



Financial Crisis Report

Written and Edited by David M. Miyoshi

Advancing in a Time of Crisis

Words of Wisdom: “History repeats itself, first as a tragedy then as a farce.” Karl Marx

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Except for the Great Depression, we are experiencing the most economically unstable period in the history of the modern world. This period will be marked with extreme fluctuations in the stock, commodity and currency markets accompanied by severe and sometimes violent social disruptions. As is typical of such times, many fortunes will be made and lost during this period. After talking with many business owners, executives, professionals and government officials from around the world, the writer believes that for the financially astute investor, this is a time of unprecedented opportunity given the global trade unbalances and distortions in the commodity and currency markets. The *Financial Crisis Report* is a free compilation of the opinions of David Miyoshi as well as of those advisors he himself subscribes to (with appropriate credits given) on how to benefit during this time of crisis. The writer receives no compensation of any kind from any advisors whose articles or ideas may appear in this report. The reader is welcomed to check on all sources of information mentioned herein. Because the opinions and observations of this writer and other advisors are provided herein without charge, the reader is asked to make his/her own judgment on the contents.

Hate Speech in America



“Yo mama so black she stand next to a white car and charge its battery”

As a young boy growing up in south central Los Angeles, on a daily basis I would hear barbs like this being cavalierly traded between African American students. Would statements like this be allowed today?

Hate speech is usually defined as speech that attacks a person or a group on the basis of attributes such as race, religion, ethnic origin, national origin, sex, disability, sexual orientation, or gender identity.

Thus, such statements would likely be called “hate speech” today.

Now, in the United States hate speech is not regulated, in contrast to that of most other liberal democracies. The U.S. Supreme Court has repeatedly ruled that hate speech is legally protected free speech under the First Amendment.

However, although the First Amendment to the U.S. Constitution protects free speech, exceptions have been made for speech that violates the legal rights of others, or because of compelling governmental interests.

Although the First Amendment to the Constitution states, “Congress shall make no law... abridging the freedom of speech,” Americans don’t have the luxury of always saying whatever they want. Your right to free speech is limited by where you are, what you say, and how you say it.

Here are six areas where your talk can make you liable in criminal or civil court.

1. Obscenity



Hate Speech in America

Most of the legal cases that concern sex and free speech have involved publications (a form of speech as far as the courts are concerned). Obscenity is not protected by the Constitution, but it has been difficult to define what is obscene. In 1973, the Supreme Court, in *Miller v. California*, came up with a three-part definition of obscene material. A work is legally considered obscene if:

an average person, applying contemporary community standards, would find that the material appeals to prurient (appealing to sexual desire) interest.

the work depicts or describes, in an offensive way, sexual conduct or excretory functions, specifically defined by applicable state law.

taken as a whole, the material lacks serious literary, artistic, political, or scientific value.

This limit on obscene speech also applies to broadcasting. The FCC controls what is allowed on air, so you can't broadcast sounds or images that could be offensive to your audience or use language inappropriate for children.

However, the Supreme Court has, so far, kept the internet free of obscenity restrictions. You can make whatever statements you want on social media sites, but the owners of those sites have the freedom to censor or delete your content if they find it offensive.

2. Lies

Lying is covered by the First Amendment, except when it's not. You can be prosecuted for lying under oath in court (it's called perjury). You can also be charged with misleading authorized investigators. Remember Martha Stewart's conviction in 2004? She went to prison for lying to investigators about her stock trading.

It is also illegal to run dishonest advertisements. And if you deliberately tell lies about people, you can be hit with a lawsuit in civil court for either libel (if published) or slander (if spoken).

Politicians, on the other hand, have broad protections against being prosecuted for lying, and citizens largely have free rein to criticize their governments, even if the comments are false. Luckily for late night talk show hosts, the First Amendment allows citizens to satirically mock a public figure.

3. Violence

You can't make offensive remarks or personal insults that would immediately lead to a fight. You also can't threaten violence to a specific person unless you're making an obvious exaggeration (for instance, "I'm going to kill my opponent at the polls"). Finally, you can't knowingly say things that cause severe emotional distress or incite others to "immediate lawless action."

In 1951, the Supreme Court concluded in *Dennis v. United States* that the First Amendment doesn't protect the speech of people plotting to overthrow the government.

4. Students' Speech

Students have limited rights of free speech while in school. In 1986, *Bethel School District v. Fraser* upheld the right of a school to suspend a student for making an obscene speech. *Hazelwood School District v. Kuhlmeier*, 1988, supported a school's right to censor student newspapers. However, many states are now passing laws to grant broader First Amendment protections to student speech.

5. Offending Your Friends and Coworkers



Hate Speech in America

You don't have the right to say whatever you want in someone else's home or other private setting. And, as an employee, believe it or not, you have no free-speech rights at your workplace. The Constitution's right to free speech applies only when the government — not a private entity — is trying to restrict it. For example, an employer can legally fire an employee whose car bears a campaign bumper sticker he doesn't like.

It's a different matter for government employees. In *Elrod v. Burns*, the Supreme Court ruled in 1976 that the Constitution prohibits government employers from discharging or demoting employees for supporting a particular political candidate.

The law also prohibits speech that shows clear intent to discriminate or sexually harass.

It also prevents employees in medical or financial fields from discussing confidential information outside of work.

6. Expressing Your Political Views

The law has never permitted Americans to protest in any way they wanted. While the government can't control what you say, how you say it must be subject to what the courts consider an appropriate time, place, and manner.

Legal authorities have a responsibility to protect the safety of attendees at political gatherings and to protect protestors themselves. If authorities think you pose a sufficient risk, you can be restricted to a Free Speech Zone. These have been used since the 1980s, principally to contain protestors at political conventions.

House Bill 347 authorized Secret Service agents to arrest anyone protesting in the president's or vice

president's proximity. They also have this authority at National Special Security Events. These events have included state occasions, of course, but also basketball championships, the Academy Awards, Olympic events, and the Super Bowl. A conviction can result in up to 10 years in a federal prison (another place where your freedom of speech is limited).

A Hate Agent

According to Breitbart News, Facebook monitors the offline behavior of its users to determine if they should be categorized as a "Hate Agent."

A document, titled "Hate Agent Policy Review" produced by Breitbart News outlines a series of "signals" that Facebook uses to determine if someone ought to be categorized as a "hate agent" and banned from the platform.

Those signals include a wide range of on- and off-platform behavior. If you praise the wrong individual, interview them, or appear at events alongside them, Facebook may categorize you as a "hate agent."

Facebook may also categorize you as a hate agent if you self-identify with or advocate for a "Designated Hateful Ideology," if you associate with a "Designated Hate Entity" (one of the examples cited by Facebook as a "hate entity" includes Islam critic Tommy Robinson), or if you have "tattoos of hate symbols or hate slogans." (The document cites no examples of these, but the media and "anti-racism" advocacy groups increasingly label innocuous items as "hate symbols," including a cartoon frog and the "OK" hand sign.)

Facebook will also categorize you as a hate agent for possession of "hate paraphernalia," although the document provides no examples of what falls into this category.



Hate Speech in America

The document also says Facebook will categorize you as a hate agent for “statements made in private but later made public.” Of course, Facebook holds vast amounts of information on what you say in public and in private the platform will publicize private information on their users to assist the media in hitjobs on regular American citizens.

In addition to the more unorthodox signals that Facebook uses to determine if its users are “hate agents,” there is also, predictably, “hate speech.” Facebook divides hate speech into three tiers depending on severity and considers attacks on a person’s “immigration status” to be hate speech.

Here’s how “hate speech” — both on and off Facebook — will be categorized by the platform, according to the document:

Individual has made public statements, or statements made in private and later made public, using Tier 1, 2, or 3 hate speech or slurs:

3 instances in one statement or appearance = signal
5 instances in multiple statements or appearances over one month = signal

If you’ve done this within the past two years, Facebook will consider it a hate signal.

Other signals used by Facebook to determine if its users should be designated as hate agents include carrying out violence against people based on their “protected or quasi-protected characteristics,” attacks on places of worship, and conviction of genocide.

On May 2, 2019 Facebook announced it is banning a number of controversial far-right figures, including Alex Jones, Milo Yiannopoulos and Laura Loomer, for violating the social-media company’s policies on hate speech and promoting violence.

The company said it is also blocking religious leader Louis Farrakhan, who is known for sharing anti-Semitic views; Paul Nehlen, a white nationalist who ran for Congress in 2018; and conspiracy theorist Paul Joseph Watson. All of these individuals and accounts that represent them are also banned from photo-sharing app Instagram.

“We’ve always banned individuals or organizations that promote or engage in violence and hate, regardless of ideology,” a Facebook representative said in a statement. “The process for evaluating potential violators is extensive and it is what led us to our decision to remove these accounts.”

Facebook is often chided for failing to stop the spread of harmful speech and misinformation on its platform, and its bans show that the company is taking a firmer hand in enforcing its own service terms. Even so, the moves are bound to draw criticism from media and politicians on the far right. Facebook has been accused numerous times of suppressing conservative voices. The company denies its decisions are based on politics and says these individuals have repeatedly violated its policies around hate speech and promoting violence.

Jones, who peddles conspiracy theories through his media site InfoWars and has frequently said that the Sandy Hook school shooting was staged, was temporarily suspended from Facebook last year. His official fan page was also previously banned, but Jones was allowed to operate a personal account. Now that has been prohibited on Facebook’s sites as well.

Facebook is also banning all fan pages dedicated to InfoWars stories and videos. The company had previously banned the official InfoWars Page in August 2018 and banned 22 more InfoWars-related Pages where Jones was an administrator earlier this year. Now the company will remove all fan pages that promote InfoWars, even if they have no formal connection to the site or its employees.



Fallen Heroes

Facebook didn't give details on what led to the bans though a spokesperson said that Jones, Yiannopoulos and Loomer have all recently promoted Gavin McInnes, founder of the violence-prone far-right group the Proud Boys, whom Facebook banned in October 2018.

When it comes to dangerous individuals who promote hate speech or violence, Facebook can ban users for actions they take in the real world, or on other services, like YouTube. In Jones's case, he hosted McInnes on his show late last year and promoted him on Instagram earlier this year. A Facebook spokesperson says Yiannopoulos and Loomer have also publicly promoted McInnes

When Facebook bans an individual or organization, it typically also removes posts from other users who praise or support them. In this case, a Facebook spokesperson said that people will be able to post about or praise these banned users, though they won't be allowed to share any of their views or opinions that Facebook considers hate speech or calls for violence.

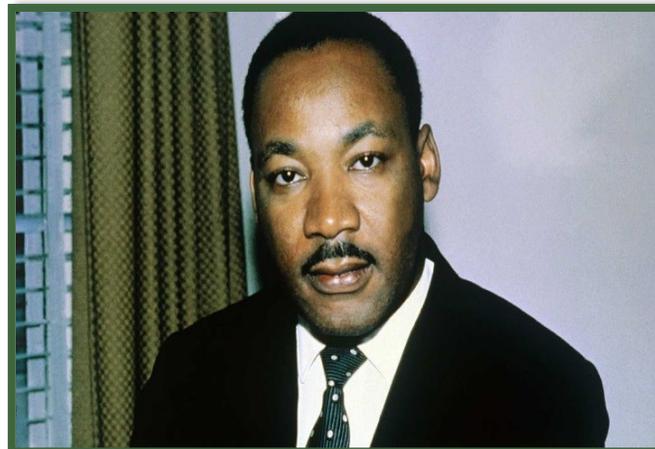
"Our work against organized hate is ongoing," Facebook said in the statement. "We will continue to review individuals, pages, groups and content against our community standards."

So today, if one were to publish on their Facebook page "Yo mama so black she stand next to a white car and charge its battery," they would likely be termed a "hate agent" and be banned from Facebook on the basis that their statement is "hate speech" because it's a lie, it would lead to a fight and it is offensive.

"The times they are a changing"

D. Miyoshi

Fallen Heroes



Martin Luther King Jr. was reportedly an abuser who laughed at rape. Is it time to tear his monuments down?

David Garrow is an award-winning biographer who authored a piece making this claim based on information found in FBI documents. Garrow was not able to find any outlet in the United States willing to publish the details, until he found *Standpoint publications*.

Here's what Garrow has to say:

Newly-released documents reveal the full extent of the FBI's surveillance of the civil rights leader Dr Martin Luther King in the mid-1960s. They expose in graphic detail the FBI's intense focus on King's extensive extramarital sexual relationships with dozens of women, and also his presence in a Washington hotel room when a friend, a Baptist minister, allegedly raped one of his "parishioners", while King "looked on, laughed and offered advice." The FBI's tape recording of that criminal assault still exists today, resting under court seal in a National Archives vault.

The article goes on to state that at the Willard Hotel, King and his friends' activities resumed the following evening as approximately 12 individuals "participated in a sex orgy" which the prudish [Assistant Director



Fallen Heroes

William C. Sullivan, head of the Domestic Intelligence Division] felt included “acts of degeneracy and depravity ... When one of the women shied away from engaging in an unnatural act, King and several of the men discussed how she was to be taught and initiated in this respect. King told her that to perform such an act would ‘help your soul.’”

Garrow's report includes many details like this. A picture is painted of a binge-drinking alcoholic and serial adulterer who constantly used his position as a supposed man of God and civil rights leader to sexually exploit women. King is also alleged to have physically attacked a number of his sex partners, including one whose clothes he tore off and another who, according to King's friend Ralph Abernathy, he knocked down onto his bed in a fit of rage.

So, what do we do with this information?

The American media has decided to do nothing with it. We can only imagine many Americans will follow suit. They will put their fingers in their ears and pretend they never heard it. King will continue to be worshipped to the same extent as before. These points about his life and character will not make it into textbooks and will not be discussed in classrooms. King was canonized before his death, deified upon his death, and there probably isn't anything that will reverse that process in the year 2019.

But for those who wish to have integrity and moral courage — and who abhor hypocrisy — there seems to be only two options:

1. The new standard applied to Thomas Jefferson and George Washington and Christopher Columbus and Robert E. Lee and any number of other (white) historical figures can also be applied to Martin Luther King Jr. As these men have gone from heroes to villains, and their memorials have been torn down as a result, their murals destroyed, their names removed, their monuments defaced, so the same treatment can be doled out to King. He

did not share the same sins as these men, but his sins were no better. Washington and company are blamed for being racists who either participated in or condoned slavery. King, if these very credible reports are true, was a violent misogynist who condoned rape. Would anyone really like to argue that one sin is better than the other? Aren't they both downright evil? Indeed, rape and slavery grow from the same tree. The slave owner exploits and dehumanizes his victim. So does the rapist.

2.

It's sad that the achievements of our Founding Fathers come with a giant asterisk because their zeal for freedom and liberty did not apply to non-whites. Well, a similar asterisk now accompanies King, whose zeal for equal rights did not apply to the woman whose brutal rape he reportedly applauded. If an asterisk is enough to knock down a statue, then King's statues must be toppled, too.

2. The other option is that we develop a different standard that can be equally applied to all historical figures. Rather than canonize our heroes on one hand, or demonize them on the other, we can humanize them. We begin to see them as real people, not caricatures, and we strive to understand and appreciate them as such. We do not hide our faces from the darker elements of their personalities. We do not justify their sins or rationalize them. We discuss them, openly and honestly. And we don't look to turn them into cartoon villains, either. We see them as men — nothing more or less than that.

If they achieved great things, if they managed feats that few could manage, if they altered the course of human history, then we honor those accomplishments and perhaps even build statues in remembrance. We don't erase anyone from the history books just because they had personal flaws — even very serious flaws. But perhaps we add another page or two. We keep the monuments because the monuments are part of our history and culture, but we keep in mind that the person commemorated by the monument was just that —



18 Statistics Showing America is an Idiocracy

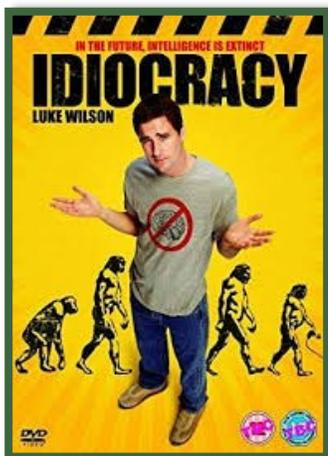
a person. And that is how we think of them and remember them.

If this is where our reassessment of our historical heroes ultimately leads, it will be a positive change. We will finally be remembering and studying history like adults, not children. And it is through that more nuanced lens that we can continue to honor Martin Luther King Jr., despite the terrible evil he may have done. But he does not get to be an exception. If we extend that grace to MLK and his legacy, then we must extend it equally to all of our historical heroes. He is not a special case. He was a man just like them, and just as flawed. And that's the point.

Trump's new slogan "Keep America Great" would apply here.

D. Miyoshi

18 Statistics Showing America is an Idiocracy



Are we now at Peak Stupid? In 2006 the movie *Idiocracy* was released starring Luke Wilson as Joe Bowers who is not the sharpest tool in the shed. Bowers is part of a government hibernation experiment but it goes awry and Bowers awakens in the year 2505 to find a society so dumbed-down

by mass commercialism and mindless TV programming that he's become the smartest guy on the planet. So, it's up to an average Joe to get human evolution back on track.

The movie is of course fiction but some who have seen it say it could be a documentary about what is happening in America today. Well, here are 18 real statistics compiled by writer Michael Snyder that directly support that thesis.

In the beginning Snyder thought America could never become a land of morons. But he now believes he was wrong. Snyder believes that since 2006 America has been "dumbed down" at a pace that is absolutely staggering, and it is difficult to see a positive future for America if this trend continues.

Here are Snyder's 18 statistics that prove that America has become an "idiocracy"...

#1 One recent survey found that 74 percent of Americans don't even know how many amendments are in the Bill of Rights.

#2 An earlier survey discovered that 37 percent of Americans cannot name a single right protected by the First Amendment.

#3 Shockingly, only 26 percent of Americans can name all three branches of government.

#4 During the 2016 election, more than 40 percent of Americans did not know who was running for vice-president from either of the major parties.

#5 North Carolina is considering passing a law which would "mean only scores lower than 39 percent would qualify for an F grade" in North Carolina public schools.

#6 30 years ago, the United States awarded more high school diplomas than anyone in the world. Today, we have fallen to 36th place.

#7 According to the Pentagon, 71 percent of our young adults are ineligible to serve in the U.S. military because they are either too dumb, too fat or have a criminal background.

#8 For the very first time, Americans are more likely to die from an opioid overdose than they are in a car accident.

#9 One study discovered that one-third of all American teenagers haven't read a single book in the past year.

How Do Civil Wars Happen?

#10 A recent survey found that 45 percent of U.S. teenagers are online “almost constantly”.

#11 Today, the average American spends 86 hours a month using a smartphone.

#12 Overall, the average U.S. adult “logs 6 hours, 43 minutes of total screen time daily”.

#13 In more than half of all U.S. states, the highest paid public employee in the state is a football coach.

#14 During one seven day period last summer, a total of 16,000 official complaints about human feces were submitted to the city of San Francisco. And apparently the problem is very real because one investigation found 300 piles of human feces on the streets of downtown San Francisco.

#15 Every 24 hours, more than a third of all Americans eat fast food.

#16 Less than half of all Americans know which country used atomic bombs at the end of World War II.

#17 Even though we fought a war in Iraq for eight long years, 6 out of 10 young adults cannot find Iraq on a map of the Middle East. And that same survey found that 75 percent of our young adults cannot locate Israel.

#18 Today, the average college freshman in the United States reads at a 7th grade level.

Let me go back to a few of these statistics and give you my current perspective on them.

#7, I sure am glad I was not as heavy back then.

#11, makes it clear that we have become so dependent upon the smart phone that we have become stupid.

#13, begs the question, who at the state university is more respected, the chancellor or the football coach?

#16, it is for sure more than half of all Japanese know which country used atomic bombs at the end of World War II.

D. Miyoshi

How Do Civil Wars Happen?



Dr. Jack Devere Minzey, born 6 October 1928- died 8 April 2018, was the Department Head of Education at Eastern Michigan University as well as a prolific author of numerous books, most of which were on the topic of Education and the Government role therein.

This was the last of his works:

Civil War: How do civil wars happen?

By Dr. Jack Devere Minzey

Two or more sides disagree on who runs the country. And they can't settle the question through elections because they don't even agree that elections are how you decide who's in charge. That's the basic issue here. Who decides who runs the country? When you hate each other but accept the election results, you have a country. When you stop accepting election results, you have a countdown to a civil war.

The Mueller investigation is about removing President Trump from office and overturning the results of an election. We all know that. But it's not the first time they've done this. The first time a Republican president was elected this century, they said he didn't really win. The Supreme Court gave him the election. There's a pattern here.

What do sure odds of the Democrats rejecting the next Republican president really mean? It means they don't accept the results of any election that they don't win. It means they don't believe that transfers of power in this country are determined by elections. That's a civil war.

There's no shooting. At least not unless you count the attempt to kill a bunch of Republicans at a charity baseball game practice. But the Democrats have rejected our system of government.

This isn't dissent. It's not disagreement. You can hate the other party. You can think they're the worst thing that ever happened to the

The Coolest Technologies

country. But then you work harder to win the next election. When you consistently reject the results of elections that you don't win, what you want is a dictatorship.

Your very own dictatorship.

The only legitimate exercise of power in this country, according to Democrats, is its own. Whenever Republicans exercise power, it's inherently illegitimate. The Democrats lost Congress. They lost the White House. So what did they do? They began trying to run the country through Federal judges and bureaucrats. Every time that a Federal judge issues an order saying that the President of the United States can't scratch his own back without his say so, that's the civil war.

Our system of government is based on the constitution, but that's not the system that runs this country. The Democrat's system is that any part of government that it runs gets total and unlimited power over the country.

If the Democrats are in the White House, then the president can do anything. And I mean anything. He can have his own amnesty for illegal aliens. He can fine you for not having health insurance. He can use

the IRS as his own police force and imprison citizens who speak against him. He can provide guns and money (Fast and Furious) (Iran nuclear deal) to other countries to support his own agenda, and watch while one of America's Ambassador's is dragged through the streets and murdered doing nothing to aid our citizens. His power is unlimited. He's a dictator. But when Republicans get into the White House, suddenly the President can't do anything. He isn't even allowed to undo the illegal alien

amnesty that his predecessor illegally invented. A Democrat in the White House has 'discretion' to completely decide every aspect of immigration policy. A Republican doesn't even have the 'discretion' to reverse him. That's how the game is played. That's how our country is run. Sad but true, although the left hasn't yet won that particular fight.

When a Democrat is in the White House, states aren't even allowed to enforce immigration law. But when a Republican is in the White House, states can create their own immigration laws. Under Obama, a state wasn't allowed to go to the bathroom without asking permission. But under Trump, Jerry Brown can go around saying that California is an independent republic and sign treaties with other countries. The Constitution has something to say about that. Whether it's Federal or State, Executive, Legislative or Judiciary, the left moves power around to run the country. If it controls an institution, then that institution is suddenly the supreme power in the land. This is what I call a moving dictatorship.

Donald Trump has caused the Shadow Government to come out of

hiding: Professional government is a guild. Like medieval guilds. You can't serve in if you're not a member. If you haven't been indoctrinated into its arcane rituals. If you aren't in the club. And Trump isn't in the club. He brought in a bunch of people who aren't in the club with him.

Now we're seeing what the pros do when amateurs try to walk in on them. They spy on them, they investigate them and they send them to jail. They use the tools of power to bring them down.

That's not a free country.

It's not a free country when FBI agents who support Hillary take out an 'insurance policy' against Trump winning the election. It's not a free country when Obama officials engage in massive unmasking of the opposition. It's not a free country when the media responds to the other guy winning by trying to ban the conservative media that supported him from social media. It's not a free country when all of the above collude together to overturn an election because the guy who wasn't supposed to win did.

Have no doubt, we're in a civil war between conservative volunteer government and a leftist Democrat professional government.

Well now Pilgrims and Patriots, having read the above I suggest two things; forward this very timely, very important analysis to those whom you believe think like you do and make sure you vote on every Election day!

God Bless America!!!

The Coolest Technologies



While at Harvard, I occasionally studied at the MIT library and became fond of reading the *MIT Technology Review*. For articles on cutting edge technologies, this publication can't be beat.



The Coolest Technologies

From 2001, the Review has released an annual list of its top 10 breakthrough technologies that will shape the way we work and live for years to come.

For nearly two decades, the publication’s editorial team has curated its breakthrough technologies list on its own, but this year MIT Technology Review is leaving that job up to none other than the tech industry legend and one of the world’s richest men (soon to be first when Bezos gets divorced), Bill Gates.

Every year, Jason Stutman, one of the technology writers I follow conducts a review of this MIT list in search of new investment ideas. Stutman believes that while some of the technologies may be far out, others represent practical investment opportunities for the near to mid-term.

In a recent article Stutman parsed out Gates’ personal picks and the relevant investment opportunities that surround them. He believes that not all of these technologies will have actionable investments, but that’s part of the reason he expands on each one: to separate the practical from the impractical.

With that said here is Stutman’s “investor’s take” on Bill Gates’s top 10 technology breakthroughs for 2019.

Technology Breakthrough #1: Robot Dexterity

It’s not at all a surprise to see robotics at the top of Bill Gates’s breakthrough technology list. After all, I kicked off my investment newsletter Technology and Opportunity five years ago with something I called “Bill Gates’s Big Bet,” and that bet was on the proliferation of robots.

Gates had made some very bullish remarks on the robotics industry around that time, and we highlighted numerous robotics companies that investors should be looking out for.

Fast-forward to today, and we’re still incredibly bullish on robotics, as is Gates. We currently have three open robotics positions in our portfolio, and all of them are winners, with 103.8%, 57.8%, and 68.7% returns.

But Gates’s remarks on robot dexterity this year are a little more specific than they’ve been in the past, with a focus on precision. As it pertains to robot dexterity, investors will want to continue betting not only on industrial robotics companies, but also on the companies producing precision-enabling sensors as well.

Technology Breakthrough #2: New-Wave Nuclear Power

Gates is bullish on advanced fusion and fission reactors, which isn’t surprising considering the man’s admirable push to reduce carbon emissions (without pigeonholing himself to wind and solar). Today, somewhere in the ballpark of 65% of our carbon-free power comes from nuclear, so it makes sense that Gates sees nuclear as a critical

energy source of the future.

Today, virtually every nuclear plant in the U.S. is a light-water reactor (LWR), based on technology invented in the 1960s. The next generation of nuclear reactors, though, is approaching, with the promise of safer and cheaper power and less nuclear waste.

More specifically, we’re talking about small modular reactors (near to mid term) and advanced reactors (mid to long term). Both offer promising alternatives to LWRs, but as it stands today, the U.S. market is not quite ripe for investment yet.

The Alvin W. Vogtle Electric Generating Plant in Georgia remains the only nuclear power reactor currently under construction in the U.S., and it has been plagued with cost hikes.

That said, globally, there are currently over 80 advanced nuclear reactor projects under development in 20 countries outside of North America. China is a dominant force in that regard, and its utility companies, including Huaneng Power International, Inc. (NYSE: HNP), are likely the best bet on nuclear power investing right now.

Technology Breakthrough #3: Predicting Premies

Gates believes that blood tests will soon be able to predict, with a high degree of accuracy, if a pregnant woman is at risk of a premature birth, saving countless lives in the process.

Today, there is already something called a bilirubin blood test that can be used to predict risk of jaundice, which can lead to premature birth. Bilirubin tests, though, have been around for years, so Gates is referring to something else.

Specifically, Gates is referring to a recent study (funded by his foundation) that showed you can predict a woman’s due date within a two-week window from a blood test. The test, developed by Stephen Quake, a professor of bioengineering and applied physics at Stanford University, works by looking at how RNA in a mother’s blood changes over the course of her pregnancy.

As Gates admits, however, we’re still years away from such a test becoming routine or commercialized. As far as I can tell, there are no investment opportunities for this innovation quite yet, as the patent application is assigned to Leland Stanford Junior University, with no licensing deals we are aware of.

Technology Breakthrough #4: Gut Probe in a Pill

In what sounds like something from the world of science fiction, Gates imagines a small, swallowable device that can image the gut without anesthesia.

Exactly what pill Gates is referring to isn’t entirely clear, but we at



When Wars Happen

least know that it ties into Gates's ongoing fascinations with gut health, specifically the workings of the microbiome.

For the uninitiated, the microbiome is effectively the ecological makeup of bacteria and viruses in our digestive tracts. Gates and others believe we're on the verge of incredible advancements relating to the microbiome that will change the way we think about and deal with nutrition.

Synthetic Biologics, Inc. (NYSE MKT: SYN) is one among a few companies focused on developing therapeutics designed to manipulate the microbiome for patient benefit. Shareholders, though, have been punished on that one over the last few years, the most recent catalyst being a devastating 1 for 35 reverse split.

Technology Breakthrough #5: Custom Cancer Vaccines

Bill Gates believes that custom cancer vaccines, also known as personalized vaccines for immunotherapy, could have a huge impact on the oncology market, and we certainly agree.

In short, this technology works by activating a person's immune system and training it to target cancers by their unique mutations. Unlike typical vaccines, though, these treatments would not be taken as a preventative measure but would instead be taken after being diagnosed.

In 2017, early clinical trials first began showing promise of custom cancer vaccines, fending off tumors in a handful of patients. Today, the biotech industry is on the verge of commercializing the first of those treatments as companies race to be first to market.

San Francisco-based Genentech, for instance, a subsidiary of Swiss pharmaceutical giant Roche (OTC: RHHBY), is working with German company BioNTech to develop personalized vaccines for cancer patients. Moderna, Inc. (NASDAQ: MRNA) is also working on its own personalized cancer vaccine.

While these cancer vaccines offer hope for the oncology market, though, there is a caveat. Because the vaccines are patient specific, they cannot be manufactured in bulk. That means there are still uncertainties regarding the scalability of such treatments.

Ultimately, the scalability of these medicines will rely largely on cheap genetic sequencing needed for their creation. Illumina, Inc. (NASDAQ: ILMN) is easily the top player in that regard.

Well, I hope you found this list interesting, if not intriguing. Some of these technologies may become the driving force of applications that will revolutionize the ways we live and sustain ourselves. Only time will tell.

D. Miyoshi

When Wars Happen



Tensions are running high between the U.S. and Iran as ship explosions continue and missile strikes are called off. Our troops in Iraq and Syria were under threat and we went as far as sending the Lincoln Carrier Strike Force towards Iran. This country is threatening to stockpile nuclear materials again if Europe doesn't give it aid to offset the damage from sanctions. And John Bolton has been calling for a pre-emptive strike against Iran since his *New York Times* op-ed in 2015.

It's seems like a gas-soaked bonfire just waiting for a match. But, according to Harry Dent, editor of Dent Research, he does not believe war is on the cards, for many reasons, the most being as follows:

When Wars Happen...

World wars often follow depressions and long recessions, which shrink the economic pie and pit nations against each other. Wars are also a tempting way to stimulate an economy out of a depression, which is what Hitler did in the 1930s to return Germany to greatness. But this was during the last negative arm of the Geopolitical Cycle.

While we've lived through a brutal negative turn of the Geopolitical Cycle since 2001 – as Dent has said before, just glance at the timeline he published in *Sale of a Lifetime* for a shocking look at how bad it's been – we have not had a depression and the Great Recession was short lived thanks to Central Bank efforts.



When Wars Happen

And, this cycle is due to bottom by late 2019/early 2020.

Still, everyone Dent talked to is wondering...

Will this next crash and debt deleveraging lead to a major war or World War III? Dent has said wars are often born out of such times. Still, his answer remains NO!

The combination of U.S. and Europe is still too strong for the likes of China or Russia... or Iran... to challenge. Besides, China and Russia may be allied against the western democracies, but they aren't exactly "kissing cousins."

If Dent were Russia, he would be worried about China targeting his vast resources in the future as his demographics continue to weaken.

Besides, the U.S. has both more and larger aircraft carriers than all of the other countries combined.

Why it Won't...

But again, and most important, all these rumblings aren't likely to escalate too far as this cycle bottoms...

Instead, it's most likely to represent the crescendo of this negative arm of the cycle, which has seen horrific acts of terrorism and civil wars.

Europe is campaigning hard against escalating tensions with Iran because it fears more refugees and the repercussions of Iran closing the Strait of Hormuz. That would impact 40% of oil flows into the continent.

Russia is one of Iran's few and only powerful ally, and even it's pushing against deepening the rift between Iran and the U.S.

Even The Donald himself campaigned against the U.S. being involved in overseas affairs as much in his America First theme.

The People Speak...

Polls by Reuters/Ipsos show that 51% of Americans do expect some sort of war with Iran in the next few

years, but a mere 12% are behind a pre-emptive strike and 60% say "hell no" – so good luck Bolton! 79%, republicans and democrats, would favor a strong retaliation if Iran struck first; 49% favor a limited response; 35% a full invasion. And 61% disagreed with The Donald pulling out of the Nuclear deal with Iraq.

So, in the end, this looks like a lot of huffing and puffing between two countries that have hated each other since the U.S. supported the overthrow by the Shah of Iran in 1979.

Dent's Geopolitical Cycle is the first to bottom between 2020 and 2023, where the combination of his four cycles is at its worst and strongly favors a Great Depression after central banks have kicked the can down the road for more than 10 years with a little help from The Donald's unnecessary tax cuts for corporations.

The worst of the last Great Depression from 1930-1942 happened on the front end of the cycles. The worst of *this* Economic Winter season from 2008-2023 should occur on the back end.

The good news is that Dent's hierarchy of cycles suggests the worst will both occur and be over by 2023 or so, and the next global boom will set off in 2023 and run through 2036/7. Dent's Geopolitical Cycle is up the entire boom from 2020-2036/7, as is the U.S. Spending Wave for Millennials from 2023-2037...

But it will be a very mixed boom and not broad-based, unlike the one from 1983 to 2007. Dent will tell us exactly where to invest to capture it most fully in his later reports, as the financial crisis deepens.

Stay tuned.

D. Miyoshi





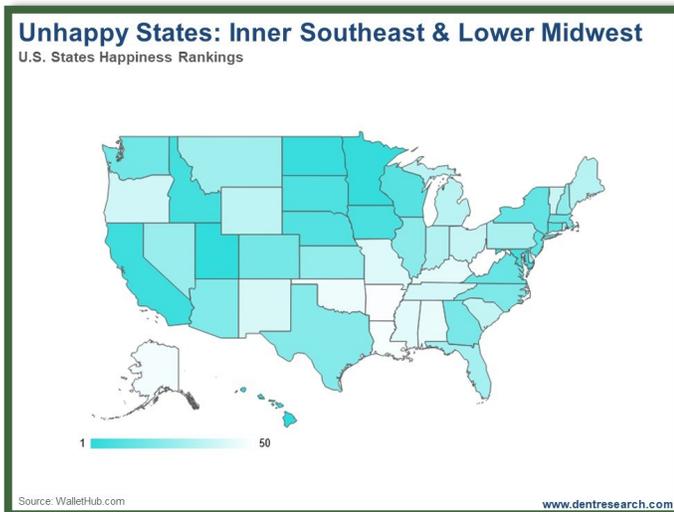
Which Are the Most Unhappiest States?

It always strikes me as odd that the happiest countries tend to be in cold-as-hell places like Scandinavia and Canada. It’s kind of similar stateside in the U.S. as well.

Harry Dent, an investment consultant cites a recent study by *WalletHub* that shows that the happiest states in the U.S. tend to be in the upper Midwest region – you know, where the Arctic vortex comes on through! In order of happiness, we have Minnesota, North Dakota, Iowa, South Dakota, Nebraska, and Wisconsin.

Those in the less-frigid-but-still-cold Northeast are also generally happier. We’re also talking just south of there: Virginia, North Carolina, and Georgia. And of course, the west coast is largely happy, except Oregon. The Rockies also, except Wyoming. And then there is the Southwest... Well, except for New Mexico.

The *unhappiest* states mostly fall in the inland Southeast and lower Midwest. West Virginia is ranked as the least happy state in the nation. Note the whitish and very light blue shadings.



So, what’s going on here and what economic significance does the data seem to carry?

Common denominators...

Well, two of the tangible common denominators from the individual categories are, not surprisingly, rising incomes and low crime/safety. The upper Midwest states have steadily growing shale jobs, which makes for a happier population. The Southeast and lower Midwest have been the hardest hit from our steady loss of manufacturing jobs.

There is also the fact that upper Midwest states have much more ethnic/cultural homogeneity, while the inland Southeast is very high on ethnic diversity. As a general rule, birds of a feather tend to get along better, a reality that became all-too-stark since my Geopolitical Cycle turned negative in 2001, with 9/11 sparking a tense 16 years filled with terrorist events, civil wars, mass shootings, protests, Brexit, Trump, and a resurgence of isolationist and nationalistic views...

Besides the cycle involved in this phenomenon, there’s a demographic element as well...

Who Are the Sad Sacks?

Recently Dent was watching Dr. Sanjay Gupta on Fared Zakaria’s CNN show “GPS.” If you watch one show on geopolitics, his is definitely one of the more objective and factual...

Gupta noticed that the rising unhappiness is largely found in one particular sect of our economy: white, working-class males, especially between the ages of 45 and 54.

Gen Exers.

They’re faring worse in a declining economy brought on by their own declining numbers. Immigration, automation, and foreign competition, especially in manufacturing jobs, has made their experiences so much worse.

The U.S. has 5% of the world population and 80% of the opioid prescription abuse. Guess which generation dominates that epidemic! And guess where these people are concentrated: in the Southeast and Midwest... surprise, surprise.



War with Iran is Not Easy

These are the voters who went overwhelmingly for Trump and helped elect him, against all expectations and odds. These are the voters who are the most anti-immigrant, anti-foreign workers, and anti-Muslim.

All of this is to show you that Dent's Geopolitical cycle has been dead on.

It All Comes Back to the Cycle

As Dent has said earlier, this cycle turned negative around the time of 9/11, with radical Islamic terrorist attacks in the U.S. and Europe.

But in recent years, 70% of such terrorist attacks have been from white supremacists. The devastating mass murder recently in New Zealand is just the latest example... and that's in a country that's peaceful and pro-immigration/diversity.

New Zealand's Prime Minister immediately declared that they would change their gun laws. (The U.S. has only succeeded in *theorizing* on such change, like a broken record, after each of our mass slayings.) That is a sign of progress and that this cycle is coming to an end soon, as originally forecast around 2020.

But there is much more to come from this populist backlash against globalization.

The simple truth is that it's the global and domestic people that have fallen behind in the massive job and technological revolution of the past decades that are the most unhappy and fighting back. In his book *Zero Hour*, Dent warns of a broader political revolution on a 250-year and 84-year cycle that is just coming to a head and from which we'll see more changes in the years ahead.

The disenfranchised in the West have reacted against the radical Muslim and foreign worker threats. Now more of us are reacting against the white supremacists who are reacting with terror against that. Most of us are sick of both sides.

Dent's view has always been that we will have to rea-

align our political structures around more common cultures within countries and within global regions. Countries like Iraq and Syria, with strong Sunni and Shia populations, just can't get along. That's increasingly true of the blue versus red states in this country and in the northern versus southern regions of Europe.

Unhappy people cause political and social revolutions... it's that simple. And there are plenty of them to be found around the world today. And Dent's proven cycles saw it coming well ahead.

D. Miyoshi

War with Iran is Not Easy



I know U.S. Marines don't back down from battles, but U.S. politicians should on occasion consider it. This applies in the case of Iran. A war with Iran would not be easy.

It appears our leaders in Washington and Tehran have again miscalculated. The Trump administration applied devastating economic pressure on Iran without providing leaders in Tehran with a clear roadmap for how to escape punishment. This put Iran in the penalty box without evident prospect for rehabilitation. As Europe, Russia, and China failed to deliver any meaningful economic relief to Iran, and as the unilateral U.S. withdrawal from the Iran nuclear deal, or JCPOA, solidified the position of hardliners in Tehran, it was virtually inevitable that Iran would strike back in order to demonstrate its ability to inflict pain on opponents.

War with Iran is Not Easy

So now, the U.S.-Iran standoff is evolving quickly, but the recent blow-by-blow commentary covering the oil tanker attacks, a downed drone, and reversed orders for airstrikes from the White House fails to consider the strategic logic behind an intervention by the U.S., if in fact the Trump administration decides to intervene. And this begs the question, what would a war between the U.S. and Iran look like.

By now, the U.S. should have learned a thing or two from the Vietnam and Iraq wars. Distant foreign conflicts are difficult to win without a well-defined case for what success looks like and an overwhelming military commitment, the kind the American public is usually unwilling to provide unless faced with a massive and immediate threat. Small-scale engagements accomplish little and are instead more likely to evolve into larger conflicts. Installing foreign governments in the American image is more difficult, costly, time-consuming and even deadly than leaders are likely to claim. Backing a local proxy is often unpalatable for the country's sense of ethics, but U.S. adversaries often have no such qualms. Those proxies are often an ineffective substitute for a U.S. military presence when it comes to pursuing U.S. objectives. And without a substantial, long-term commitment of U.S. forces, such wars are more likely to open a power vacuum when the U.S. withdraws. The result: a collapsed government, an invasion by a neighbor, a revolution that creates new and uncertain structures – or some combination of these. In fact, the U.S. has had few true victories in the wars it has fought since World War II.

Bearing in mind, the principal mission for attacking Iran is to keep them from developing a nuclear strike capability, how would we go about accomplishing this? Well, first, we would have to confront them, which is no easy task.

As before, geography works to Iran's advantage, as almost all of Iran's major cities are located in the north of the country and reaching them would be a herculean challenge under the best of circumstances. For starters, the terrain—as always—would be challenging to transverse with a large invading force. More importantly, Iran is enormous. As Stratfor notes, "Iran is the 17th largest country in world. It measures 1,684,000 square kilometers. That means that its territory is larger than the combined territories of France, Germany, the Netherlands, Belgium, Spain and Portugal—Western Europe."

Since taking office in 2009, President Obama had consistently held that the United States would carry out airstrikes to pre-

vent Iran from acquiring a nuclear weapon. His position was supported by the vast majority of U.S. policy makers, lawmakers and the political elite, regardless of political affiliation.

Nonetheless, it was also generally agreed that airstrikes against Iran's nuclear facilities would only have a limited impact on preventing Iran from acquiring the bomb. To be sure, a concerted airstrike effort against Iran would delay its ability to build a nuclear arsenal by several years. But Iran would be able to rebuild its nuclear facilities before long, especially given the windfall in economic relief it would undoubtedly receive once the sanctions regime against it unraveled in response to America's military action.

The only military action that can truly prevent Iran from acquiring a nuclear weapon, then, is for the U.S. to invade and occupy the country, potentially turning it over to a U.S.-friendly regime that would uphold Iran's non-nuclear status. Despite the widespread support in the U.S. for preventing Iran from building a nuclear weapon, this option is almost never proposed by any serious observer.

Part of this undoubtedly reflects America's fatigue following the wars in Iraq and Afghanistan (not to mention a few wars before that). But, it goes much deeper than that—namely, while Iran's military is greatly inferior to the U.S. armed forces, the U.S. military would not be able to conquer Iran swiftly and cheaply like it did in Iraq and Afghanistan. In fact, Tehran would be able to impose prohibitive costs against the U.S. military, even before the difficult occupation began.

Iran's ability to defend itself against a U.S. invasion begins with its formidable geography. As Stratfor, a private intelligence firm, has explained, "Iran is a fortress. Surrounded on three sides by mountains and on the fourth by the ocean, with a wasteland at its center, Iran is extremely difficult to conquer."

While the "stopping power of water" has always made land invasions far more preferable for the invading party, the age of precision-guided munitions has made amphibious invasions particularly challenging. As such, the United States would strongly prefer to invade Iran through one of its land borders, just as it did when it invaded Iraq in 2003.

Unfortunately, there are few options in this regard. On first



War with Iran is Not Easy

glance, commencing an invasion from western Afghanistan would seem the most plausible route, given that the U.S. military already has troops stationed in that country. But, that would not be much of an option at all.

To begin with, from a logistical standpoint, building up a large invasion force in western Afghanistan would be a nightmare, especially now that America's relationship with Russia has deteriorated so greatly.

More importantly, however, is the geography of the border region. First, there are some fairly small mountain ranges along the border region. More formidable, going from the Afghan border to most of Iran's major cities would require traversing two large desert regions: Dasht-e Lut and Dasht-e Kavir.

Dasht-e Kavir is particularly fearsome, as its kavirs are similar to quicksand. As Stratfor notes, "The Dasht-e Kavir consists of a layer of salt covering thick mud, and it is easy to break through the salt layer and drown in the mud. It is one of the most miserable places on earth." This would severely constrain America's ability to use any mechanized and possibly motorized infantry in mounting the invasion.

Iran's western borders are not any more inviting. While northwestern Iran borders Turkey, a NATO ally of the United States, Ankara refused the United States permission to use its territory for the invasion of Iraq. Regardless, the Zagros Mountains that define Iran's borders with Turkey, and most of Iraq, would make a large invasion through this route extremely difficult.

The one exception on Iran's western borders is in the very south, where the Tigris and Euphrates rivers collide to form the Shatt al-Arab waterway. This was the invasion route Saddam Hussein used in the 1980s. Unfortunately, as Saddam discovered, this territory is swampy and easy to defend. Furthermore, not long after crossing into Iranian territory, any invading force would run into the Zagros Mountains. Still, this area has long been a vulnerability of Iran's, which is one of the reasons why Tehran has put so much effort into dominating Shia Iraq and the Iraqi government. Unfortunately for any U.S. president looking to invade Iran, Tehran has largely succeeded in this effort, closing it off as a potential base from which America could attack Iran.

Thus, the United States would have to invade Iran from its southern coastline, which stretches roughly 800 miles and is divided between waterfront adjoining the Persian Gulf and Gulf of Oman. Iran has been preparing for just such a contingency for the better part of a quarter of a century. Specifically, it has focused on acquiring the capabilities to execute an anti-access/area denial strategy against the U.S. utilizing a vast number of precision-guided and non-smart missiles, swarm boats, drones, submarines and mines.

As always, Iran benefits in any A2/AD (anti-access anti-denial) campaign from the geography of the Iranian coastline; in *The Revenge of Geography*, Robert Kaplan observed of Iran's coastline, "its bays, inlets, coves, and islands [make] excellent places for hiding suicide, tanker-ramming speed-boats." He might have added hiding ground-launched missile systems.

Michael Connell, director of the Iranian Studies Program at CNA, further reflected: "Geography is a key element in Iranian naval planning. The Gulf's confined space, which is less than 100 nautical miles wide in many places, limits the maneuverability of large surface assets, such as aircraft carriers. But it plays to the strengths of Iran's naval forces, especially the IRGCN (Islamic Revolutionary Guard Corps Navy). The Gulf's northern coast is dotted with rocky coves ideally suited for terrain masking and small boat operations. The Iranians have also fortified numerous islands in the Gulf that sit astride major shipping lanes."

All of this plays into an Iranian A2/AD strategy. Back in 2012, the Center for Strategic and Budgetary Assessments (CSBA) studied how Iran would use A2/AD against the United States, stating:

"Iran... is developing an asymmetric strategy to counter U.S. operations in the Persian Gulf. This strategy may blend irregular tactics and improvised weapons with technologically advanced capabilities to deny or limit the U.S. military's access to close-in bases and restrict its freedom of maneuver through the Strait of Hormuz. Iran's 'hybrid' A2/AD strategy could exploit the geographic and political features of the Persian Gulf region to reduce the effectiveness of U.S. military operations. Such an approach may not, in itself, be a war-winning strategy for Iran. Significantly raising the costs or extending the timelines of a U.S. military intervention may, however, create a window of opportunity for Iran to conduct acts of aggression or coercion."



War with Iran is Not Easy



Advancing in a Time of Crisis

As this implies, the United States would sustain significant damage and casualties trying to establish a beachhead in southern Iran. America's challenges would not end with establishing this beachhead, however, as it would still have to conquer the rest of Iran.



Financial Crisis Report

Once again, geography would work to Iran's advantage, as almost all of Iran's major cities are located in the north of the country and reaching them would be a herculean challenge under the best of circumstances. For starters, the terrain—as always—would be challenging to transverse with a large invading force. More importantly, Iran is enormous.

Of course, U.S. forces would not be operating under the best of circumstances. In fact, Iran's Revolutionary Guards Corps (IRGC) has long planned on mounting an insurgent and guerrilla campaign against an invading force trying to reach Iran's northern cities from its coastlines. Referred to by the IRGC as a "mosaic defense," the plan would incorporate the joint efforts of the IRGC, Basij and regular armed forces. Connell describes it as follows:

The mosaic defense plan allows Iran to take advantage of its strategic depth and formidable geography to mount an insurgency against invading forces... As enemy supply lines stretched into Iran's interior, they would be vulnerable to interdiction by special stay-behind cells, which the IRGC has formed to harass enemy rear operations.

The Artesh, a mix of armored, infantry and mechanized units, would constitute Iran's initial line of defense against invading forces. IRGC troops would support this effort, but they would also form the core of popular resistance,

the bulk of which would be supplied by the Basij, the IRGC's paramilitary volunteer force. The IRGC has developed a wartime mobilization plan for the Basij, called the Mo'in Plan, according to which Basij personnel would augment regular IRGC units in an invasion scenario.

IRGC and Basij exercises have featured simulated ambushes on enemy armored columns and helicopters. Much of this training has been conducted in an urban environment, suggesting that Iran intends to lure enemy forces into cities where they would be deprived of mobility and close air support. Iran has emphasized passive defense measures—techniques used to enhance the battlefield survivability—including camouflage, concealment and deception.

In Iraq and Afghanistan, the United States found that conquering a country is the easy part. It's the occupation that proves costly. While occupying Iran would be at least as difficult as the Iraqi and Afghan occupations, even invading Iran would prove enormously challenging. Consequently, while conquering Iran is the most sustainable way to prevent it from building a nuclear weapon, Washington is unlikely to attempt to do so anytime soon.

So, it looks as though the only way to stop Iran from building a nuclear bomb would be to drop one on them. But does anybody ever want to go there?

And so the beat goes on.

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.



Miyoshi Law

**1055 Wilshire Blvd.
Suite 1890
Los Angeles, California 90017
U.S.A.**

**Phone: +1-310-378-0615
Fax: +1-310-378-0000
E-mail: david-miyoshi@us.mcmillanwoods.com
www.mcmillanwoods.com**

If you would like to unsubscribe to this newsletter please email to info@mcmillanwoods.com