

# Trumpet Weekly

JANUARY 29, 2016



Italian banking stocks saw another day of meltdown on January 19 as skittish investors were spooked by the country's burgeoning toxic loan crisis.

## Are Italy's Banks About to Explode?

Richard Palmer | January 28

THE VALUE OF ITALY'S THIRD-LARGEST BANK HAS PLUMMETED BY 60 percent since the start of this year. There are signs many are pulling money out of Banca Monte dei Paschi, out of Italian banks, and out of Italy in general. Even if the nation is not hit by a banking crisis imminently, the dire situation in Italy's banks and its whole economy could still cause a financial disaster in Europe that would reverberate around the world.

Italy is the eurozone's third-largest economy, and the eighth largest in the world. Its economy is over seven times the size of Greece's. An economic collapse in Italy would put Europe in a crisis far, far worse than the ongoing Greece crisis.

The more immediate roots of the problem go back to the 2008 banking crisis. Italy's economy was hit hard, especially the poorer south. Because of this economic devastation, many could not pay their debts. Around 20 percent of loans are not being paid back.

Europe's muddling in the face of this economic crisis is making things worse. Elsewhere, governments bailed out struggling banks only to find themselves overwhelmed with debt and in need of a bailout. But rather than address the underlying cause of the crisis—that sharing a currency without sharing a

government can never work—European leaders focused on the effect: They simply made it illegal for governments to bail out struggling banks without taking money from some depositors and investors first.

These laws went into force on January 1. They've solved nothing and instead are pushing the crisis in a different direction.

We saw a glimpse of this in December. The Italian government organized a rescue for four small banks along the lines of the new bailout rules. It ended in one elderly man committing suicide after losing his life's savings. He had tried on several earlier occasions to withdraw his money, but was refused.

This situation will become more common with the new banking rules. Shareholders, bondholders and anyone with over €100,000 (US\$109,000) in deposits must take losses before the government can bail out the bank.

Those were the [conditions forced on Cyprus](#) back in 2013. It devastated Cyprus's economy and not only led to people losing their savings, but also to drastic pay cuts as businesses struggled to find the cash to pay their staff.

The new way of doing things makes the entire banking system

more unstable. As Geopolitical Futures wrote, “Banking is about to get risky and complicated in Europe.” If investors and depositors risk losing large sums of money if their bank goes under, they’ll be much quicker to ditch a questionable bank, which makes a bad situation much worse very quickly. That process seems underway with Banca Monte dei Paschi.

Things have calmed a little as the Italian government agreed to a new plan with the European Union that will allow the government to provide some limited help to struggling banks. But this merely shifts the burden for some of the problems—it does not solve them.

Italy’s debt relative to the size of its economy is second only to Greece—and Italy is still borrowing money every year. Meanwhile its economy has been shrinking over the last few years. It cannot afford to bail out its banks.

An Italian banking crisis could easily push the whole country into very serious trouble. A truly massive European bailout would be required to fix it.


Even if the crisis calms down again, the non-performing loans remain a major problem. [A financial crisis triggered elsewhere](#) could easily push Italy over the edge.

Italian Prime Minister Matteo Renzi wants a European scheme to back up troubled banks—which would prevent any meltdown being so calamitous to Italy, and may even prevent a crisis in the first place.

“The eurozone economic crisis has evolved into a political crisis where a growing number of voters oppose the European Union and the political elites who back it,” wrote Stratfor.

Italy’s banking problem threatens to dramatically worsen the euro crisis at the same time as Europe struggles to deal with the migrant crisis. It is becoming more and more clear that the EU in its current form is not working.

An economic crisis coinciding with the migrant crisis would tax Europe to the extreme. But it will take this kind of extreme pressure to force the quarrelsome nation states to give up sovereignty and unite together, exactly as men like EU founding father Jean Monnet saw. The euro crisis will, in fact, bring Europe together—and the next major push in that direction could come from Italy.

For more on where this crisis is leading, read *Trumpet* editor in chief Gerald Flurry’s article [“Did the Holy Roman Empire Plan the Greek Crisis?”](#)  Follow Richard Palmer

## MIDDLE EAST

# TrumpetDaily

RADIO SHOW

FRANCE: WINE IS WHERE WE DRAW THE LINE! | JANUARY 28

THE SECRET TO AUSTRALIA'S REMARKABLE JOURNEY | JANUARY 27

THERE IS A WAY TO PEACE | JANUARY 26

IRAN'S 25-YEAR ASCENT TO REGIONAL DOMINANCE | JANUARY 25

## Chaos in Libya a Growing Draw for Extremists, Report Warns

**Wall Street Journal | January 28**

**L**IBYA IS EMERGING AS A NEW DESTINATION OF CHOICE FOR extremists, as both Islamic State and al Qaeda have used the chaos since the overthrow of Muammar Qadhafi to seize territory and parts of the economy, a report by a security consulting firm said.

Wednesday’s report warned that Libya could become a dangerous new base for terrorist groups because of the country’s ungoverned hinterlands, long, porous borders and huge oil reserves.

Already, the absence of law and proliferation of weapons and violence in Libya “have allowed violent extremist groups such as the Islamic State and al Qaeda to thrive,” said the report by the Soufan Group, founded by a former U.S. government official who investigated the 2001 terror attacks.

The report noted that both groups “are both utilizing Libya as a safe haven from which to launch operations against neighboring

countries.”

“Given geography, expansive territory, extensive oil reserves, and its history with violent jihadist networks, a failed state in Libya could be disastrous for North Africa and Europe, as well as the broader international community,” it said. ...

This week the parliament in Tobruk, which has been internationally recognized, rejected [a] unity government proposed under the UN-backed plan. The Soufan report said the vote signaled that, “despite high international hopes, rival parties in Libya simply do not have the incentive to compromise on power-sharing.”

The report said Islamic State and al Qaeda are shifting toward Libya partly because they are being squeezed out of places like Syria by international military coalitions.

Some Islamic State recruitment materials have even begun

instructing aspiring foreign fighters to travel to Libya, rather than to Iraq and Syria. ...

The report said that al Qaeda and Islamic State have each been generating revenues in Libya. Islamic State has been attacking oil installations controlled by rival militia groups and seized three

regions, one of which, Sirte, it has tried to promote as its Libyan capital, in the model of Raqqa in Syria and Mosul in Iraq. ...

**RELATED:** [“EGYPT AND LIBYA TO JOIN IRAN'S TERROR NETWORK”](#)

---

## PM Netanyahu's Statement on the Occasion of International Holocaust Remembrance Day

**Benjamin Netanyahu, Prime Minister's Office | January 26**

**P**RESERVING THE MEMORY OF THE HOLOCAUST IS MORE IMPORTANT today than ever, for in this period of resurgent and sometimes violent anti-Semitism, it is commemorations like this that remind us all where the oldest and most enduring hatred can lead.

Unfortunately, in Europe and elsewhere, Jews are once again being targeted just for being Jews. ...

Islamic extremists incorporate the most outrageous anti-Semitism into their murderous doctrines. We see this in Gaza; we see it in Raqqa; we see it in Tehran. And it's not just Islamic extremists in the Middle East and Europe. Even respected Western opinion leaders have become afflicted with hatred for the Jewish people and the Jewish state.

The obsession with the Jews—the fixation on the Jewish

state—defies any other rational explanation. While across the region, Islamist militants brutalize entire populations, enslave and rape women, murder Christians and gays, the UN Human Rights Council repeatedly condemns Israel. More than North Korea. More than Iran. More than Syria. More than all of them put together. Some things just don't change. ...

When a state like Iran and movements like [the Islamic State] and Hamas openly declare their goal of committing another Holocaust, we will not let it happen. But Europe and the rest of the world must stand up together with us. Not for our sake; for theirs.

**RELATED:** [“THE ANTI-JEWISH SURGE: NO BIG DEAL—RIGHT?”](#) AND [“WHY SO MUCH HATRED FOR JEWS?”](#)

---

## Iranian Extortion Pays Off

**Commentary | January 27**

**WE TALKED ABOUT THIS**



**I**T'S BEEN MORE THAN 10 DAYS SINCE “IMPLEMENTATION DAY” FOR the Iran nuclear accord, the centerpiece of the Obama foreign policy in the Middle East. How's it going? A few highlights:

- A new gold rush of Western, in particular European, companies eager to do business with Tehran is taking place. [Some of those companies include the Danieli Group, Airbus, Siemens and Daimler.] ... CNN even has a cheery piece about how Iran could be “your next ski destination.” ...
- So eager are Westerners to court Iran that Italy's government went so far as to cover up nude statues at a museum where Iranian President Hassan Rouhani met with Prime Minister Matteo Renzi, a decision that Italy's culture minister denounced as “incomprehensible.”
- The Guardian Council has disqualified almost all of the “reformist” candidates from upcoming parliamentary elections, including Ayatollah Khamenei's grandson. So much for hopes that lifting sanctions would strengthen “reformers.”
- Iran also announced another Holocaust denial cartoon contest, with a top prize of \$50,000—that's sanctions relief being put to use.
- Iran, along with Russia, continues to back Bashar Assad's offensive against rebel fighters, who are being rolled back

from critical areas. Iran also continues its aid to Shiite militias in Iraq, who are said to be “flush” with Iranian-supplied weapons and cash.

- Iran continues to wring every ounce of propaganda it can out of the humiliation of American sailors held on their knees at gunpoint by the [Islamic] Revolutionary Guard Corps. Grand Ayatollah Ali Khamenei tweeted his thanks to the IRGC: “God's deed; IRGC's timely job; Americans with hands on heads.”
- Oh, and lest we forget, an Iranian proxy group, most likely Asaib Ahl al-Haq, continues to hold hostage three American defense contractors who were kidnapped on Implementation Day in Baghdad. ... [The U.S. knows who's to blame.] Why else would Secretary of State John Kerry ask Iranian Foreign Minister Javad Zarif to see if he could release the hostages? The *Wall Street Journal* quoted Kerry: “I asked him [Zarif] if Iran knew any way to provide help or there were some ways they could have an impact on getting the right kind of outcome.” ...

This is part of a recurring pattern: Iran ... violates international law in various ways ... the U.S. blames these actions on “hardliners” and makes concessions to Iran that are supposed

to strengthen “reformers.” From Iran’s standpoint, the “hardliners” and “reformers” have a perfectly symbiotic relationship: The “reformers” collect the ransom for the “hardliners.” The pay-off to this strategy for Iran is already in the billions of dollars and

climbing, a certain guarantee that Iran will continue this protection racket indefinitely.

**RELATED:** [“IRAN’S IMPLEMENTATION DAY: A LANDMARK FOR THE MIDDLE EAST”](#)

### **U.S. Monitoring Iraq’s Largest Dam for Signs of Collapse** **Agence France-Presse | January 28**

**T**HE UNITED STATES IS MONITORING IRAQ’S LARGEST DAM FOR signs of further deterioration that could point to an impending catastrophic collapse, U.S. Army officers said on Thursday.

The Islamic State of Iraq and Syria jihadist group seized the Mosul Dam briefly in 2014, leading to a lapse in maintenance that weakened an already flawed structure, and Baghdad is seeking a company to make repairs.

“The likelihood of the dam collapsing is something we are trying to determine right now,” Lt. Gen. Sean MacFarland, the commander of the U.S.-led operation against ISIS, told journalists in Baghdad.

The dam has long been in danger of collapse, which U.S. officials have warned could send a huge wave crashing into ISIS-held Mosul ....

... “We’re still evaluating that data,” he said, but if it does

collapse, “it’s gonna go fast, and that’s bad.” [A collapse could kill hundreds of thousands of people in Mosul and Baghdad in a wave that could be 60-feet deep.]

The U.S. is sharing the data it collects with the Iraqi government and working with Baghdad on an evacuation plan, [General] MacFarland said.

“They understand that there is the potential for the Mosul dam to collapse,” he said.

“If this dam was in the United States, we would have drained the lake behind it—we would have taken that dam out of commission.” ...

[R]egular maintenance [of the dam] lapsed in 2014 after ISIS seized the dam, stealing the equipment and chasing off the workers, [Col. Steve] Warren said. ...

### **Iran Chases Off U.S. Warships in Persian Gulf** **Washington Free Beacon | January 27**

**I**RANIAN MILITARY OFFICIALS ANNOUNCED ON WEDNESDAY THAT the country’s forces had issued a “serious warning” to a U.S. warship in the Persian Gulf, chasing it out of an area in which the Islamic Republic has been holding war drills.

Iranian destroyers warned at least two U.S. warships that they were sailing too close to the area in the Strait of Hormuz where Iranian forces are running their war drills, according to military officials quoted in the country’s state-controlled press. The U.S. vessels were ordered to leave the area. ...

The latest standoff comes following the capture and release by Iran of 10 U.S. sailors who had drifted into the country’s territory.

Iranian military officials accused the United States of attempting to spy on the war drills.

“Some still seem to be holding no belief in Iran’s naval power; hence they attempt to come close to get informed of our moves

and capabilities,” Habibollah Sayari, commander of Iran’s Navy, was quoted as saying.

“The U.S. warship left the region immediately after receiving the warning,” Iran’s army claimed. ...

Iranian military officials say that the latest war drills are proof of the country’s regional dominance and indicate the United States fears Tehran’s offensive power.

“The Americans tried to contain us through [United Nations] resolutions. They wanted to undermine our deterrence power,” Hossein Ta’eb, an intelligence official with the [Islamic] Revolutionary Guard Corps, was quoted as saying on Wednesday.

“The United States got the message that Iran’s deterrence power is here to stay,” the official said, citing the country’s recent test firing of ballistic missiles and continued work on advance weaponry. ...

### **Report: Iran Deploys Hezbollah to Get Its Old Ally Hamas Back** **Jerusalem Post | January 28**

**H**EZBOLLAH IS EXPECTED TO START MEDIATING SOON BETWEEN Hamas and Iran in order to reconcile between both parties and bring Hamas, which is financed today [by] the Gulf states, back into Tehran’s fold.

London-based *Asharq al-Awsat* reported on Thursday that the new mediation comes after Iran failed in its previous attempts to convince Hamas to announce its support for Iran in the Islamic Republic’s battle with Saudi Arabia for regional supremacy, in exchange for Iranian financial aid. ...

Although it is desperate for money, Hamas will not easily relinquish its alignment with Saudi Arabia and take Iran’s side. Doing so will paint Hamas in the Sunni world as a traitor that collaborates with a regime which is accused of starving Syrian children to death. ...

While Hamas needs Iran’s money, Iran strives to increase its dominance in the Middle East, especially as tensions with Saudi Arabia run higher, and improving its relations with Hamas can help it maintain its presence in the Palestinian territories.



# Trumpet Hour

IRAN'S WINDFALL, STALIN'S REVIVAL, THE POPE'S APOLOGY, GENDER FLUIDITY CURRICULUM, AND MORE | JANUARY 29

EUROPE'S NUCLEAR WEAPONS, ITALY'S BANKING CRISIS, AND THE FUTURE OF FARMING | JANUARY 27

## Why Pope Francis Just Asked Protestants for Forgiveness

Reuters | January 25

WE TALKED ABOUT THIS



**S**PEAKING AT AN ANNUAL VESPERS SERVICE IN ST. PAUL'S BASILICA in Rome attended by representatives of other religions, he asked "forgiveness for the un-gospel-like behavior by Catholics towards Christians of other churches." He also asked Catholics to forgive those who had persecuted them.

The Vatican announced that on October 31, Francis would go to the southern Swedish city of Lund, where the Lutheran World Federation was founded in 1947, for a joint service with Lutherans to launch Reformation commemorations that will continue throughout the world next year.

Martin Luther, a German, is credited with starting the Protestant Reformation in 1517 with writing 95 theses .... It led to a violent, often political schism throughout Europe and Christianity. ...

Francis ... has made dialogue with other religions one of the

hallmarks of his papacy.

He has already visited the Lutheran church of Rome, the Waldensian protestant community in northern Italy, and Rome's synagogue. ...

**Editor's Note: In Isaiah 47, God exposes the mentality behind these efforts at unification: "And thou saidst, *I shall be a lady for ever .... Therefore hear now this, thou that art given to pleasures, that dwellest carelessly, that sayest in thine heart, I am, and none else beside me; I shall not sit as a widow, neither shall I know the loss of children*" (verses 7-8). Scripture reveals that a pope will attain religious unity with Catholicism's Protestant children before Jesus Christ's return to this Earth.**

## Why Europe's Great Experiment Is Failing

Ian Morris, Stratfor | January 27

**T**HE SLOW-MOTION CRISIS OF THE EUROPEAN UNION FINALLY seems to be coming to a head. "Europe could lose its historical footing and the project could die quickly," French Prime Minister Manuel Valls warned in a speech at this year's World Economic Forum in Davos, Switzerland. "Things could fall apart within months," which, German Finance Minister Wolfgang Schäuble added, "would be a tragedy." ...

For 5,000 years, since the first states were created in what is now southern Iraq, governments have been using violence to create political unity and then using politics (and, when necessary, more violence) to create economic and cultural unity everywhere that their power reached. From 3000 B.C. through the late 1940s, it is hard to find a single example of a state formed in any other way. Since the late 1940s, though, Western Europeans have been turning history's most successful formula on its head. ...

In committee meeting after committee meeting, unsung bureaucratic heroes spun a web of rules and regulations that

bound the Continent's formerly sovereign states into an economic and cultural unit and then began using economics and culture to create a political unit. "The final goal," Helmut Schlesinger, the head of the German Bundesbank, explained in 1994, "is a political one ... to reach any type of political unification in Europe, a federation of states, an association of states, or even a stronger form of union." In this agenda, "the economic union is [merely] an important vehicle to reach this target." ...

As the countries that had adopted the euro as their currency plunged into a debt crisis (or, more accurately, a balance-of-payments crisis between the highly productive north and the less productive south), they discovered the limits of a rules-based union that lacked the centralized coercive powers of a traditional state. An old-style empire could have used force to solve the problems, as Britain did when it sent gunboats to extract debt payments from Greece in 1850; but in the new Europe, no German tanks would be rolling through the streets of Athens to restore

fiscal discipline. ...

By late 2011, the Swiss bank UBS was even worrying that the absence of central coercive power would unleash violence of a different kind: “Almost no modern fiat currency monetary unions,” its analysts observed, “have broken up without some form of authoritarian or military government, or civil war.” ...

Since 2014, however, a second problem has emerged for the European path toward state formation. Nearly 2 million refugees ... have flooded into Europe from the south and east. ... Amid scenes of misery and even violence, internal borders are returning. State formation is going into reverse. ...

Since 2010, however, evidence has been mounting that the European path toward state formation only really works in the best-case scenario. Confronted by genuinely Hobbesian challenges of greed and desperate refugees, the limitations of Brussels’s rules and committees have become clear.

If correct, this seems to leave just two options. The first is that the champions of political union will turn the crisis of state formation into an opportunity, persuading the bloc’s members to strengthen central institutions at the expense of local ones and thereby giving Brussels the powers it needs to tackle the forces of dissolution. ...

The second option is ... rejecting “ever-deepening political

union, with ever-deepening political institutions” as Europe’s goal. ... No one has a crystal ball, and because Europe’s experiment in state formation without violence is unique in the annals of history, we cannot even appeal to arguments from analogy to see where it might lead. ...

Back in 1651, [Thomas] Hobbes speculated that Leviathan—an awe-inspiring government controlling sufficient force to deter its subjects from using violence in their own interests—could be created in more than one way. The most common route, he surmised, was what he called “commonwealth by *acquisition*,” which depended on threats and coercion, “as when a man maketh his children, to submit themselves, and their children to his government, as being able to destroy them if they refuse; or by war subdueth his enemies to his will, giving them their lives on that condition.” However, Hobbes argued, it was also possible for there to be “commonwealth by *institution* ... when men agree amongst themselves, to submit to some man, or assembly of men, voluntarily.”

More than three centuries on from *Leviathan*, the European Union has been giving commonwealth by institution the most serious test it has ever had. It has been a noble and inspiring experiment in solving collective action problems without the threat of coercion. But ... the experiment is failing.

---

## A Boost in German Military Spending

**Franziska Scheven, Handelsblatt | January 27**

WITH GERMANY’S FEDERAL BUDGET OVERFLOWING, AND THE Finance Ministry thinking about ways to spend the spoils, Germany’s defense minister is hoping to get a major piece of the pie.

Ursula von der Leyen has asked a Bundestag parliamentary committee to approve an extra €130 billion (US\$140 billion) in military spending over 15 years to modernize the nation’s battle readiness and boost staffing.

Ms. von der Leyen said Germany’s military is underfunded and lacks the ability to participate in international operations and NATO missions. The country currently spends about €35 billion a year on the Bundeswehr, less than the 2 percent of GDP that the trans-Atlantic NATO alliance wants its members to spend annually. ...

[E]xperts think Ms. von der Leyen has a good chance of getting additional funding, even if Finance Minister Wolfgang Schäuble

has said he remains determined to balance the books over the coming years. ...

Thomas Paulsen, a member of the executive board at the non-profit Körber Foundation, told Handelsblatt Global Edition “[I]n the end I think that we can take for granted that there will be a substantial increase of investment in military hardware in the coming years.”

Ms. von der Leyen argued that additional resources were needed both to protect from domestic threats, like terrorism, and to fund Germany’s increasing role in foreign missions. ...

For the last decade, Germany has, if anything, cut back on its military. The number of soldiers has declined in recent years to 168,277 in 2015, from 188,500 in 2005. There are currently 3,002 German soldiers on foreign assignment.

New investments are necessary to upgrade much of the country’s military hardware, experts said. ...

---

## TW IN BRIEF

**Denmark migrant law:** Danish lawmakers voted on Tuesday to let police seize valuables worth more than \$1,500 from asylum seekers to help cover their housing and food costs while their cases are being processed. After more than three hours of debate, the minority Liberal Party government’s bill was adopted in an 81-27 vote, with the support of the opposition Social Democrats and the anti-immigration Danish People’s Party—Denmark’s

two largest parties. The law means immigrants are subject to the same conditions as natives—who must also sell assets worth more than \$1,500 before they can receive social benefits. Many German states have similar laws for asylum seekers. However, the law has been criticized by some European politicians. Denmark received about 20,000 asylum seekers last year, one of the highest rates per capita in the European Union.

## For Putin, for Stalin

Foreign Policy | January 25

### WE TALKED ABOUT THIS



**F**EARFUL OF UNREST, RUSSIA'S PRESIDENT IS USING THE MEMORY of Stalin to exhort his people to sacrifice. ...

In 2015, the Soviet dictator's resurrected cult of personality reached new heights. In May, Communist Party officials in Lipetsk erected a new Stalin bust. In July, the tiny village of Khoroshevo opened a museum focused on his military exploits. And in December, Communist activists in the central Russian city of Penza opened a "Stalin Center," the goal of which is to "popularize and implement the practices that were in use during Stalin times and are still relevant today."

None of this was mandated from above—but neither is any of it an accident. Over the last few years, President Vladimir Putin has presided over the rehabilitation of one of the 20th century's greatest monsters. Bedeviled by the country's economic decay and fearful of dissent, he has turned to the ghost of Stalin [for] help to rally the Russian people and to prepare them for the sacrifices that lie ahead. ...

In November 2014, President Putin publicly rehabilitated the Molotov-Ribbentrop Pact, which cemented a brief alliance between Hitler and Stalin in which they split Eastern Europe between them—never mind the millions of Jews, Poles and others that were killed as a result. Under the Kremlin's direction, school history books have been standardized to gloss over Stalin's crimes. ...

The popular media has followed Putin's lead. ... And the push has been working. By March 2015, fully 45 percent of Russians believed that the sacrifices made by the Soviet people during the Stalin years were in some way justified. Less than three years earlier that number stood at only 25 percent. ...

Taken altogether, the message to the Russian people is clear: Just as Stalin did, Putin will take whatever steps he deems necessary to defend the country. There may be collateral damage, but trust him—it's for the good of Russia. ...

Just as their grandparents did in Stalin's time, most Russians seem ready to do whatever Putin asks of them as long as he delivers—or can convince the public that he has delivered. ...

**"This soaring popularity and renewed loyalty comes in part because Putin has convinced Russians to view their setbacks as noble sacrifices made in the name of the war effort. In December, one Moscow resident told the *Trumpet* that, although Russians are suffering, 'The current mood is: 'It'll be fun and scary!'" ... The Westerners who think the current discomfort will be too much for Russians have made a mistake: They have assumed that the Russian capacity to endure suffering and sacrifice in the name of the nation is roughly equal to that of the average Westerner. In fact, it is far greater."**

"The Amazing Durability of the Russians," *Trumpet*, March 2015

## U.S. Slams Taiwan President's Planned Visit to Contested South China Sea Island

Reuters | January 27

**T**AIWAN [FORMER] PRESIDENT MA YING-JEOU'S PLANNED TRIP TO the Taiwanese-held island of Itu Aba in the disputed South China Sea is "extremely unhelpful" and won't do anything to

resolve disputes over the waterway, a U.S. official said on Wednesday. ...

## China Has Cyber Capability to Take Down U.S. Power Grid, Warns NSA

Natural News | January 27

**T**HE U.S. IS VULNERABLE TO CYBERATTACKS FROM CHINA AND other countries capable of shutting down the power grid and disabling vital infrastructure, according to Adm. Michael Rogers, head of both the National Security Agency and the U.S. Cyber Command.

Rogers recently warned the House Intelligence Committee: "We're seeing multiple nation-states invest in those kinds of capabilities."

Cybersecurity firm Mondiant confirmed that China had

hacked into U.S. utility systems and has the knowledge potential to exploit vulnerabilities and shut down or disrupt them. Rogers says this could allow Chinese hackers "to shut down very segmented, very tailored parts of our infrastructure that forestall the ability to provide that service to us as citizens." ...

Such an attack could have catastrophic effects, to say the least. Rogers agreed with recent predictions that a major cyberattack will occur within the next decade: "It is only a matter of the when, not the if, that we are going to see something traumatic." ...

**“America is the greatest superpower this world has ever known. But we have a very vulnerable point in our military—our own Achilles heel. ... Exploiting this vulnerable point may trigger the greatest shock in the history of warfare! ... [As Joseph de Courcy wrote in 1992,] ‘Computer dependence is**

**the Western world’s Achilles heel, and within a few years this weakness could be tested to the full.’”**

Gerald Flurry, “America’s Achilles’ Heel—and Germany,” *Trumpet*, May 2005

### **UNICEF Warns of Severe Child Malnourishment in North Korea** **Guardian | January 26**

**A**BOUT 25,000 CHILDREN IN NORTH KOREA REQUIRE IMMEDIATE treatment for malnutrition after a drought cut food production by a fifth and the government reduced rations, UNICEF has warned. ...

It said the money needed for its work had doubled in three years, driven by global conflicts and extreme weather that were forcing growing numbers of children from their homes and exposing millions more to food shortages, violence, disease and abuse. ...

### **Putin Says He Likes Communist Ideas Echoing Bible’s** **Russia Beyond the Headlines | January 25**

**R**USSIAN PRESIDENT VLADIMIR PUTIN HAS SAID THAT HE STILL likes the ideas of communism and that he has not ditched his party member ID card.

“You know, just like millions of Soviet citizens—20-odd million people—I was a member of the USSR Communist Party, and not just a Communist Party member, but I worked for an organization called the USSR State Security Committee [KGB] for almost 20 years ... that was called the party’s armed squad,” he told the first interregional forum organized by his All-Russia Peoples Front on January 25. ...

“Unlike many functionaries ... I did not throw away my party ID, I did not burn it” ....

“I quite liked, and still do, the Communist and Socialist ideas. If we look at the Code of the builder of communism, which was broadly circulated in the Soviet Union, it is very much like the Bible. It is not a joke, there is, in fact, a similar passage in the Bible,” the president said. ...

“But practical realization of these remarkable ideas in country was far from what utopian socialists had been setting out.” ...

### **Putin Called to Fight Corruption Seizure of Property** **Interfax | January 26**

**R**USSIAN PRESIDENT VLADIMIR PUTIN CALLED FOR THE MECHANISMS used to seize illegally acquired property, as well as the fight against bribery of Russian officials outside the Russian Federation, to be used more actively.

“We need to improve anticorruption mechanisms, such as the

seizure and forfeiture to the state of property acquired on illegal or questionable money, including taking into account the international legal norms,” he said at a meeting of the Presidential Council on Anticorruption. ...

### **Japan Unveils First Stealth Fighter Jet** **Agence France-Presse | January 28**

**J**APAN ON THURSDAY UNVEILED ITS FIRST STEALTH FIGHTER JET, officials said, with the maiden test flight planned for next month.

The Defense Ministry’s acquisition agency showed off the domestically developed, radar-dodging X-2 fighter at a regional

airport near the central city of Komaki. ...

Presently, only the United States, Russia and China have been internationally recognized as having successfully developed and flown manned stealth jets ....

### **U.S. Admiral Warns of China’s and Russia’s Growing Space-Weapons Arsenal** **The Diplomat | January 26**

**T**HE HEAD OF U.S. STRATEGIC COMMAND, ADM. CECIL D. HANEY, struck a familiar tone when warning about Russia’s and China’s burgeoning space-warfare capabilities.

“Once thought of as a sanctuary, space is more congested, contested and competitive than ever, and it is becoming increasingly

vulnerable. Other nations understand our reliance on space and the advantages we have reaped in defense and commercial sectors,” he noted.

“Adversaries and potential adversaries want to exploit those dependencies by turning them into vulnerabilities.” He cautioned



that threats are evolving faster than the U.S. military ever imagined and that they could “potentially threaten national sovereignty and survival.”

He went on to say that countries like China and Russia are developing and demonstrating “disruptive and destructive

counter-space capabilities.”

“Furthermore, they are exploiting what they perceive as space vulnerabilities—threatening the vital, national, civil, scientific and economic benefits to the U.S. and the global community.” ...

## LATIN AMERICA/AFRICA

### This Is What the Death of a Nation Looks Like

ZeroHedge | January 22

FOR CITIZENS OF NICOLAS MADURO'S SOCIALIST PARADISE, THE news is terrible and getting worse with every passing day.

Yesterday, we reported that one year after our November 2014 forecast, Barclays has decided that Venezuela is now past the “point of no return,” and a bankruptcy in 2016 will be “difficult to avoid.” But while some may have thought that this dramatic impact ... would only impact the government, the reality is that this latest hit means a total disintegration of the economy and will take the country's already staggering hyperinflation to previously unprecedented levels.

According to the latest [International Monetary Fund] IMF estimate, Venezuela's consumer inflation, already the world's highest, will triple this year to a level above all estimates from economists surveyed by Bloomberg.

This is because the IMF, which until recently had predicted “only” 204 percent inflation for Venezuela, already higher than

the 140 percent consensus, revised its numbers and now sees a mind-blowing 750 percent hyperinflation in 2016: This means that the average price of products and services will increase over eight times over the span of the next 12 months. ...

Spiking prices and widespread shortages for even staples have driven discontent in Venezuela. That helped spur the opposition to gain control of Congress for the first time in a decade as President Nicolas Maduro attempts to turn the tide of what he has deemed an “economic emergency.” ...

[I]n reality, the Venezuela economy no longer exists, with all transactions now taking place in the gray or black markets, and the government apparatus effectively operating in a vacuum. ...

But while that may be good news for oil traders, there is no good news in any of the above for the long-suffering citizens of this “socialist paradise,” which any minute now will be downgraded to its fair value of “socialist hell.”

### U.S. Eases Restrictions on Financing Exports to Cuba

New York Times | January 26

THE OBAMA ADMINISTRATION ANNOUNCED TUESDAY THAT IT WAS removing major impediments to contact between the United States and Cuba by lifting restrictions on American financing of exports to the island nation and relaxing limits on the shipping of an array of products, from tractors to art supplies. ...

Until now, American products sent to Cuba had to be paid for in advance in cash or routed through a third country, a costly and burdensome process. Items that have been banned for decades because they might benefit the Cuban government ... can now be approved by the American government case by case.

Mr. Obama is pushing to do as much as possible to normalize

relations with Cuba before he leaves office next year. He would like to travel to Cuba before his term ends, a visit that senior officials said would “highlight progress” in the relationship.

**“You need to beware of what is happening in Cuba! This is a dangerous world. America is like a silly dove walking right into a deadly trap. Cuba isn't dead. Communism isn't dead. And CUBA IS REEMERGING AS A CLEAR AND PRESENT DANGER TO THE VERY EXISTENCE OF THE UNITED STATES!”**

Gerald Flurry, “Cuba: A Threat to America”

Trumpet, November-December 2015

### Zika Virus ‘Spreading Explosively’ in Americas, WHO Says

New York Times | January 28

OFFICIALS FROM THE WORLD HEALTH ORGANIZATION (WHO) said on Thursday that the Zika virus was “spreading explosively” in the Americas and announced that they would convene an emergency meeting on Monday to decide whether to declare a

public health emergency.

“The level of alarm is extremely high,” said Dr. Margaret Chan, the director general of the WHO, in a speech in Geneva.

Of particular concern, Dr. Chan said, are the cases of

microcephaly, a rare condition in which infants are born with abnormally small heads that has been rising dramatically in Brazil as Zika spreads. ...

[In El Salvador, officials are urging women not to get pregnant until 2018 in an effort to halt a surge of birth defects.]

The virus has spread to more than 20 countries and territories in the region. Dr. Chan said she was “deeply concerned about this rapidly evolving situation.” She also raised an alarm about the potential for further international spread of the virus, given how

ubiquitous the mosquitoes that carry it are and how few people have developed immunity to it. ...

Some experts had criticized Dr. Chan for not immediately convening a committee to advise on whether to declare Zika a public health emergency. ... [T]wo experts called for an immediate meeting, saying the [WHO’s hesitation] echoed the agency’s slow reaction at the outset of the Ebola epidemic in 2014. ...

**RELATED:** [“DISEASE PANDEMICS ARE COMING”](#)

## TW IN BRIEF

**Surge of Americans tests limits of Cuba’s tourism industry:** Cuba’s tourism industry is under unprecedented stress. For decades, the Caribbean island’s tropical weather, extravagant culture, famed cigars and classic cars were off-limits to Americans. But with United States President Barack Obama’s move toward normalizing relations, those restrictions are fading, and Cuba’s

streets are now filled with Americans. Hotels are booked to the max, rental car companies are flat out, and prices for everyday goods are soaring. Industry experts say the island will be unable to absorb an even greater surge when U.S. airlines and ferries start regular service this year. For now, it looks like boom times are back in Cuba.

## ANGLO-AMERICA



### America’s Nuclear Agreement With Iran

Gerald Flurry,

The Key of David | January 29

The devastating impact from the United States’ diplomacy with Iran will hasten the return of Jesus Christ.



## It’s Dangerous and Wrong to Tell All Children They’re ‘Gender Fluid’

Melanie Philips, Spectator | January 30

### WE TALKED ABOUT THIS



THE COMMONS WOMEN AND EQUALITIES SELECT COMMITTEE has produced a report saying transgender people are being failed. The issue is not just whether they really do change their sex. The crime being committed by society is to insist on any objective evidence for this at all. According to the committee, people should be able to change their gender at will merely by filling in a form. ...

The committee’s chairwoman, the Tory M.P. Maria Miller, says there’s no need for gender categories on passports, drivers’ licences or other official forms because gender is irrelevant. ...

The [National Health Service] NHS has a National Clinical Reference Group for Gender Identity Services. The National Police Chiefs’ Council has a National Policing Lead on Transgender. Last November, the Department for Education flew the transgender flag to mark the Transgender Day of Remembrance.

In short, the political class is obsessed by gender issues. I trust you are, too. Surely you can reel off the differences between trans, intersex, polygender, asexual, gender-neutral and genderqueer? Do keep up. We’re all gender fluid now, no?

No. Gender is not fluid. What *is* fluid, however, is the language.

The notion that gender can be deconstructed in accordance with ideology started in the 1970s when ... it was promoted by feminists for whom gender was not a biological fact but a social construct. But it’s not. Gender derives from a complex relationship between biological sex and behavior. ...

Gender politics is all about subjective feelings. It has nothing to do with fairness or equality. It embodies instead an extreme egalitarianism, which holds that any evidence of difference is a form of prejudice.

If people want to identify with either gender or none, no one is

allowed to gainsay it. Objective reality crumbles under the supremacy of subjective desire. Those who demur are damned as heartless.

In fact, gender fluidity itself creates victims. Prof. Paul McHugh is the former chief psychiatrist at Johns Hopkins hospital in the U.S. In the 1960s, this pioneered sex-reassignment surgery—but subsequently abandoned it because of the problems it left in its wake. Most young boys and girls who seek sex reassignment, McHugh has written, have psychosocial issues and presume that such treatment will resolve them. “The grim fact is that most of these youngsters do not find therapists willing to assess and guide them in ways that permit them to work out their conflicts and correct their assumptions. Rather, they and their families find only ‘gender counselors’ who encourage them in their sexual misassumptions.”

In two states, any doctor who looked into the psychological history of a “transgender-ed” boy or girl in search of a resolvable problem could lose his or her license to practice medicine.

In line with such suppression of medical freedom, Miller’s committee also wants to dump McHugh’s “medicalized approach.” The M.P.s claim it “pathologizes trans identities” and runs “contrary to the dignity and personal autonomy” of trans people. They note that a UK survey found about half of young and a third of adult transgender people said they had attempted suicide. The committee does not suggest this is most likely because of the unbearable mental conflict over their sexual identity. Instead, it blames “transphobia” for driving them to this despair.

Thus Miller and her colleagues do two things: display callous denial of the tragic condition of such unfortunates and set up the basis for state-mandated coercion.

Their prime target, of course, will be children, whose young minds can be so easily manipulated. Trans and gender issues, says the committee, should be taught in schools as part of personal, social and health education.

We can all predict what will happen. Gender fluidity will be actively promoted as just another lifestyle choice. Under the

commendable guise of stopping the minute number of transgender children being bullied, the rest of the class will be bullied into accepting the prescribed orthodoxy—that gender is mutable, and any differentiation in value between behavior or attitudes is bigoted and prohibited.

The intention is to break down children’s sense of what sex they are and also wipe from their minds any notion of gender norms. In American schools, last November’s Transgender Awareness Month was a festival of such indoctrination. Children were handed out “pronoun buttons,” badges which identified their own preferred personal pronouns as specific to any gender they chose or none.

Brighton College, one of Britain’s leading private schools, has abolished distinctions between boys’ and girls’ uniforms. All can now choose between wearing a blazer, trousers and tie or skirt and bolero jacket. The school’s head, Richard Cairns, says he only wants to make his transgender pupils happy. But inviting boys to wear skirts is a dangerous frivolity. Promoting gender fluidity is likely to make children confused or distressed. If a girl prefers to climb trees rather than play with dolls or a boy likes ballet, will they now wonder if they’re really not a girl or a boy at all?

Worse still, something most children grow out of may cause them to become—to use the Miller committee’s own boo-word—pathologized. According to Professor McHugh, prepubescent children who begin imitating the opposite sex are being treated by misguided doctors with puberty-delaying hormones to render later sex-change surgery less onerous—even though such drugs stunt children’s growth and risk causing sterility. These are the very drugs that the Miller committee wants the specialist Tavistock gender clinic to prescribe to children with less delay. ...

Gender cannot be at real risk because it is anchored in an immutable reality. What *is* on the cards is oppression, socially engineered dysfunction and the loss of individual freedom. And it is so-called conservative politicians who are helping wave the red flag of revolution.



## ***The Communist Manifesto* Ranks Third in Assigned University Texts**

**Kieren Underwood | January 29**

**T**HE COMMUNIST MANIFESTO IS THE THIRD-MOST POPULAR assigned book in universities’ syllabi, according to the Open Syllabus Project.

The Open Syllabus Project was made available to the public on January 22. It gathered over 1 million syllabi published on university websites and set up a Syllabus Explorer to rank the frequency of assigned texts. The project’s founders describe it as an “effort to make the intellectual judgment embedded in syllabi relevant to broader explorations of teaching, publishing and intellectual history.”

University teachers list *The Communist Manifesto*, by Karl Marx and Friedrich Engels, more frequently in their syllabi than all but two other texts. Plato’s *Republic* is the second-highest assigned text; *Elements of Style*, by E.B. White and William Strunk Jr, is No. 1.

Marx’s manifesto is so popular because it can be assigned across a number of subjects including history, politics and sociology. *Wealth of Nations* by Adam Smith, a foundational text on capitalism and the next most popular text on economics, is found down the list—ranked No. 37.

Economist and former Marxist Thomas Sowell described a phenomenon he saw that is only now being proved by the data: “During my years on the lecture circuit, I liked to go into college bookstores across the country and see how many of their courses assigned *The Federalist* among the books students were to buy, as compared to how many assigned *The Communist Manifesto* or other iconic writings on the left.

“My survey of college bookstores across the country showed *The Communist Manifesto* virtually everywhere, often required reading in multiple courses—and *The Federalist* used virtually

nowhere. Most college students will get only the left's uncritical negativism toward the American form of government, under the rubric of 'critical thinking.'"

*The Federalist Papers*, which Sowell says could be described as "the Constitution for dummies," is ranked No. 294 on

Syllabus Explorer.

To understand the significance of the widespread dissemination of leftist ideologies among American students, read editor in chief [Gerald Flurry](#)'s article "[The Roots of America's Dangerous Turn Left.](#)"

---

## **The F-35 Stumbles Again as Test Chief Find a New Weakness: Cyberattacks**

**Fiscal Times | January 27**

**T**HE SOFTWARE ONBOARD THE PENTAGON'S MULTIBILLION-DOLLAR F-35 Joint Strike Fighter might make the next-generation aircraft so vulnerable to cyberattacks that its pilots end up wishing they were flying something a bit less sophisticated.

The F-35's logistics system "continues to struggle in development with ... a complex architecture with likely (but largely untested) cyberdeficiencies," according to a memo written last month by the Pentagon's top weapons tester that was obtained by *IHS Jane's* 360. ...

When completed, the fighter is supposed to run on more than

8 million lines of code, according to Lockheed Martin, the plane's manufacturer. ...

The news of software problems is likely to put even the fighter's most ardent supporters on edge. In 2009, Chinese hackers are suspected of stealing the F-35's blueprints. U.S. officials claim no classified information was taken in the breach, but concerns have lingered that the jet's software was laid bare.

Defense officials still plan to get the plane with the most advanced software ready by summer 2017 ....

---

## **TW IN BRIEF**

**C**old weather everywhere: Millions of Americans were digging themselves out of snow-packed cities and towns Sunday after a mammoth blizzard hit the East Coast. More than 26 inches of snow fell in New York City, a 10th of an inch short of the city's record snowfall. More than 80 million people were affected by the storm, many of whom were forced to stay off the roads and at home. At least 18 deaths were blamed on the weather, resulting from car crashes, shoveling snow and hypothermia. Meanwhile, East Asia is also going through a cold snap. China is on its second-highest weather alert after many southernmost cities saw their first-ever snows on Sunday. Heavy snow in western and central Japan has closed roads and forced the suspension of flights. On Sunday, the temperature in Seoul, South Korea, dropped to -4 degrees Fahrenheit, the lowest recorded temperature since January 2001.

**T**en years ago Al Gore said the world would end because of climate change: Wednesday was the day the world was supposed to end. It was the day former United States Vice President and climate change advocate Al Gore famously said would be the beginning of a global emergency. Al Gore publicly warned a decade ago that the world had until Jan. 27, 2016, to end its addiction to fossil fuels—or it would come to a scorching end. The claim was part of his hit documentary *An Inconvenient Truth*. The claim was also largely based upon the now thoroughly discredited Michael Mann hockey-stick graph that purported to show 1,000 years of falling global temperatures that suddenly curve sharply up in the 20th century. Although the science behind that graph is now recognized as junk—the graph did have the intended effect of convincing much of the public to believe in man-made global warming. Now that's a real inconvenient truth.



### **Will Christ Return to a Nonexistent Throne?**

**Stephen Flurry,**

**Trumpet Daily | January 29**

**C**hrist said He will return to sit on the throne of David. That throne exists today!

Follow [Stephen Flurry](#)

