

WEEK 7, 2020

THE EPOCH TIMES

CHINA INSIDER

**Attorney General Warns
of Chinese Regime's
'Technological Blitzkrieg' on US 7**

An illustration of the 2019-nCoV from the Centers for Disease Control and Prevention's Public Health Image Library.

IS THE **CORONAVIRUS** A **BIOWEAPON?**

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A laboratory technician works on samples from people to be tested for the novel coronavirus at "Fire Eye" laboratory in Wuhan in China's central Hubei Province on Feb. 6, 2020.

OPINION

Is the Coronavirus a Bioweapon?

A look at the Chinese regime's biological warfare intentions, capabilities

STEVEN W. MOSHER



No less a figure than Dr. Francis Boyle, an expert on biowarfare, believes that "the coronavirus that we're dealing with here is an offensive biological warfare weapon."

Speaking of Wuhan's Institute of Virology, which is at the epicenter of the epidemic, he added that there have "been previous reports of problems with that lab and things leaking out of it."

For Boyle to be correct, the Chinese regime would have to have both the intention and the capability to develop such a bioweapon, but does it?

It's no secret that the Chinese Communist Party (CCP), despite being a signatory to the United Nations' Biological Weapons Convention, which bans biological weapons, regards the development of bioweapons as a key part of achieving military dominance. The vice president of China's Academy of Military Medical Sciences, He Fuchu, said in 2015 that biomaterials were the new "strategic commanding heights" of warfare.

People's Liberation Army (PLA) Gen. Zhang Shibo went even further in his 2017 book "War's New High Land," claiming that "modern biotechnology development is gradually showing strong signs characteristic of an offensive capability," including the potential for "specific ethnic genetic attacks."

To be perfectly clear, what Zhang is talking about are bioweapons that kill other races, but for which people who look like him would have a natural or acquired immunity. Those who might counter by saying that this is just a wild-eyed general who doesn't necessarily speak for the communist leadership, bear in mind that Zhang was a full member of the 18th Central Committee (2012-2017) and is a former president of the National Defense University.

So as far as intentions are concerned, I think the evidence is indisputable that the CCP would develop offensive biological warfare weapons if it could. But can it? What do we know about China's capabilities?

We know that China has mastered CRISPR technology, which enables the kind of gene-spllicing that's needed to create a biological superweapon. After all, it was a Chinese scientist, He Jiankui, who announced that he had re-engineered the human genome to make it resistant to HIV, a feat for which he recently received a three-year prison sentence.

If you're intent upon genetically engineering offensive biological warfare weapons, you also need a very secure facility to ensure that they don't escape from containment. After all, you're taking dangerous pathogens such as SARS, Ebola, and various strains of coronavirus and trying to make them even more deadly. China only has one such Level 4 microbiology lab, the Wuhan Institute of

Virology, and it's located in—you guessed it—the city of Wuhan.

Finally, in addition to the technology and the facilities, you need raw biomaterial. This means laying your hands on the deadliest viruses to be found in nature, into which you can engineer characteristics that make them even more deadly. Some ways of doing this include enhancing human-to-human transmission of a virus originally harvested from another species, or increasing the latency period before an infected person begins to show symptoms.

There is incontrovertible evidence that the Wuhan lab has acquired some of the deadliest coronaviruses on the planet. It's also worth noting that just last year, two Chinese nationals, husband and wife team Drs. Cheng Kedong and Qiu Xiangguo, were removed from the National Microbiology Lab in Winnipeg by the Royal Canadian Mounted Police as part of an intellectual property theft investigation. The lab is Canada's only Level 4 microbiology lab, which is to say, it's the same type of lab the Chinese operate in Wuhan. Qiu is known for working on the Ebola virus, while her husband has published studies about SARS. The RCMP investigation noted that both made frequent trips back to the Wuhan lab.

The bottom line is that China has everything it needs to create a deadly bioweapon: the technology, the facility, and the raw biomaterial.

Much ink has been spilled by The Washington Post and other mainstream media outlets to try to convince us that the deadly coronavirus is a product of nature rather than nefariousness, and that anyone who says otherwise is an unhinged conspiracy theorist.

When a group of Indian virologists published a paper suggesting that the novel coronavirus contains insertions that resemble HIV gene sequences, they were widely attacked, and the paper was withdrawn for revision. The paper's critics claimed that the supposed HIV insertions didn't enable the novel coronavirus to cripple human immune systems, as HIV itself does, by attacking white blood cells, or lymphocytes, that fight infections.

In fact, there is evidence that the novel coronavirus can indeed cause "progressive lymphocyte reduction." But even if there weren't, that wouldn't prove anything. The fact that a bioweapon under development doesn't work as well as intended isn't proof that it's not a bioweapon, merely that it wasn't yet ready to deploy. And, whether it was a bioweapon-in-the-making or not, there seems little reason to doubt that the coronavirus escaped from the Wuhan Institute of Virology.

Proximity suggests causation. After all, if the first coronavirus infection were a simple result of accidental animal-to-human transmission as claimed, this could have occurred anywhere in China. How curious that the epicenter of the epidemic just

happens to be in a city of 11 million people where China's only Level 4 lab is located. Chance? I think not.

Add the fact that China has a history of similar lab accidents. In 2004, for example, the SARS virus leaked from a Beijing lab twice (!) and caused an outbreak of the disease. The Wuhan facility may have been state-of-the-art, but Chinese safety standards, in general, are notably lax. And if Chinese scientists were under rush orders to research and develop bioweapons, corners would almost surely be cut.

Another reason to think that the world is dealing with something more than mere incompetence here is the reaction of CCP officials. Beijing has gone to truly extraordinary lengths to cover up the widening outbreak. Coronavirus test kits are rationed so that most of the cases go undiagnosed. Most of the deaths are attributed to other causes, such as pneumonia. Funerals have been banned, and corpses are being rushed to the crematoria without any paperwork. The ovens in the Wuhan crematoria are going day and night to destroy the evidence of the true scale of the outbreak.

Early on in the outbreak, authorities even arrested eight doctors whose "crime" was that they reported the large number of cases of a new viral infection that they were seeing in their hospitals. They were accused of "making false statements" and "spreading rumors," and were released only after they signed confessions. They are now being viewed by the public at large as heroes, especially since one of the original whistleblowers, Dr. Li Wenliang, has now died from the disease.

As far as the source of the epidemic is concerned, the authorities were equally duplicitous. They first pointed to the snakes and bats supposedly being sold at the Wuhan seafood market, and shut the market down. But it soon came out that snakes don't carry coronaviruses and that bats—which do—weren't sold at the market.

There is one final piece of evidence that for me, as a China hand, supports the theory that the coronavirus is an escaped Chinese bioweapon. There is a rumor going around on the Chinese internet that the United States has deliberately unleashed an American bioweapon on the Chinese population. Tellingly, such absurd claims aren't being censored by authorities, while accurate reporting on the outbreak is. It's very much in character for the Communist Party leaders to blame their chief geopolitical rival for crimes that they themselves commit.

With its lies and evasions, is the Party simply trying to cover up its incompetence in controlling the outbreak? Or are its leaders also trying to hide something much more serious: their criminal complicity in the outbreak's origins? Even taking into account the Party's penchant for secrecy, the multiple levels of deception engaged by communist officials over the past couple of months, including those at the highest

The bottom line is that China has everything it needs to create a deadly bioweapon: the technology, the facility, and the raw biomaterial.

levels, have been extraordinary.

We may never know for certain whether the novel coronavirus was intended to be used as a bioweapon. But we do know that the major Western print, broadcast, and social media are all doing their best to dismiss the very possibility as a paranoid fantasy.

But—as the old joke goes—it's not paranoia if they're really out to get you. And, on this point, the evidence is clear. We know—because PLA generals have told us so—that their researchers are racing to develop lethal bioweapons as fast as their theft of Western technology and stolen virus samples will allow. And it's a most reasonable supposition to assume that, because of this push to develop a deadly bioweapon, safety standards were neglected at the virology institute in Wuhan, and the deadly coronavirus managed to escape from the lab.

At the end of the day, whether the novel coronavirus had already been tinkered with before it reached the streets of Wuhan is (almost) of secondary importance. The CCP is clearly engaged in an effort to develop such a weapon as part and parcel of its strategy for the Chinese regime to replace the United States as the dominant power on the planet.

To put it another way, does anyone think that the CCP's leaders—once they had perfected a bioweapon to which they had a natural or induced immunity—would hesitate to unleash a deadly pandemic on the West to achieve its "China Dream" of world domination? Those who doubt that the leaders of the Communist Party would use such an "assassin's mace" need to tell us precisely what moral or ethical considerations would stay their hand. Because I can think of none.

I suspect that the only real surprise for the Chinese leadership in the novel coronavirus is that China itself has become ground zero for the outbreak that they had hoped to one day unleash on other countries.

There is an ancient Chinese saying that seems appropriate here.

"Picking up a rock [to throw at others], but dropping it on one's own foot."

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Views expressed in this article are the opinions of the author and do not necessarily reflect the views of The Epoch Times.

OPINION

China: Blowing Up Trust and Burning Bridges

Lasting impact of coronavirus will be the vast moral, leadership failures of Chinese regime

JAMES GORRIE



As the source of what appears to be the next global pandemic, China is blowing the perfect opportunity to build trust with the world.

Not that anyone held any illusions that the Chinese Communist Party (CCP) was a paragon of decency, but the coronavirus outbreak was a chance for the CCP to show its human side.

It turns out that it has none. Even so, nations are naturally sympathetic to the fact that the Chinese people are bearing the brunt of this very dangerous and deadly outbreak. Fortunately, the situation hasn't devolved into a world-against-China kind of thing.

Not yet, anyway. People of all nations still want to help.

But, per the CCP's typical modus operandi, the Party continues to lie or withhold information and key points regarding the outbreak.

The True Source of the Virus?

For example, where did the virus originate?

Did it just come from one or more of the wild animals kept in close proximity in the vast open market in Wuhan? Perhaps it did.

It's long been suspected that the devastating Spanish flu pandemic of 1918 came from birds and pigs living in close proximity for an extended period of time. Accordingly, some reports identify the coronavirus as one typically carried by bats and perhaps other wild or exotic creatures.

Another conclusion is that it was somehow transferred to humans by other animals, or from people consuming bats, or other wild beasts.

But is that really the case? Is the coronavirus outbreak yet another instance of people creating the perfect—and unnatural—close quarters circumstances for animal viruses to move from one species to another, mutating rapidly until one is finally able to make the jump to human adaptation?

Sounds plausible. But is that what really happened?

Other reports convey a very different

provenance of the virus, and of course, speculation is rampant.

Rumor or Conspiracy Theory?

In a narrative that includes names of people, places, timelines, and activities, it's alleged that in March 2019, the virus was smuggled out of Canada's National Microbiology Laboratory (NML) by Chinese doctors who also acted as agents for the Chinese regime. The NML is Canada's only Level 4 facility, one of just a few in North America that deal with highly contagious and deadly diseases such as Ebola, severe acute respiratory syndrome (SARS), et cetera.

What's more, Chinese scientists were subsequently expelled from the NML by Canadian authorities in July 2019. But according to recent online reports—from the BBC, no less—the entire theft-from-Canada scenario is a false rumor.

But is it?

Not according to Science magazine, which, among other news sources, reported the incident at the time. It turns out that in July, Chinese scientists were, in fact, kicked out of Canada's NML for a "policy breach." Furthermore, the matter wasn't swept under the rug, but was reported to the Royal Canadian Mounted Police (RCMP).

Do the folks at NML, Science magazine, and the RCMP know that everything they know about it is just a rumor or a conspiracy theory?

Actually, the facts of the breach are of critical importance to all of us.

The aforementioned report relates an assessment from James Giordano, a neurology professor at Georgetown University and senior fellow in biowarfare at the U.S. Special Operations Command, regarding the theft of a virus from NML. He noted that such a theft "could also mean that such an offensive agent could benefit China, which might have the only treatment or vaccine."

That's right. A vaccine to the coronavirus could already exist within China's Wuhan laboratory, possibly derived from the stolen virus. But Giordano isn't the only one talking about a potential vaccine. So are the Chinese, albeit from a different and controversial source.

The Associated Press reports that

Chinese scientists want patents on a drug that's already being made by Gilead Sciences, a U.S. pharmaceutical company. According to the report, "government-run Wuhan Institute of Virology ... applied for the patent in January along with a military laboratory."

The institute acknowledged the "intellectual property barriers," but said it was acting to "protect national interest."

Clearly, the Party has learned absolutely nothing from prior experience. Its behavior of deception, denial, and deflection hasn't changed one iota from one crisis to the next.

In fact, if anything, its behavior is further proof that it is unfit to lead China. Clear and accurate communication and open-handed cooperation are the most potent and efficient weapons against the spread of the coronavirus. But the Party leadership offers neither.

The CCP is more interested in suffocating the spread of information—even among its citizens, and stealing from the very nations that can help the most. It has withheld critical information from the public—and the world—during the SARS and African swine fever outbreaks, and it's doing so now, when the risks are even greater.

Evidently, the Party leadership fears the outbreak of information, the people's righteous anger against them, and the truth far more than it fears the coronavirus. Wouldn't it be fitting if the CCP became the next, and very last victim, of the outbreak?

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Chinese police march wearing masks during a duty change in Beijing on Feb. 3, 2020.

KEVIN FRAYER/GETTY IMAGES

ANALYSIS

Coronavirus Set to Hit China's Banking Sector, Small Businesses Hard

FAN YU

China has stepped up economic support measures in recent weeks to prop up a domestic economy straining under the novel coronavirus outbreak.

Most businesses and business activities have been halted since the Lunar New Year in late January. Some business activities will resume beginning Feb. 10, but the continuing spread of the virus is expected to have a debilitating effect on the world's second-biggest economy in early 2020.

In light of the slowing economic activity, Beijing regulators on Feb. 1 ordered the nation's banks to lower interest rates and extend payment deadlines on loans to help small and medium-sized enterprises (SMEs) to cope with lower revenues associated with the outbreak.

Two people familiar with the thinking of the China Banking and Insurance Regulatory Commission (CBIRC) confirmed to Reuters on Feb. 6 that Beijing regulators have asked the banking community in some cities

Today the coronavirus hit in the midst of weakening growth, an ongoing trade war with the United States, and secular changes within China's employment base.

to assess the impact of the outbreak on their borrowers and file regular reports to regulators.

China has restricted public transportation, canceled public events, and closed crowded public spaces. The vastly reduced foot traffic hurts consumer spending, and smaller businesses are often the first to suffer.

The economic damage will be severe. Economists looking back at the 2003 severe acute respiratory syndrome (SARS) outbreak are unlikely to find a relevant correlation. The consumer consumption sector is now a far higher proportion of Chinese economic growth.

"The contribution of consumption rose to 64 percent of growth in 2019, on a three-year average basis, from around 47 percent in 2003," according to a report by Moody's.

Other factors exacerbating the outbreak include the timing—just ahead of the key season for traveling and consumption during Chinese New Year—and the location. Hubei Province in central China is a major transportation and manufacturing hub along the Yangtze River Economic Belt.

SMEs are being hit especially hard. A

survey conducted by Peking University and Tsinghua University on almost 1,000 small and medium-sized companies found that 34 percent could only survive for one month or less on retained savings.

Another 33 percent said they can survive for two months, and 18 percent said their businesses could survive for three months, according to a report by Caixin, a Chinese financial magazine.

The financial relaxation measures enacted by CBIRC make sense in times of emergency. But for China and the Chinese Communist Party, they will have little impact beyond worsening existing systemic financial risks and other longstanding issues.

Even last year, banks were already struggling from an economic slowdown and mounting bad debt, especially small to midsize banks in China's western and rural areas.

Last year, CBIRC found in a stress test that 7.7 percent of lenders were at extreme risk of being unable to withstand a financial crisis, and 13.6 percent were at high risk, according to a Reuters report.

CORONAVIRUS

Funeral Home Officials in Wuhan Reveal Sharp Increase in Cremations

CATHY HE

A senior official at a crematorium in the coronavirus epicenter of Wuhan, China, says the facility's intake has skyrocketed in recent weeks, suggesting that more people are dying of the disease than officially reported.

Beginning around Jan. 22, the number of dead bodies received by the government-operated funeral home has drastically increased—peaking at 127 bodies on Feb. 3, the official said, adding that he's been seeing about four to five times the usual workload.

The official made the revelations during a Feb. 4 telephone call by an undercover reporter for the Chinese-language edition of The Epoch Times, who posed as a member of the central government task force overseeing the outbreak response. The publication is withholding the name of the official and funeral home to protect his identity.

The funeral home services eight of the government-designated hospitals for treating the virus, according to the official.

Four other Wuhan funeral homes that service such hospitals have also reported increases in their intake, based on undercover calls and revelations from crematorium workers.

All five facilities are among seven government-run funeral parlors with crematoriums in Wuhan. Three are in the downtown area, while the other four operate in suburban areas, according to the city's Civil Affairs Bureau.

Numbers on the Rise

The official's claim about an increase in cremations is similar to claims made by workers at several other Wuhan funeral homes.

An employee at Caidian Funeral Home, which is located in a Wu-

han suburb, recently told The Epoch Times that they need at least 100 body bags every day. The man, who identified himself as Mr. Yun, said that every funeral home in the city was facing the same situation.

A staff member at another Wuhan funeral parlor, who declined to be named, told The Epoch Times that since Jan. 28, around 100 workers at his facility have been working around the clock without food breaks. He said they use as many as 35 body bags each day.

In another undercover phone call to a senior official at another funeral home in Wuhan, the official said that the facility was cremating around 30 bodies every day.

Their claims add to mounting evidence that the communist regime is underreporting the number of infections and deaths from the illness.

On Feb. 1, Chinese health authorities announced mandatory cremation for people who died from the coronavirus.

The official at the first-mentioned funeral home said that about 60 percent of the bodies come from private homes, while 38 percent are transported from hospitals. Most of the corpses coming from homes are people who died from the new coronavirus, he said.

People who died at home from the virus are unlikely to have been officially diagnosed with the illness—given that diagnoses are issued at hospitals—and therefore don't count toward the official death toll.

Of the 127 bodies received by the crematorium on Feb. 3, eight were diagnosed with the virus, while 48 were suspected of having the illness, based on their death certificates, the official said. It's unclear what was specified as the cause of death for the remaining 71.

In five weeks, since the first official report of the disease, official

figures of the outbreak have risen sharply to nearly 40,000 infections and more than 800 deaths in China. However, the actual number of cases is likely to be far greater.

Previous reporting by The Epoch Times has shown that the number of infections is being underreported due to several factors: the shortage of testing kits at hospitals, meaning the number of confirmed cases are capped; hospitals being at overcapacity, meaning many patients are turned away and unable to be diagnosed or treated; and a culture of secrecy within the Chinese Communist Party that restricts the free flow of any information during crises that might undermine its authoritarian rule.

Patients who are suspected of contracting the illness but are unable to receive the accredited diagnosis aren't counted toward the official figures. Likewise, suspected patients who later die are

not part of the official death toll. Meanwhile, medical experts have estimated that the number of infections in Wuhan alone could be many times higher than the reported number. A Jan. 31 study published in the medical journal The Lancet estimated that more than 75,000 could have been infected in the city by Jan. 25.

Stretched to the Limit

The senior official at the first-mentioned funeral home said his staff of around 110 people has been stretched to the limit, working round the clock to transport bodies from hospitals and private homes and cremate them.

"We transport the bodies 24 hours a day," he said. "Now every single male employee is involved [in this task]. As long as they can still move, they will work."

The facility's 11 furnaces are cremating bodies nonstop every day, he said.

The official said that at this rate, he would need 40 to 50 additional staffers to keep up with the workload, adding that current staff hasn't taken a day off since Lunar New Year's Eve on Jan. 25.

"I'm on the brink of collapse," the official said.

"We are exhausted and can't get any rest," he added. "Now I would feel grateful if I can sleep for two or three hours a day."

The official added that he's been in touch with the Hankou Funeral Home, whose "workload is even heavier than mine."

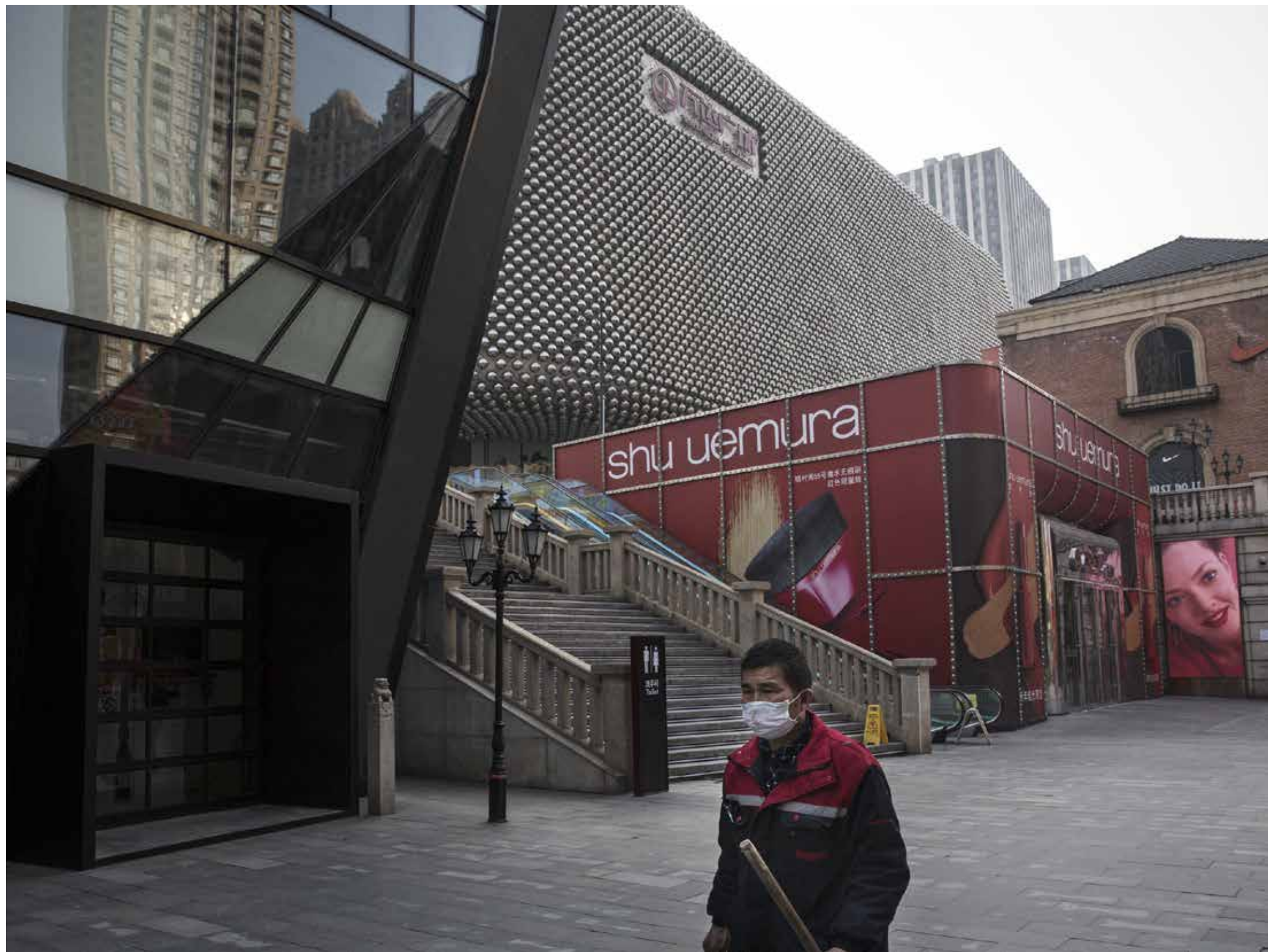
That facility, located in downtown Wuhan, is officially designated by authorities to cremate bodies of coronavirus victims from downtown Wuhan hospitals.

An undercover phone call by The Epoch Times to the Hankou Funeral Home confirmed that its crematorium is using 20 furnaces to cremate bodies around the clock.



Medical staff in protective clothes carry a patient suspected of having the virus from an apartment in Wuhan, Hubei Province, on Jan. 30, 2020.

GETTY IMAGES



A cleaner wears a protective mask as he walks down an empty street in Wuhan City, Hubei Province, China, on February 3, 2020.

'We Live in Fear Every Day': Burnt-Out Health Workers Prepare for the Worst in Wuhan

EVA FU

Qinqin, a hospital worker in coronavirus epicenter Wuhan, has written a will in case anything unexpected happens as she toils to fight off the deadly virus that has brought the city to a standstill.

The hospital administrator has not had a day off since the Lunar New Year more than two weeks ago, when the outbreak pushed hospitals across the city to the breaking point.

The common folk are waiting for death. Those in Wuhan are left to live or perish on their own at home.

Li, Wuhan resident

On any given day, around 600 patients would flock to the hospital where Qinqin works (not her real name), to seek diagnosis and treatment for the virus. She would often not leave the hospital until midnight.

About 70 frontline medical workers at Qinqin's hospital have contracted the virus, she told The Epoch Times. One of her colleagues, a man just over 30 years old, collapsed on the ground while working on Feb. 5. He later tested positive for the coronavirus.

A photo of a PowerPoint slide widely circulated over the internet, reportedly taken during a recent provincial-level coronavirus response conference, showed that 13 major hospitals in Hubei Province—Wuhan is the capital of Hubei—each had at least 15 medical workers who contracted the virus. One hospital had 101 infected health workers.

"It may be just a single slip: a face mask not adjusted right, or hands not washed properly, but the consequence is grim," Qinqin said.

'Live or Perish on Your Own'

Song, a retired doctor who was recently rehired at a private hospital, is among the scores of health workers who have been infected.

He became feverish around Jan. 18 while treating patients. Believing that he had contracted pneumonia, Song resorted to

IV drips and injections. In a week, his fever had shot up to 107 degrees Fahrenheit. Along with fever, he also had diarrhea, according to Li, Song's sister-in-law.

A doctor told them he was infected by the coronavirus, but the hospital didn't admit him, saying that "only when someone dies will they be able to check if there's a spot for him," Li told The Epoch Times.

Song is now at home and being taken care of by his wife and Li. Li said Song's diarrhea has since gotten worse. She said they protect themselves with glasses, masks, and hats while caring for Song at home.

They have lost contact with their neighbors and friends, as people have stopped visiting since the outbreak scare.

She also believed the death figures to be far higher than what's reported, saying that she witnessed staff at Wuhan Central Hospital "pulling dead bodies outside" when she took Song there to get injections.

"The common folk are waiting for death. Those in Wuhan are left to live or perish on their own at home," Li said. "What else can you do? There's no other way."

Devastation

One day while getting back home from a meeting at 11 p.m., Qinqin sat on the road curb and cried, letting a sense of despair sink in.

"We live in fear every day, but still we need to do our job well," she said.

Medical supplies have become a scarcity.

Qinqin said the facility has had to ration the medical equipment based on each area's "level of danger."

The hospital receives 200 donated masks daily, barely enough for one-fifth of the frontline workers alone, while the number of hazmat suits could only equip one department unit, according to Qinqin.

As restaurants have shut down across the city, sourcing food for the staff has also become a challenge. "Without donations from the public, all of the supplies at the hospital would have run out over this period. We would have been in a mess," she said.

"You asked whether I feel scared. I'm not sure either—because I don't know what day my life will be over," Qinqin said.



A doctor attends to a patient in an isolation ward at a hospital in Wuhan in central China's Hubei Province, on Jan. 30, 2020.

CHINESE IP THEFT

Top US Officials Sound Alarm on Chinese Theft of American Secrets



FBI Director Christopher Wray at the Department of Justice in Washington on July 15, 2019.

CATHY HE

The United States is aggressively pushing back against Chinese economic espionage and foreign influence activities, partnering with private enterprises, academia, and its allies to combat the threat, top U.S. officials said on Feb. 6.

The Chinese regime is deploying an “all-tools and all-sectors approach” to “steal their way up the economic ladder” at the United States’ expense, FBI Director Chris Wray told a Washington conference on the Department of Justice’s (DOJ) “China Initiative” program.

“That demands our own all-tools and all-sectors approach in response,” Wray said. In late 2018, the DOJ launched the China Initiative to crack down on state-sponsored theft of U.S. trade secrets and Beijing’s foreign influence activities. Since then, the department has brought dozens of China-related espionage cases against a variety of actors, including Chinese intelligence officers, Chinese and U.S. academics, and Chinese companies. Some of these actors are “non-traditional collectors,” such as Chinese graduate students participating in university research programs.

More than 80 percent of all economic espionage charges brought by federal prosecutors since 2012 have implicated China, according to the department.

The communist regime employs a wide range of techniques—such as cyber hacking, corrupting company insiders, and physical theft—to target valuable scientific and technical information held by the private sector and academia, Wray said.

“They are attempting to capture the benefits of our free society by outright stealing our technology. The stealing of technology is not a sideshow. It undergirds and propels their efforts,” Attorney General William Barr said at the same event.

Barr described the Beijing regime’s efforts as a “technological blitzkrieg” that poses an “unprecedented challenge to the United States.”

The technologies targeted for stealing can be found in Beijing’s “Made in China 2025” plan, which lays out core



FBI Director Christopher Wray testifies before the House Judiciary Committee on Capitol Hill in Washington on Feb. 5, 2020.

They are attempting to capture the benefits of our free society by outright stealing our technology. The stealing of technology is not a sideshow. It undergirds and propels their efforts.

William Barr, attorney general

technologies the regime aspires to dominate—including artificial intelligence, pharmaceuticals, and aerospace.

Since the launch of China’s industrial plan in 2015, the DOJ has brought trade-secret theft cases in eight of the 10 technology sectors that Beijing slated for aggressive development, Barr said.

The FBI has about 1,000 investigations involving China’s attempted theft of U.S.-based technology, in all 56 field offices, covering almost every industry and sector, Wray said.

In the 2019 fiscal year, the bureau arrested 24 people in China-related counter-intelligence cases, said John Brown, assistant director of the FBI’s counterintelligence division. In the current fiscal year, there already have been 19 arrests, he said.

Most recently, the DOJ announced three separate prosecutions relating to alleged actions to assist the Chinese regime: the chairman of Harvard University’s chemistry department was accused of lying about his ties to a Chinese recruitment plan that authorities say facilitates the transfer of sensitive U.S. research and technology to China; a Chinese military officer studying at Boston University was accused of concealing her ties to the military; and a Chinese researcher was charged with allegedly attempting to smuggle vials of stolen biological research.

To give a sense of the scale of the bureau’s efforts, Wray noted that all three

cases were investigated by just one of the FBI’s 56 field offices—Boston—and charged in just a little more than a month.

Working With Business, Academia DOJ and FBI officials said they are increasing their engagement with the private sector and academia to raise awareness about the threat of Chinese economic espionage.

This approach doesn’t mean that U.S. businesses and academic institutions should stop doing business with China, hosting Chinese guests, or welcoming Chinese students, Wray noted. But rather, firms and academia should “keep the long view in mind when engaging with China,” he said. “We’ve got to be clear-eyed and thoughtful about the threat from China and do everything possible to ensure a level playing field between our two countries,” Wray said.

The FBI is asking business executives to carefully consider the implications of working with Chinese firms, such as through a joint venture, he said.

“It might make a lot of money today,” he said. “But it might not look so great a few years down the road, when they find themselves bleeding intellectual property or hemorrhaging their most sensitive data.”

Officials are also encouraging universities to protect students from intimidation by foreign governments, to seek transparency in agreements with foreign institutions, and to conduct due diligence on foreign nationals working and studying on campuses, Wray said.



People touring Harvard Yard stop by the John Harvard statue just off Harvard Square in Cambridge, Mass., in this file photo.



Secretary of State Mike Pompeo holds a press briefing at the State Department in Washington on Jan. 7, 2020.

CHINESE INFLUENCE

Pompeo Warns US Governors About Chinese Influence

FRANK FANG

At a meeting of governors of U.S. states and territories, Secretary of State Mike Pompeo warned about China’s influence seeping into local politics.

“It’s [China] assessed our vulnerabilities, and it’s decided to exploit our freedoms to gain advantage over us at the federal level, the state level, and the local level,” Pompeo said during a Feb. 8 speech at the National Governors Association meeting held in Washington.

“Competition with China is not just a federal issue,” Pompeo said. “It’s happening in your states, with consequences for our

foreign policy.”

Among several examples he gave of such efforts by Beijing, China’s Consul General in New York City sent a letter last month to the speaker of the legislature in an unnamed state. Quoting from the letter, Pompeo said the Chinese diplomat urged U.S. officials to “avoid engaging in any official contact with Taiwan,” such as “sending congratulatory messages to the electeds” or “inviting officials in Taiwan to visit the United States.”

Pompeo said the letter illustrated a Chinese diplomat suggesting that an elected U.S. official “shouldn’t exercise his right to freedom of speech.”

China considers Taiwan a renegade prov-

ince that must be united with the mainland, with military force if necessary.

In order to diminish Taiwan’s standing as a sovereign state, Beijing has criticized foreign governments for being friendly with Taiwanese government officials, and has blocked the island from joining international organizations such as the World Health Organization.

The United States, meanwhile, is Taiwan’s chief ally. After President Tsai Ing-wen won reelection in a landslide victory in January, Pompeo and dozens of U.S. lawmakers sent congratulatory messages.

Taiwan’s Vice President-elect William Lai visited the United States from Feb. 3 to 8; he took part in the annual National Prayer Breakfast in Washington on Feb. 6.

Pompeo also said a Chinese regime-backed think tank in Beijing produced an assessment report last year, ranking U.S. governors as “friendly, hardline, or ambiguous” in terms of their attitudes toward China.

He urged state officials to be on their guard: “Competition with China is happening inside of your state, and it affects our capacity to perform America’s vital national security functions.”

As an example, Pompeo pointed out that the

PROPAGANDA

35 US Lawmakers Seek DOJ Probe of Chinese State-Run Paper China Daily

CATHY HE

A group of 35 U.S. lawmakers has urged the Department of Justice (DOJ) to investigate the Chinese state-run newspaper China Daily for alleged violations of the Foreign Agents Registration Act (FARA).

China Daily, an English-language newspaper, is overseen by the Chinese Communist Party’s (CCP) Publicity Department, the governmental agency in charge of disseminating propaganda. Over the past few years, it has spent millions running supplements—called “China Watch”—containing propaganda disguised as news, in major U.S. newspapers including The Wall Street Journal, The New York Times, and The Washington Post.

Rep. Jim Banks (R-Ind.), Sen. Tom Cotton (R-Ark.), and 33 other lawmakers, in a letter to Attorney General William Barr dated Feb. 6, asked the DOJ to “promptly review and produce a report on China Daily’s compliance” with FARA. Their request came following a December report by The Washington Free Beacon that found the publication didn’t properly disclose the paid advertisements for more than 30 years.

“Propaganda that seeks to obfuscate communist atrocities deserves to be counteracted,” the letter stated.

Banks said in a statement: “China Daily is a disgusting propaganda rag that’s used by



the Chinese Communist Party to cover for the regime’s ongoing atrocities.

“If there’s one lesson from the Cold War, it’s that our victory was only possible because we convinced the world that democracy was superior to communist authoritarianism. Well, it looks like we have to fight that battle again—this time against a far wealthier and equally determined adversary. The federal government must use every weapon in its arsenal to ensure the triumph of our values—the consequences of failure are un-speakable.”

The newspaper registered as a foreign agent under FARA in

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Jim Banks, congressman

1983. That law requires registered foreign agents to provide the DOJ with copies of all propaganda “circulated among two or more persons.” It also requires registrants to submit to the department, twice a year, an itemized report of spending inside the United States, the letter said.

China Daily is part of the Chinese regime’s global propaganda efforts, a campaign that the CCP has committed \$6.6 billion to since 2009, the letter said. The regime has, according to FARA filings, spent \$35 million on China Daily alone since 2017, it added.

The state-run paper has inserted articles in U.S. publications

Florida Retirement System, one of the largest public pension funds in the United States, is a major investor of Hikvision, a Chinese manufacturer of surveillance equipment that supplies gear to Chinese authorities in Xinjiang for monitoring Muslim minorities.

In addition, California’s pension funds have invested in companies that supply China’s military, according to Pompeo, though he didn’t identify the firms.

Chinese Communist Party officials, too, are cultivating relationships with county school board members and local politicians—often through what are known as sister cities programs.

Mike Pompeo, secretary of state

In October 2018, the U.S. government blacklisted 20 Chinese public security bureaus and eight Chinese companies—including Hikvision—for contributing to human rights abuses in Xinjiang.

Following the blacklist, a spokesperson with Florida Retirement System told Reuters that it was working with external money managers to meet all regulatory requirements.

Pompeo also warned governors about the Chinese regime’s efforts to influence the U.S. education system.

“Chinese Communist Party officials, too, are cultivating relationships with county school board members and local politicians—often through what are known as sister cities programs,” Pompeo said. A number of major American cities, such as Chicago, Los Angeles, Houston, and Washington have such partnership programs with Chinese cities.

China has established Confucius Institutes at U.S. colleges, in addition to 519 “Confucius Classrooms” set up at U.S. schools ranging from kindergarten to 12th grade.

In recent months, following U.S. officials’ warnings that such institutes engage in academic censorship, many colleges have shut the Confucius Institutes. Schools in 25 states are in the process or already have halted these programs after conducting internal reviews, Pompeo said.

“Don’t lose sight of the competition from China that’s already present in your state. Let’s all rise to the occasion and protect our security, our economy; indeed, all that we hold dear, all of those freedoms,” he concluded.

that serve to paint the regime in a positive light and minimize its oppression of the Chinese and other peoples. For instance, it ran a piece in The Wall Street Journal titled “Law-Based Campaign Transforms Xinjiang,” and another in The Washington Post under the headline “Education Flaws Linked to Hong Kong Unrest,” the letter noted.

“Such articles serve as a cover for China’s atrocities, including its crimes against humanity in the Xinjiang region and its support for the crackdown in Hong Kong,” it said.

The lawmakers added that the regime is “committed to shifting foreign perceptions of the Chinese Communist Party.”

“This summer’s NBA boycott and the arson of the Epoch Times headquarters in Hong Kong show the lengths China will go to to protect its international image,” the letter said, referring to the arson attack on the print shop of the Hong Kong edition of The Epoch Times last November, an incident that bore the hallmarks of the CCP’s tactics to suppress its opponents.

Last November, Sen. Rick Scott (R-Fla.) in a letter urged news organizations to reconsider their collaborations with China Daily, saying, “We are giving the Chinese government an opportunity to promote values antithetical to the freedoms guaranteed in our Bill of Rights.”

The DOJ and China Daily did not respond to requests for comment.



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