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The New Financial Crisis Report II

Written and Edited by David Masao Miyoshi

2026

Reporting What's Really Happening in America and the World

Inside this issue:

We are in the most economically unstable and socially tumultuous period in the history of the modern world. The period covered by the previous Financial Crisis Report was marked by extreme fluctuations in the stock, commodities, and currency markets accompanied by severe and sometimes violent and deadly social disruptions, including historic pandemics, conflicts, riots, and even regime-changing coups. This new Financial Crisis Report II covers the period that begins with the advent of the 47th president of the United States, who augured in the hope of a new America that promises justice for all through strength and the elimination of corruption. This is symbolized by the crest with the scales of justice balanced on a sword that replaces the photo of the writer. The writer believes this is an unprecedented opportunity for the financially astute investor, given the extreme global trade imbalances and distortions in the stock, commodity, and currency markets that will occur as America strengthens economically and militarily. The Financial Crisis Report II is a free compilation of the opinions of David M. Miyoshi, and of those advisors, he subscribes to (with appropriate credits given) on how to benefit during this historic crisis. The writer receives no compensation from advisors whose articles or ideas may appear in this Report II which is issued primarily for CRITICISM, COMMENTARY AND EDUCATIONAL PURPOSES. The reader is welcome to check on all sources of information mentioned herein. Because this writer's and other advisors' opinions and observations are provided herein without charge, the reader is asked to make his/her judgment on the contents. The writer believes the articles presented are honest and sincere empirical observations of what he believes to be the truth. The writer is not perfect, but his north star is the belief that there is truth.

Victorious warriors win first and then go to war, while defeated warriors go to war first and then seek to win. Sun Tzu

Month at a Glance

A Daily Timeline of Major Events

By D. Miyoshi

Month-at-a-Glance

Daily News Summary — June 1, 2026 to June 30, 2026

June 1 — Iran Raises the Strait of Hormuz Stakes Iran announced a pause in peace talks with the United States and threatened to block the Strait of Hormuz and the Bab el-Mandeb unless Israeli operations in Lebanon and Gaza ended. Oil prices rose sharply as maritime security and energy supply again became central measures of the war's global reach.

June 2 — Regional Bases Come Under Missile Threat U.S., Bahraini, and Kuwaiti forces intercepted Iranian ballistic missiles and drones aimed at U.S. military bases in Bahrain and Kuwait after a U.S. strike on Qeshm Island. The exchange confirmed that the ceasefire had become a regional confrontation around the Strait of Hormuz.

June 3 — Kuwait Airport Comes Under Fire Kuwait said it shot down 13 ballistic missiles and 17 drones from Iran during attacks that killed one person and injured 63 at Kuwait International Airport. The strike showed the war's expanding reach into Gulf civilian infrastructure and allied air defenses.

June 4 — Ceasefire Bound to Lebanon IRGC General Esmail Qaani said Iran's ceasefire with the United States depended on the Lebanon ceasefire and that no regional peace was possible until Israel withdrew from Lebanon. Hezbollah also rejected disarmament or a ceasefire absent Israeli withdrawal, while strikes continued in Lebanon and Gaza.

June 5 — Israel's Northern Front Extends Toward Azerbaijan Reports emerged that Israel had deployed commandos, military personnel, and intelligence assets in Azerbaijan near the Iranian border. The disclosure pointed to a widening shadow war around Iran even as public diplomacy remained stalled.

June 6 — CENTCOM Strikes Qeshm Island Again U.S. Central Command struck surveillance sites on Iran's Qeshm Island after the IRGC fired at tankers attempting to cross the Strait of

Month at a Glance

Hormuz without Iranian coordination. Bahrain and Kuwait also reported further interceptions of Iranian missiles, keeping the Gulf on a wartime footing.

June 7 — Iranian Missiles Return Toward Israel
Israel intercepted multiple waves of Iranian missiles aimed at northern Israel, the first such launches since the April ceasefire. The renewed salvos followed Israeli strikes in Beirut and southern Lebanon, drawing the Iran war back into Israel's direct air-defense system.

June 8 — Israel Strikes Iran After April Ceasefire
The Israeli Air Force struck military sites in western and central Iran for the first time since the April 7 ceasefire. Prime Minister Benjamin Netanyahu later said Israel would stop attacks at President Trump's request but warned that Israel would respond if Iran resumed military action.

June 9 — Apache Crash Brings New U.S. Strikes
A U.S. Army AH-64 Apache crashed near the Strait of Hormuz while on patrol, and both crew members were rescued. U.S. Central Command launched strikes across Iran after an American official said the helicopter had been downed by an Iranian drone.

June 10 — Second U.S. Strike Wave Hits Iran
U.S. Central Command launched a second round of airstrikes across Iran and released strike footage. Iran said it struck the U.S. Fifth Fleet in Bahrain, while Jordan and Kuwait reported intercepting Iranian missiles and hostile aerial targets.

June 11 — Hormuz Closure Tests the Ceasefire
Iran declared the Strait of Hormuz closed to all traffic amid renewed tensions and U.S. strikes. CENTCOM denied that the waterway was fully closed, insisting that commercial vessels were still moving in and out.

June 12 — SpaceX Debut Reshapes Market History
SpaceX debuted on Nasdaq, and reports said Elon Musk became the world's first U.S.-dollar trillionaire. The listing marked a defining private-space finance event as war-driven energy disruptions continued to pressure global markets.

June 13 — Iranian Hardliners Challenge the Deal
Hardline demonstrators gathered outside an Iranian foreign ministry office in Mashhad to protest Foreign Minister Abbas Araghchi and any pending agreement with the United States. Their demands underscored domestic pressure on Tehran as negotiators moved toward a wartime settlement.

June 14 — Iran and U.S. Announce War-Ending Agreement Pakistani Prime Minister Shehbaz Sharif and President Trump announced that Iran and the United States had reached an agreement to end the war, extend the ceasefire by 60 days, and reopen the Strait of Hormuz. The agreement was set for formal signing in Switzerland, while the United States authorized an end to the naval blockade.

June 15 — Blockade End Confirmed Iranian Deputy Foreign Minister Kazem Gharibabadi confirmed that an Iran–U.S. deal had been reached to end the war. He said the U.S. blockade would begin ending that night, while the first known tanker crossed the Strait after the peace announcement.

June 16 — Japan Raises Rates to a Thirty-Year High
The Bank of Japan raised its interest rate to 1 percent from 0.75 percent, the highest level since 1995. The move signaled that inflation and energy-price pressures had begun reshaping monetary policy even beyond the war zone.

June 17 — Islamabad Memorandum Signed Remotely
Iran said President Masoud Pezeshkian and President Trump had remotely signed the agreement to end the war, extend the ceasefire for 60 days, and reopen the Strait of Hormuz. U.S. officials also released the memorandum of understanding, turning earlier ceasefire diplomacy into a formal text.

June 18 — U.S. Blockade Formally Ends The White House provided Congress with details of the Iran–U.S. agreement as the ceasefire framework took effect. Vice President JD Vance said ships would be allowed to Iranian ports, and CENTCOM confirmed that the U.S. naval blockade had ended.

June 19 — Lebanon Ceasefire Follows Heavy Strike Toll
Israeli airstrikes across southern Lebanon killed at least 47 people and injured 97 more. The United States then announced that Israel and Hezbollah had agreed to a ceasefire, though Israeli troops and Hez-

Month at a Glance

bollah fighters also reported deadly clashes near Nabatieh.

June 20 — Hormuz Closure Disputed Again
Iran's military command said the Strait of Hormuz was closed because of Israeli violations of the Islamabad Memorandum ceasefire in Lebanon. CENTCOM rejected the claim, saying 55 ships carrying more than 17 million barrels of oil and cargo had crossed the strait.

June 21 — First Post-Memorandum Talks Convene
Iran and the United States held their first talks since the signing of the Islamabad Memorandum at the Bürgenstock Resort in Switzerland. Pakistan and Qatar mediated the session as Iran linked full implementation to the Lebanon ceasefire and oil-sale waivers.

June 22 — Iran Oil Waiver Moves Markets Mediators said Iran and the United States had agreed to a roadmap aimed at reaching a final deal within 60 days. The U.S. Treasury lifted sanctions on Iranian oil production, delivery, and sales for 60 days, and U.S. crude prices fell to about $74 per barrel.

June 23 — UN Inquiry Accuses Israel in Gaza
A United Nations fact-finding commission reported that Israel had deliberately targeted Palestinian children and characterized the conduct as genocide, crimes against humanity, and war crimes. The finding added a major legal dimension to the Gaza war as Hormuz evacuation planning continued.

June 24 — Venezuela Rocked by Doublet Earthquake
A doublet earthquake struck Yaracuy, Venezuela, with a magnitude 7.2 foreshock and a magnitude 7.5 mainshock. Severe damage and collapsed buildings were reported in Caracas, while casualty numbers remained uncertain in the immediate aftermath.

June 25 — U.S. Inflation Reaches Three-Year High
The Commerce Department reported that consumer prices rose 4.1 percent in May, the largest increase since April 2023, driven largely by high gasoline prices. The data confirmed that the Iran war's energy shock had reached American households.

June 26 — Israel, Lebanon, and U.S. Sign Framework Israel, Lebanon, and the United States signed a trilateral framework agreement in Washington, D.C., covering the transfer of two Israeli-held areas to Lebanese army control. The agreement also created a process for Hezbollah disarmament, marking the month's most concrete diplomatic step on the Lebanon front.

June 27 — Iran Strikes Bahrain After Hormuz Clash
Iran launched retaliatory strikes against Bahrain, including the U.S. Navy's Fifth Fleet, after U.S. CENTCOM strikes near the Strait of Hormuz. The escalation followed an attack on the Singapore-flagged container ship Ever Lovely and came as another tanker was reported struck by unknown projectiles.

June 28 — U.S. and Iran Halt Gulf Strikes
Iran and the United States agreed to halt recent hostilities in the Gulf and resume talks over the Strait of Hormuz after several days of strikes and counterstrikes. The pause raised hopes of preserving the June 17 interim peace deal, though renewed fighting in Lebanon and Iran's earlier attacks on U.S. sites in Kuwait and Bahrain underscored the fragility of the arrangement.

June 29 — Supreme Court Expands Presidential Removal Power
The Supreme Court ruled that the Federal Trade Commission's for-cause removal protection violates the separation of powers, sharply enlarging presidential control over independent agencies. In a companion ruling, the Court denied the Trump administration's application to remove Federal Reserve Governor Lisa Cook while her case proceeds, preserving a narrow exception for the central bank.

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Conspiracies Theories

Dictionary Definition of a Conspiracy Theory: A theory that seeks to explain a disputed case or matter as a plot by a secret group or alliance, rather than an individual or isolated act. "

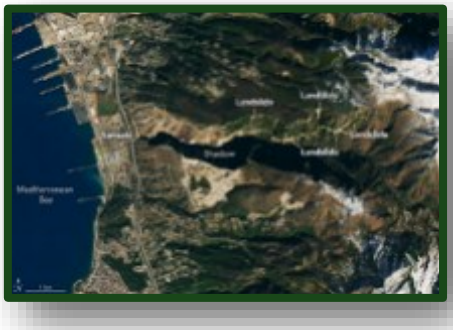
In my attempt to uncover and publish the truth, as I see it, I am often labeled a "conspiracy theorist." So, I decided to subscribe to a publication that covers conspiracy theories called

THE CONSPIRACY REPORT

This publication features articles written by authors who have been vetted for their expertise in the subject they cover. The author's name appears under the title of their article. The authors claim that what they write about are facts the government does not want you to know. We should note that the term "conspiracy theory" was originally employed by the CIA to describe alternate explanations that diverged from official accounts of the government. Recently, RFK Jr. said the term is now used to discredit individuals or discourage critical thinking. Or, in other words, to prevent one from seeking the facts.

From time to time, I will provide selected articles from the Conspiracy Report that I believe are true. Some articles have been shortened for brevity. I hope you find them interesting, if not edifying.

D. Miyoshi



Earthquakes are an unwelcome reminder the ground under us isn't stable. We stand on fractured crust in constant motion. Lucky for us, those massive plates sit on top of a stable core. For now…

By David Sussin

Did you feel that earthquake?

If you were in the city of Gaziantep, Turkey on February 6, 2023, you not only felt it, you were lucky if you lived through it.

The stress under your feet had been building for thousands of years. The massive Arabian Plate - a layer of rock 1.1 million square miles in size, underneath Saudi Arabia, Yemen, and most of the Arabian Peninsula - had been slowly pushing northward toward the even larger Eurasian Plate, at a rate of just a few centimeters a year.

Even at this slow pace, intense horizontal pressure was building between these two massive tectonic plates. The area between the plates, known as the East Anatolian Fault, was absorbing this stress.

It was only a matter of time before the pressure exceeded the strength of the rock, causing a sudden seismic rupture along the fault.

It finally happened on February 6, 2023, at 4:30AM. The plates slipped. Rather than the slow horizontal movement, the Eurasian Plate was suddenly pushed vertically. It's known in geology as a compression collision.

Conspiracies Theories

The result was the largest and most destructive earthquake to strike a populated area in the last decade. It registered 7.8 on the Richter scale, with an epicenter in the densely populated Southeastern Turkey and northwestern Syria.

At least one after shock reached a 7.5 magnitude later that same day. No less than nine major Turkish cities suffered widespread destruction, along with four in Syria. Over 200,000 buildings were damaged or simply collapsed. Millions were left homeless.

Over 50,000 people died in the devastation.

Earthquakes are an unwelcome reminder the ground under us isn't stable. We stand on fractured crust in constant motion. Lucky for us, those massive plates sit on top of a stable core. The Earth has a solid layer of lithospheric rock, made from solid granite or peridotite or basalt, depending on where you're standing. And that layer has remained unchanged for billions of years.

It has a name, this ancient rock that is the ground we stand on Is called the craton. The name comes from the Greek word kratos, meaning "strength".

It's the immobile foundation under every continent on Earth. It's made up of two key parts: an upper crust, and an extension underneath that goes deep into the Earth's mantle and keeps our continents stable, like the keel on a sailboat stabilizing the craft against the ocean currents.

Except a new study published this year in the journal Nature Geoscience revealed even the craton isn't so immobile.

In fact, there are disturbing changes happening under us right now. The North American craton - which sits beneath Canada and the central United States - is getting thinner. And parts have "dripped" into the Earth's mantle, disappearing completely.

Scientists at the University of Texas at Austin used detailed seismic imaging to look under North America, essentially performing a continent-sized CT scan. The team created a full-waveform seismic tomographic model of the continent.

In other words, they used waves generated from earthquakes and explosions to create a 3D map of everything under us. And they got a look at the geological processes raging under the craton in real time.

They found that the hot mantle of the Earth is sending plumes of material up to the underlying craton, melting the rock into stalagmite-like structures, or drips, the pieces eventually breaking off and disappearing into the deeper mantle.

Keep in mind, the Earth's mantle ranges from 932 degrees Fahrenheit to over 7,000 degrees at the center. So when they talk about "hot plumes", they are plenty hot enough to melt granite and slowly drain the rock into the mantle's center. The process has a name: "lithospheric delamination". Put simply, the bottom of the tectonic plates are detaching and sinking into the Earth's core.

The thinning of the North American craton is concentrated in the Midwest part of the United States. Will we see dangers as a result?

Well, a thinner shell makes for a more flexible or unstable plate. New faults might form more easily, and old ones may be reactivated by the internal changes, potentially increasing the likelihood of tectonic stress releasing as earthquakes. As if tornadoes weren't bad enough!

The concept of cratons thinning or changing started in the 1980s and 90s, when geologists realized the bottom of the craton could potentially detach and sink. Studies in Colorado and parts of Southern Africa revealed areas where these shifts in the cratonic root seemed to have already happened over time.

In the 2000s, when seismic measurement advanced, scientists were able to actually observe these deep structures. They could see, for example, that the North China Craton - which includes Beijing and parts of Inner Mongolia - was once stable but had gone through extensive change.

Interesting Facts

But this remarkable University of Texas study is the first time "cratonic thinning" has been captured in action. On the positive side, it gives scientists a new understanding how a planet evolves over time. Unfortunately, this may ultimately mean the very continent we live on will be recycled into the Earth.

Suddenly that mission to Mars is looking real smart.

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Here are some interesting facts taken from the Publications' Interesting Facts and History Facts

Besides being interesting, I found them thought-provoking and wanted to share them with you.

D. Miyoshi

25 Everyday Mysteries, Solved

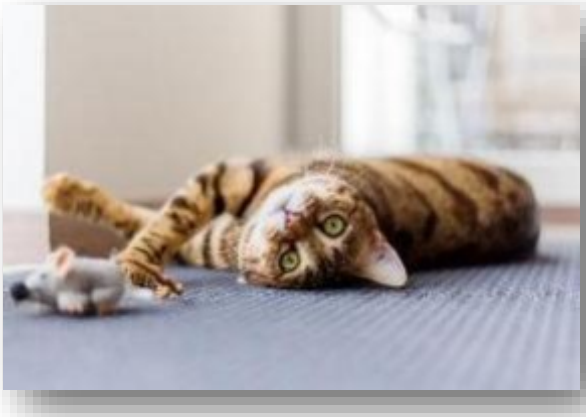
Our lives are full of little mysteries. Why is the week seven days long? Why aren't you supposed to put your elbows on the table? Why does toothpaste make orange juice taste terrible? And then there's every kid's favorite: Why is the sky blue? We've rounded up the answers to some of these quotidian questions, as well as a few weirder head-scratchers, from around the website. Reading the results should arm you with some answers as you go about your day — and help you prepare for the next time you encounter a curious kid.

Why Are Movie Previews Called "Trailers"?

Movie previews are called "trailers" because they were originally shown after the movie. In the early days of moviegoing, you didn't just buy a ticket for one feature-length film and leave once the credits started rolling. You were instead treated to a mix of shorts, newsreels, cartoons, and, eventually, trailers — which, per their name, played after the movie rather than before — with people coming and going throughout the day. The idea for trailers came from Nils Granlund, who in addition to being a business manag-

Interesting Facts

er for movie theaters worked as a producer on Broadway, which explains why the first trailer was actually for a play: 1913's *The Pleasure Seekers*. Today there are production houses that exclusively make trailers and are handsomely rewarded for their efforts, sometimes to the tune of millions of dollars.



Why Does Catnip Make Cats High?

About 70% of cats are susceptible to the intoxicating effects of nepetalactone, the active compound in catnip. One whiff and these kitties are temporarily reduced to drooling, meowing messes, often rolling around in or rubbing their faces on the catnip source. That's because nepetalactone is a volatile organic molecule that binds to receptors in a cat's nose, stimulating neurons that activate the olfactory bulb, amygdala, hypothalamus, and other areas of the brain, causing a euphoric effect. The buzz seems to wear off after 10 to 15 minutes, leaving cats extremely chill thereafter.

Why Do We Say "the Best Thing Since Sliced Bread"?

In 1928, when inventor Otto Frederick Rohwedder of Davenport, Iowa, first released his bread loaf-slicing invention, the advertisement claimed it was "the greatest forward step in the baking industry since bread was wrapped." Riffing on the theme, customers began to compare all later inventions to his, and the modern idiom evolved from there.

Why Do Brides Wear White?

Walk through any bridal shop and it's obvious that white wedding dresses are the norm, but that wasn't always the case. Historically, brides often repurposed their best dress as their wedding gown, and most were not white — specifically because white was exceptionally difficult to keep clean prior to modern washing machines and stain removers. Queen Victoria, who wore a lacy white gown at her 1840 wedding in place of the then-popular red, is often credited for popularizing bridal white (though Mary, Queen of Scots wore white during her 1558 Notre Dame wedding, and many lesser-known royals did before Victoria's reign). Within a decade of Victoria's wedding, dressmakers and etiquette books had run with the idea that white was virginal and pure, with the popular *Godey's Lady's Book* writing that a white dress was "an emblem of the innocence and purity of girlhood, and the unsullied heart which she now yields to the keeping of the chosen one."

Interesting Facts

Why Is a Week Seven Days?

The seven-day week is a timekeeping oddity. Unlike days, months, and years, the week doesn't align with any celestial reality, and it doesn't divide elegantly into existing periods of time. For example, there aren't 52 weeks in an average year — there are 52.1428571429. So how did this happen? Babylonians, the ancient superpower of Mesopotamia, put a lot of stock in the number seven thanks to the seven observable celestial bodies in the night sky — the sun, moon, Mercury, Venus, Mars, Jupiter, and Saturn. This formed the seven-day week, which was adopted by the Jewish people, who were captives of the Babylonians in the sixth century BCE. Eventually, it spread to ancient Greece and elsewhere thanks to the battle-happy Macedonian Alexander the Great. Efforts have been made throughout history to reform the seven-day week, but this oddball unit of time has become ingrained in many religions, including Judaism, Christianity, and Islam, rendering any sort of tweak pretty unlikely.

Why Is the Sky Blue?

Think about the atmosphere as a prism. In a prism, white light refracts through its polished surfaces and separates into the colors of the rainbow. The sun produces white light, so when its light travels through the atmosphere, it refracts a rainbow of colors. Each color comes from an electromagnetic wave. While red has the longest, slowest wavelength, blue and violet move in quick, short waves. As these colors pass through the atmosphere, they oscillate charged particles in air molecules like oxygen and nitrogen. Blue and violet are scattered in all directions at around 10 times the efficiency of red light, so they get the highest coverage area in our sky. Our eyes are more sensitive to blue than violet, which is why we see the sky as blue.

Why Is It Considered Rude to Point at Another Person?

When assisting theme park guests, Disney employees are trained to point with two conjoined fingers, index and middle. While the act reportedly doubles as a nod to Walt Disney's smoking, the larger explanation is that standard pointing is considered rude in numerous cultures — especially if aimed at another person. A perception that dates back to Shakespeare's time suggests pointing brings unwanted attention to the recipient, implying that they've committed a wrong. Repeated pointing in Japan can even instigate hostility. And figurative "finger-pointing" is defined as "making explicit and often unfair accusations of blame." In situations where you feel compelled to point, it is kinder to use an open palm, flight attendant-style.

Interesting Facts

Is the "Five-Second Rule" Real?

Most people know the "five-second rule": the idea that if food that's fallen on the floor has been there less than five seconds, it's still acceptable to eat. No one knows the origins of this questionable rule — and plenty of people think it's kind of gross — but that hasn't stopped anyone from picking up a dropped Oreo and shouting "five-second rule!" before.

Actual scientists have devoted time and resources to testing the five-second rule. And surprisingly, it's not an entirely bogus theory — depending on the cleanliness of the floor. To be clear, no scientist has gone on record recommending that you eat dropped food. However, a science experiment conducted at the University of Illinois Urbana-Champaign proved that as long as the food was picked up within the five-second time limit, the presence of microorganisms on the dropped food was minimal. However, the experiment was conducted after first sanitizing the flooring, and it only applied to hard flooring like tile and wood, which are less likely to serve as an incubator for pathogens. No testing was conducted on carpeting and other soft surfaces, which can hold moisture and become breeding grounds for bacteria. In any case, it's definitely not recommended to blindly follow the five-second rule. You have no way of knowing which pathogens are on your floor, so unless you regularly disinfect, it's best to play it safe and follow another rule: When in doubt, toss it out.

Why Is It So Cold on Airplanes?

Passengers often complain about the cold temperature in airplane cabins. Flight staff will provide passengers with a blanket, but they don't ever increase the heat. That's because the temperature on an aircraft has been set in a very intentional way — and it's for your safety.

A study by ATSM International found that people were more likely to faint on an aircraft than on the ground due to a condition called hypoxia. The pressurized environment of an airplane cabin can prevent our body from getting enough oxygen, which causes fainting. The warmer the temperature onboard the aircraft, the more likely this is to happen. To prevent passengers from passing out, airlines intentionally lower the cabin temperature. While this might be slightly uncomfortable, it's much safer for your body.

Why Is New York Called "the Big Apple"?

Before it was used to refer to the city that never sleeps, "big apple" was an idiom used to mean a very big deal, an object of great desire or big dreams. The first time New York City was referred to as a "big apple" in print may have been in 1909, when American

Interesting Facts

journalist Edward S. Martin wrote in his book *The Wayfarer in New York* that those in the Midwest are "apt to see in New York a greedy city … it inclines to think that the big apple gets a disproportionate share of the national sap." The phrase doesn't seem to have been intended as a nickname, however.

It was actually a horse-racing column published by the *New York Morning Telegraph* that popularized the term. "The dream of every lad that ever threw a leg over a thoroughbred and the goal of all horsemen. There's only one Big Apple. That's New York," racing journalist John J. Fitz Gerald wrote in a 1924 column eventually called "Around the Big Apple." However, Fitz Gerald apparently first heard the term from two Black stable hands in New Orleans. As etymologist Michael Quinion explains, "the Big Apple was the New York racetracks … the goal of every aspiring jockey and trainer … for those New Orleans stable hands the New York racing scene was a supreme opportunity, like an attractive big red apple." The expression was later further popularized by jazz musicians in the 1920s and 1930s, then picked up in the 1970s by Charles Gillett, president of the New York Convention and Visitors Bureau, who began a tourism campaign around the slogan.

Why Do They Mist Produce at the Grocery Store?

Many grocery stores display produce in open cases fitted with tiny jets to periodically bathe the veggies in a cool mist. (Some supermarkets even pipe in the sound of thundering rain to add to the rainy vibe.) The purpose behind misting is not to keep produce clean or extend its shelf life — it's a clever way for grocers to make the fruits and vegetables look fresher and healthier so consumers purchase more. Water clinging to leafy greens also adds weight, which increases revenue for the store when vegetables are sold by the pound.

Ironically, misting actually shortens produce's shelf life because water allows bacteria and mold to take hold. Misted veggies will likely not last as long in your fridge as those that weren't misted in the produce aisle — which is another, perhaps sneakier, way to get you to buy produce more often.

What's the Difference Between a Couch and a Sofa?

Though usually used interchangeably, these are technically two different pieces of furniture — and the distinction lies in the words themselves. "Couch" comes to us from French, namely *coucher* — "to lie down" — whereas we have the Arabic word *suffah* to thank for "sofa." In the most traditional sense, a sofa would be a wooden bench that comes complete with blankets and cushions and is intended for sitting. eBay's selling guide used to distinguish between the two by defining a couch as "a piece of furniture with no arms used for lying." Though it may be a distinction without a difference these days, purists tend to think of sofas as a bit more formal and couches as something you'd take a nap on and let your pets hang out on.

Interesting Facts

Why Is Pink Considered a Color for Girls, and Blue for Boys?

Originally, it was actually the other way around. For much of the 19th century, most infants and toddlers wore white dresses. Dresses facilitated diaper-changing, and white cotton could easily be cleaned with bleach. But around 1900, childcare experts began to push for a greater distinction between little girls and boys, amid fears that boys were growing up "weaker" and "lazier" than their fathers had. Many U.S. publications and stores responded in part by recommending pink clothing for boys and blue clothing for girls, although some also recommended the opposite color scheme. According to *Dressmaker* magazine, "Blue is reserved for girls as it is considered paler, and the more dainty of the two colors, and pink is thought to be stronger (akin to red)."

But around World War II, everything changed. Soon pink was heavily marketed as the preferred color for girls, and blue for boys. It's not entirely clear what led to the switch, and the colors chosen were somewhat arbitrary — the focus was primarily on creating clothes specific for each child in an attempt to curb hand-me-downs, and thus sell more product. Once the 1950s began, hospitals wrapped newborns in pink or blue blankets, based on their sex (today's standard blankets contain pink and blue stripes).

What Does the "QR" in "QR Code" Mean?

QR codes are those pixelated-looking black-and-white squares that you can scan with your phone for more information about something, whether it's an advertisement or a piece of art. They've become ubiquitous, especially after the COVID-19 pandemic popularized contactless menus and payment. However, they're very rarely called by their full name. "QR" actually stands for "quick response," and the codes can be used to share far more than a link. If you wanted to, you could share an entire book with one code. The technology was first developed by a Toyota subsidiary in the mid-'90s as a way to track auto parts, but QR codes found new life as a way to direct smartphone users from a physical space to a digital one. They used to require a special reader, but nowadays, most smartphone camera apps will read QR codes on their own.

Why Are You Supposed to Keep Your Elbows Off the Table?

In the Old Testament, the Book of Ecclesiastes includes the line, "Be ashamed of breaking an oath or a covenant, and of stretching your elbow at dinner."

Interesting Facts

Many have translated this directive as a warning to keep elbows off the table at all times. Table manners were originally introduced to prevent mealtime fights, with the knife and fork establishing each eater's boundary lines. Today, the elbow rule stops people from slouching or accidentally leaning their arms into food dishes. Moreover, when breaking bread with a group, placing your elbows on the table blocks those on either side of you from making eye contact.

Why Do You Cry When You Cut Onions?

There's no need to cry over spilled milk, but what about chopped onions? You can thank a chemical combination of enzymes and sulfur for the tears that well up while you make dinner. Onions use sulfur to make a mixture of amino acids and enzymes during the growing process. The acids and enzymes are separated and stored in different regions of the onion's cells, which are called vacuoles. While the onion remains whole, the amino acids and enzymes in the onion's cells remain separated. Once you cut into the onion, however, everything mixes together. When the two substances are combined, they form a chemical known as syn-Propanethial-S-oxide, or lachrymatory factor (LF). LF is an irritant that's easily vaporized when it reacts with the air.

LF isn't strong enough to affect tougher parts of your body such as your skin, but it can irritate more sensitive regions. As the vapors waft up toward your face, your eyes will begin to sting. Your body — sensing the irritant — will release a torrent of tears in an attempt to wash the chemicals from your eyes. Luckily, LF can't do any serious damage, even in high quantities.

Producing LF is the onion's way of defending against anything that may want to eat it. As soon as an animal bites into the root, its eyes start to burn and it's reminded to stay away from onions. Unfortunately for onions, humans are persistent.

Why Is February the Shortest Month of the Year?

February has fewer days because of the superstitions of ancient Rome. In the late eighth century BCE, Romans — including their king Numa Pompilius — held a superstition that even numbers were somehow unlucky. Although he created a version of a 12-month calendar, Pompilius realized there was no mathematical way for every month to have an odd number of days and for the total number of days in the year to also be odd. So while the other months were either 29 or 31 days long, February became the unlucky month to have only 28 days, making Pompilius' calendar the apparently-less-scary number of 355.

In 45 BCE, Caesar — disregarding Pompilius' fear of even numbers — added days to a number of other months, but not February. Some experts believe Caesar didn't want to disrupt the important festivals that took place in that month and so he just let it be. But with the introduction of the Julian calendar, February did receive a consolation prize in the form of an additional day every four years.

Interesting Facts

What Are the Tallest Beings in the World?

With a narrow range stretching for about 450 miles, from Big Sur to southern Oregon, coast redwoods (*Sequoia sempervirens*) are the tallest living beings in the world — and one in particular surpasses them all. Named after a titan in Greek mythology and found in California's Redwood National Park, Hyperion stands 380 feet tall. That's 65 feet taller than London's Big Ben and 10 feet taller than the previous record holder, another coast redwood.

Why Do Cats "Make Biscuits"?

A nursing kitten often presses its mom's belly with its front paws; this kneading action stimulates the flow of milk. But many full-grown cats continue the behavior, "making biscuits" on pillows, soft blankets, towels, or their owners. Veterinarians think adult cats knead when they're feeling safe and relaxed and to show affection to humans and other cats. The act of kneading can also calm cats, like a form of feline self-care. Making biscuits may also be a sign that a cat is marking its territory with the scent glands located between its toes.

Are Sweet Potatoes Really Potatoes?

Sweet potatoes and common potatoes share part of a name, but the two are entirely different plants — and sweet potatoes aren't even potatoes. Sweet potatoes belong to the Convolvulaceae family, a group of flowering plants that's also called the morning glory family. Potatoes belong to the nightshade (Solanaceae) family, and are cousins to peppers, tomatoes, and eggplants. Both species get their name from an Indigenous Caribbean term, *batata*, which eventually morphed into the English "potato." By the 1740s, "sweet" was added to the orange-fleshed tuber's name to differentiate the two root crops.

Then there are yams. Although they're often served interchangeably with sweet potatoes, this third root crop is biologically unrelated to either sweet potatoes or common potatoes. These tubers belong to the Dioscoreacea family, a group of flowering plants usually cultivated in tropical areas. Luckily, you don't have to know their scientific classification to distinguish between the two non-spuds at the grocery store: Sweet potatoes have tapered ends and relatively smooth skin, while true yams are generally larger with rough bark and a more cylindrical shape. At most U.S. grocery stores, what you're seeing labeled as a yam is probably actually a sweet potato.

Interesting Facts

Does the Color Red Really Make Bulls Mad?

No — bulls can't actually see the color. As is the case with other cattle and grazing animals such as sheep and horses, bulls' eyes have two types of color receptor cells (as opposed to the three types that humans have) and are most attuned to yellows, greens, blues, and purples. This condition, a kind of colorblindness known as dichromatism, makes a bullfighter's muleta (red cape) look yellowish-gray to the animals.

So *why* are bulls enraged by the sight of matadors waving their muletas? The answer is simple: motion. The muleta isn't even brought out until the third and final stage of a bullfight. The reason it's red is a little unsavory — it's actually because the color masks bloodstains. In 2007, the TV show *MythBusters* even devoted a segment to the idea that bulls are angered by the color red, finding zero evidence that the charging animals care what color is being waved at them and ample evidence that sudden movements are what really aggravate the poor creatures.

Why Do We Say "Knock on Wood"?

In the United States, we say "knock on wood" (in the U.K., it's "touch wood") in a variety of situations, like after mentioning something we hope will happen. It's a means of averting misfortune, making sure we don't "tempt fate." Some explanations for the practice mention a Celtic or otherwise pagan association with tree spirits, the idea being that knocking on wood (particularly once-sacred trees like oak and ash) might awaken these deities and confer their protection. Others note a Christian association with the wood of the cross.

But the origins of this practice are probably much more modern. In *A Dictionary of English Folklore*, scholars Jacqueline Simpson and Steve Roud note that the earliest known reference to the practice only dates to 1805. It seems linked to 19th-century children's games like "Tiggy Touchwood" — types of tag in which children were safe from capture if they touched something wooden, like a door or tree. In his book *The Lore of the Playground*, Roud writes: "Given that the game was concerned with 'protection,' and was well known to adults as well as children, it is almost certainly the origin of our modern superstitious practice of saying, 'Touch wood.' The claim that the latter goes back to when we believed in tree spirits is complete nonsense."

Why Does Toothpaste Make Orange Juice Taste Terrible?

Most of us have endured this unpleasant situation at least once. The culprit is a toothpaste ingredient called sodium lauryl sulfate (SLS), which produces the foam that builds during vigorous brushing. Unfortunately, SLS also temporarily blocks the tongue's sweet receptors, while simultaneously destroying the

Winds of War

compounds in saliva that suppress our bitter receptors. The result is a double-whammy for our sensitive taste buds, which leaves us to taste only the unsavory citric acid from what would otherwise be a refreshing drink.

Where Did the Phrase "Devil's Advocate" Come From?

The term "devil's advocate" is a familiar label for someone who argues a position they don't agree with just to make a point, but its origins are more literal than you might expect. In 1587, Pope Sixtus V established the position of *advocatus diaboli*, or "devil's advocate," as part of the process of beatification or canonization — aka becoming a saint. The devil's advocate was the church's skeptic, picking apart stories of reported "miracles" and more to argue against someone's sainthood. The advocate had to be present for any part of the sainthood process to be considered valid. However, the title was primarily a popular moniker — the position's official designation was the "promoter of the faith," or *promotor fidei*.

What's the Most Expensive Item Ever Made by Humans?

The most expensive movie ever made is *Pirates of the Caribbean: On Stranger Tides*, which cost a whopping $410 million. That's a pretty penny to be sure, but it's less than half a percent of the most expensive human-made object in history: the International Space Station, whose price tag comes in at $100 billion. Launched in 1998 after more than a decade of careful (and often difficult) planning, the ISS is a collaboration between five space agencies: NASA (United States), Roscosmos (Russia), JAXA (Japan), ESA (Europe), and CSA (Canada). It has been continuously occupied since 2000, with a full-time international crew conducting microgravity experiments and other research.

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Financial Crisis Report

Editor's Note — July 2026

Editor's Note

As the July issue goes to press, the global war picture is being shaped less by a single battlefield than by a widening chain of pressure points from the Strait of Hormuz to Ukraine and the western Pacific. The central question is no longer whether conflict risk is rising, but whether governments can contain escalation while energy routes, alliance budgets, and gray-zone tactics are all being tested at once.

Winds of War

Military pressure points, strategic signaling, and conflict developments shaping the global balance.

The month's war climate was defined by the return of maritime coercion in the Middle East, the deepening reach of Ukraine's strike campaign against Russia, and the accelerating militarization of the Indo-Pacific.

Winds of War

These were not isolated events. Together, they showed that the world's major conflict zones are now linked by a common pattern: states are testing how far they can go below the threshold of general war while preparing for the possibility that the threshold may not hold.

The most immediate danger remained the U.S.-Iran confrontation around the Strait of Hormuz. The White House announced a June memorandum of understanding with Iran intended to reopen the Strait, restrict Iran's nuclear path, and create a negotiating framework. But within days, U.S. Central Command reported new Iranian drone attacks on commercial vessels and responded with strikes against Iranian missile, drone, radar, surveillance, communication, air-defense, and minelaying-related targets. The significance was not merely tactical. It showed that even a declared agreement can remain fragile when armed forces, shipping lanes, and political credibility are all operating under wartime pressure.

The nuclear issue also remained unresolved. The International Atomic Energy Agency stated that renewed procedures would allow inspections and access to Iranian facilities, including reporting on attacked facilities and nuclear material present at those sites. That makes verification the central test of the agreement. If inspections proceed, the conflict may be held within a managed diplomatic channel. If they fail, the Middle East could return quickly to a cycle of attack, retaliation, shipping disruption, and energy-market shock.
In Europe, Ukraine shifted further toward a strategy of strategic depth. President Volodymyr Zelenskyy approved a 40-day campaign intended to pressure Russia to end the war, while Ukrainian long-range strikes continued to target Russian oil, fuel logistics, military industry, and occupied Crimea. The operational purpose is clear: Ukraine is trying to impose costs inside Russia, disrupt the economic base of Moscow's war effort, and show that Russia's rear areas are no longer secure. This does not mean Ukraine has broken the war open, but it does mean the conflict is increasingly being fought against infrastructure, supply chains, and political endurance as much as against trenches.
NATO's posture also reflected the new reality. Allied defense ministers met ahead of the Ankara Summit with an emphasis on turning higher spending into combat-ready capability, while NATO reported that allies had committed more than $6 billion in U.S.-sourced military equipment for Ukraine under the Prioritised Ukraine Requirements List. This is an important marker. Europe is no longer treating the Ukraine war as a short emergency; it is building toward a longer period of deterrence, industrial mobilization, and ammunition replenishment.

The Indo-Pacific supplied the third major warning signal. China increased pressure around Taiwan through coast guard activity, maritime survey operations, and the transit of the Fujian aircraft carrier through the Taiwan Strait. Taiwan responded with a five-day Immediate Combat Readiness Exercise designed to improve rapid transition from peacetime to wartime conditions. This is the essence of the Taiwan danger: the region is now rehearsing escalation even in the absence of formal war.

North Korea added to the regional pressure by testing tactical ballistic missiles, upgraded rocket artillery, and self-propelled artillery systems near the anniversary of the Korean War's outbreak. The tests reinforced Pyongyang's continuing effort to modernize its strike capability along the border with South Korea. In strategic terms, the Korean Peninsula and Taiwan Strait are now part of the same broader Indo-Pacific problem: China, North Korea, Japan, South Korea, Taiwan, and the United States are all preparing for contingencies that could unfold quickly if deterrence fails.

The larger conclusion is sobering. July begins with no single world war, but with several active war systems moving in parallel: a volatile Middle East maritime corridor, a European land war extending deeper into Russia, and an Indo-Pacific security environment increasingly shaped by blockade rehearsals, drone warfare, missile modernization, and rapid mobilization drills. The danger is not only that one crisis may explode. It is that several crises may reinforce one another at the same time.

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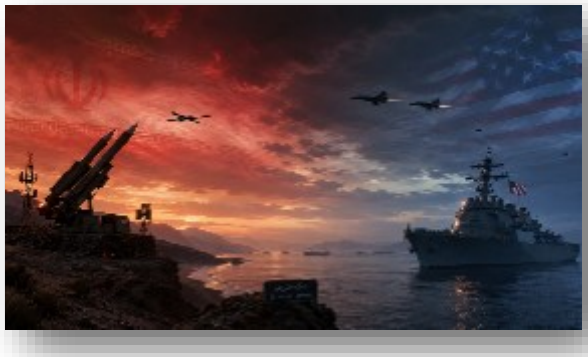
Iran War Watch

Financial Crisis Report Iran War Watch

Escalation patterns, regional reactions, and emerging risks surrounding the Iran conflict



July 2026

Editor's Note
As the July issue is prepared, the Iran war has entered a more dangerous phase in which diplomacy, maritime coercion, and retaliatory strikes are operating side by side. The central risk is that a temporary agreement over the Strait of Hormuz may not be strong enough to prevent renewed escalation affecting U.S. forces, Gulf shipping, Israel, Lebanon, and global energy markets.

Iran War Watch

Escalation patterns, regional reactions, and emerging risks surrounding the Iran conflict.

The Iran war moved this month from open confrontation toward a tentative negotiating channel, but the military facts on the water showed how fragile that channel remains. The United States announced a memorandum of understanding intended to keep Iran from obtaining a nuclear weapon, reopen the Strait of Hormuz to free navigation, and create the basis for further talks. For several days, the arrangement appeared to reduce market panic and allow more commercial vessels to resume passage through the strait.

That apparent stabilization did not last. U.S. Central Command reported that Iran struck the Singapore-flagged M/V Ever Lovely with a one-way attack drone as it was exiting the Strait of Hormuz, prompting U.S. strikes against Iranian missile and drone storage locations and coastal radar sites. The following day, CENTCOM reported another Iranian drone strike, this time against the Panama-flagged tanker M/T Kiku, carrying more than two million barrels of crude oil near the strait. The U.S. then struck Iranian surveillance, communications, air-defense, drone-storage, and minelaying-related capabilities. These incidents made the Strait of Hormuz the operational center of the war: not merely a shipping lane, but a test of whether Iran can exert coercive control over global energy movement without triggering a larger U.S. military response.

The diplomatic track also remained uncertain. U.S.-Iran talks in Switzerland produced a temporary sanctions waiver and a framework for further negotiations, but both sides quickly accused the other of violating the understanding. Iran continued to claim a right to regulate traffic through the strait, while the United States and Gulf partners insisted on free, unconditional, and unrestricted navigation. The result is a ceasefire in name, but not yet a stable peace. It is better understood as a managed pause under pressure, with each side probing the limits of enforcement.

The nuclear question remains the deeper issue beneath the military exchange. The International Atomic Energy Agency has continued to emphasize the need for Iranian cooperation and reliable access to nuclear facilities and material. Without credible verification, any diplomatic agreement will remain vulnerable to collapse. For the United States, Israel, and the Gulf states, the concern is not only whether Iran pauses attacks on shipping, but whether Iran's nuclear program can be contained under conditions of war.

The regional front widened the risk further. Lebanon and Israel reached a tentative U.S.-mediated arrangement connected to Hezbollah, but Hezbollah rejected the terms, and violence in southern Lebanon continued. Bahrain also condemned an Iranian drone attack on its territory, underscoring that Iran's pressure campaign is not confined to ships at sea. The emerging pattern is therefore broader than a bilateral U.S.-Iran confrontation: Iran is using maritime pressure, proxy leverage, and regional signaling at the same time.

Veterans Corner

The July outlook is cautious but dangerous. The war has not yet become a general regional conflict, but the ingredients are present: contested shipping lanes, U.S. strikes inside Iran, Iranian attacks on commercial vessels, unresolved nuclear verification, and active proxy fronts. If the Strait of Hormuz remains open and inspections advance, the conflict may be contained. If either track fails, the Iran war could quickly return to a cycle of retaliation, energy disruption, and wider regional escalation.

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VETERANS CORNER

A monthly review of the most pressing issues affecting America's veterans

Benefits, care, housing, and remembrance for America's veterans

July 2026 Edition — Developments Through June 27

America's veterans entered July with a mix of practical benefit changes, health-care modernization, housing support, and renewed public recognition of military valor. The most important developments were not symbolic alone; they touched claims processing, home retention, medical access, California housing policy, and the continuing obligation to help veterans face the unseen wounds of service.

The Department of Veterans Affairs reported that, by June 1, it had processed more than two million disability benefits claims in fiscal year 2026, reaching that mark earlier than in the prior record year. VA also stated that it had awarded more than $124 billion in compensation and pension benefits to veterans and survivors in FY2026, while average disability-claim decision time had fallen to 78.6 days by the end of May. These figures should be read as agency-reported results, but they point to a continuing national priority: faster adjudication of earned benefits remains one of the clearest measures by which veterans judge whether the country is keeping faith with them.

Housing was the second major theme. On June 15, VA formally launched its Partial Claim Program for veterans at risk of foreclosure, allowing qualified borrowers who complete a trial payment plan to have overdue mortgage amounts advanced so the loan can be brought current, with repayment due later when the loan is paid off, refinanced, or the property is sold. VA said the program joins other home-retention tools, including repayment plans, traditional loan modifications, 30-year and 40-year loan modifications, and disaster-related options. VA also updated appraisal requirements for VA-guaranteed home loans, revising Minimum Property Requirements in an effort to reduce delays and help veteran homebuyers compete in a tight housing market.

California moved on a parallel track. On June 22, Governor Newsom and legislative leaders announced agreement on the proposed Veterans and Affordable Housing Bond Act of 2026, an $11.25 billion housing bond planned for the November 2026 ballot. The proposal includes $1.25 billion in self-supporting revenue bonds for the CalVet Home Loan Program and $10 billion in general obligation bonds for affordable housing, with the state estimating that the bond could help more than 40,000 Californians purchase homes and support long-term affordable housing preservation. For California veterans, the measure is significant because it places veterans' homeownership within the broader housing-affordability crisis rather than treating it as a separate issue.

VA also emphasized medical access and modernization. On June 25, VA reported that community care payments to local health-care providers exceeded $36 billion in FY2025, including $2.1 billion in California, under the VA MISSION Act framework. VA stated that community care remains especially important where distance, wait times, rural access, or unavailable VA services make non-VA care necessary. In the same period, VA continued deployment of the Federal Electronic Health Record system, adding four medical centers in Southern Ohio and Kentucky on June 6, serving more than 107,000 veterans annually. VA said five more sites are scheduled for 2026, reflecting a continued push to modernize medical records across the system.

The month also brought a reminder that recognition some-

Civil Unrest Watch

times comes late, but still matters. On June 18, the White House announced the award of the Medal of Honor to retired Marine Major James Capers Jr., posthumously to Marine Colonel John W. Ripley, and to retired Army Major Nicholas Dockery. Their actions spanned Vietnam and Afghanistan, and the awards underscored the long arc between battlefield service, historical review, and national recognition.

Finally, June 27 marked National PTSD Screening Day. VA's National Center for PTSD encouraged veterans and others who experienced trauma to use the short PC-PTSD-5 screening tool and, when appropriate, speak with a health-care provider. The message was plain and necessary: PTSD is treatable, screening is only a first step, and recovery often begins when a veteran or family member gives the wound a name.

For veterans and their families, the practical takeaway is straightforward: check benefit status, review home-loan or foreclosure options early, use VA or community-care access where appropriate, and do not delay mental-health screening when symptoms persist. The nation's obligations to veterans are measured not only in ceremonies, but in whether earned benefits, housing stability, medical care, and moral recognition are delivered while they can still make a difference.

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Financial Crisis Report
Civil Unrest Watch

Domestic instability, protest movements, and state responses with wider political consequences

Tracking protest, political violence, migration pressure, and social fractures affecting public order

July 2026 Edition — Developments Through June 27
Civil unrest entered July less as a single crisis than as a pattern of accumulated strain. The pressure points were familiar but widening: political legitimacy, immigration, cost-of-living stress, energy prices, and distrust of institutions.

In the United States, protest activity remained elevated while political conflict increasingly moved through courts, state legislatures, and street demonstrations. ACLED's June overview counted 907 U.S. demonstration events, a 14% increase from the prior month, and identified redistricting fights ahead of the 2026 midterms as a growing protest driver. The same report also flagged radical-group activity and the May 18 attack outside the Islamic Center of San Diego as the deadliest neo-Nazi or white-supremacist attack in the United States in nearly three years, underscoring that domestic unrest now includes both mass protest and extremist violence risk.

The broader global picture was shaped by economic stress. Reuters reported that global civil unrest reached a six-year high in the second quarter of 2026, citing Verisk Maplecroft's index of protest frequency, scale, and severity. The immediate decline in oil prices after a fragile U.S.-Iran truce eased some inflation pressure, but analysts warned that months of higher energy and household costs had already fed demonstrations in countries including Kenya, Indonesia, and Bolivia.

Africa provided two of the clearest warning signs. In Kenya, police used tear gas on June 25 to disperse demonstrators marking the second anniversary of the deadly 2024 anti-tax and cost-of-living protests; the interior minister said 355 people were arrested nationwide. The commemoration became a fresh test of state legitimacy because families and civil-society groups continue to demand accountability for earlier protest deaths and alleged police abuses.

South Africa faced a different but equally dangerous form of unrest: migration-driven vigilantism. Ahead of nationwide anti-immigrant protests planned for June 30, thousands of foreign nationals sought to leave the country, while police deployed and President Cyril Ramaphosa warned citizens not to scapegoat foreigners for crime, unemployment, and strained public services. The danger is that economic frustration may be redirected into ethnic or national targeting, producing disorder that ordinary law enforcement tools cannot easily contain.

Europe's most consequential development came from Ser-

AI Watch

bia. On June 27, President Aleksandar Vučić said he would resign within weeks and call early presidential and parliamentary elections after 18 months of anti-government protests. The student-led movement began after the November 2024 Novi Sad railway-station awning collapse that killed 16 people, but it expanded into a broader challenge over corruption, public accountability, and democratic legitimacy.

The July signal is clear: civil unrest is becoming more structural than episodic. Governments are not only facing protest over single events; they are facing deeper public anger over cost, corruption, migration, war, policing, and political legitimacy. The key indicators to watch are whether protests remain organized and peaceful, whether governments answer with reform or force, and whether extremist groups exploit public disorder to accelerate violence.

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Financial Crisis Report
AI Watch

Artificial intelligence developments with strategic, economic, and institutional impact

Keeping an eye on the world of AI: what really happened this month, why it matters for everyday people and businesses, and what steps you can take to use the good while guarding against the bad.

Tracking artificial intelligence, automation, national security, and the changing economy

July 2026 Edition — Developments Through June 27

Artificial intelligence entered July as a more powerful, more regulated, and more strategic technology than it was only a month earlier. The central development was not simply that models improved, but that governments and companies increasingly treated frontier AI as national infrastructure, economic leverage, and a potential security risk.

The first major signal came from the frontier-model race. On June 26, OpenAI previewed GPT-5.6 in three versions — Sol, Terra, and Luna — with OpenAI stating that access would initially be limited to select customers while capacity expands. Its own system-card disclosures also treated the GPT-5.6 family as "High" capability in cybersecurity and noted that all three models exceeded its Preparedness High threshold on internal capture-the-flag tasks. The important point is not only that the models are stronger; it is that frontier AI is moving into a category where ordinary product launches now require safety, cybersecurity, and national-security review.

Anthropic's June developments reinforced the same theme. On June 9, the company announced Claude Fable 5 and Claude Mythos 5, describing Fable 5 as its most capable generally available model and Mythos 5 as a limited-access version for cyberdefenders and infrastructure providers. By June 12, Anthropic said access to both models had been suspended, and a Reuters report later tied the disruption to U.S. government concern over potential use by foreign military-intelligence users.

Washington's posture also hardened. A June 2 White House order framed advanced AI as both an innovation engine and a national-security issue, directing federal coordination to protect systems, intellectual property, and cyber capabilities. A June 5 national-security memorandum went further, calling for accelerated AI adoption across the national-security enterprise while requiring reliability, oversight, civil-liberties protection, and secure supply chains. AI is now being treated less like a software sector and more like a strategic domain comparable to cyber, space, and advanced semiconductors.

The second major development was the spread of agentic AI into everyday work. Google's I/O 2026 developer announcements emphasized a shift from AI that merely assists users to agents that can navigate complex tasks across workflows, including the Gemini 3.5 model series and the Antigravity agent-first development platform. Microsoft similarly used Build 2026 to promote enterprise agents, with Work IQ APIs becoming generally available on June 16 to provide agents with organizational context, and with new security tooling aimed at securing code, agents, and models across the development lifecycle.

Market Winners & Losers

The third development was regulation, especially in Europe. On June 10, the European Commission published a Code of Practice on Transparency of AI-Generated Content to help companies comply with AI Act obligations for marking and labeling AI-generated material, including deepfakes and certain AI-generated publications.

Those transparency obligations become applicable on August 2, 2026, making July a preparation month for companies that create, deploy, or distribute generative-AI content in Europe.

Finally, the physical and economic costs of AI became harder to ignore. Reuters reported that the U.S. Energy Information Administration expects U.S. power consumption to hit new records in 2026 and 2027, driven in part by AI-hungry data centers and electrification. The International Energy Agency has projected that global data-center electricity consumption will more than double to about 945 terawatt-hours by 2030, with AI as the most important driver of that growth.

The July takeaway is clear: AI is no longer moving mainly through consumer novelty or experimental tools. It is moving through national-security policy, enterprise workflow redesign, legal compliance, power-grid demand, and labor-market adjustment. The key indicators to watch are whether governments can regulate frontier models without freezing innovation, whether agentic AI improves productivity without creating uncontrolled operational risk, and whether the energy system can keep pace with the data-center buildout now required by the AI race.

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Financial Crisis Report

Market Winners and Losers

Month's Best and Worst Returns Through the 27th

MARKET WINNERS AND LOSERS
Major liquid instruments through June 27, 2026

June was a rotation month. Small-cap and housing-related shares outperformed, long-duration Treasuries recovered modestly, and speculative assets weakened as investors questioned AI spending, higher-for-longer interest rates, and stretched commodity trades.

Stocks — Winner: iShares Russell 2000 ETF (IWM), up about 3.2%.
Small caps outperformed as investors moved away from the most crowded mega-cap technology trade and into more domestically sensitive shares. The Russell 2000 proxy benefited from late-month rotation even as the broader S&P 500 and Nasdaq weakened.

Stocks — Loser: Invesco QQQ Trust (QQQ), down about 4.3%.
The Nasdaq-100 proxy suffered from profit-taking in mega-cap technology and semiconductor shares. The selloff reflected concern that AI infrastructure spending may pressure margins before producing the expected earnings payoff.

Bonds — Winner: iShares 20+ Year Treasury Bond ETF (TLT), up about 1.9%.
Long Treasuries recovered as yields eased late in the month and investors looked for duration after several weeks of inflation and rate-pressure headlines. The gain was modest, but it made long government bonds the strongest major bond proxy reviewed.

Bonds — Loser: iShares TIPS Bond ETF (TIP), down about 1.4%.
Inflation-linked bonds lagged as the market reduced some near-term inflation fear after oil prices retreated and rate expectations stabilized. The move showed that investors were less willing to pay for inflation protection after the earlier war-premium surge faded.

Elephants in Rooms

Real Estate — Winner: iShares U.S. Home Construction ETF (ITB), up about 12.7%.
Homebuilders were the clearest real estate winner. The group rallied as mortgage-rate sensitivity eased with lower Treasury yields and investors looked for a housing rebound if financing pressure begins to moderate.

Real Estate — Loser: Vanguard Global ex-U.S. Real Estate ETF (VNQI), down about 1.7%.
International real estate lagged U.S. housing and domestic REIT proxies. Currency pressure, uneven global growth, and still-high financing costs kept foreign property shares from participating in the U.S. housing-led rebound.

Minerals — Winner: SPDR Gold Shares (GLD), down about 10.4%.
Gold was the strongest major mineral proxy only because the entire group weakened. It fell sharply as the dollar and rate expectations weighed on non-yielding assets, but it held up better than silver, uranium, copper miners, and gold-mining equities.

Minerals — Loser: iShares Silver Trust (SLV), down about 22.0%.
Silver was the weakest major mineral instrument reviewed. The metal suffered from a rapid unwind after earlier speculative gains, with higher-rate concerns and technical selling hitting silver harder than gold.

Digital Currencies — Winner: Solana (SOL), down about 12.8%.
Solana was the strongest among the major liquid digital assets reviewed, though it still declined for the month. It benefited from a late rebound and continued developer-activity narratives, but remained under pressure from the broader crypto risk-off trade.

Digital Currencies — Loser: Dogecoin (DOGE), down about 26.3%.
Dogecoin was the weakest major liquid digital currency reviewed. Meme-driven tokens were hit hardest as speculative appetite faded and crypto capital rotated away from higher-beta assets.

The month's message was defensive rotation, not broad confidence. Investors rewarded smaller stocks, housing exposure, and Treasuries, while punishing crowded technology, speculative metals, and high-beta digital assets.

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Here are presentations about uncomfortable truths and awkward questions.

Former news reporter for Fox News, Ken LaCorte, dives into the topics that others either dodge or dismiss – especially when they're true.

LaCorte spent 20 years behind-the-scenes at Fox News and now hosts the "Elephants in Rooms" YouTube channel.

I present here a synopsis of LaCorte's video presentations for your edification. I know you will find them very interesting.

D. Miyoshi

WILL DONALD TRUMP SURVIVE HIS SECOND TERM AS PRESIDENT?

According to this Elephantsinrooms YouTube video, Donald Trump's death risk is higher than you think.

Will Donald Trump survive his second term as president? I'm not talking about impeachment, but actual physical survival. After all, 18% of US presidents have died while in office.

And if Trump serves his full term, he'll be the oldest president ever. And not for nothing, people keep trying to kill him. The elephant in the room. What are the odds that a 78-year-old Donald Trump can survive being president four

Elephants in Rooms

more years?

Ken LaCorte's video provides an insightful analysis of Donald Trump's potential survival during a second presidential term, balancing statistical longevity, personal health factors, and the unique protections and risks associated with the presidency. It effectively debunks the common misconception that presidential stress shortens life while highlighting the very real and significant threat of assassination, which is often underestimated. The discussion of Secret Service competence and the specific attempts on Trump's life adds a critical dimension to the overall risk assessment.

Donald Trump will likely survive a second term as president, despite his age and a significant risk of assassination, due to extensive presidential protection and the fact that presidents tend to live longer than their peers.

Synopsis

If Donald Trump serves a full second term, he would be the oldest president ever, starting at age 78, about six months older than Joe Biden was when sworn in.

A 78-year-old male has an average life expectancy of nine more years, to age 87, with a 75.3% chance of surviving the next four years.

Trump has already outlived the average American male life expectancy of 76.1 years.

Positive health factors for Trump include not smoking or drinking alcohol, and consistently reported good cardiac health, though presidential health reports can be politically influenced.

His parents both lived long lives, with his mother reaching 88 and his father 93, although his father was diagnosed with Alzheimer's in his 80s.

A significant health concern for Trump is his weight, with conflicting reports on his exact measurements.

The insurance industry's John Hancock calculator estimated Trump's average lifespan at 90 years.

Presidents benefit from extraordinary protection, including the Secret Service's human shields, advanced threat defense, armored vehicles, and comprehensive medical care, including a flying hospital on Air Force One.

The presidency also protects from common accidental causes of death, such as falls, through constant monitoring and standby services.

MAJOR INSIGHT: Contrary to the intuitive belief that presidential stress shortens life, a study by the American Medical Association found no evidence that presidents die sooner; in fact, they lived longer than their peers despite visible aging.

Assassination is a serious risk, with four presidents (9% of all who served) having been shot to death while in office.

Five serious assassination attempts against Trump's life are known, including incidents in Las Vegas (2016), North Dakota (2017), Butler, Pennsylvania (2024), at his golf course (2024), and a recent Iranian plot.

The Pennsylvania shooting raised concerns about Secret Service competence, leading to the director's resignation and questions about the effectiveness of increasing female agents.

Main Arguments

Trump's Statistical Survival Probability: Based on Social Security data, a 78-year-old male like Trump has an average life expectancy of nine more years to age 87, with a 75.3% chance of surviving a full four-year presidential term.

Presidential Protections vs. Risks: While presidents benefit from extraordinary medical care and Secret Service protection, the inherent risk of assassination remains a significant, difficult-to-quantify threat that outweighs many other factors.

Assassination as a Primary Risk Factor: Historically, 9% of all US presidents have been assassinated, and Donald Trump has faced at least five serious attempts on his life, making the threat of violence a critical factor in assessing his survival odds.

Unique Perspectives

MAJOR INSIGHT: Presidents Live Longer Despite Stress: Contrary to the common belief that the immense stress of the presidency causes leaders to age faster, a study by the American Medical Association found that presidents actually live longer than their peers, despite visible signs of aging.

Political Influence on Health Reporting: Official reports on presidential health are often unreliable due to political motivations, as evidenced by Trump's former physician's exaggerated claims and historical examples like FDR's concealed illness.

DEI Policies and Security Concerns: The video raises a controversial question about whether the Secret Service's drive to increase female agents, potentially influenced by

YouTube Summaries

DEI initiatives, might compromise the president's physical security, citing issues during a specific shooting incident.

Supporting Evidence

Longevity Factors for Trump: Trump benefits from positive health habits such as not smoking or drinking alcohol, and a strong family history of longevity, with his mother living to 88 and his father to 93.

Comprehensive Presidential Medical Care: The White House Medical Unit, established in 1945, provides 24/7 care from military physicians, and Air Force One functions as a flying hospital equipped with an operating room and a supply of the president's blood type.

Documented Assassination Attempts on Trump: Specific incidents include a 2016 attempt in Las Vegas, a 2017 forklift attack in North Dakota, a 2024 shooting in Butler, Pennsylvania, a golf course ambush, and an Iranian plot involving felons.

Thought-Provoking Questions

Quantifying the Assassination Threat: How can the unique and unpredictable nature of assassination attempts, especially given Trump's polarizing persona, be accurately factored into his overall survival probability?

Transparency of Presidential Health: To what extent should the public trust official reports on a president's health, given historical precedents of concealment and politically motivated statements from medical staff?

Balancing Security and Public Engagement: How can a president maintain necessary public visibility and engagement while mitigating the significantly increased risk of violence, particularly when their presence "riles people up"?

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YouTube Summaries

A STORY OF VALOR

https://www.youtube.com/watch?v=4uCfBO2bz7A

This video by *Forged in Battle* offers an exceptionally well-explained and meticulously researched account of the 442nd Regimental Combat Team, effectively debunking the popular myth of a specific German prisoner quote while simultaneously elevating the true, astonishing history of the unit. By focusing on verifiable facts, the immense human cost, and the profound contradictions faced by Japanese American soldiers, the video provides a far more impactful and nuanced understanding of their valor and the systemic prejudice they overcame. The creator's commitment to historical accuracy, even when it complicates a good story, makes this a compelling and essential historical narrative.

Here is the Synopsis of the video.

D. Miyoshi

The Myth and the Reality of German Prisoner Reactions to Capture by the 100th /442nd RCT

- A popular story for 80 years claims German prisoners on the Western Front were stunned to find their captors were Japanese American soldiers.

YouTube Summaries

- The famous quote, often attributed to German prisoners asking "Who on earth are you people?", is difficult to verify in historical records.

This video aims to tell the true story of the 442nd Regimental Combat Team and to chase down the famous quote, clarifying what the record does and does not say.

The 442nd Regimental Combat Team and 100th Infantry Battalion

- The men in the Vosges forest were Japanese American soldiers of the 442nd Regimental Combat Team, fighting alongside the 100th Infantry Battalion.
- These soldiers were sons of Japanese immigrants, fighting for the U.S. while many of their families were incarcerated in internment camps.

Most people vaguely know about a brave Japanese American unit in WWII that won many medals, but often miss the "arithmetic" and the true cost.

Origins and Formation

- The story begins in Hawaii, which had a large population of Nisei (second-generation Japanese Americans) already serving in the Hawaiian National Guard.
- After Pearl Harbor on December 7, 1941, these Nisei soldiers were disarmed and viewed with suspicion.
- In spring 1942, Hawaiian Nisei were formed into the 100th Infantry Battalion, nicknamed "One Puka Puka" (100th Zero).
- While the 100th trained, the U.S. government interned approximately 120,000 people of Japanese ancestry from the West Coast under Executive Order 9066.
- In early 1943, the government asked young men in these internment camps to volunteer for military service, leading to the birth of the 442nd Regimental Combat Team.
- Volunteer rates differed significantly:
  - Hawaii (not incarcerated): ~10,000 volunteered, 2,686 accepted.
  - Mainland camps (incarcerated): 1,200-1,500 volunteered.

The regiment adopted the Hawaiian gambling phrase "Go for broke" as its motto, meaning to risk everything.

Combat Record and Sacrifices

Italian Campaign

- The 100th Battalion landed in Italy in September 1943, attached to the 34th Infantry Division.
- They fought with ferocity, driven by a need to prove their loyalty against those who doubted them and incarcerated their families.
- The 100th suffered immense casualties, earning the grim nickname "Purple Heart Battalion."
- By May 1944, the 100th, which started with ~1,300 men, was down to ~521.
- In June 1944, the 100th Battalion was formally attached to the newly arrived 442nd, but allowed to keep its designation due to its distinguished record.

The combined force fought through central Italy, pushing Germans north and becoming highly experienced and respected infantry.

Vosges Mountains and the Lost Battalion Rescue

- In October 1944, the 442nd was moved to the Vosges Mountains in Eastern France, placed under the 36th Infantry Division.
- They fought brutal battles, taking Bruyères and Biffontaine.
- The 442nd was then ordered to rescue the "Lost Battalion" (1st Battalion of the 141st Infantry Regiment, 36th Division), ~275 Texans trapped behind German lines.
- The rescue involved five days of intense fighting, with the 442nd clawing its way up a forested ridge against dug-in German positions.
- To rescue 211 Texans who walked out alive, the 442nd suffered over 800 casualties.
- Company L went into the fight with 185 men; only eight came out unhurt.
- Company K went in with 186 men; 169 were dead or wounded by the end.
- Across the Vosges campaign, the regiment suffered ~150 killed and ~1,800 wounded.
- When the 442nd broke through, Sergeant Mutt Sakamoto offered the Texans a cigarette, and the rescued battalion radioed back, "Patrol from the 442nd here. Tell them that we love them."

General Dahlquist, commander of the 36th Division, was reportedly angry at a review when he saw the thin ranks of the 442nd, asking where the rest of the men were, to which an officer replied, "This is the regiment, sir. The rest are dead or in the hospital."

The Cost of War and Historical Interpretation

- The 442nd was used harder than almost any other American unit in the European Theater, with replacement figures suggesting the unit was replaced 2.5 to 3.5 times over.

Historians debate whether this was deliberate due to their ethnicity or simply because they were excellent infantry sent to the hardest places.

German Reactions: Myth vs. Documented Fact

- **"Little Iron Men"**: The claim that Germans called them "little iron men" appears almost entirely in American sources, with no documented German original.
- **The Famous Quote**: The persistent image of a German prisoner expressing shock at his Asian captors and saying something memorable is not found in a clean, attributable form in major histories or oral histories from the Densho archive.

YouTube Summaries

The reaction of German prisoners is "reputation, not transcript," likely happening in some form due to the unexpected encounter, but without a verifiable verbatim quote.

Documented German Interactions

- The German army faced by the 442nd in late 1944 was a "patchwork of the coerced and the conquered," including Polish, Russian, Croatian, and even African colonial troops.
- A German battalion was also cut off in the same Vosges woods at the same time as the American Lost Battalion, a "mirror of the other."

One documented interaction: After a fight, German prisoners offered to help bury a fallen Japanese American soldier. Despite initial rage from a Nisei sergeant, the Germans knelt and recited the Lord's Prayer, highlighting a shared humanity.

Individual Heroes and Their Valor

- **Daniel Inouye**: Second Lieutenant, E Company. Lost his right arm in Italy after single-handedly taking out machine gun positions and throwing a grenade with his injured hand. Became a U.S. Senator, awarded the Medal of Honor in 2000.
- **Sadao Munemori**: Private First Class. Knocked out two German machine guns and then smothered an enemy grenade with his body to save comrades. The only 442nd soldier to receive the Medal of Honor for decades, awarded in 1946.
- **Barney Hajiro**: Private, I Company. Led a charge up "Suicide Hill," destroying machine gun nests, and ambushed an 18-man German patrol. Awarded the Medal of Honor in 2000.
- **Joe Nishimoto**: Private First Class. Broke a three-day deadlock near La Houssière, killed in action a week later.
- **George Sakato**: Took over a leaderless squad and led a charge during the Lost Battalion fight.
- **James Akubo**: Combat medic. Treated over 25 wounded men under fire during the Lost Battalion battle.

Young Oak Kim: Korean American officer in the 100th Battalion. Refused transfer, stating, "there were no Japanese or Koreans in that unit, that they were all Americans."

Awards, Recognition, and Lingering Prejudice

- The combined 100th Battalion and 442nd Regimental Combat Team became the most decorated unit of its size and length of service in U.S. Army history.
- They earned ~18,143 individual awards, seven Presidential Unit Citations, and 9,486 Purple Hearts.
- The "314% casualty rate" signifies that wounds (counting multiple wounds per person) vastly outnumbered the unit's combat strength, indicating how many times the unit was "chewed up and rebuilt."
- For over 50 years, the 442nd had only one Medal of Honor (Munemori's).
- A 1990s congressional review confirmed racial discrimination had prevented Asian American servicemen from receiving the Medal of Honor.

In 2000, President Bill Clinton presented 20 Medals of Honor to Asian American WWII veterans, 19 of which were upgrades, mostly to men of the 442nd.

The Resisters and Military Intelligence Service

- **The Fair Play Committee**: At Heart Mountain internment camp, some Nisei men formed this committee, refusing to be drafted while their families were imprisoned without charge.
- ~85 Heart Mountain men were convicted of draft evasion, facing community ostracization for decades.
- Both the volunteers and the resisters, in their own ways, fought for full American citizenship.
- **Military Intelligence Service (MIS)**: ~6,000 Nisei served as linguists in the Pacific, interrogating prisoners and translating documents.

Their work is credited with shortening the war in the Pacific by two years, a profound irony given their families' internment.

Post-War Legacy and Hollywood

- After the war, some Nisei veterans faced continued prejudice, with signs like "No Japs wanted" and initial exclusion from major veterans organizations.
- Recognition came slowly: honorary Texan status (1962), Medals of Honor (2000), Congressional Gold Medal (2011), and French Legion of Honor.
- President Truman, in 1946, told the regiment they had fought not only the enemy but also prejudice and had won, instructing them to "Keep fighting. You're not done."

The 1951 film "Go for Broke" accurately portrayed some aspects, casting veterans and showing internal tensions, but filtered the Nisei experience through a skeptical white officer's eyes and largely sidelined the internment.

Conclusion: The Real Lesson

- The famous quote about German astonishment is a legend, not a documented fact.
- What is real is better: the diverse German army, the mirror image of two lost battalions, the shared humanity at a graveside, and the relentless violence of the 442nd that left an indelible impression.
- The 442nd never needed a German prisoner to validate them; their validation lies in the "arithmetic" of their sacrifices: 800 casualties to save 211, 9,486 Purple Hearts, and the empty ranks that astonished their own general.

These men were forged by a country that doubted them and by an enemy that learned their ferocity.

Go for Broke!

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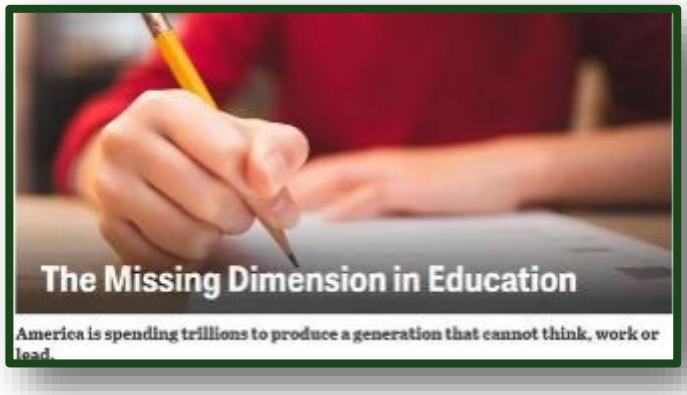
AMERICA'S EDUCATION IN FREEFALL



By Stephen Flurry

The Philadelphia Trumpet Magazine

America's educational system is in freefall. Compared to a decade ago, math scores fell in 70 percent of school districts, while reading scores fell in 83 percent of school districts. Overall, the Stanford Educational Opportunity Project estimates that math scores have dropped about 0.4 grade levels, while reading scores have dropped by roughly 0.6 grade levels. This precipitous decline has affected rich and poor, city and country, black and white.

What is happening in America?

Amazon founder Jeff Bezos is concerned. Speaking on cnbc, he pointed to New York City's school system as a case study. "They spend $44,000 per student," he said. "That's 30 percent more per student than other big cities like Chicago, L.A. and Boston, and it's three times more than Miami and Houston."

Then came the kicker! "If we ran Amazon the way New York City runs their school system, your packages would take six weeks to arrive, we'd have to charge you a $100 delivery fee, and then when the package did finally arrive, it'd have the wrong item in it anyway." He went on to lambast bureaucratic inefficiency.

Think about that for a second. We are sending our children into these schools for six, seven, eight hours a day. But what are they getting in return? America's educational system is failing the next generation!

Former Nebraska Senator Ben Sasse shares Bezos's concerns. In remarks accepting the Manhattan Institute's Hamilton Award on May 6, he noted that the United States spends *nearly $1 trillion per year* on public K–12 education. That's more than 3 percent of the nation's gross domestic product, roughly $20,000 per student. Yet 70 percent of eighth graders are not proficient in reading, and more than 70 percent of eighth graders cannot do basic math. Sasse's conclusion: "Modern schooling is systematically terrible at forming well-adjusted, curious, intellectually creative, entrepreneurial adults."

It is a disaster on every level. There is no other way to describe it. A century ago, America was producing students proficient in arithmetic, civics, geography, history, literature, penmanship and spelling in one-room schoolhouses with practically no budget. Though many of America's teachers certainly could stand to be better paid, the root cause of the education crisis certainly isn't a lack of monetary funding.

A shocking report from the *New York Post* details a practice that has become common: Parents will spend $10,000 on neuropsychological assessments to get their children diagnosed with attention deficit hyperactivity disorder (adhd), not because their child is genuinely struggling but because the diagnosis buys extra time on college entrance exams. Nearly 7 percent of students across multiple types of exams now receive additional time or special accommodations, according to the *Wall Street Journal.*

In other words, the parents are cheating. The children are cheating. And the schools do not complain, because the more students are diagnosed with special needs, the more government funding flows in.

What has happened to us? All the money, all the gadgets, all the reasoning and all the accommodating have failed to produce students who can think, work or lead as well as their parents' generation.

Men like Bezos and Sasse are shocked, yet the late Herbert W. Armstrong saw this coming decades ago. He described our civilization with a phrase that has never been more accurate: "ever learning, and never able to come to the knowledge of the truth." This phrase is taken from 2 Timothy 3, a chapter that describes the "last days." It highlights how humanity is surrounded by oceans of information yet cannot solve its problems because we have rejected the missing dimension in education.

"We make decisions; dogs and cattle and elephants and

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horses do not," Mr. Armstrong explained in a 1955 sermon. "They have brains. They have a certain intelligence, some of them. You can teach them many tricks, but it's merely a repetition. And they have a brain that can absorb a certain thing: If they're taught to do it, they will do it as a matter of habit. But to reason out rationally, and to think logically, and to put a lot of things together and come to a conclusion, to indulge in creative thought, to plan and devise something and to make something, and decide how to put things together to make a newer thing and a new idea, and then to have the ability to execute it and do it—no dumb animal has that power. That is the power of God! And God has given us a little bit of that power, and what have we done with it? We've chosen evil, and we have chosen so much evil, and we have rejected God and the way of God that He has set before us."

This is the real reason America's educational standards are plummeting. Humanity's collective store of knowledge has never been greater, but we are not teaching our children the character required to labor, to listen, to study and to think critically about what they hear and see. According to some studies, even students' IQ is declining as they offload memorization and thinking ability to computers.

As a nation, we have rejected humanity's God-like power to choose to believe and obey God; as a consequence, our children are losing even their ability to reason, to think and to draw conclusions. The Apostle Peter explained this process in detail when he wrote that those who "walk after the flesh in the lust of uncleanness" become as "natural brute beasts" (2 Peter 2:10-12). The Greek word for *brute* is *alogos,* which means absurd, irrational, unreasonable or *against the Logos.*

In other words, since the Logos is the Being through whom God imparted rationality to the physical creation (John 1:1-3), rebelling against God and His Word can cause a person to lose the ability to think rationally, giving him or her the limited reasoning skills of a "natural brute beast." We see this happening all over America today as people stop caring about logic, facts, evidence or truth.

This tragic state of affairs is why God established His one true Church as a type of teachers' college in preparation for teaching all mankind in the coming Kingdom of God! "The Church may be called God's teachers' college to prepare rulers and teachers for the Kingdom of God when God does offer redemption and eternal life to the world as a whole," Mr. Armstrong wrote in Chapter 6 of *Mystery of the Ages.* "The Church was planned to be God's instrumentality for calling predestinated human beings out of this world to be trained for positions of leadership in the World Tomorrow, when they shall teach and train others. That is why in the New Testament, the Church is called the firstfruits of God's salvation. All this necessitated certain vital steps—one at a time—in the procedure of God's supreme master plan!"

Look at the condition of America's schools and you see the need for God's teachers' college more than ever. We are looking at the fulfillment of Isaiah 3. Where are the leaders? God truly has taken away the "mighty man, and the man of war, the judge, and the prophet, and the prudent, and the ancient, The captain of fifty, and the honourable man, and the counsellor, and the cunning artificer, and the eloquent orator" (verses 2-3).

Where are the teachers who will step forward and fight for the children? Men like Jeff Bezos and Ben Sasse realize there is a problem, but they don't have the solution. This is because the real solution is about a lot more than funding, truthful diagnoses or even better curricula and better teachers. The real solution starts with obedience: obedience to God and His law. As the Apostle Peter taught us, those who "walk after the flesh in the lust of uncleanness, and despise government" will inevitably become like presumptuous, self-willed beasts, afflicted by absurd, irrational reasoning.

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WHY ALIENS CAN'T COME TO EARTH

The video by physicist Richard Feynman provides an exceptionally clear and compelling explanation of why interstellar travel is physically impossible, systematically breaking down five fundamental principles of physics. It masterfully uses concrete examples and relatable analogies to illustrate complex concepts like the rocket equation and rela-

YouTube Summaries

tivistic mass, making the vastness of space and the constraints of physical laws understandable. The creator's ability to reframe the universe's silence from a source of loneliness to a testament of Earth's unique miracle offers a profound and thought-provoking conclusion.

Interstellar travel is effectively impossible due to five fundamental physics-based verdicts: immense distances, the unbreakable speed of light, astronomical energy costs, biological limitations, and the asynchronous nature of civilizations across cosmic time.

Synopsis

Human intuition, evolved for survival on Earth, fails and gets crushed when applied to the scale of the universe and the raw physics of time, energy, and distance.

The universe has established five specific, merciless verdicts that act as absolute walls preventing civilizations from ever meeting.

Verdict 1: Distance — Humanity is biologically incapable of truly grasping cosmic distances, with the nearest star, Proxima Centauri, being 4.24 light-years away, a journey that would take 6,600 years at humanity's fastest speed.

Verdict 2: The Speed of Light — This is not an engineering challenge but a structural limit of reality and causality, meaning no object with mass can ever reach 100% of light speed as it would require infinite energy.

Verdict 3: Energy and the Tyranny of the Rocket Equation — The exponential fuel requirements for acceleration and deceleration make interstellar travel impractical; even with advanced fusion or antimatter, the energy cost would be astronomical, deemed a waste by efficient civilizations.

Verdict 4: Biology — The human body is a "drama queen" unsuited for space, facing lethal cosmic radiation, bone and organ degradation in zero-G, and the impossibility of cryosleep or viable generation ships.

Even AI robots face challenges from radiation corrupting data, circuit degradation, and micrometeoroid damage over vast interstellar distances and timeframes.

Verdict 5: Information and Time — The universe is a "terrible telephone service," making communication between civilizations highly improbable due to the vastness of space and the asynchronous rise and fall of technological eras.

The "tragedy of the universe isn't that it's empty; it's that the party guests are arriving at different times."

UFO sightings are more likely camera artifacts or known phenomena than alien craft, as the physics of their alleged maneuvers would cause undeniable, catastrophic effects.

Main Insight: The same rules that trap us here, like the speed of light limit, are precisely the rules that allow stars to burn steadily, atoms to hold together, and life to evolve.

The silence of the universe forces humanity to realize that we are alone and responsible for our own problems, making Earth a precious miracle and life a statistical impossibility that happened anyway.

Core Concepts

The Five Merciless Verdicts: The video systematically breaks down five fundamental physical and biological barriers that make interstellar travel and alien encounters practically impossible: immense distance, the absolute speed of light limit, prohibitive energy requirements governed by the rocket equation, the fragility of biology in space, and the vastness of cosmic time.

Speed of Light as a Structural Limit: The speed of light is not merely a technological challenge to overcome but a fundamental constant and a structural limit of reality, representing the maximum speed at which causality can propagate, requiring infinite energy to accelerate any object with mass to 100% of its speed.

The Tyranny of the Rocket Equation: This brutal equation reveals an exponential curse: to move a ship, you need fuel, but fuel has mass, requiring more fuel to move that fuel, and so on, making the fuel mass for interstellar journeys with current or even hypothetical propulsion systems astronomically large.

Asynchronous Civilizations: Due to the universe's 13.8 billion-year age and the relatively short lifespan of technological civilizations, the probability of two civilizations existing simultaneously in a detectable proximity, at the same technological level, is effectively zero.

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Breakthrough Ideas

#1 INSIGHT: Human Intuition vs. Cosmic Scale: Our evolved human intuition, which helps us navigate daily life, is biologically incapable of grasping the true scale and physical laws of the cosmos, leading to a profound disconnect between our gut feelings about alien life and scientific reality.

#2 INSIGHT: The Universe's Rules Enable Existence: The very physical laws that impose limits on interstellar travel, such as the speed of light, are the same fundamental rules that allow for the stable burning of stars, the cohesion of atoms, and the evolution of life itself, making these "verdicts" essential for existence.

Interstellar Travel as Inefficient for Advanced Civilizations: Even highly advanced Type III civilizations capable of harvesting star energy would likely deem interstellar travel a "complete waste of resources," preferring to build virtual paradises or explore within their own systems rather than expend immense energy on distant, potentially uninteresting planets.

Key Connections

Interconnected Barriers: The five verdicts are not isolated; for instance, the need for heavy radiation shielding to protect biological life in space directly increases the mass of a spacecraft, which in turn exponentially exacerbates the fuel and energy requirements dictated by the rocket equation.

Physics Debunks UFO Claims: Alleged UFO phenomena, such as craft accelerating from zero to Mach 20 in a second without G-force effects or sonic booms, directly contradict fundamental laws of physics, including inertia, atmospheric interaction, and the effects of extreme acceleration on matter.

Practical Applications

Focus on Earth's Preservation: The profound realization that humanity is likely alone in the universe, with no external saviors, underscores the critical importance of solving our own global challenges—climate change, wars, and economic issues—and preserving our "fragile blue marble" as our only lifeboat.

Smarter Search for Extraterrestrial Life: Understanding the physical limitations of interstellar travel shifts the search for alien life from expecting physical visitation to a more scientifically patient approach, focusing on detecting "techno-signatures" like the heat waste of Dyson spheres or laser pulses.

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WHY C STUDENTS END UP MANAGING A STUDENTS

Title: Why C Students End Up Managing A Students — The Research Schools Ignore
Author: Mr. Harris

The Flawed System: Why Grades Don't Predict Real-World Success

Introduction: The Unexpected Reality

- A common scenario: the high-achieving A student ends up working for the struggling C student.
- This isn't just a story; it's backed by actual research. The current grading system often measures the wrong things, impacting future success.

The Data Schools Ignore

- **Self-Made Millionaires Survey**:
  - Only 21% were A students.

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o 70% were B or C students.

o This suggests the school system has a 79% failure rate in predicting real-world financial success.

o **West Point Military Academy Research**:

o B and C students disproportionately became leaders, managing thousands of people and billion-dollar budgets.

o A students became excellent individual contributors (scientists, analysts, engineers) but rarely the ultimate decision-makers.

The skills that predict leadership success are almost completely absent from the standard curriculum and are often penalized.

The Limited Value of GPA

- GPA functions as a gatekeeper for certain college paths.
- However, after a few years in the workforce, GPA becomes "essentially worthless" as a predictor of job performance.
- Major employers like Google, Apple, IBM, Bank of America, and Ernst & Young have removed GPA requirements from hiring processes.
- Research from the University of Iowa shows GPA has *weakened* as a predictor of job performance since the 1920s.

The gap between what school measures and what work actually requires has widened over time.

Four Key Skills Developed by C Students (Valued in the Real World)

1. **Ability to Function Under Uncertainty**:

o A students thrive in predictable systems with clear rules and rubrics.

o C students learn to operate without a map, figuring things out from first principles when the system isn't built for them.

o This skill is invaluable in real-world boardrooms.

o **Risk Tolerance**:

o A students are trained to be risk-averse, protecting their GPA.

o C students, already familiar with failure, stop fearing negative outcomes.

o Risk tolerance is a strong predictor of entrepreneurship and building something new.

o **Real-World Experience Accumulated Early**:

o While A students optimize homework, C students gain experience by working, building, and learning how money moves.

o They make mistakes young, which means making them cheaply.

o In job interviews, real-world experience defeats GPA after age 25.

o **Interpersonal Intelligence**:

o The ability to read people, persuade without pressure, manage conflict, and build trust.

o Schools rarely teach or grade this crucial skill.

o It is the single most powerful predictor of leadership success in real organizations, more so than IQ or GPA.

C students often develop this in social environments, learning to negotiate and understand what makes people follow.

A Message for Parents

- Effort, curiosity, drive, and hard work are crucial, but the system often measures the *wrong* kind of effort.
- A "C" grade might indicate a child with a different "operating system," not a problem to be fixed.

Focusing solely on grades can damage parent-child relationships and overlook a child's true strengths.

Concrete Action for Parents

- **Stop asking**: "What grade did you get?"
- **Start asking**:

o "What problem did you solve today?"

o "What did you figure out without anyone telling you how?"

o "What did you try that didn't work, and what did you do next?"

These questions train a fundamentally different kind of thinking, which is highly valued in the real world.

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YouTube Summaries

WHY JAPAN'S MIDDLE CLASS IS DISAPPEARING

This program by Chill Financial Historian offers an exceptionally insightful analysis of the multifaceted economic and social factors contributing to the decline of Japan's middle class. It meticulously breaks down complex issues like wage stagnation, demographic shifts, currency devaluation, and corporate culture, providing specific data and compelling examples. The creator's argument that Japan serves as a "canary in the macroeconomic coal mine" for other developed nations facing similar challenges is particularly powerful, making this a highly relevant and thought-provoking examination of a critical global trend.

Japan's middle class is being quietly destroyed by decades of wage stagnation, demographic collapse, a weak yen importing inflation, a two-tiered labor market, and a toxic corporate culture that prevents family formation and economic stability for younger generations.

For your reading convenience, here are my summarized notes of the program.

D. Miyoshi

Introduction: The Economic Miracle Turned Trap

- Japan's current career path is described as a dystopian joke: long hours, stagnant pay, rising costs, and eventual replacement by temp workers.
- The video contrasts Japan's economic peak in 1989 with its reality in 2026.

o **1989**: A fresh graduate could expect a corporate job with a signing bonus, subsidized housing, lavish company dinners, lifetime employment, seniority-based promotions, and a generous pension.

o **2026**: A graduate faces functionally identical starting salaries as in 1989, likely non-regular temporary contracts, a battered yen, and the disappearance of fabled lifetime employment.

The video aims to explore the mechanics behind the slow death of Japan's middle class, including the bursting of the asset bubble, wage stagnation, demographic collapse, and the reality of modern contract work.

1. The Great Deflation and the Wage Stagnation Trap

- **Asset Bubble Burst**: The Nikkei stock index violently crashed in 1992, followed by a terrifying descent in Tokyo commercial real estate prices, marking the beginning of a multi-decade economic deep freeze.

- **Wage Stagnation**:

o The average annual income for a Japanese worker peaked at 4.67 million yen in 1997 and remained functionally identical at 4.65 million yen in 2025, despite 30 years of technological advancement.

o Real wages contracted for the fourth consecutive year in 2025, dropping by 1.3%, as nominal cash earnings were cannibalized by a 3.7% rise in consumer prices.

o **Two-Tiered Labor Market**: Japan's consistently low unemployment rate (~2.5%) was achieved by creating a deeply unequal labor market, not by fostering middle-class careers.

o **Balance Sheet Recession**: After the asset bubble burst, corporations protected their older, expensive salarymen (socially taboo and legally difficult to lay off) by paying down debt and fiercely protecting existing workforces.

o **Rise of Non-Regular Workers**: To cut costs, rules changed for the next generation. The percentage of non-regular workers (part-timers, temporary, contract) skyrocketed from 16.4% in the early 1990s to 36.8% by 2024.

✦ These jobs rarely offer bonuses, robust pensions, or lifetime employment.

✦ Non-regular workers earn roughly 60% of what regular employees make for similar work.

✦ **Corporate Profitability vs. Worker Wages**:

o Japanese corporate retained earnings hit a record high of 637 trillion yen ($4.2 trillion) in fiscal year 2024, indicating high profitability.

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o This wealth is not flowing to workers, largely because labor union membership has plummeted to a record low of 16.1%, leaving workers with virtually no bargaining power

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Quote: "I have a simple question. Why can't you just live a normal life on the salary you earn from working hard?"

2. The Silver Tsunami and the Crushing Math of Demographics

- **Demographic Reality**: The village of Nagoro, where life-sized dolls replace deceased or moved-away residents (outnumbering living residents 10 to one), serves as a haunting microcosm of Japan's demographic collapse.

- **Dismantling the "Silver Lining" Argument**: While a shrinking population might seem to offer less job competition, less crowding, and cheap real estate (9 million vacant homes), this is misleading.

o Vacant homes are in decaying rural towns with no corporate jobs, crumbling infrastructure, and closing hospitals.

o Jobs that pay a living wage are concentrated in cities like Tokyo and Osaka, where real estate prices have surged (average new apartment in central Tokyo crossed 100 million yen in 2023, roughly 22 times the average national salary).

o **Dependency Ratio**: An aging population drains the middle class through the dependency ratio.

o In 1990, Japan had roughly five working-age people to support every one retiree.

o By the mid-2020s, this ratio plummeted to roughly two workers per retiree, projected to edge closer to 1:1 by 2050.

o Over 29% of Japan's population is currently over 65.

o **Impact on Young Workers**:

o Despite stagnant wages, taxes have significantly increased for young workers.

o Social insurance premiums have steadily hiked, and the national consumption tax has repeatedly risen from 3% (1989) to 10% (2019) to fund national pension and healthcare systems.

o Consumption taxes are regressive, disproportionately hurting the middle and lower classes.

Generational Wealth Transfer: The current system represents a silent generational wealth transfer, where the middle class is bled to subsidize the healthcare of a generation that experienced economic boom times.

3. The Collapse of the Yen and the Hidden Tax of Importation

- **Cost of Living Crisis**: The price of basic necessities, like a convenience store meal, has significantly increased, reflecting a harsh cost of living crisis.

- **Weak Yen Paradox**: A weak currency is often seen as a superpower for export-driven economies (e.g., Toyota and Sony report record profits as their products are cheaper for foreign buyers).

- **Reality for Average Japanese Citizens**:

o Roughly 70% of Japan's workforce is employed by small and medium enterprises (SMEs) that serve the domestic market.

o For these companies, a weak yen is a "death sentence" because Japan is an island nation heavily reliant on imports (60% of food, 85-90% of energy).

o A plummeting yen skyrockets the cost of imported wheat, oil, natural gas, and raw materials.

o **Reasons for Yen Collapse**: The mechanics of interest rates.

o The US Federal Reserve aggressively raised interest rates (4-5% return) between 2022-2024 to fight inflation.

o The Bank of Japan kept its interest rates pinned near zero to avoid stalling its fragile economy.

o This created a "carry trade" where global investors borrowed cheaply in Japan, sold yen for US dollars, and invested for higher returns, causing the yen to collapse from ~110/dollar (2021) to 150-160/dollar (2024).

o **Hidden Tax on the Middle Class**:

o SMEs pay double for imported raw materials but are terrified to raise prices due to consumers already struggling with stagnant wages.

o **Shrinkflation/Stealth Price Hikes**: Companies resort to reducing product size or quantity to avoid changing price tags (e.g., chocolate bars, juice boxes, Umibo, Gary Garrykun popsicles).
Consumers pay more for less food, and electricity bills double due to expensive imported liquefied natural gas.

4. The Parasite Single and the Collapse of the Modern Family

- **Marriage Market**: In "konkatsu" (matchmaking events), employment status as a "seen" (regular full-time

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employee) is a primary qualification for marriage, effectively disqualifying non-regular workers.

- **"Parasite Single"**:

o Initially a derogatory term (late 1990s/early 2000s) for young adults living with parents, seen as lazy or selfish.

o The narrative shifted as economists realized it was an economic survival strategy due to financial hardship.

o **Economic vs. Modernization Argument**: While women have gained financial independence and more choices, the traditional model of the husband as the primary breadwinner remains culturally entrenched.

o A man's ability to get married is directly tied to his income; non-regular workers have plummeting chances of marriage.

o The system expects men to provide a middle-class family lifestyle on a contract worker's salary, leading many to "Hikon" (opt out of marriage).

o **Collapse of Birth Rate**: Because out-of-wedlock births are extremely rare in Japan (~2%), a collapse in the marriage rate guarantees a collapse in the birth rate.

o In 2024, the total fertility rate crashed to an all-time low of 1.15, with only ~720,000 babies born, the lowest since 1899.
Government incentives (cash bonuses, subsidized daycare, dating apps) fail to address the core issue: the inability to build a stable middle-class family on a foundation of rolling contracts, stagnant wages, and rising costs.

5. The Cheap Japan Paradox and the Two-Tiered Economy

- **"Yasui Nippon" (Cheap Japan)**: Japan, once renowned as one of the most expensive countries, is now seen as a premier budget theme park for tourists earning stronger currencies (dollars, euros).

o Foreign tourists can afford expensive Wagyu dinners, while local Japanese residents struggle to justify a 1,500 yen bowl of ramen.

o **Tourism Boom (Counterpoint)**: Tourism is an economic lifeline, with over 30 million foreign visitors in 2024 generating 5 trillion yen in spending, creating jobs and revitalizing rural economies.

o **Accelerating Middle Class Decline**: Mass inbound tourism creates a two-tiered economy that arguably accelerates the death of the middle class

o **Low-Wage Service Jobs**: Tourism overwhelmingly creates service sector roles (hotel clerks, tour guides, restaurant servers, retail workers).

o The hospitality and food service industry in Japan is notorious for being at the bottom of the wage ladder (average annual salary ~2.6-3 million yen, $17,000-$20,000).

o The tourism sector heavily relies on non-regular contract workers.

o This influx of foreign cash creates a vast underclass of service workers with stagnant wages, who now must survive in areas where the cost of living is artificially inflated by foreign wealth.

o **Real Estate and Local Inflation**:

o A weak yen allows global investors to buy Japanese property at a massive discount, pushing up land values in prime areas.

o In places like Niseko, heavy foreign investment has driven up prices, making a 3,000 yen ramen bowl (about $20 US) a normal lunch for tourists but financially devastating for locals.

o **Dual Pricing**: This economic friction has led to controversial "dual pricing," where some businesses charge tourists a premium while offering Japanese residents a localized discount.

o A seafood restaurant in Shibuya made headlines in 2024 for openly implementing this system.

o This signifies the hollowing out of the middle class when citizens require subsidies to eat in their own cities.

The Tragedy: Japan froze in time, politely maintaining world-class infrastructure and hospitality, while the rest of the developed world experienced three decades of income growth. The Japanese middle class now effectively works as underpaid extras in a historical theme park for wealthy foreigners.

6. The Toxic Corporate Culture and the Death of the Salaryman Myth

- **Furiki Zango (Stealth Uncompensated Overtime)**: Despite strict no-overtime policies and new labor laws, workers continue to work uncompensated hours (e.g., in family restaurants after office hours) because workload hasn't decreased.

- **Collapse of the Salaryman Myth**:

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o In the 1980s, the Japanese salaryman endured grueling hours in exchange for a secure job for life, steady raises, a suburban home, and a middle-class dream.

o Today, the grueling hours remain, but the rewards have evaporated.

o **Workstyle Reform Act (2024)**: The government tried to address overwork by expanding a strict 45-hour monthly overtime cap to heavily overworked sectors.

o **Paradox**: Millions of workers rely on overtime pay to survive due to 30 years of stagnant base wages.

o Overtime caps, intended to save lives, accidentally slashed take-home pay during an inflation crisis, leading many workers to panic.

o The government even considered relaxing overtime limits so people could legally earn more.

o **Human Cost**:

o The "Karoshi line" (80 hours of overtime a month) is the threshold for undeniable risk of death from stroke or heart attack.

o The stress of trying to achieve a middle-class life is manifesting in a record-breaking mental health crisis.

o Fiscal year 2024 saw a record 3,780 applications for workers' compensation related to severe mental health disorders from workplace stress, with over 1,500 approved, including work-related suicides.

o **Burden on Middle Managers**: Workload is passed up to salaried middle managers, who are expected to supervise teams and then quietly do the work of three missing employees off the books at night.

o **Low Productivity**: Japan ranks last among G7 nations in labor productivity. Extra hours are spent navigating rigid hierarchies, excessive paperwork, and a culture of "presentism" (not leaving before the boss).

The Vice: Modern Japanese corporate workers are trapped: work standard hours and watch middle-class dreams evaporate, or work past the Karoshi line just to afford a standard apartment.

7. Final Thoughts: The Canary in the Macroeconomic Coal Mine

- **Slow Suffocation**: The slow death of Japan's middle class was not a sudden apocalypse but a gradual process over three decades.

o It was suffocated by an aging population, a corporate sector protecting balance sheets at workers' expense, a currency mismatch importing inflation, and a rigid social structure pricing out younger generations from starting families.

o **Cracks in the Facade**:

o In 2025, Japan's Engle coefficient (income spent on basic food) reached its highest level since 1981.

o The relative poverty rate for children in single-parent households hovered around 44.5%, among the worst in the OECD.

o National wealth did not vanish; it stopped flowing to the people who keep the country running.

o **Japan as a Warning**: Western observers often view Japan as a unique anomaly, but this is a mistake.

o Much of the developed world (South Korea, Italy, Germany, China, US, UK, Canada) faces similar challenges: demographic collapse, aging workforces, stagnant real wages, soaring housing costs, and the expansion of a precarious gig economy.

o Japan is the "canary in the macroeconomic coal mine," offering a high-definition preview of what happens when economic growth stalls but the elderly population expands.

The Lesson: A thriving middle class is a man-made structure, not a natural law of economics. Without aggressive policy intervention to protect wage growth and incentivize family building, it will inevitably be hollowed out into a two-tiered society of wealthy asset owners and paycheck-to-paycheck contract workers.

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WILL DONALD TRUMP SURVIVE HIS SECOND TERM AS PRESIDENT?

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According to this Elephantsinrooms YouTube video, Donald Trump's death risk is higher than you think.

Will Donald Trump survive his second term as president? I'm not talking about impeachment, but actual physical survival. After all, 18% of US presidents have died while in office.

And if Trump serves his full term, he'll be the oldest president ever. And not for nothing, people keep trying to kill him. The elephant in the room. What are the odds that a 78-year-old Donald Trump can survive being president four more years?

Ken LaCorte's video provides an insightful analysis of Donald Trump's potential survival during a second presidential term, balancing statistical longevity, personal health factors, and the unique protections and risks associated with the presidency. It effectively debunks the common misconception that presidential stress shortens life while highlighting the very real and significant threat of assassination, which is often underestimated. The discussion of Secret Service competence and the specific attempts on Trump's life adds a critical dimension to the overall risk assessment.

Donald Trump will likely survive a second term as president, despite his age and a significant risk of assassination, due to extensive presidential protection and the fact that presidents tend to live longer than their peers.

Synopsis

If Donald Trump serves a full second term, he would be the oldest president ever, starting at age 78, about six months older than Joe Biden was when sworn in.

A 78-year-old male has an average life expectancy of nine more years, to age 87, with a 75.3% chance of surviving the next four years.

Trump has already outlived the average American male life expectancy of 76.1 years.

Positive health factors for Trump include not smoking or drinking alcohol, and consistently reported good cardiac health, though presidential health reports can be politically influenced.

His parents both lived long lives, with his mother reaching 88 and his father 93, although his father was diagnosed with Alzheimer's in his 80s.

A significant health concern for Trump is his weight, with conflicting reports on his exact measurements.

The insurance industry's John Hancock calculator estimated Trump's average lifespan at 90 years.

Presidents benefit from extraordinary protection, including the Secret Service's human shields, advanced threat defense, armored vehicles, and comprehensive medical care, including a flying hospital on Air Force One.

The presidency also protects from common accidental causes of death, such as falls, through constant monitoring and standby services.

MAJOR INSIGHT: Contrary to the intuitive belief that presidential stress shortens life, a study by the American Medical Association found no evidence that presidents die sooner; in fact, they lived longer than their peers despite visible aging.

Assassination is a serious risk, with four presidents (9% of all who served) having been shot to death while in office.

Five serious assassination attempts against Trump's life are known, including incidents in Las Vegas (2016), North Dakota (2017), Butler, Pennsylvania (2024), at his golf course (2024), and a recent Iranian plot.

The Pennsylvania shooting raised concerns about Secret Service competence, leading to the director's resignation and questions about the effectiveness of increasing female agents.

Main Arguments

Trump's Statistical Survival Probability: Based on Social Security data, a 78-year-old male like Trump has an average life expectancy of nine more years to age 87, with a

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75.3% chance of surviving a full four-year presidential term.

Presidential Protections vs. Risks: While presidents benefit from extraordinary medical care and Secret Service protection, the inherent risk of assassination remains a significant, difficult-to-quantify threat that outweighs many other factors.

Assassination as a Primary Risk Factor: Historically, 9% of all US presidents have been assassinated, and Donald Trump has faced at least five serious attempts on his life, making the threat of violence a critical factor in assessing his survival odds.

Unique Perspectives

MAJOR INSIGHT: Presidents Live Longer Despite Stress: Contrary to the common belief that the immense stress of the presidency causes leaders to age faster, a study by the American Medical Association found that presidents actually live longer than their peers, despite visible signs of aging.

Political Influence on Health Reporting: Official reports on presidential health are often unreliable due to political motivations, as evidenced by Trump's former physician's exaggerated claims and historical examples like FDR's concealed illness.

DEI Policies and Security Concerns: The video raises a controversial question about whether the Secret Service's drive to increase female agents, potentially influenced by DEI initiatives, might compromise the president's physical security, citing issues during a specific shooting incident.

Supporting Evidence

Longevity Factors for Trump: Trump benefits from positive health habits such as not smoking or drinking alcohol, and a strong family history of longevity, with his mother living to 88 and his father to 93.

Comprehensive Presidential Medical Care: The White House Medical Unit, established in 1945, provides 24/7 care from military physicians, and Air Force One functions as a flying hospital equipped with an operating room and a supply of the president's blood type.

Documented Assassination Attempts on Trump: Specific incidents include a 2016 attempt in Las Vegas, a 2017 forklift attack in North Dakota, a 2024 shooting in Butler, Pennsylvania, a golf course ambush, and an Iranian plot involving felons.

Thought-Provoking Questions

Quantifying the Assassination Threat: How can the unique and unpredictable nature of assassination attempts, especially given Trump's polarizing persona, be accurately factored into his overall survival probability?

Transparency of Presidential Health: To what extent should the public trust official reports on a president's health, given historical precedents of concealment and politically motivated statements from medical staff?

Balancing Security and Public Engagement: How can a president maintain necessary public visibility and engagement while mitigating the significantly increased risk of violence, particularly when their presence "riles people up"?

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WHY LOS ANGELES IS FALLING

By Front Page

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This presentation is not good news for those of us living in the city that features one of the best climates on the planet. But Front Page publication made a video that provides an insightful and deeply concerning analysis of Los Angeles's trajectory, arguing that the city is in an irreversible decline. It meticulously details how a confluence of historical decisions, politically entrenched policies, and a shifting economic landscape has created a "fiscal death spiral." The creator's stance is that LA's structural problems, from its housing crisis and population exodus to its budget deficits and failing public services, are exacerbated by a political system unwilling or unable to enact necessary reforms. The 2028 Olympics are presented as a temporary, cosmetic fix, ultimately unable to reverse the city's fundamental challenges, leading to a future of stratification rather than recovery.For ease of reading, here are my notes summarizing the article's main arguments and positions.

D. Miyoshi

I. Introduction: The 2025 Palisades Fire Scenario – A Glimpse of Decline

- **Date and Conditions**: Morning of January 7th, 2025, with rust-colored sky, 100 mph Santa Ana winds, and 263 days without measurable rainfall. A "particularly dangerous situation" red flag warning was issued.
- **Mayor's Absence**: Mayor Karen Bass was in Ghana, over 7,000 miles away, attending an inauguration when the fire started.
- **Systemic Failures During the Fire**:

o Fire hydrants were dry, and all high-elevation water storage tanks in Pacific Palisades ran empty.

o The 117-million-gallon Santa Yianz reservoir, the largest in the area, had been empty for almost a year due to delayed repairs caused by competitive bidding rules.

o **Devastation**: Fire consumed 6,837 structures in the Palisades and 9,418 in Aladena.

o **Casualties**: Official death toll reached 31, but a Boston University study estimated the true excess death count at 440, including heart attacks and smoke inhalation.

o **Political Fallout**: Mayor Bass's silent return and refusal to apologize went viral.

o **Slow Rebuilding**: 15 months later (April 2026), only 34 homes out of over 16,000 destroyed had been fully rebuilt.

o **Broader Impact**:

o Los Angeles County lost 54,000 people in a single year.

o The film industry lost almost half its production volume.

o The city faced a $1 billion budget deficit.

o A self-described democratic socialist was leading mayoral polls.

Core Argument: Los Angeles, the city of Hollywood and the modern American dream, is unlikely to recover from its current trajectory.

II. Historical Foundations of Los Angeles's Problems

- **Early Development (1880-1980)**: Los Angeles transformed from an 11,000-person backwater in a dry basin to a global metropolis due to strategic decisions.
- **Growth Drivers**:

o **Migration**: Boosters convinced railroads to offer $1 tickets from the Midwest and marketed Southern California as a health and paradise destination.

o **Water**: The 1913 Los Angeles Aqueduct drained the Owens Valley, providing excess water to fuel population growth.

o **Industry**: The motion picture industry was drawn by consistent weather, varied scenery, and distance from East Coast patent enforcers.

o **Post-WWII Boom (1940-1970)**: Federal aerospace/defense spending, global cultural dominance of entertainment, and widespread automobile adoption led to massive population and economic expansion.

o **Structural Error: Transportation**:

o The city dismantled its extensive electric streetcar network (Pacific Electric Red Cars) by 1961.

o It was replaced by a 527-mile freeway system, building a city designed for automobiles, not human beings.

o **Current Impact**: 80-90% of trips require a car, drivers spend 87 hours/year in traffic ($1,600 annual cost), 53% of roads are in poor condition, and the city has the highest automotive fatality rate among major metros.

Four Foundational Conditions: Los Angeles was built on a desert location, water imported from elsewhere, a car-centric transportation system, and an economy dependent on a single dominant industry.

III. Policy Failures and Economic Strain: The Bill Comes Due

- **Housing Crisis**:

o **Proposition 13 (1978)**: Capped property taxes at 1% of purchase price and limited annual increases to 2%. This incentivizes homeowners not to sell and to fight new development, effectively freezing the city's zoning.

o **Rent Control**: Los Angeles has a Rental Stabilization Ordinance (624,000 units) and California has statewide caps (AB 1482).

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o **Measure ULA (2022)**: A 4-5.5% transfer tax on real estate sales over $5 million led to a drop of 1,910 apartment units per year in construction.

o **California Environmental Quality Act (CEQA)**: Weaponized by various groups to delay projects by years and add millions in legal costs, making many projects financially unfeasible.

o **Outcome**: LA needs 50,000 new housing units annually but produces only 16,000.

o **Homelessness Crisis**:

o **Scale**: Over 72,000 homeless individuals in LA County (2025), with 47,000 unsheltered (compared to 97% sheltered in NYC).

o **Inside Safe Program**: Mayor Bass's flagship program spent over $322 million, served 5,800 individuals, but only placed 1,243 in permanent housing, with a 40% return-to-street rate.

o **Costs**: Motel placements cost $3,300 per person per month.

o **Audit Findings (2025)**: An audit of $2.3 billion in city homelessness spending found missing documentation and mismatched records, with one contractor billing $110/person/day for instant ramen noodles.

o **Prop HH (2016)**: $1.2 billion in bonds for 10,000 supportive housing units resulted in average costs of $596,000 per unit, with some exceeding $1 million (compared to Houston at $170,000 and Tokyo at $180,000).

o **Systemic Issue**: Los Angeles prioritizes "procedural correctness over delivery" rather than converting resources into outcomes.

o **Hollywood's Decline**:

o **Production Exodus**: On-location filming days dropped by 48% in seven years (2018-2025).

o **Job Losses**: 17,000-41,000 entertainment industry jobs lost between 2020-2024.

o **Soundstage Occupancy**: Fell to 63% in 2024 (historically above 90%).

o **Structural Causes**:

✦ **Tax Credit Competition**: States like Georgia (30% refundable, no cap) and New York (up to 40%, $800M cap) offer more competitive incentives than California's previous 20% rate with a $330M cap.

✦ **Late Reforms**: California increased its credit cap to $750M and base rate to 35-40% in 2025, but competing jurisdictions already built infrastructure and workforce.

✦ **Cultural Collapse**: Social media broke the traditional gatekeeper model of fame, allowing influencers to build audiences globally without needing LA's physical infrastructure.

Outcome: The dominant industry is shrinking, the replacement industry doesn't need the city, and the tax base is hollowing out.

IV. Population Exodus and Fiscal Death Spiral

• **Population Decline**:

o LA County lost 322,000 people between 2020-2025, with a loss of 54,000 in 2024-2025 alone (largest numeric decline of any U.S. county).

o Projections: LA County is expected to lose another 1.2 million people by 2070 (14% decline).

o California's Net Out-Migration: 2.5 million net loss over 14 years (2010-2024).

o **Demographics of Movers**: Movers come from across the income distribution, but those leaving are often in weaker financial positions, seeking a more affordable lifestyle elsewhere.

o **Destinations**: Las Vegas, Phoenix, Houston, Austin, Miami-Dade, Nashville, and the Inland Empire.

o **High-Income Exodus**:

o **Taxation**: California's top marginal income tax rate is 13.3% (highest in the U.S.), compared to 0% in states like Texas and Florida.

o **Corporate Relocations**: Major companies like Tesla, SpaceX, Oracle, Chevron, Charles Schwab, and HP Enterprise have moved headquarters out of California, citing unappealing policies.

o **Fiscal Damage**: LA County recorded a net adjusted gross income loss of $4.23 billion in FY 2022-2023, the second largest in the U.S.

o **Fiscal Death Spiral**:

o California's revenue relies heavily on top earners (45% from top 1%).

o As high earners leave, the tax revenue base shrinks, but demand for social services (funded by these taxes) does not, leading to widening structural deficits.

o **City Budget (2026)**: $14 billion budget with a $1 billion structural deficit.

o **Cuts**: 1,647 positions eliminated (reduced to 600-700 layoffs after union negotiations), LAPD and LAFD staffing cuts.

o **Public Safety Staffing**: LAPD at 8,738 officers (April 2025), lowest since the 1990s, projected to drop further. LAFD budget cut by $17.6 million before the Palisades fire, leading to "unprecedented operational challenges."

o **Liability Payouts**: Jumped from $70-80 million/year to $281 million in FY 2024-2025.

o **Pension Obligations**: Consume 18% of the city's general fund, with unfunded liabilities exceeding $10 billion locally and $265 billion statewide. These are constitution-

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ally protected and must be paid.

o **State Fiscal Problems**: California's general fund deficit for FY 2025-2026 was $11.8-12 billion, leading to reserve drawdowns and cuts.

Outcome: Fiscal compression leads to declining quality of life, prompting more high earners to leave, perpetuating the cycle.

V. Political Landscape and Governance Failures

- **2026 Mayoral Race**:

o Incumbent Karen Bass's favorability ratings are below 50% due to the fire, budget deficit, homelessness audit, and Ghana trip.

o **Progressive Challenger**: Nithya Raman, a Democratic Socialist of America (DSA) endorsed council member, advocates for massive rent control expansion, opposition to market-rate development, free public transit, and "care-first" public safety (redirecting resources from policing).

o **Conservative Challenger**: Spencer Pratt (reality TV star) focuses on wildfire accountability and public safety.

o **Political Shift**: The political center of gravity in Los Angeles has shifted permanently to the left, likely leading to policies that expand rent control and social spending, exacerbating existing problems.

o **City Council Corruption and Scandal**:

o **2022 Leaked Recording**: City council members (Nury Martinez, Kevin de León, Gil Cedillo, Ron Herrera) made racist remarks and discussed gerrymandering, leading to resignations and political damage.

o **Corruption Convictions**:

✦ Former council member José Huizar sentenced to 13 years for bribery from Chinese real estate developers.

✦ Former council member Mark Ridley-Thomas convicted of federal bribery charges.

✦ **Public Safety Policy Reversal**:

o **District Attorney George Gascón**: Elected in 2020 on a progressive platform (declining low-level crime prosecution, abolishing cash bail) but was recalled in 2024 by a significant margin.

o **Proposition 36 (2024)**: California voters rolled back parts of Proposition 47, making repeat petty theft a felony and restoring options for drug offense charges.

o **Voter Reaction**: The electorate is reacting to worsening conditions on the ground, leading to votes for tougher criminal penalties and against rent control expansion.

o **Crime Trends**:

o High-profile smash-and-grabs and home robberies targeting wealthy areas.

o LAPD Priority 1 response times increased from 5.9 minutes (2019) to 6.7 minutes (2024).

o LAPD stopped publicly releasing raw crime data in October 2025, citing data accuracy concerns, but critics suggested political pressure.

o Homicides fell to a 60-year low in 2025, but property crime patterns are mixed.

Wealthy enclaves experience declining personal security and rising private security spending.

VI. The Looming Water Crisis

- **Historical Water Acquisition**:

o Los Angeles Aqueduct (1913): Drained the Owens Valley, leading to its desiccation and dust pollution.

o Colorado River Compact (1922): Allocated water to seven Western states, with California receiving 4.4 million acre-feet/year.

o State Water Project (1968-1973): Brought water from Northern California.

o **Current Stress on Water Sources**:

o **Colorado River**: Over-allocated since 1922, with Lake Mead and Lake Powell structurally stressed. New allocation rules are expected to reduce California's share by 13%.

o **Sierra Nevada Snowpack**: Feeds the State Water Project, but the snowpack-to-precipitation ratio is declining as more falls as rain.

o **Groundwater**: Central Valley groundwater is overdrafted, causing land subsidence, and severe pumping cuts are mandated by 2040.

o **Failed Solutions**: The Huntington Beach Desalination Plant ($1.4 billion) was rejected after 22 years of permitting.

o **City's Response**: Investing in water recycling, with a $1 billion expansion of the Donald C. Tilman Water Reclamation Plant.

o **Funding Gap**: The total cost of meeting water quality standards in LA County over 20 years is estimated at $20 billion, with no clear funding pathway.

Operational Fragility: The Palisades fire revealed the city's water system running at maximum capacity with no margin for catastrophic events.

VII. The Palisades Fire Rebuilding Failure

- **Rebuilding Scorecard (April 2026)**:

o 16,000-18,000 structures destroyed.

o Insured losses: $40-50 billion; Economic losses: $76-131 billion.

o Only 2,600 residential rebuilding permits issued, with 3,340 under review (out of 13,000 lost homes).

Fewer than a dozen homes completed across both fire zones.

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o **Comparison to Other Wildfires**: LA's rebuilding pace is significantly slower than other major fires (e.g., Marshall fire in Colorado saw 30% rebuilt in one year).

o **Insurance Crisis**:

o Major insurers (State Farm, Allstate, Tokyo Marine) stopped writing new policies in California before the fire.

o The California Fair Plan (insurer of last resort) saw its exposure triple and levied a $1 billion assessment on private insurers, passed to policyholders as higher premiums.

o Many homeowners are underinsured by hundreds of thousands of dollars due to high construction costs ($800+/sq ft in Palisades) and new code requirements.

o **Financial Barrier**: 53% of Palisades fire victims took no action to rebuild due to financial reasons.

o **Outcome**: The Palisades is seeing a "slow-motion sale of fire zone lots to investors" who can self-finance, leading to a smaller, less middle-class neighborhood with a different character.

o **Political Cover-Up**: An LA Times investigation (February 2026) alleged Mayor Bass personally directed the interim fire chief to soften or remove sections of the after-action report documenting fire department failures, to avoid litigation.

Conclusion: The most destructive urban wildfire in California history occurred in a city with a cut fire department budget, an empty reservoir, broken hydrants, and an exiting insurance market. None of these conditions have been fixed.

VIII. The 2028 Olympics: Last Chance or Confirmation of Decline?

- **Budget and Model**: The LA28 organizing committee projects a $7.149 billion privately funded budget, based on the profitable 1984 Olympics model of reusing existing venues and limiting public spending.
- **Increased Scale**: The 2028 games will be twice as large as 1984 (36 sports, 15,000 athletes vs. 21 sports, 6,829 athletes).
- **Economic Impact**: Projected $13.6-17.6 billion in regional economic impact, but a half-billion-dollar drop is expected in 2029 due to the post-Olympic letdown effect.
- **Fiscal Risk**: Los Angeles taxpayers are on the hook for the first $270 million in budget overruns, followed by the state, then back to the city.
- **Historical Overruns**: Recent Olympics (Sydney, Athens, Tokyo, Paris) have consistently gone significantly over budget.
- **True Costs**: Independent analyses project total costs closer to $12 billion when ancillary security, transit acceleration, and city staff overtime are included.
- **Transit Investment**: $20 billion is being spent on 28 transit projects for completion before 2028, including the Westside subway extension with significant overruns and delays.
- **Metro Challenges**: Ridership is still below pre-pandemic levels, fare evasion is 30-50%, and crime (including fentanyl overdoses and assaults) is a persistent problem.
- **Temporary Improvements**: The Olympics will force visible improvements like cleaned public spaces, moved encampments, and reinforced transit security.
- **Structural Problems Remain**: The Olympics will not solve the budget deficit, pension liabilities, rent control, CEQA litigation, high state income tax, corporate flight, film industry collapse, fire zone reconstruction, water infrastructure gap, or the DSA-aligned political coalition.

Accelerated Decline: The Olympics may accelerate decline by showcasing the contrast between a polished facade for global cameras and the city's deteriorating normal operating conditions.

IX. Future Projections and The Path Not Taken

- **Demographic Projections**: LA County is projected to lose 1.2 million people by 2070.
- **LAUSD Collapse**: The Los Angeles Unified School District lost almost half its student body from its 2002 peak, while adding non-teaching staff and granting raises, leading to a structural deficit.
- **Shrinking Middle Class**: The middle class is projected to shrink, with both ends of the income distribution growing. Teachers, nurses, and other professionals will increasingly commute from outside the region or leave entirely.
- **Comparison to San Francisco**: LA's future is likely stratification rather than collapse, similar to San Francisco, where the wealthy retreat into private services while public infrastructure degrades.
- **Required Reforms (Politically Unlikely)**:

o Zoning reform for density in transit-rich corridors.

o CEQA reform to prevent weaponized litigation.

o Modification of Proposition 13 for commercial/multifamily property.

o Pension reform to close future obligations.

o $20+ billion investment in water infrastructure.

o Restoration of LAPD (to 9,500 officers) and LAFD staffing.

o Rethinking homelessness response to reduce per-unit housing costs (e.g., from $596,000 to $170,000).

o **The Trap**: These necessary reforms are politically impossible due to the current leadership, voter coalition, and

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advocacy environment. The path of least political resistance leads to more spending, deficits, departures, and decline.

o **Lack of External Recovery Drivers**: Unlike past crises (Watts riots, 1992 riots, Northridge earthquake, 2008 recession) which were met with federal funding or economic booms, no comparable external boost is visible now.

o **The Brand vs. Reality**: Los Angeles's powerful brand as a place of reinvention masks a shrinking population, broken budget, impossible housing, understaffed police, stalled wildfire recovery, leaving industry, and a leftward-shifting political coalition.

Conclusion: Los Angeles may have passed the point of no return, becoming a monument to what was and a warning of what happens when political systems lose the ability to make hard choices. The city lacks the political will for recovery.

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PROF JIANG PREDICTS AMERICA WILL NOT WIN THE IRAN WAR

The video is a geopolitical prediction essay by **Prof. Jiang Xueqin***, titled **"I Predicted This War in 2024, Now I'm Predicting How It Ends."** It argues that a U.S.-Iran war is not mainly about nuclear weapons or democracy, but about preserving American control over Middle East oil flows, the petrodollar system, and the broader U.S.-led global order.

Jiang says his method is "predictive history": looking at structural forces, incentives, and repeated historical patterns. He claims that in 2024 he predicted Donald Trump would win the 2024 election, that the United States would go to war with Iran, and that America would eventually lose that war.

His central argument is that the United States can dominate Iran from the air but cannot achieve regime change without a ground invasion. He says a ground invasion of Iran would be disastrous because Iran is large, mountainous, populous, and has spent decades preparing for asymmetric defense. He also argues that Iran's drones and missiles create an unfavorable cost exchange for the United States, forcing America to spend far more on interceptors than Iran spends on attack systems.

The video presents two possible endings:

1. **No U.S. ground invasion:** The war remains an air-and-missile conflict. Costs rise, oil prices stay elevated, U.S. political support declines, and America eventually declares victory while withdrawing from the Middle East. In this version, America loses influence but avoids collapse.
2. **U.S. ground invasion:** The United States enters Iran directly, triggering a long, costly regional war, possible attacks on U.S. bases, pressure for a draft, domestic unrest, and a much more catastrophic imperial defeat.

Jiang predicts that the first scenario is more likely. He believes the United States will avoid a full-scale ground invasion and will instead seek a face-saving exit within **12 to 24 months**, with the broader regional order becoming clearer within **two to three years**. His long-term prediction is that the Middle East will reorganize around **two regional powers: Iran and Israel**. Iran would dominate the eastern side through the Strait of Hormuz and ties with Russia and China, while Israel would dominate the western side through military, technological, intelligence, and financial networks. The Gulf states would divide or hedge between them.

He also makes three specific claims: nuclear weapons will not be used; Iran will not negotiate directly with the United States until facts on the ground change; and the petrodollar-centered American order is weakening as the world moves toward multipolarity. Overall, Jiang's thesis is that America is overextend-

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ed, that Iran's strategy is to outlast U.S. political and economic will, and that the war will end not with a dramatic battlefield defeat but with a gradual American retreat from the Middle East.

Here are my notes on Prof Jiang's thesis;

D. Miyoshi

***Jiang Xueqin is a Chinese-born Canadian educator who briefly worked as a freelance journalist in China around 2000–2002 before being detained and deported. He later returned to China, abandoned journalism, and became a prominent education reformer. His "Professor Jiang" geopolitical persona is a YouTube brand, not a university title.**
Structured Notes

I. Introduction and Context

- The class aims to provide frameworks and tools to understand the world.
- Previous predictions made in May 2024:
  - o Donald Trump would win the presidential election.
  - o The United States would go to war with Iran.
  - o The United States would lose this war, changing the global order.
  - o Two of these predictions have come true: Trump won and America went to war with Iran.
  - o These predictions were based on a method called *predictive history*, using game theory and structural patterns.

Today's objective is to use this framework to predict how the current war ends.

II. The Predictive History Method

- **Three core components for making predictions:**
  - o **Structure**: Deep structural forces shaping a situation (e.g., geography, population, economic systems).
  - o **Incentives**: What each player *actually* wants, not just what they say they want.

History: Patterns that reappear across thousands of years, as human nature and empires exhibit consistent behaviors.

III. Application: How the War Ends
A. Player Interests (Incentives)

- **America's Stated Wants**: Stop Iran's nuclear weapons, bring democracy, achieve peace and stability in the Middle East.
- **America's Actual Wants**: Maintain control over the global oil supply to preserve the petrodollar system and American financial power.
  - o The petrodollar system, established in 1973, creates global demand for the dollar, enabling deficits and funding the military.
  - o The real goal is to control the Middle East, its oil, and keep the petrodollar alive.
  - o **Iran's Wants**:
  - o Survival against decades of sanctions and regime change attempts.
  - o Recognition as a legitimate regional power.
  - o End sanctions permanently.
  - o Control the Strait of Hormuz as economic leverage.
  - o Protection for its allies (Yemen, Hezbollah, Iraq).
  - o **Israel's Wants**: Replace America as the dominant power in the Middle East, auditioning to be the new global system's "muscle."

Gulf States' Wants: Survival by aligning with the winning side.

B. Structural Realities

- **1. America is winning the air war but cannot win the ground war.**
  - o America has dominant air power, causing serious damage to Iran's facilities and leadership.
  - o However, wars cannot be won from the air alone; regime change requires ground troops.
  - o A ground invasion of Iran is catastrophic due to its size, population (90 million), mountainous terrain, and 25 years of defensive preparation.
  - o **2. The cost exchange is unsustainable for America.**
  - o Iran's $50,000 drones are shot down by America's $3-10 million missiles, an unsustainable 60-200x cost difference.
  - o America is rapidly depleting interceptor stockpiles, which are slow to replace due to the corrupt military-industrial complex.
  - o Iran's dispersed drone factories can be quickly rebuilt.
  - o **3. Economic pressure is real and growing.**
  - o Iran controls the Strait of Hormuz (20% of world

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oil supply).

o Yemen threatens the Red Sea (12-15% of global trade).

o Disruption of these choke points will lead to soaring oil/food prices, global recession, and political pressure in America.

o **4. American political will is fragile and declining.**

o Only ~40% of Americans support the war, a number that will decrease with casualties and economic pain.

o America has a low pain threshold for long, expensive wars with no clear victory.

Iran's strategy is built around pushing America past this pain threshold.

C. Two Scenarios for War's End

- **Scenario 1: America does not send ground troops (air war only).**

o The war continues for months/years, depleting US stockpiles, increasing costs and political pressure.

o America eventually seeks a face-saving exit, declaring victory and withdrawing.

o Outcome: America withdraws from the Middle East, the petrodollar system weakens, and Iran emerges as a legitimate regional power.

o This is a loss for America, but not catastrophic; America survives, retreats, but does not collapse.

o **Scenario 2: America sends ground troops into Iran.**

o Driven by pressure from GCC countries and Israel, Trump decides on a ground invasion.

o Iran is prepared for this, with underground bases, specialized weapons, and a population fighting for survival.

o A ground invasion would threaten US bases in the Gulf, leading to a regional collapse.

o Requires hundreds of thousands of troops, necessitating a national draft, causing social unrest and accelerating financial collapse.

Outcome: A catastrophic, empire-ending loss for America.

IV. Specific Predictions for How This War Ends

- **Prediction 1: There will be no ground invasion of Iran.**

o The cost (draft, years of war, political/financial instability) is too high, and smart advisors around Trump understand this.

o Small operations or island seizures might occur, but not a full-scale invasion.

o **Prediction 2: America will withdraw from the Middle East within 12 to 24 months.**

o Economic pressure, high oil prices, stock market suffering, and growing political opposition will force an exit.

o China, Russia, and India will privately pressure Trump to end the disruption.

o Trump will declare victory and leave, similar to America's withdrawal from Vietnam due to unsustainable costs.

o **Prediction 3: After America leaves, the Middle East will be reorganized around two regional powers: Iran and Israel.**

o Iran will control the Strait of Hormuz and the eastern Middle East, partnered with Russia and China.

o Israel will control the western Middle East and the India-Middle East-Europe trade corridor, leveraging its technology and finance connections.

o Iran and Israel, despite current animosity, will eventually find a way to coexist as strong regional powers.

o The GCC countries will align with either Iran or Israel, leading to a new multipolar order.

America's departure means the loss of the petrodollar, the financial foundation of its empire, fundamentally changing the global order.

V. Addressing Key Questions

- **Will nuclear weapons be used? No.**

o Nuclear weapons are the ultimate taboo in international politics, unbroken for nearly 80 years.

o Breaking this taboo would lead to global proliferation and potential apocalypse.

o **Will Trump negotiate a deal with Iran directly? No.**

o Iran distrusts America due to past broken agreements (e.g., JCPOA).

o Iran requires "facts on the ground" to change (US withdrawal, base closures) before any durable settlement.

o **How long will this take?**

o Empires move slowly, but economic pressure is building daily.

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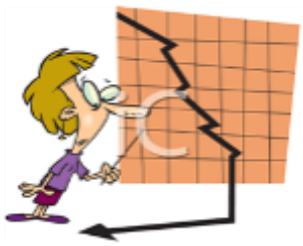

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Best estimate: America will seek an exit within 12-24 months, and the broad outlines of the new Middle Eastern order will be clear within 2 -3 years.

VI. Summary and Conclusion

- America is leaving the Middle East, Iran is rising, the petrodollar is dying, and the world is becoming multipolar.
- America's current situation is a logical outcome of its political dysfunction, desperate attempts to maintain the petrodollar empire, and underestimation of its adversaries.
- Analogy to Athens' Sicilian expedition: hubris and overextension led to its decline.
- America has made its "fatal mistake" by overextending itself.
- Final prediction: America will find a painful and humiliating exit, retreating but surviving.

The emerging world will be fundamentally different: more multipolar, balanced, and honest.

Prof Jiang's prediction is that America will make its exit from the Iran war, not winning, not losing, just disengaging while licking its wounds. Time will tell if he is right or wrong.

D. Miyoshi

David M. Miyoshi is a California attorney at law with a Martindale -Hubbell AV Preeminent Rating for Attorneys. He earned his Bachelor of Science degree from the University of Southern California, a Juris Doctor degree from the University of California, an MBA degree from Harvard University and an International Graduate degree from Waseda University in Tokyo.

He is Managing Attorney of Miyoshi Law, an International Law Firm where he approaches legal issues through a commercial lens and is a trusted legal and business advisor to his corporate and estate clients. In military service in Vietnam, he led a Combined Action Platoon as an officer in the U.S. Marine Corps and received the Naval Commendation Medal with "Combat V".

He appears in 14 Who's Who publications throughout the world and is listed as a specialist in international business, real estate and estate planning.

Trust and Estate Corner

My clients are always inquiring about wills, trusts and estates. Each publication of *Financial Crisis Report II* (Reporting What's Really Happening in America and the World) will feature a simple factoid on Trusts and Estate Planning. For more information you may consult my website at www.miyoshilaw.com

Protect against mishandling.

If your beneficiaries don't have the capability or desire to manage the assets you'll be giving them, having trustees manage those assets can solve the problem. A trust will allow access or control those heirs have over their inherited property to be limited.

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