransom demanded for stolen film*, May 16, 2017.
 - Olenick, Doug, SC Magazine, *Intel posts security bulletins, Cisco examines PowerISO flaw*, May 8, 2017.
 - Olenick, Doug, SC Magazine, *Microsoft Patch Tuesday: 57 vulnerabilities addressed*, May 9, 2017.
 - Olenick, Doug, SC Magazine, *Adobe Patch Tuesday: Flash Player receives updates for seven critical flaws*, May 9, 2017.
 - Olenick, Doug, SC Magazine, *Cisco patches Vault 7 vulnerability*, May 10, 2017.

World News

(Continued from page 1)

- Reentry in Latest Missile Launch, May 15, 2017.
- Martinez, Luis, and Caplan, David, ABC News, *US official: North Korea launches medium-range ballistic missile*, May 21, 2017.
 - Gady, Franz-Stefan, Diplomat, *China Coast Guard's New 'Monster' Ship Completes Maiden Patrol in South China Sea*, May 8, 2017.
 - Reuters/CNBC, *China reportedly installs rocket launchers on disputed South China Sea island*, May 17, 2017.
 - BBC, *Chinese jets intercept US aircraft over East China Sea, US says*, May 19, 2017.
 - Blanchard, Ben, Reuters, *New Chinese attack helicopter makes maiden flight*, 18, 2017.

Terrorism

Afghanistan continues to be a hotbed for terrorism. For instance, in Kabul, a suicide attack directed against a US military convoy left 8 civilians dead [1]. Then roadside bombs killed at least 11 civilians attending a wedding [2]. Additionally, suicide bombers stormed a television station, holding it for three hours [3]. Finally, the Taliban reportedly killed at least 20 police officers during an organized attack [4].

One aspect of terrorism is how prepared are we to stop or mitigate attacks. For instance, a driver plowed through a number of people in Times Square, NY, killing at least one [5]. Given this is a typical attack widely used by terrorists; the fact the attack was successful suggests a lack of adequate security.

Air travel continue to be a potential target of terrorism. For instance, passengers subdued a Turkism man attempt-

ing to break into the cockpit of a Honolulu-bound commercial plane [6].

1. Mashal, Mujib, and Abed, Fahim, New York Times, *Suicide Bombing of U.S. Military Convoy in Kabul Kills 8 Afghans*, May 3, 2017.
2. Gul, Ayaz, VOA, *Roadside Bombs Kill 11 Civilians in Afghanistan*, May 19, 2017
3. Alokozay, Khalid, New York Times, *Suicide Bombers Storm TV Station in Afghanistan*, May 17, 2017.
4. Amani, Sayed Sarwarm and Sameem, Ismail, Reuters, *At least 20 Afghan police killed in Taliban ambushes: officials*, May 21, 2017.
5. Eversley, Melanie, USA Today, *Times Square witnesses feared terrorism*, May 18, 2017.
6. Kawano, Lynn, Hawaii News Now, *Suspect in cockpit threat on Honolulu flight had been detained at LAX*, May 20, 2017.

The atom bomb was no 'great decision.' It was merely another powerful weapon in the arsenal of righteousness.—Harry S Truman

Economy

According to the Labor Department, for the week ending April 29, the number of first time unemployment claims was 238,000 [1]. For the week ending May 6, the number fell to 236,000 [2]. Finally, for the week ending May 13, the number reported was 232,000 [3].

In positive news, OPEC appears to be under pressure from US oil production. Case in point, US oil companies added new rigs for 18 weeks in a row [4]. The biggest concern OPEC has is the US shale industry [5]. This comes as one piece indicates OPEC has asked non-member oil producers to cut back production so the markets can stabilize [6].

In another positive turn, international business with the US continues to look positive. For

example, during President Trump's visit to Saudi Arabia, commitments were made for an arms deals worth \$110 billion initially and \$350 billion over 10 years [7]. This arms deal is described as the largest in US history [8].

1. Reuters/CNBC, *US jobless claims fall, continuing claims hit 17-year low*, May 4, 2017.
2. CNBC/Reuters, *US jobless claims fall; continuing claims lowest since 1988*, May 11, 2017.
3. Mutikani, Lucia, Reuters, *U.S. economic outlook brightens as job market tightens*, May 18, 2017.
4. DiSavino Scott, Reuters, *U.S. drillers add oil rigs for 18th week in a row: Baker Hughes*, May 19, 2017.
5. Sell, Christopher, Bloomberg, *U.S. Shale Roars Back at OPEC*, May 19, 2017.
6. Kottasová, Ivana, CNN, *OPEC to U.S.: Please don't pump so much oil!*, May 11, 2017.
7. David, Javier E., CNBC, *US-Saudi Arabia seal weapons deal worth nearly \$110 billion immediately, \$350 billion over 10 years*, May 20, 2017.
8. Kredo, Adam, Washington Free Beacon, *U.S.-Saudi Arabia Ink 'Largest Single Arms Deal in American History'*, May 19, 2017.

*We will bankrupt ourselves
in the vain search for
absolute security—Dwight
D. Eisenhower*
