

World News

Before the onslaught of the Wuhan virus, there were some concerned that China's monopoly on many drugs and medical supplies was problematic [1]. In particular, there were fears expressed that drugs made in China would be disrupted because of the virus [2]. Then the Food and Drug Administration announced the first drug shortage from China that was the result of the Wuhan virus [3]. In response, lawmakers are looking at ways to limit US dependence on China [4]. Now, there is a realization that China cannot meet the demand US hospitals require for the ongoing pandemic [5]. The consequence is that many nurses lack needed supplies and are forced to reuse existing equipment [6]. Additionally, Spain purchased a number of coronavirus test kits from a Chinese firm that turned out to be defective [7]. The Chinese Government announced they are launching an investigation into how defective test kits were sent to Spain [8]. Readers may recall that made in China surgical gowns were contaminated and could not be used [9]. On the plus side, the pharmaceutical industry hopes to get some production back into the US [10].

Meanwhile, China complained over a US warship that traversed the Taiwan Strait [11]. In support of Taiwan, the President signed an Act designed to increase U.S. support for Taiwan internationally [12]. In response, China denounced the Act [13]. This comes as China continues to flex its military muscle over contested waters [14].

1. Palmer, Doug, South China Morning Post, *U.S. policymakers worry about China 'weaponizing' drug exports*, December 20, 2020.
2. Spross, Jim, The Week, *America could run low on medicine at the worst possible time*, February 25, 2020.
3. Reuters, *U.S. regulator announces first shortage of drug related to coronavirus*, February 27, 2020.

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Wuhan Coronavirus

Background: In the past, the H1N1 Swine Flu originated in Mexico [1]. MERS came from the Middle East [2]. The Wuhan coronavirus started in China [3]. SARS was first detected in Southern China [4]. Interestingly, some blame China bioweapons development on the SARS outbreak [5]. Regarding the Wuhan coronavirus, China objects to this name claiming the virus may have originated outside of China [6]. To understand the politics

of fighting viruses, we should look at the 1976 Swine Flu vaccination program championed by then President Ford [7]. As it turned out, the virus never emerged to be the threat predicted and was labeled by the press as a fiasco [8]. Some suggest the \$135 million program to vaccinate everyone against the Swine Flu resulted in Ford losing the election to Jimmy Carter [9]. As a consequence, policies are now cautionary (read reactive)

rather than proactive. As expected, the World Health Organization declared the Wuhan virus a pandemic [10]. Following this, President Trump imposed travel restrictions to most of Europe [11].

1. UPI, *2009 swine flu originated in Mexico*, July 1, 2016
2. UPI, *Camels linked to Middle East respiratory syndrome coronavirus*, August 9, 2013.

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Special points of interest:

- Record high first time unemployment claims
- Wuhan Coronavirus Pandemic
- Dow, NASDAQ, and S&P 500 melt down
- Recession starts

Wuhan Coronavirus

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3. Fifield, Anna, et. al., Washington Post, *Chinese officials try to contain virus outbreak as first case confirmed in U.S.*, January 21, 2020.
4. CDC SARS Response Timeline, April 26, 2013.
5. Jennings, Ralph, Reuters, *Taiwan suggests SARS was China warfare plot*, October 7, 2008.
6. Tan, Huileng, CNBC, *Beijing objects to term 'Wuhan coronavirus,' and says it may not have originated in China*, March 10, 2020.
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tion, March 11, 2020.

*I had a lot of experience
with people smarter than I
am.—Gerald R. Ford*

(Continued from page 1)

4. Reuters, *Trump working on executive order to limit dependence on China for medical supplies – Rubio*, March 11, 2020.
5. White, Martha C., NBC News, *Trump's trade war exacerbated shortage of medical equipment*, March 27, 2020.
6. CBS New York, *Coronavirus: Nurses Protest Outside Bronx Hospital About Lack Of Supplies, Orders To Reuse Protective Gear*, March 28, 2020.
7. Rogan, Tim, Washington Examiner, *The old lesson in China's sale of junk coronavirus kits to Spain*, March 26, 2020.
8. Chakraborty, Barnini, Fox News, *China launches investigation into company behind faulty coronavirus test kits sold to Spain*, March 28, 2020.
9. Lapook, Jonathan, CBS News, *Surgical gown recall leaves medical centers scrambling*, January 31, 2020
10. McKay, Hollie, Fox News, *US pharmaceutical industry aims to wrest some drug production back from China*, March 17, 2020.
11. Blanchard, Ben, Reuters, *U.S. playing dangerous game, China says, after warship sails through Taiwan Strait*, March 25, 2020.
12. Blanchard, Ben, and Tian, Yew Lun, Reuters, *U.S. increases support for Taiwan, China threatens to strike back*, March 26, 2020.
13. Jennings, Ralph, VOA,

China Sends Ships, Planes over Disputed Seas to Show Strength after COVID-19 Outbreak, March 25, 2020.

14. Tian, Yew Lun, Reuters, *China denounces new U.S. law on supporting Taiwan*, March 27, 2020.

World News

*If you have ten thousand
regulations you destroy all
respect for the law.—
Winston Churchill*

In Iraq, terrorists aligned with Iran launched a missile attack on an airbase north of Baghdad. In response the US launched airstrikes against the suspected group [1, 2]. The Iranian proxies in Yemen have also been busy. One report indicated Saudi air defenses shot down two ballistic missiles fired by the Houthi group towards Riyadh [3].

In Kabul, Islamic State (IS) terrorists attacked a Sikh religious complex, killing at least 25 people [4]. In Africa, Boko Haram militants killed nearly 100 Chadian soldiers [5].

The main news story remains the Wuhan coronavirus. Concurrently, Homeland Security is warning that terrorists may target the strained healthcare system [6]. Case in point, the FBI killed an alleged terrorist planning to bomb a medical facility in the Kansas City area [7].

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Terrorism

against Iranian-backed militia after rocket attack in Iraq kills troops, March 12, 2020.

2. Romo, Vanessa, NPR, *U.S. Launches Retaliatory Airstrikes In Iraq After Missile Attack, March 12, 2020.*
3. Abdallah, Nayera, Reuters, *Saudi-led coalition intercepts missiles fired by Yemen's Houthis – spokesman, March 29, 2020.*
4. Sediqi, Abdul Qadir, and Hakimi, Orooj, Reuters, *Gunmen in Afghanistan kill 25 at Sikh complex, Islamic State claims responsibility, March 25, 2020.*
5. Nako, Madjiasra. Reuters, *Boko Haram militants kill nearly 100 Chadian soldiers in attack, March 25, 2020.*
6. Maass, Brian, CBS Denver, *Terrorists May Use Coronavirus To Incite Violence, Homeland Security Warns, March 27, 2020.*
7. Time/AP, *FBI: Man*

'Fatally Injured' During Domestic Terrorism Arrest, Had Plotted Attack on Hospital Amid Coronavirus Pandemic, March 26, 2020.

Economy

Russia and Saudi Arabia started an oil war by increasing production, resulting in a 25% fall in oil prices [1]. It appears Russia is trying to destroy the US shale oil industry in order to regain monopoly status [2].

The oil price fall and Wuhan coronavirus news had its impact on the stock markets. On March 9, the three indices each fell over 7% [3]. Then on March 10, the markets surged nearly 5% [4]. Then on March 11, the indexes shed nearly 6% leaving the stock markets down 20% from their highs of a month ago [5]. On March 12, the stock indexes fell nearly 10%, its worst day since 1987 [6]. On March 13, President Trump declared a state of emergency to combat the Wuhan coronavirus epidemic thereby sending the stock indexes up over 9%, the biggest gain since October 28, 2008 [7]. On March 16, it became evident the US economy was heading for a severe recession. The indexes fell their most in recorded history with the DJIA falling nearly 13% [8]. On March 17, the Dow gained over 5% while the S&P 500 and NASDAQ Composite gained over 6% [9]. On March 18, the DJIA shed another 6% closing below 20,000 [10]. On March 20, the indexes continued their slide falling around 4% [11]. On March 22, the bleeding continued with the Dow dropping another 3% [12]. On March 24, the DJIA posted its largest one day gain since 1933, increasing over 11% [13]. On March 25, stocks rose, the next day they fell [14].

For the week ending March 7, the number of first time unemployment claims was 211,000 [15]. Then the job

impacts associated with the Chinese virus started. For the week ending March 14, the number rose to 281,000 [16]. Finally, for the week ending March 21, the number rose to 3,283,000, a record high [17].

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4. Henderson, Richard, et. al., Financial Times, *US stocks surge nearly 5% in late rally*, March 10, 2020.
5. McCormick, Emily, Yahoo Finance, *Stock market news live: Dow drops 1,400 points, ending in bear market*, March 11, 2020.
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7. Watts, William, and Wiltermuth, Joy, Market Watch, *U.S. stocks score biggest one-day gain since 2008 after Trump declares state of emergency over coronavirus*, March 13, 2020.
8. Schroeder, Robert, Market Watch, *Trump says 'market will take care of itself' as Dow plummets 3,000 points*, March 16, 2020.
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10. Wiltermuth, Joy, and Oh, Sunny, Market Watch, *Dow closes below 20,000 after stock selloff trips circuit-breaker and investors gauge government response to coronavirus*, March 18, 2020.
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14. DeCambre, Mark, and Watts, William, Market Watch, *Dow ends sharply lower, but books biggest weekly gain since 1938 in bounce after coronavirus-inspired rout*, March 28, 2020.
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*Suppose you were an idiot,
and suppose you were a
member of Congress; but I
repeat myself.—Mark
Twain*
