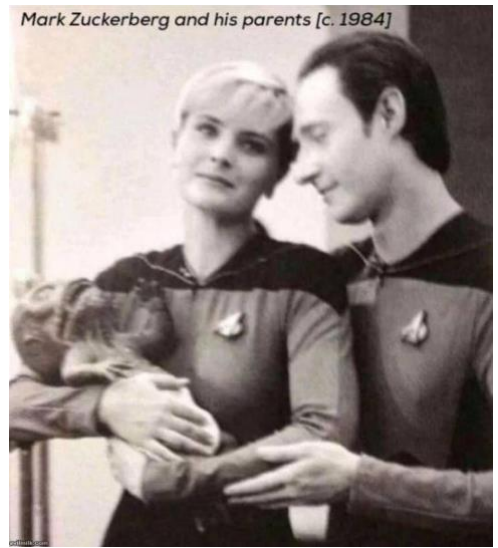


when you realize  
Captain America's suit doesn't  
have 50 stars, so he's actually  
Captain Puerto Rico



### It's all about the data (no, not that Data, data)



The 21<sup>st</sup> century is the transition between the industrial economies of the late 19<sup>th</sup> and 20<sup>th</sup> centuries and the informationalized economy of the future. The length and disruption of this transition is an open question. That it's going to be big, is not in question. The ability to acquire, manage and value information will, to a significant degree, determine winners and losers over the next 100 years. The production of information is increasing geometrically. Think about how much data

100 million smart phone cameras produce daily. The ability to discriminate better yet 'value' information gains paramount importance because we cannot process all of it. Cat videos anyone?

Economies are becoming increasingly informationalized. Wars too "Unrestricted Warfare" [Qiao Liang, Wang Xiangsui] was published in 1999. Dr. Evil brings all of this up because **we are in the first throes of information wars**. Theft. Weaponization. Catalyzing, amplifying & accelerating global production and distribution. Orders of magnitude increases in efficiency. Financialization. (PRC Houston Embassy? -see "Drilling for the new oil" article.) All of these will be existential to whose systems run the world. The United States is woefully behind. You would think that a country that can sell 'pet rocks' could handle any informational challenge. Dr. Evil thinks a coherent response is beyond the technocrats of Silicon Valley and beyond the bureaucrats of Washington, D.C. In typical American fashion, somebody somewhere will get a case of the ass about something, and do something completely unexpected that will change the game.

**Why we will win.** Not because we're smarter. Not because we're better looking. Not because we're sneakier. (Even though we are.) Our best chance of winning is that our system prices, values, negative information. Authoritarian States and centralized economies do not. And that's half the ball game. For example, on Dec. 21, 1989 Nicolae Ceausescu, dictator of Romania, thought it was just another speech in his 24 year rule. No one told him it was going to be bad. **4 days later – dead.** Being the bearer of bad news to a dictator? Yea, bad career choice. Stalin, Mao...grumpy doesn't begin to cover it. However, **our** system thrives on it. Schumpeterian competition anyone? Hedge funds exist to do it. Planned economies don't. "Comrade, the five- year plan says more steel, I don't care that 300 tons sits in our warehouse. That's the fault of reactionaries downstream in the supply chain. We meet our quota." So why the long winded diatribe? **We watching it begin, now, today.**

**WHEN YOU SEND A FUNNY JOKE**



**FROM YOUR HUAWEI PHONE**

[Huawei data centre built to spy on PNG](#) : Financial Review: Angus Gregg: 11 AUG 2020: "Chinese telecommunications giant Huawei built a data centre in Papua New Guinea, which exposed secret government files to being stolen, according to a report that catalogues Beijing's efforts to spy on the Pacific nation. The report, provided to the Australian government, noted outdated encryption software was deployed by Huawei, while firewall settings were insufficient for a centre designed to store the entire data archive of the PNG government. "It is assessed with high confidence that data flows could be easily intercepted," said the 2019 report on PNG's National Data Centre. "Remote access would not be detected by security settings." (But seriously... PNG? ...their entire data archive fits on seven 5x8 cards)

[Chinese scientists develop first storage medium using silk proteins, implantable in human body](#)

Global Times: 11 AUG 2020: "Chinese scientists have developed the world's first hard drive memory using natural bioproteins, which can store digital and biological information at the same time, the study team told the Global Times on Tuesday.

The silk fibroin hard drive not only stores digital data, but also biological information such as blood samples, DNA and vaccines, and can even be implanted into living organisms. Silk proteins are environmental-friendly, resistant to high temperatures, high humidity, strong magnetic fields and microwave radiation, making the silk fibroin hard drive different from existing products.

The silk drive was implanted in a rat on February 10, 2020, without being rejected, according to a report sent to the Global Times from the Shanghai Institute of Microsystem and Information Technology at the Chinese Academy of Sciences (SIMIT) on Tuesday. (Oh yea, this is going to end well.)



A Handsome Tyke Indeed

[China breaks away on drilling for the 'new oil'](#): Financial Times: Leo Lewis: 6 AUG 2020 (paywall)

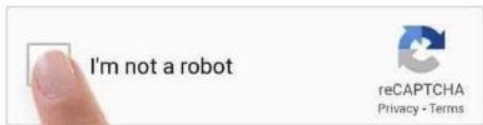
"Much of what was being spirited out of the US via China's Houston consulate, these investigators allege, was raw data generated by the great army of energy and agricultural commodity firms clustered in America's fourth city. Granular information was being siphoned out of companies involved in investment, production, distribution and trading of energy and other commodities."

"The information was wanted because it could provide Chinese companies with a hard commercial edge in the global energy and agricultural markets where China is the world's largest consumer. The project appears to have been a meticulous long-term effort, systematically targeting data both for its quantity and quality, the investigators say."

[Beijing's Views on the Geopolitical Importance of Central Asia](#): Publication: China Brief, Volume: 20 Issue: 12 By: Sergey Sukhankin: 15 JUL 2020 Beijing's view of Central Asia is best expressed in a formula: "stabilize in the east, gather strength in the north, descend to the south, and advance to the west" (东稳, 北强, 南下, 西进 / dong wen, bei qiang, nan xia, xi jin), which perceives Central Asia to be a strategic theater for China's geopolitical advancement (Xinhua, December 18, 2012). The strategic importance of the region is highlighted not only by the attention given to it by PRC government agencies, but also by the existence of more than thirty large research institutions—including those under the umbrella of China's largest and most reputable universities—specifically tasked with researching and monitoring developments in Central Asia (CAA Network, June 27, 2019). (US Mil. over emphasizes the importance of the PRC's raw material supply chain compared to its distro chain. Running a railroad from China across Central Asia into the high value markets of Europe is the PRC's #1 geo-economic goal. It's time we think about how to enlist the nomads of the steppe, through their economic self-interest, while scoring US strategic goals.)



Are you a robot?



["Like gold': Canadian canola prices spike as shippers find back door to China](#): Reuters: Rod Nickel, Hallie Gu: 09 AUG 2020: Manitoba/BEIJING (Reuters) - Canadian canola prices have soared to the highest in nearly two years, despite a diplomatic dispute between Ottawa and Beijing, as exporters find roundabout ways to reach top oilseed buyer China. Chinese authorities have since March 2019 blocked canola shipments by two Canadian exporters, an action they took after Canadian police detained a Huawei Technologies executive in late 2018 on a United States warrant. The dispute however, has not spoiled China's appetite for canola, which is mainly processed into vegetable oil. While China is buying less from Canada directly, it has bought canola oil instead from Europe and the United Arab Emirates, with some of that oil made from Canadian canola, traders said. **(Expect to see lots of commodity misdirection through South America for US and Canadian goods)**

Then He Said,  
"come in, he doesn't bite"  
And I Bit Him !!



[Chinese banks urged to switch away from SWIFT as U.S. sanctions loom](#) :

Reuters: 29 JUL 2020: Chinese state lenders have been revamping contingency plans in anticipation of U.S. legislation that could penalize banks for serving officials who implement the new national security for Hong Kong, Reuters reported earlier this month.

Greater use of the Cross-Border Interbank Payment System (CIPS) instead of the Belgium based SWIFT system would

also reduce exposure of China's global payments data to the United States, BOC International (BOCI) said in the report, which was co-authored by a former foreign exchange regulator. **(Dr. Evil isn't holding his breath. The PRC will float multiple schemes to avoid US financial touchpoints, but until they stop selling to the US it's all bloviating.)**

[Announcing the Expansion of the Clean Network to Safeguard America's Assets](#): Press Statement: Michael R. Pompeo, Secretary of State: 05 AUG 2020:

The five new lines of effort for the Clean Network are as follows:

How does one man manage to look like Bill Clinton and the Queen simultaneously





Clean Carrier: To ensure untrusted People’s Republic of China (PRC) carriers are not connected with U.S. telecommunications networks.

Clean Store: To remove untrusted applications from U.S. mobile app stores.

Clean Apps: To prevent untrusted PRC smartphone manufacturers from pre-installing –or otherwise making available for download – trusted apps on their apps store.

Clean Cloud: To prevent U.S. citizens’ most sensitive personal information and our businesses’ most valuable intellectual property, including COVID-19 vaccine research, from being stored and processed on cloud-based systems accessible to our foreign adversaries through companies such as Alibaba, Baidu, and Tencent.

Clean Cable: To ensure the undersea cables connecting our country to the global internet are not subverted for intelligence gathering by the PRC at hyper scale.



[Ex-chairman of Hong Kong-listed bad asset manager Huarong pleads guilty to accepting US\\$257.7 million in bribes](#) : SCMP: Pearl Liu: 11 AUG 2020: The former chairman of one of China’s four big bad asset managers has pled guilty to accepting 1.79 billion yuan (US\$257.7 million) in bribes over a period of 10 years between 2008 and 2018, when he headed Hong Kong-listed China Huarong Asset Management and was the director general of the People’s Bank of China’s banking supervision department. The details of the case were disclosed in a documentary series aired by state-owned broadcaster China Central Television on January 13. Lai appeared in part two of the five-episode series, which showed a room with more than 200 million yuan in cash that weighed about three tonnes. The documentary also revealed the 300 million yuan kept in a bank account under his mother’s name, and details of more than 100 of his lovers.” (I’m just not seeing the lover thing... he was a true professional, the question is which profession?)

As always, if you’d like off the distro., please email me at your convenience.

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