



***CED Public Policy Watch  
Weekly News Round-up  
November 18, 2022***

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**1. DEVELOPMENTS ON UKRAINE**

**Missile hits Poland:** On Tuesday, a missile [hit](#) equipment used for drying grain in Przewodów, about 15 miles from the Ukrainian border, killing two farmers. In response, the Polish government requested an emergency meeting of NATO ministers under Article 4 of the NATO Treaty, under which a NATO meeting can be called when the “territorial integrity, political independence or security” of a member is under threat. It later emerged that the missile was apparently fired as part of Ukrainian defenses; Polish President Andrzej Duda [called](#) the attack an “unfortunate incident” with “no indication” it was a deliberate attack. NATO Secretary General Jens Stoltenberg [said](#) that the incident “is not Ukraine’s fault. Russia bears the ultimate responsibility.” Russia [claims](#) it is not targeting areas within 35 kilometers of the Polish border. The Russian attack on Tuesday was part of a barrage of about 85 Russian missiles [targeting](#) energy infrastructure in Ukraine; the strikes [damaged](#) 15 energy infrastructure sites and left seven million homes without power. Moldova [suffered](#) blackouts from damage to the Ukrainian grid. Russian attacks on Thursday [hit](#) critical infrastructure in Odesa and Dnipro.

**US-Russia talks:** US Director of Central Intelligence William Burns [met](#) in Turkey with Sergei Naryshkin, the head of Russia’s SVB foreign intelligence service. The Administration said that Burns was “not conducting negotiations of any kind” or “discussing settlement of the war in Ukraine” but delivering a [warning](#) “not to use nuclear weapons” as well as raising cases of US prisoners in Russia. A US spokesperson also said that Ukraine had been briefed in advance on this trip and that “[w]e firmly stick to our fundamental principle: nothing about Ukraine without Ukraine.”

**General Milley's remarks:** Chairman of the Joint Chiefs of Staff General Mark Milley [said](#) that “[t]he probability of a Ukrainian military victory – defined as kicking the Russians out of all of Ukraine to include what they claim as Crimea – the probability of that happening anytime soon is not high, militarily.” However, he added that “there may be a political solution where, politically, the Russians withdraw. That’s possible,” given that Russia “right now is on its back. The Ukrainians have achieved success after success after success. And the Russians have failed every single time. They’ve lost strategically, they’ve lost operationally, and I repeat, they lost tactically.” Secretary of Defense Lloyd Austin [noted](#) that Ukraine “has to keep the pressure on the Russians going forward and I think [a] winter fight favors the Ukrainians.”

**G-20 meeting:** Meeting in Bali as Russian missiles struck Ukraine, the leaders of the Group of 20 (G-20) spent a considerable portion of the meeting discussing the war. Indonesian President Joko Widodo stated that “[i]f the war doesn’t end, it will be difficult for the world to move forward,” adding that “[w]e should not divide the world into parts. We must not allow the world to fall into another Cold War.” Speaking virtually to the leaders, President Zelensky [proposed](#) a series of conditions to end the war, including that Russian troops must leave all of Ukraine, Russia must reaffirm Ukraine’s territorial integrity, and pay compensation for damage, as well as guaranteeing energy security and freeing prisoners of war. Russian Foreign Minister Sergei Lavrov [called](#) these terms “obviously unrealistic.” Zelensky also called for a postwar international conference to “cement key elements of the postwar security architecture” and prevent further “Russian aggression.”

After a debate lasting until midnight described as “[very, very tough](#),” the leaders issued a declaration [that](#) “deplores in the strongest terms the [Russian] aggression” against Ukraine and “demands its complete and unconditional withdrawal” from Ukrainian territory. While Russia and China opposed the use of the word “war,” its final text [stated](#) that the “war in Ukraine adversely impacts the global economy” and that “most members strongly condemned the war” while noting other views. The declaration also opposed threatening to use nuclear weapons

Indian Prime Minister Narendra Modi [called](#) for “a way to return to the path of ceasefire and diplomacy in Ukraine,” Chinese President Xi Jinping [opposed](#) “politicization” and “weaponization” of food and energy, and French President Emmanuel Macron, after meeting with President Xi, [said](#) that both leaders “call for respect for Ukraine’s territorial integrity and sovereignty.” However, the Chinese readout of the meeting stated only that “China stands for ceasefire, cessation of the conflict and peace talks.” Macron [said](#) later that China can play “a more important mediating role in the coming months, to prevent in particular a stronger return of ground offensives in early February,” arguing that “[t]here is space of convergence, including with the major economies China and India, to push Russia to de-escalate.”

**Grain deal:** The agreement between the UN, Turkey, Russia, and Ukraine for exports of Ukrainian grain was extended on Thursday until March with [reportedly](#) no changes at this time. Russian Foreign Minister Lavrov [said](#) that the UN had received written promises from the US and EU to remove obstacles to exports of Russian grain and fertilizers, an important Russian condition for renewal of the agreement. Turkey reported that the agreement has permitted the export of 11 million tonnes of grain, a sizeable percentage of the estimated 25.9 million tonnes [harvested](#) through September 9. (Some grain has been exported through land routes, and other grain remains in siloes.)

**German floating LNG terminal:** Germany completed its first floating terminal to receive shipments of liquefied natural gas (LNG) via sea, with many of these imports coming from the US. The country plans to build five floating terminals, each with a capacity of handling 5 billion cubic meters of LNG per year; two should be operational by the end of the year.

**NATO cyber defense:** NATO hosted a meeting in Rome focusing on cyber defense. Deputy National Security Adviser for Cyber and Emerging Technology Anne Neuberger [said](#) NATO must be “prepared to respond to cyber crises,” adding that “[w]e must be more nimble as an alliance . . . in providing direct, technical, and necessary support if a country faces a significant disruptive attack.”

## 2. PRODUCER PRICE INDEX UP 0.2 PERCENT IN OCTOBER

The Producer Price Index (PPI), measuring the selling prices received by domestic producers of goods and services, [rose](#) just 0.2 percent in October, following the same rise in September and no change in August. The modest increases of recent months are far slower than the increases experienced earlier in 2022 and in 2021; in the first three months of 2022, the index rose 1.2 percent, 1.1 percent, and 1.7 percent. Overall, over the last twelve months, producer prices have risen 8.0 percent, a decline from September’s 8.4 percent. Core PPI, a measure which excludes volatile food, energy and trade services, rose 0.2 percent in October as well and has risen 5.4 percent over the last twelve months.

The PPI for final demand goods rose 0.6 percent in October, the largest advance since June. In October, the PPI for gasoline rose once again by 5.7 percent, which accounted for 60 percent of the total increase in goods prices. Increasing goods prices were partly offset by a decline in the PPI for services of 0.1 percent in October -- the first full [decline](#) in that measure since November 2020 -- led by a decline in trade services of 0.5 percent and a decline of transportation and warehousing services of 0.2 percent. The PPI for services with these sectors excluded increased 0.2 percent.

## 3. RETAIL SALES RISE 1.3 PERCENT IN OCTOBER

Retail sales in October [rose](#) 1.3 percent month-over-month to \$694.5 billion and 8.3 percent from the previous year. Adjusted for inflation, sales were the strongest since February, rising 0.8 percent from September. While much of the increase was driven by higher gas prices, spending rose in many other categories as well. Spending on motor vehicles and parts also rose 1.3 percent in October from September, while retail sales excluding motor vehicles and parts rose by 1.2 percent. In services, spending in the category of “food services and drinking places” rose by 1.6 percent month-over-month, up from 0.9 percent in September. In its analysis of the retail sales figures, The Conference Board’s Economy, Strategy, and Finance Center [describes](#) the sales number as unexpectedly strong, and it does not expect this strength to continue as inflation and interest rates weigh on customers.

## 4. HOUSEHOLD DEBT RISES 2.2 PERCENT TO \$16.51 TRILLION

Aggregate household debt balances [rose](#) \$351 billion, or 2.2 percent, in the third quarter of 2022, reaching \$16.51 trillion, according to data collected by the New York Fed. Mortgage balances rose \$282 billion to \$11.67 trillion, and auto loans rose \$22 billion to \$1.52 trillion. In percentage terms, the fastest-rising form of debt was credit card debt, which climbed \$38 billion to \$925 billion, showing

consumers struggling with high inflation. Credit card debt has risen 15 percent over the past four quarters, the largest increase in twenty years. In the second quarter of 2020, personal saving [reached](#) a \$4.8 trillion annualized rate, more than triple its typical figure. As many cash relief programs from the pandemic have been discontinued and many normal consumption patterns resume, consumers are saving comparatively less and borrowing more.

## 5. INITIAL UNEMPLOYMENT CLAIMS DECLINE SLIGHTLY

The Department of Labor [reported](#) Thursday that initial claims for unemployment insurance, a weekly indicator of labor market health, were 222,000 for the week ending November 12, a decrease of 4,000 over the previous week's revised level, retracting some of last week's increase. The 4-week moving average was 221,000. This level of claims is moderate by historical standards and below the July highs of 261,000. The Conference Board's latest economic [forecast](#) shows the unemployment rate rising to 4.3 percent, well above its current level of 3.5 percent, by the second quarter of next year.

## 6. MANUFACTURING INDICATORS MIXED

Monthly Federal Reserve data on manufacturing activity this week showed significant weak growth and declines in the sector. The Federal Reserve's index of monthly industrial production, which covers manufacturing, mining, and electric and gas utilities, [decreased](#) 0.1 percent. Though manufacturing edged up by 0.1 percent, it was outweighed by a 0.4 percent decline in mining and a 1.5 percent decline in utilities. Capacity utilization, a measure that divides actual production by an estimate of sustainable maximum output, was flat for manufacturing but declined 0.5 percent for mining and 1.2 percent for utilities. The New York Fed's Empire State Manufacturing Survey [reported](#) overall business activity edged slightly higher. The headline index climbed 14 points to 4.5, a return to positive territory from last month's -9.1 figure. New orders, the most leading indicator of activity, declined slightly at -3.3, while the shipments index was 8.0, demonstrating falling demand and rising supply. Consistent with greater supply and lesser demand, inventories rose (16.5). The Philadelphia Fed's Manufacturing Business Outlook Survey, which covers the Third Federal Reserve District [turned](#) sharply negative at -19.4, the third consecutive negative reading and the lowest since May 2020. The index for new orders was little changed at -16.2, but the current employment index fell 21 points to 7.1. A positive figure means more participants are reporting rising employment than falling employment, but the decline in the index is consistent with firms slowing their pace of hiring.

## 7. FED VICE CHAIR TESTIFIES ON CRYPTOCURRENCY

Federal Reserve Vice Chair for Supervision Michael Barr [testified](#) before Congress this week, focusing on cryptocurrency and noting that "recent events remind us of the potential for systemic risk if interlinkages develop between the crypto system that exists today and the traditional financial system. Crypto-asset-related activity, requires effective oversight that includes safeguards to ensure that crypto companies are subject to similar regulatory safeguards as other financial services providers." While this is "no easy task" and the Fed did not want to "stifle" innovation, Barr said that "when regulation is lax or behind the curve, it can facilitate risk taking and a race to the bottom that puts consumers, businesses, and the economy in danger and discredits new products and services with consumers and investors." The Fed is working closely with the Office of the Comptroller of the Currency and the Federal Deposit

Insurance Corporation on these issues, particularly as they relate to banks. Barr reiterated the Fed's position on "stablecoins," which "can be subject to destabilizing runs and require strong federal prudential oversight to mitigate their potential for economic harm. That is especially the case for stablecoins that aim to function as private money." He endorsed legislative action on crypto-assets and stablecoins. Following the bankruptcy of cryptocurrency company FTX, the company [said](#) that "there could be more than one million creditors in its Chapter 11 cases.

## **8. FURTHER MIDTERM ELECTION RESULTS**

Democrats retained control of the Senate after Catherine Cortez Masto won reelection in Nevada, ensuring 50 seats; the final seat will be decided in a runoff in Georgia on December 6. As of 3:00 PM Thursday, Republicans had gained control of the House with 218 seats, a gain of 9, with several seats not yet called. Speaker Nancy Pelosi will step down from House leadership, forcing an election for House Minority Leader. Secretary of State Katie Hobbs was [elected](#) Governor of Arizona, the third state to flip from Republican to Democrat. In state legislative races, Democrats [gained](#) control of the Michigan House and Senate and the Minnesota Senate and did not lose a state legislative chamber -- the first time the President's party did not lose a state legislative chamber in midterm elections since 1934.

## **9. MOUNTAIN VALLEY PIPELINE SUPPLEMENTAL EIS**

The US Forest Service issued a [notice](#) that it is preparing a Supplemental Environmental Impact Statement (SEIS) for the Mountain Valley Pipeline (MVP) project, which crosses 3.5 miles of Forest Service land. While the need to prepare an SEIS results from a January 2022 decision of the US Court of Appeals for the Fourth Circuit vacating the Forest Service's two previous administrative reviews in 2017 and 2021 it is also notable that the agreement this summer between the President and Senator Joe Manchin (D-WV) which led to enactment of the Inflation Reduction Act included the Administration agreeing to support a bill reforming permitting and explicitly mentioned the MVP. However, the House declined to adopt a provision specifically permitting approval for the MVP as a part of its budget reconciliation resolution in September, leaving the Administration with a decision on whether or not to seek permitting the pipeline through an SEIS. The Forest Service now proposes to amend its relevant land management plan as necessary to permit the MVP to cross Forest Service land, under conditions to be determined through the SEIS. The agency expects to prepare a draft of the SEIS by January, which will be subject to a 45-day comment period, and to issue a final SEIS by Summer 2023.

## **10. BIDEN-XI MEETING**

The President [met](#) with Chinese President Xi Jinping for three hours before the beginning of the G-20 Summit in Bali; after the meeting, the President [said](#) that "I absolutely believe there need not be a new Cold War" between the US and China. In his opening remarks, the President said "[t]he world expects, I believe, the U.S. and China to play a key role in global challenges, from climate change to food insecurity, and for us to be able to work together. The United States stands ready to do just that. In response, President Xi said that "China-U.S. relations currently face a situation that is not in the interests of the two countries, their peoples or the expectations of the international community. As the leaders of China and the United States, we must take the helm and steer the bilateral relationship in the right direction." The US readout of the meeting stated that the President said that while the US would

continue to compete “vigorously” with China, competition “should not veer into conflict” and should be managed “responsibly”; the President also noted China’s “coercive and increasingly aggressive actions toward Taiwan” and reaffirmed that the US has not changed its one-China policy.

A major purpose of the meeting was simply to reset the relationship after a difficult year. The Chinese state-owned *Global Times* [noted](#) that both leaders were “shaking hands and smiling” and noted positively that “[t]his long-awaited scene between China and the US has timely relaxed and comforted the world’s tense emotions.” Secretary of State Anthony Blinken will visit China to promote cooperation in areas such as food security and climate change. A senior administration official told the press that “Lines of communication should be open. . . . The only thing worse than having contentious conversation is having no conversation at all.” Secretary of the Treasury Janet Yellen said that “first and foremost, the meeting today is intended to stabilize the relationship between the United States and China and to create a more certain atmosphere for U.S. businesses so they understand what to expect.” On the question of supply chains involving China, she said that while the US wants “a more secure and more resilient supply chain. But certainly over a wide range of commercial activities — and U.S. firms doing business in China — that’s certainly not something that we are intending to hamper.”

On Ukraine, the leaders [reaffirmed](#) that a nuclear war “should not be fought and can never be won and underscored their opposition to the use or threat of use of nuclear weapons in Ukraine”; a senior administration official briefing the press [said](#) that “I think there is undeniably a discomfort in Beijing about what we’ve seen in terms of reckless rhetoric and activity on the part of Russia. I think it is also undeniable that China is probably both surprised and a little bit embarrassed by the conduct of Russian military operations.” On Taiwan, President Xi [said](#) according to the Chinese readout of the meeting that “the Taiwan question is at the very core of China’s core interests, the bedrock of the political foundation of China-US relations, and the first red line that must not be crossed in China-US relations.”

International Monetary Fund Managing Director Kristina Georgieva [called](#) the meeting a “very constructive” development for the world economy, sending “a very significant message to the world that international cooperation is important for all of us,” noting the Fund’s estimates that further division of the world into geopolitical blocs could reduce global GDP by between \$1.4 and 3.5 trillion. She also said that “China recognizes that there has to be a reliance on mutual cooperation because we see the Chinese economy being in a very tough spot.”

## 11. G-20 MEETING

The Group of 20 (G-20) countries met in Bali, Indonesia this week. Because of conflicts over the war in Ukraine, the G-20 issued a “[leaders’ declaration](#)” rather than a joint communique which would have required unanimity from all countries, including Russia. The leaders [focused](#) on global food security, agreed to “stay agile and flexible” in macroeconomic policies while promoting price stability through central banks, expressed concern about the “deteriorating” debt postures of some middle-income countries, and promoted pledges of \$81.6 billion to support vulnerable countries continuing to emerge from the pandemic facing food and energy crises distributed through the International Monetary Fund using countries’ Special Drawing Rights there. On climate change, the leaders resolved “to pursue efforts to limit” global temperature increases to 1.5 degrees Celsius above pre-industrial levels. Echoing the “recover together, recover stronger” theme of this year’s meeting, Indonesian President Joko Widodo



also [highlighted](#) an agreement to help countries prepare for future pandemics, the Financial Intermediary Fund, which has already received pledges of \$1.5 billion, and a separate agreement with the United States and Japan for \$20 billion in public and private financing to help Indonesia transition to renewable energy so the country can preserve its forests that absorb carbon.

## 12. US-ASEAN STRATEGIC PARTNERSHIP

During the summit of the Association of Southeast Asian Nations (ASEAN) in Phnom Penh, Cambodia, the President and ASEAN [announced](#) a “comprehensive strategic partnership” with the bloc of ten countries and nearly 700 million people to promote cooperation in areas such as climate change. Singapore Prime Minister Lee Hsien Loong said that “ASEAN has greatly benefitted from the US’ presence in the region. At the same time, ASEAN believes that we can be a useful partner to the US”; he specifically called on US companies to work in ASEAN’s energy sector, including developing renewable energy sources and upgrading power grids. The President [said](#) the agreement will promote work on “the biggest issues of our time” and help to build “an Indo-Pacific that’s free and open, stable and prosperous, and resilient and secure.” The new agreement gives the US the same status as China as a partner of the regional bloc. So far this year, the US has provided over \$860 million in assistance to member countries of ASEAN.

## 13. EGYPT CLIMATE CONFERENCE CONTINUES

The Conference of Parties (COP 27) of the Paris Agreement continued in Sharm el-Sheikh, Egypt. The COP is scheduled to end on Friday November 18; few if any new major agreements are expected. Negotiations on carbon markets, defining a goal for climate adaptation, and providing funds for climate adaptation and damage have been [contentious](#), with the most likely outcome to move discussions on climate finance to next year’s conference in the United Arab Emirates. Pakistan’s climate change minister representing the G77 group of developing countries [said](#) Thursday the discussions were at a “pivotal moment.” The US and the EU oppose binding provisions on climate finance. As of Thursday, a [proposal](#) from India, the EU, and the US calling for the phasedown of all fossil fuels was not in the official text for the formal statement of the conference. Brazilian President-elect Luis Inacio da Silva [spoke](#), saying “there is no planetary security without a protected Amazon” and Brazil “will do whatever it takes to have zero deforestation and degradations of our biomes.” Brazil, Indonesia, and the Democratic Republic of the Congo -- three major rainforest countries -- agreed to joint work on forest conservation.

## 14. UK BLOCKS CHINESE TAKEOVER OF SEMICONDUCTOR COMPANY

On Wednesday, the UK Government [blocked](#) Nexperia, a Netherlands-based but Chinese-owned manufacturer of semiconductors used in power management in electronic devices, from purchasing Welsh company Newport Wafer Fab on the ground that the transaction poses “a risk to national security” from “technology and knowhow that could result from a potential reintroduction of compound semiconductor activities at the Newport site, and the potential for those activities to undermine UK capabilities.” The Department for Business, Energy and Industrial Strategy also noted that the transaction “could facilitate access to technological expertise and knowhow” in a south Wales cluster of companies which might “prevent the Cluster being engaged in future projects relevant to national security.” Nexperia plans to appeal the decision.

## 15. MONKEYPOX UPDATES

As of November 16, the [US has confirmed](#) a total of 28,999 cases of monkeypox. States with the highest case numbers include California (5,547), New York (4,144), Texas (2,790), Florida (2,781) and Georgia (1,937). [Globally](#), 79,655 cases have been confirmed, with 78,682 cases confirmed in locations that have not historically reported monkeypox. The countries with the highest case numbers include the US (28,999), Brazil (9,637), Spain (7,377), France (4,102), and the UK (3,703). A total of thirty-seven deaths have been reported in locations that have not historically reported monkeypox.

On Tuesday, the FDA [issued](#) an emergency use authorization (EUA) for Roche's test for detection of DNA from monkeypox virus. Roche's test is a [real-time PCR test](#) for the qualitative detection of monkeypox viral DNA in lesion swabs collected from individuals suspected of monkeypox virus by their health care provider. The tests will be reported on the Swiss company's cobas system, which can also detect viral DNA from HIV, hepatitis B, and hepatitis C. "When multiple clusters of monkeypox virus infection were initially reported in countries where the disease is not endemic, Roche was among the first companies to address virus concerns with test kits," said Thomas Schinecker, CEO of Roche Diagnostics.

## 16. PANDEMIC NEWS

**Administration seeks more COVID funding:** On Tuesday, the White House mounted an effort to secure money from Congress for future COVID-19 vaccines and treatments. The request includes \$8.25 billion for COVID-response efforts, including a successor to Operation Warp Speed called "Project Covid Shield," intended to jump-start vaccines and treatment. Officials are debating adding an additional \$2 billion for other public health efforts, including \$1 billion for global COVID response and \$750 million for combating other diseases such as monkeypox and hepatitis C. Senior health officials and experts assert that new funding is desperately needed in the form of public education campaigns around boosters and development of new vaccines and treatments that work against future variants. Beyond approximately \$10 billion for public health, the [request](#) also includes funds for Ukraine and disaster relief in Florida.

**Parents Missing Work:** In October, a record high of 104,000 Americans missed work due to "childcare problems," according to [data](#) from the Bureau of Labor Statistics. The figure was driven by many children [falling sick](#) to COVID-19, RSV, and flu. RSV has hit children particularly hard this season. An illness that usually causes mild symptoms has already landed many in [pediatric intensive care units](#), putting strain on hospital systems across the country. Infectious-disease specialists say a confluence of factors, including weakened immune systems from COVID-19, could be contributing to the [recent spike](#) in viral illnesses. In addition, it is possible that "pandemic babies" protected from viral pathogens due to social distancing are now falling ill. "When you have so many workers out unexpectedly, it's a quiet drag on productivity," said Sarah House, senior economist at Wells Fargo. "Child care has always been an impediment for working parents, but the problems with inconsistent child care that we've seen more recently — your child is sick or has to quarantine, or day care is closed — is making it really difficult for working parents to weave back into the labor force."

**Moderna bivalent booster:** Moderna announced Monday that a booster of its bivalent COVID-19 vaccine [performs better](#) against the BA.4 and BA.5 versions of the Omicron variant compared with a booster shot of its original formula. According to a [press release](#), new data from a Phase 2-3 clinical trial



shows the bivalent vaccine triggered antibody responses against the variants that were on average 15.1-fold higher compared with the prototype vaccine. Moderna noted that preliminary analysis suggests the vaccine also showed “neutralizing activity” against BQ.1.1, a descendant of BA.5, which comprises a growing portion of cases.

**Elevated risk of blood clots and stroke:** New studies confirm that some people will develop an [elevated risk](#) of blood clots, strokes, or heart attacks following infection from COVID-19. One recent [study](#) in the journal *Heart*, associated with the *British Medical Journal*, tracked 54,000 people in the UK for 4.5 months and concluded that those who had been infected with COVID-19 were 2.7 times more likely to develop venous thromboembolism than those who had never been infected. A September [study](#) by the American Heart Association published in *Circulation* found that the risk of deep vein thrombosis was nearly double in those who had been sick with COVID-19 compared to those who had not had the illness. A consensus is forming that the lasting damage of COVID-19 is heightened inflammation, a necessary part of immune response but dangerous when it remains in high gear.

**Japan eighth wave:** Japan’s [eighth COVID-19 wave](#) is expected to be its most severe, surpassing the record-setting seventh wave, according to a panel of experts advising the health ministry. Japan’s daily COVID-19 cases [totaled](#) 106,689 on Wednesday, topping 100,000 for the second straight day. The northern island of Hokkaido and Nagano in central Japan reported record infections, and Tokyo saw 10,114 cases. Recent drops in temperature mean many people have found it difficult to ventilate their homes and businesses, likely contributing to the spread of the virus, noted Takaji Wakita, chair of the advisory board. Waning immunity is also a large contributing factor. Estimates by epidemiologist Hiroshi Nishiura of Kyoto University show that less than half of Japan’s population has immunity against BA.5, the country’s current dominant strain.

## 17. COUNTRY SPOTLIGHT: CHINA

Late Monday evening, residents under COVID-19 lockdown in China’s southern manufacturing hub of Guangzhou [revolted](#) over the city’s ongoing repressive lockdown. Residents tore down barriers meant to confine them to their homes and took to the streets in defiance of the strictly enforced local lockdown orders, according to video and images circulating on social media. Residents filled the streets after dark in the city’s Haizu district, the epicenter of the city’s outbreak, which has been under increasingly strict lockdown policy since November 5. The [area](#) is home to poorer itinerant laborers who have complained of not being paid if they are unable to come to work because of the lockdown; coupled with food shortages and skyrocketing prices, this has built enormous tension. Additionally, a rumor circulated that the testing companies are faking PCR results to artificially boost the number of infections. Footage shows residents overturning police vehicles, resulting in the deployment of riot teams. The public protest – rare in a country where authorities keep such tight control over citizen dissent – is another sign of the growing public anger over the county’s zero COVID policies. Guangzhou reported approximately 5,100 new COVID-19 cases on Tuesday, the majority of them asymptomatic.

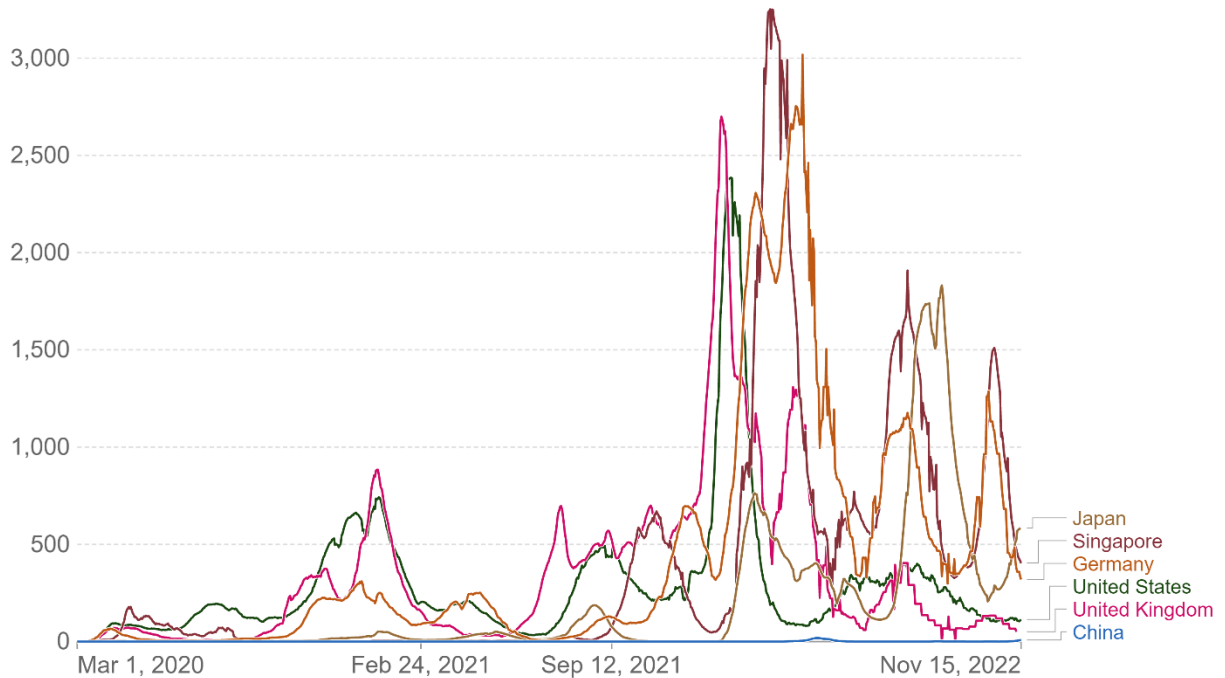
Despite civil unrest and continued economic toll, China’s ruling party called for [strict adherence](#) to its zero COVID policy on Tuesday. The *People’s Daily*, the Communist Party’s flagship newspaper, said in an editorial that China must “unswervingly implement” mass obligatory testing and lockdowns. Officials in Hebei Province in northern China announced that the capital city of Shijiazhuang would halt mass testing, leading to speculation that the population would be used as an experiment to determine what

would happen if the virus was allowed to spread unchecked. The hashtag ShijiazhuangCovidprevention spread across social media platforms. A day later, the city reopened free testing centers after just one day of closure. Beijing also closed some testing centers in recent days but reopened many of them on Tuesday. On Tuesday, China reported 17,772 new cases of COVID-19 over the previous 24 hours.

## Daily new confirmed COVID-19 cases per million people

7-day rolling average. Due to limited testing, the number of confirmed cases is lower than the true number of infections.

Our World  
in Data



Source: Johns Hopkins University CSSE COVID-19 Data

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