

WEEK 9, 2020

THE EPOCH TIMES

CHINA INSIDER

A security guard at a mall checks his cellphone in Beijing on Feb. 15, 2020.

‘WARTIME PROPAGANDA’

DEPLOYED AMID VIRUS OUTBREAK

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State Department to
Unmask Chinese Operatives
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Medical workers transfer a patient in an isolation ward for COVID-19 patients at a hospital in Wuhan, Hubei Province, China, on Feb. 6, 2020.

CORONAVIRUS

China's Coverup of Outbreak Puts World at Risk, Expert Says

CATHY HE

The Chinese Communist Party's (CCP) initial coverup of the coronavirus outbreak in the central city of Wuhan facilitated the disease's spread across China and the world, a Pulitzer Prize-winning science journalist and epidemics expert says.

Laurie Garrett, who has covered epidemics around the world, including the SARS outbreak of 2002-2003 that originated from China, said the regime's suppression of vital information during the early days of the outbreak in December 2019 into January of this year meant that a critical window of opportunity to contain the spread of the virus was lost.

"The time to respond and stop an outbreak is when it's only 20 cases, only 40 cases," Garrett said during a recent interview on The Epoch Times' "American Thought Leaders" program.

"By the time it's a few hundred cases, you lost—it's over. You're now dealing with an epidemic and your whole strategy of outbreak control has been defeated, and it's defeated because of your own ... unwillingness to take seriously the first seemingly very small number of cases."

For almost three weeks after Wuhan health authorities first confirmed the outbreak on Dec. 31, 2019, the number of confirmed cases remained at around a few dozen, while officials maintained that there was "no obvious evidence for human-to-human transmission" and the outbreak was "preventable and controllable."

Health officials only confirmed human-to-human transmission of the virus on Jan. 20. The same day, official infection figures soared almost fivefold to nearly 200 cases. Infections within China have since ballooned to the tens of thousands, with more than 2,000 deaths, while the disease has spread to several dozen countries.

On Jan. 23, officials placed Wuhan under an unprecedented lockdown—but not before 5 million residents had left the city to travel over the Lunar New Year holiday, or to escape the lockdown. Authorities had announced the impending restrictions the day before.

That coverup has put the people of China at risk and put the whole world at risk.

Laurie Garrett, prize-winning science writer

Members of a police sanitation team spray disinfectant as a preventive measure against the spread of the COVID-19 virus in Bozhou, Anhui Province, China, on Feb. 18, 2020.

"That coverup has put the people of China at risk and put the whole world at risk," Garrett said.

She said there was much misinformation about the virus coming out of China, some of it being the CCP "trying to change the narrative and playing games with the information, and some of it is just innocent error." "We know that the official numbers coming out are not accurate," she said, adding that news about crematoriums in Wuhan struggling to cope with a surge of dead bodies suggests that the "numbers are enormous."

Repression

The communist regime's tightening crackdown on citizens who share information about the virus has also contributed to the difficulty in seeing the true picture of what's happening in the country, according to Garrett.

The recent death of whistleblower Dr. Li Wenliang, who was among eight "rumormongers" reprimanded by local police for sharing information about the outbreak in December, ignited a firestorm of anger from Chinese social media users, who lamented his death from the virus, which he contracted while treating a patient.

Netizens blamed the Chinese regime, which tried to suppress the doctor's early warnings, for his death. "That's the implication all of LI Wenliang's mourners have taken from his martyrdom—that he was killed by the Party, essentially," Garrett said.

The regime has since punished hun-



Members of a police sanitation team spray disinfectant as a preventive measure against the spread of the COVID-19 virus in Bozhou, Anhui Province, China, on Feb. 18, 2020.

BRENDON FALLOU/THE EPOCH TIMES



Pulitzer Prize-winning science writer Laurie Garrett in New York on Feb. 12, 2019.

dreds of Chinese social media users for "spreading rumors" about the virus, according to a database compiled by Washington-based nonprofit Chinese Human Rights Defenders. Many of the offending posts are about confirmed or suspected cases in the poster's city or neighborhood.

Meanwhile, a couple of citizen journalists in Wuhan, Fang Bin and Chen Qishi, recently disappeared and are suspected to have been detained by police. They had been regularly posting videos documenting the dire situation in the locked-down city.

"There's already a sense of the repression—[that] the epidemic's being used to repress us," Garrett said.

Much is riding on the CCP's handling of the crisis, she says.

"If the Party screws this up, the

economic and political repercussions are going to be enormous—and many would argue they already did," she said.

The Plight of Frontline Workers

While LI's death has cast a spotlight on health workers as casualties in the worsening outbreak, his case is likely the tip of the iceberg, Garrett, who has been a firsthand witness to the grim reality faced by frontline responders to outbreaks, says the experience is like "true hell on earth."

"The only thing that comes close is being a soldier on a battlefield," she said. "You can't imagine [it] if you've never been in an epidemic and you've never seen the health care workers on the frontlines. You cannot imagine how stressful it is. ... It's nonstop. If they get four hours of real sleep a day, they're doing well."

The Epoch Times has previously reported on burnt-out health care staff working in overwhelmed Wuhan hospitals, coping with the challenges of severe shortages in medical supplies, protective gear, and testing kits.

Meanwhile, China's National Health Commission, for the first time since the outbreak began, announced on Feb. 14 that at least 1,716 health workers had been infected while treating patients with the virus.

Garrett said the job of health care workers is more difficult because of the lack of a cure or treatment for this disease.

"So you're just seeing [patients'] bodies doing battle, and you have to stand and watch and hope. Give him some water, some oxygen, and hope that that body will manage to fight the virus off," she said.

"It's a terrible thing to see, and it takes a toll on people." At the same time, the Chinese regime's censorship of information about the outbreak adds a unique set of pressures on frontline staff.

"If you tell anybody what you're going through, you may end up in prison," Garrett said. "Orders come from mysterious bureaucracies and individuals from the CCP, and all of a sudden you're in trouble because you didn't do this procedure or you didn't fill out that paperwork or what have you."

"That's very frightening."

OPINION

Is Coronavirus Pushing Beijing to Crypto Currency 'With Chinese Characteristics'?

Digital currency may help to reduce the spread of deadly coronavirus

JAMES GORRIE

For years, cryptocurrency evangelists have been hyping Bitcoin and other cryptos and blockchain technology as the greatest invention since electricity or the internet. The advantages of instantaneous, anonymous and unlimited numbers of transactions from anywhere in the world that digital currencies make possible are, without doubt, potentially world changing.

But central banks have not shared that enthusiasm, nor have police states like China. In fact, banking authorities around the world have delayed, denied or debunked any plans to add "cryptos," and for a variety of very rational reasons.

It's worth recalling that the original idea behind Bitcoin, the world's first digital currency that debuted in 2009, was to create a currency that would not be subject to the abuse or manipulation by central banks. It was the central banks' irresponsible monetary policies such as junk mortgages, which triggered the Global Financial Crisis of 2008-2009.

Cash to Burn

As virtual cash that leverages distributed ledger technology (DLT), also known as blockchain technology, cryptocurrencies allow for anonymous transactions to occur exclusively over the internet on a global scale. With enough acceptance around the world, digital currency users would have little use for conventional currencies. They wouldn't be paying taxes on their anonymous earnings, either.

These aspects greatly reduce the costs and frictions of international transactions. But at the same time, cryptos typically remain a threat to central banks' control over their currencies as well as a nation's taxing authority. In other words, the instant, untraceable and unmanaged financial transactions that are at the very heart of cryptocurrencies all pose direct threats to the sovereignty and financial stability of every nation on the planet.

But with the rising COVID-19 coronavirus outbreak in China, all that may be about to change.

Under the current outbreak crisis, the concern is that infected yuan bank notes will make containing the virus even more difficult. Therefore, China's banking authorities in Guangzhou are incinerating billions of dollars' worth of yuan from hospitals, farmers markets and buses and issuing new notes.

In fact, according to the deputy governor of China's central bank, up to 600 billion

yuan (\$85.6 billion) have been issued just since Jan. 17.

But with the capability of the virus survival of at least nine hours outside a host at room temperature, replacing one vector for another won't solve the transmission of the virus problem. Somebody has to collect the cash, and distribute the new cash—it's a half-measure at best. It's neither efficient, nor very safe.

A Closed Blockchain

Transitioning to digital currency, however, could eliminate cash as a vector of transmitting the disease from one person to another. But the coronavirus outbreak is actually not the original reason for China preparing to issue its own digital currency. Rather, it's Beijing's need to control capital movements in and out of China. This includes significant levels of illegal cash flows, often enabled by new digital payment technologies, that has driven China to create its own digital currency with "Chinese characteristics."

In fact, according to a Reuter's article from Nov. 1, 2019, China has been working on its Digital Currency Electronic Payment (DCEP) program over the past five years and will introduce it into China's economy "as soon as possible."

When issued, DCEP would be different than current digital currencies in a number of ways. It would leverage blockchain technology, but the blockchain would not be distributed across the internet, just within China's closed internet, behind the great firewall. This would likely eliminate lag time that comes from external validation, making it efficient and insulated from foreign influence.

According to Shanghai-based consultant, Terry Liu, CEO of VoneChain Technology, DCEP, unlike bitcoin and many other cryptos that rely on decentralized mining for the creation of additional money supply and determination of value, DCEP's value would be set by Beijing. Just like the paper yuan today, the DCEP would be distributed via banks throughout China's financial system, and carefully controlled by Beijing.

Total Control or Total Disaster?

This will enable the Chinese Communist Party (CCP) leadership to have complete oversight over its capital and all transactions.

What would China's economy look like if it transitioned into a digital yuan? It may not be the solution that Beijing hopes it would be.

It would certainly trigger a bigger stampede than there already is for folks to get their money out of China. That in itself could be the last straw.

It would certainly dampen the incentive and ability to build private wealth in China. What would stop the Party from appropriating any successful business from its owners? That already happens today; complete financial transparency would enable the Party to steal more efficiently.

It could also discourage direct foreign investment. How many Western businesses want every transaction scrutinized by Party officials more than they already are? How much added costs would have to be added to grease the skids every year? That's one of the reasons Western firms have been leaving China over the past several years.

What's more, among the millions of small businesses throughout China, full government transparency over all transactions could bring down the shadow financial economy upon which most of China's small businesses rely. That's because graft-based economies need ambiguity to survive. The unseen cash payoff, the endemic bribery to get a sale, the entrenched theft that the Party engages in at the highest levels of the government may all be eliminated.

Every Option on the Table?

All that said, my own personal speculation is that what may evolve are two distinct digital monetary systems—one for the masses, the other for the Party. That remains to be seen.

What is known is that China dedicated years to develop its own digital currency prior to the deadly outbreak it's now fighting. Will this terrible event push China to pulling the trigger on the digital yuan?

It's difficult to say. But, as Huang Qifan, vice chairman of Beijing-backed think tank China Center for International Economic Exchange said to a financial conference last October, "China will likely be the first country in the world to issue sovereign digital currency."

That may well be. Given the severity of the outbreak, one would assume that most options are on the table.

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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.

How many Western businesses want every transaction scrutinized by Party officials more than they already are?



A man uses his phone as he walks past ATM machines for cryptocurrencies in Hong Kong on Dec. 18, 2017.

CHINESE INFLUENCE

State Department to Unmask Chinese Operatives Working as Journalists in the US



BENJAMIN CHASTEEN/THE EPOCH TIMES

China Daily newspapers for sale alongside free daily papers in New York on Dec. 6, 2017.

JOSHUA PHILIPP

News Analysis

The U.S. Department of State has announced that it will force anyone working as journalists for Chinese state media in the United States to reveal their identities to authorities and will also force state-run Chinese news outlets to reveal their real estate holdings.

These measures could help the U.S. government get a stronger grasp on how deeply the Chinese regime's disinformation arms have penetrated the U.S. media landscape.

This new requirement will place the Chinese regime's main state-run news outlets under the Office of Foreign Missions designation, which will identify them to the State Department as official foreign missions.

That's notably different from a FARA, or the "Foreign Agents Registration Act," designation. Rather than just making them register as foreign agents, the action will instead designate the outlets and their employees as official arms of the Chinese state.

The move was revealed during a State Department press briefing on Feb. 18 and was given on background by two department officials.

The Chinese media now under the foreign missions designation are Xinhua News Agency, China Global Television Network (CGTN) under China Central Television, China Radio International, China Daily Distribution Corp, and Hai Tian Development USA, which distributes the People's Daily.

The reasoning for this move was simple.

"Each one of these entities meets the definition of foreign mission under our Foreign Mission Act, which is to say they are either substantially owned or effectively controlled by a

China's massive financial commitment speaks to the seriousness of their effort to sway foreign sentiment.

Letter from 35 Republican lawmakers

foreign government," one of the unidentified department officials explained.

The official added, "We think it's altogether appropriate that we basically call these entities what they are, which are organs of the Chinese one-party-state propaganda apparatus."

Taken in its broader context, the timing of this move is significant. It comes less than two weeks after a group of 35 Republican lawmakers—including Sen. Tom Cotton (R-Ark.), Rep. Jim Banks (R-Ohio), and Sen. Ted Cruz (R-Texas)—wrote a Feb. 6 open letter to Attorney General William Barr requesting that the Department of Justice investigate China Daily for "repeated violations of the Foreign Agents Registration Act (FARA)."

They stated: "The Chinese Communist Party committed \$6.6 billion to foreign propaganda efforts in 2009, and according to FARA receipts, has spent over \$35 million on China Daily alone since 2017. China's massive financial commitment speaks to the seriousness of their effort to sway foreign sentiment."

More significantly, they note, "China Daily has paid over 30 independent newspapers to host four- to eight-page 'China Watch' inserts." Meanwhile, the lawmakers say that China Daily has violated its FARA designation by not providing the required information to the Department of Justice about these inserts, including which outlets run them and how much money U.S. news outlets are paid to run them.

Among the news outlets that have run China Daily's China Watch inserts are The New York Times, The Wall Street Journal, and The Washington Post. The China Watch page on the New York Times website states, "This content was paid for and created by China Daily, People's Republic of China."

China Daily is owned by the Publicity Department of the Chinese Communist Party, and the request for investigation into it states that while some articles in its China Watch inserts in major U.S. publications appear harmless, others "serve as cover for China's atrocities, including its crimes against humanity against Uyghurs in the Xinjiang region and its support for the crackdown in Hong Kong."

The lawmakers point out that, bolstered by the recent designation of China Daily and other outlets as foreign missions, the Chinese regime has placed heavy importance on controlling foreign perceptions. That's included taking strong censorship actions.

Last year's "NBA boycott and the arson of The Epoch Times headquarters in Hong Kong show the lengths China will go to protect its international image. And China's financial commitment to foreign propaganda outlets is the proof in the pudding. Propaganda that seeks to obfuscate communist atrocities deserves to be counteracted. But the United States has been puzzlingly slow to respond," the open letter states.

It's unclear how the foreign mission designation will affect news outlets that have accepted cash from state-run news outlets, including China Daily, but its requirement that the outlets reveal their real estate holdings and information about their employees can help lift the veil from their operations.

It also will mean that U.S. news outlets that continue their relationships with Chinese state media will be officially accepting money from a foreign government to publicize propaganda and disinformation.

Joshua Philipp is a senior investigative reporter with The Epoch Times.

KEVIN FRAYER/GETTY IMAGES



A Chinese commuter puts on a face mask as he waits at an unusually quiet bus stop in Beijing on Feb. 13, 2020.

CORONAVIRUS

Propaganda Department in Center of Coronavirus Outbreak Orders Crackdown on Internet Speech

CATHY HE & EVA FU

The propaganda department in virus-stricken Hubei Province has engaged more than 1,600 censors to scrub the internet of "sensitive" information relating to the coronavirus outbreak, according to an internal document obtained by The Epoch Times.

The internal report, dated Feb. 15, detailed the agency's efforts to ramp up censorship measures. It was drafted after a speech given by Chinese leader Xi Jinping via video link on Feb. 10 to "frontline responders" of the coronavirus outbreak in Wuhan, the capital of Hubei, where the virus first broke out.

The revelations come as the Chinese regime tightens information controls over the worsening outbreak, as netizens have increasingly turned to the internet to vent their frustrations about the authorities' response, or document what is happening on the ground.

The illness has seen a steadily growing official list of infections and

The trolls, through technological and manual screening, had identified as many as 606,800 posts online with 'sensitive or harmful information.'

Chinese police wearing face masks march in Beijing on Feb. 3, 2020.

deaths on a daily basis. Experts and commentators, however, believe the actual number of infections to be far greater, due to underreporting and shortages in testing kits and hospital beds—meaning many people are left undiagnosed.

1,600 Trolls Deployed

According to the document, the department has hired more than 1,600 trolls, known as the 50 cent army in China, to regulate internet speech continuously, 24/7.

The trolls, through technological and manual screening, had identified as many as 606,800 posts online with "sensitive or harmful information," it said.

Their approach, it said, was to "timely dispel the online rumors" and "strike powerful blows offline."

As of Feb. 14, the online censors had deleted as many as 54,000 such "rumors," and had social media influencers write nearly 400 commentary articles to shape the narrative.

The regime's propaganda efforts, the report said, should be directed toward promoting the effects of officials' outbreak control measures and the "moving deeds" of volunteers, community workers, and the police.

Some professional "internet commentators" had also made 400,000 comments to "counter the negative public opinions," according to the document.

Posts mourning whistleblower doctor Li Wenliang, who died of the virus he was warning about in December, quickly disappeared from the internet in the hours after the news of his death was first announced. "I want free speech," a phrase that became trending on Chinese social media following his death, was also swiftly erased.

Wuhan citizen journalists Fang Bin and Chen Qushi also recently disappeared after posting regular videos online highlighting the severity of the outbreak.

As of Feb. 11, over 2,500 people had signed a joint online petition expressing anger over Li's death and criticizing the government for suppressing free speech during the outbreak. Several co-signees were subsequently summoned by local police. At least one was detained.

The department has also set up 11 work groups for the purpose of "war-time propaganda" work. The groups were communicating daily with propaganda officials from the central government to "coordinate public opinion" in real-time on issues "online and offline," "inside the country and overseas," it stated.

Ousting Local Reporters

According to the leaked report, at least 60 reporters from 33 overseas news agencies came to Wuhan after the coronavirus outbreak began earlier this year. However, at least 47 of them agreed to leave, through the department's "communication and persuasion."

As of the evening of Feb. 14, only five

non-mainland outlets had reporters in Hubei.

To "lead overseas media to objectively report on the outbreak information," the department has set up an international language section and have published 200 pieces on the outbreak from official channels in seven languages, the document said.

On Jan. 14, a group of reporters from at least four Hong Kong media were taken to a police station located within a hospital in Wuhan after trying to interview patients, according to local media.

The police searched their belongings and asked them to delete the videos taken around the hospital. They were only released after 1 1/2 hours of interrogation.

Censorship Overdrive

The Chinese regime has made the suppression of information about the virus a priority.

At a Feb. 3 meeting, the Chinese Communist Party's Politburo Standing Committee, the top decision-making body, called for authorities to "strengthen internet and media control."

This has filtered down to local authorities cracking down on people for "spreading rumors" on the internet about the outbreak.

Chinese state-run media have warned people not to "spread fake information" about the coronavirus, lest they be in violation of China's Criminal Law.

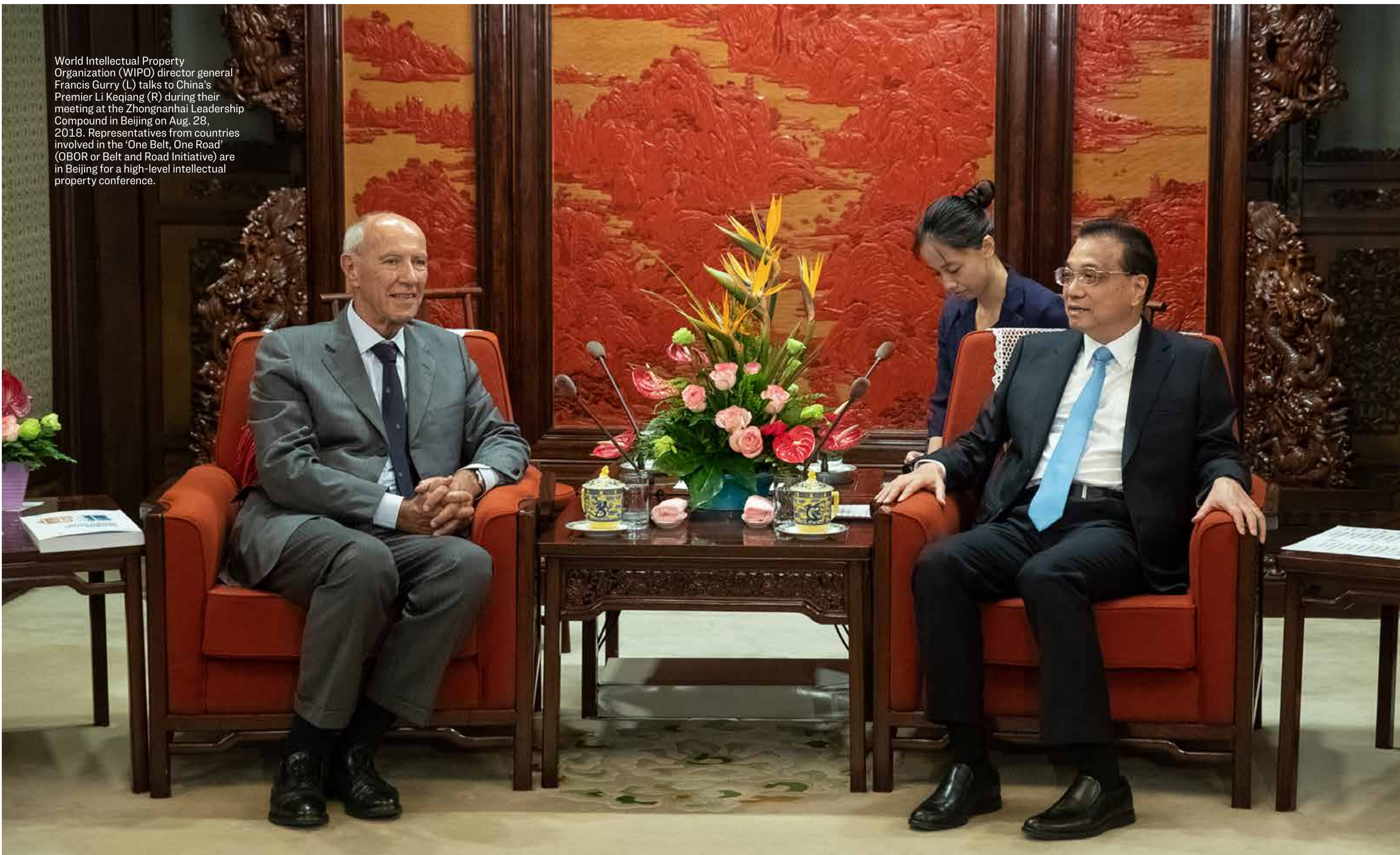
A provision of that law states that anyone found fabricating and spreading false information on an epidemic, disaster, or police activity, can be sentenced to three to seven years in prison.

Washington-based nonprofit Chinese Human Rights Defenders documented 254 cases of arrests between Jan. 22 and Jan. 28, in which Chinese citizens were punished for "spreading rumors" relating to the virus. The forms of penalty included fines, verbal warnings, and forced confessions.



KEVIN FRAYER/GETTY IMAGES

World Intellectual Property Organization (WIPO) director general Francis Gurry (L) talks to China's Premier Li Keqiang (R) during their meeting at the Zhongnanhai Leadership Compound in Beijing on Aug. 28, 2018. Representatives from countries involved in the 'One Belt, One Road' (OBOR or Belt and Road Initiative) are in Beijing for a high-level intellectual property conference.



ROMAN PILIPEV/AFP VIA GETTY IMAGES

CHINESE INFLUENCE

Experts: US Must Stop China's Takeover of UN Intellectual Property Agency WIPO

ALEX NEWMAN

Alarm is growing in Washington and other Western capitals about the prospect of the Chinese Communist Party (CCP) taking control of the United Nations agency that oversees the international patent system, a development that experts say would have catastrophic economic and national security implications.

The threat of the UN World Intellectual Property Organization (WIPO) and all of the highly sensitive secrets it holds falling into Beijing's hands is so serious that, if it were to materialize, the United States should even consider withdrawing from the patent treaty underpinning much of the agency's work, James Pooley, a top former WIPO official, told The Epoch Times.

The Chinese regime's candidate, Wang Binying, currently serves as deputy director-general of WIPO for trademarks and has been with the UN bureaucracy for almost three decades.

If the Chinese regime gets its way in the upcoming March election for director-general, though, Wang

will lead the entire agency.

"Giving China WIPO is like giving the world's largest fox the world's largest hen house," said Christopher C. Hull, Ph.D., a senior fellow with Americans for Intelligence Reform and former executive vice president at the Center for Security Policy.

Like all communist Chinese officials working within the UN system, the CCP expects Wang to obey the party above all else.

In fact, one of the Chinese regime's corruption charges against former Interpol leader Meng Hongwei, a Chinese official who was arrested upon returning to China, was that he allegedly did not follow Beijing's orders.

"It is absolutely not allowed to make decisions without authorization, to do or say as you wish," explained China's Ministry of Public Security, saying Meng was "totally to blame" for his legal troubles because he failed to "follow Party decisions."

At the helm of the WIPO, experts say Wang would be in a powerful position with access to an unfathomable treasure trove of secret information in patent applications. These secrets range from economic innovations that could give Chinese companies an edge over Western industries, to military applications that could give Beijing an unprecedented

military advantage.

Making the matter more serious is that the WIPO director-general position means having virtually unchecked authority at the agency, with no oversight, experts said.

Some insiders have referred to the top post as being akin to a dictatorship: Nobody has the power to overrule the director-general, regardless of how out of line his actions may be.

Because the Chinese regime is almost universally acknowledged to be the world leader in stealing intellectual property, having a Communist Chinese official running WIPO would throw the global system into total disarray, experts said.

In interviews with The Epoch Times, former WIPO executives and outside analysts sounded the alarm about the CCP's ambitions with WIPO, as well as systematic problems with the UN organization that must be addressed.

They also called on the White House to do everything possible to neutralize the threat—and to prepare for the worst in case it is not stopped in time.

Ex-WIPO Leader Speaks Out

As the former deputy director-general of WIPO in charge of the international patent system, California-based attorney James Pooley is one of the world's top au-

thorities not just on the UN agency, but also on the global intellectual property system.

"I know Wang," he told The Epoch Times in a phone interview. "She is smart but will be a puppet for China. She will have no choice as a practical matter."

The biggest problem, Pooley said, is that there is a massive storage of trade secrets at WIPO.

This is a smart move and a cunning strategy [by Beijing] because every piece of global IP would advance China's Military-Civil Fusion efforts.

James Edwards, patent policy adviser to the Eagle Forum Education and Legal Defense Fund

"There's probably nowhere else in the world with a greater concentration of cutting-edge technology than the unpublished patent applications inside the computer systems of WIPO," explained Pooley, who also previously served as president of the American Intellectual Property Law Association (AIPLA).

The UN agency receives about 250,000 patent applications each year. All of them are funneled into

a computer system run by the sector that handles patents—a system Pooley used to lead during his time at WIPO.

The system itself is extremely secure, being housed in a separate building with a separate security system, Pooley explained.

"The security is very strong," he said. "But for the guy with the key, the strong security doesn't matter."

Indeed, the way WIPO is organized, the director-general has complete and total control.

"We're talking about a position that is uniquely powerful—almost unimaginably powerful—for those of us in the West who deal with normal organizations," Pooley said.

"Given that power, he or she—whoever the director-general is—will be able to get inside this computer system that contains all of that technology," he added.

Noting that it was not about Wang personally, Pooley said the U.S. government must do everything possible to prevent the Chinese regime from taking over WIPO.

"Particularly at this time of a new Cold War with China over technology, we can't afford to have a Chinese national in charge of that extraordinary global asset," he said.

The consequences of such a development would be so serious

that it would demand a dramatic response by the United States.

"I think it's important enough that if we can't stop it, we need to look at the possibility of pulling out of the Patent Cooperation Treaty and starting something new," said Pooley.

While the former WIPO deputy chief recognizes the Chinese regime's surging influence within the UN, he also emphasized that the threat of Beijing taking over WIPO represents "a special kind of risk."

"If we don't act now, we may lose control over thousands of inventions, all at once," he said. "I just hope the folks at the White House appreciate the threat."

As of press time, WIPO did not respond to a request to speak with Wang about the concerns.

National Security

Perhaps the single most significant threat surrounds national security.

While American innovations have helped to improve people's lives, some of the most important technological developments also have military applications.

American inventors and innovators file more than 50,000 patent applications with WIPO each year, more than any other country.

"Among those applications are certainly inventions with important military applications," Pooley explained. "A very large number of technologies are equally useful in civilian and defense environments."

"We have a place with the most valuable inventions sitting in this computer system in Geneva," he added. "How could access to that kind of information not be a risk to our national security? It has to be."

Other experts also highlighted the national security risks.

"This is a smart move and a cunning strategy [by Beijing] because every piece of global IP would advance China's Military-Civil Fusion efforts," said James Edwards, patent policy adviser to the Eagle Forum Education and Legal Defense Fund.

"It would weaponize WIPO, su-

percharge China's ability to steal IP [intellectual property], and provide a perfect complement to China's efforts like the 'Thousand Talents' [science and tech recruitment] program, where China sends to or develops agents in other countries to steal IP," Edwards told The Epoch Times, adding that control of WIPO could give China "a potential checkmate-type advantage."

Last year, despite strong efforts by the U.S. government to block a Chinese official for the top post at the UN Food and Agriculture Organization, Qu Dongyu got the job with little resistance.

Multiple media reports and officials said Beijing had secured the important UN post through a combination of influence peddling and outright bribery.

Since the UN adopts a "one country, one vote" system, and "the industrialized world is outnumbered and out-voted by the developing world, by far," Pooley said there's a high chance the Chinese candidate can win the vote to lead WIPO.

"The Chinese, unfortunately for us right now, are in a position of power because of the Belt and Road Initiative and the other investments that China has made around the world," Pooley continued. Belt and Road, also known as "One Belt, One Road" is China's flagship foreign policy project, whereby it seeks to build infrastructure in countries throughout Southeast Asia, Europe, and Latin America.

"If they want the votes of these countries where they've been pouring in resources for infrastructure development, all they need to do is look somebody in the eyes and say 'this is what we need from you,'" Pooley noted.

"Without putting a moral label on it, we need to recognize that the Chinese have a lot of leverage right now," he concluded.

Wang's background also helps, experts said, with one analyst saying it looks very good "on paper."

Before joining the UN, Wang held various positions in the Chinese regime including at the State Administration for Industry and Commerce, and at the Ministry for Communication and Transportation.

If approved, she would be one of a growing number of communist

a communist Chinese agent in charge of the UN agency would be orders of magnitude larger.

Economic Risks

The economic risks to Western industry are also enormous, experts said.

Among other concerns, access to trade secrets could allow Chinese state-owned companies to out-compete the companies that first invented a particular technology. Under the WIPO system, innovators and inventors are given an 18-month period of secrecy during which they make decisions.

"If a government like China could look at those applications before the period is up, unbeknownst to the companies that produced them, and then funnel that information to its own industries, that could dramatically erode the interest of the original innovators," explained Pooley.

Chinese "companies" could develop workarounds, steal the inventions, develop responses to them, and more.

"Just imagine the value of being able to take a peek, before anyone else in the world, at the world's biggest collection of cutting-edge technology," he said.

"It's similar to a weapons race, but think of it in economic terms," said Pooley. "If you got to see the other sides' weapons systems while they're still in development, you could do a lot to neutralize them."

"In economic terms, the same idea applies," Pooley continued. "From what we know of how China operates, I can't imagine that we would consider taking on that kind of risk."

Dr. Hull, of Americans for Intelligence Reform and a former professor at the Georgetown and George Washington universities, echoed those concerns.

"It should alarm every business that relies on intellectual property that a country that steals between \$225 billion and \$600 billion in IP annually may capture the organization heretofore devoted to protecting patent rights," he said before comparing a Chinese WIPO chief to a fox guarding a henhouse.

Voting

Despite escalating efforts to raise awareness and derail the Chinese nomination, experts say the risk that Beijing's candidate could win remains significant.

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Multiple media reports and officials said Beijing had secured the important UN post through a combination of influence peddling and outright bribery.

Since the UN adopts a "one country, one vote" system, and "the industrialized world is outnumbered and out-voted by the developing world, by far," Pooley said there's a high chance the Chinese candidate can win the vote to lead WIPO.

"The Chinese, unfortunately for us right now, are in a position of power because of the Belt and Road Initiative and the other investments that China has made around the world," Pooley continued. Belt and Road, also known as "One Belt, One Road" is China's flagship foreign policy project, whereby it seeks to build infrastructure in countries throughout Southeast Asia, Europe, and Latin America.

"If they want the votes of these countries where they've been pouring in resources for infrastructure development, all they need to do is look somebody in the eyes and say 'this is what we need from you,'" Pooley noted.

"Without putting a moral label on it, we need to recognize that the Chinese have a lot of leverage right now," he concluded.

Wang's background also helps, experts said, with one analyst saying it looks very good "on paper."

Before joining the UN, Wang held various positions in the Chinese regime including at the State Administration for Industry and Commerce, and at the Ministry for Communication and Transportation.

If approved, she would be one of a growing number of communist

Chinese officials in top positions within the architecture of "global governance."

Already, four out of 15 specialized UN agencies are headed by Communist Chinese officials.

By comparison, an American leads just one of the 15 agencies.

Reforming the Global IP System

Beyond just blocking Wang, many experts say WIPO must be dramatically reformed.

Among the top concerns are the lack of checks and balances on the director-general's power—there is no board of directors, no stockholders, nor an external oversight mechanism.

Because WIPO is funded via fees from inventors, unlike other UN agencies which are funded by member states, the U.S. government is not able to exert financial pressure on the agency.

"It's a classical dictatorship, something the Chinese understand very well," Pooley said.

However, the former deputy director also expressed hope that, because of Beijing's efforts, there will be fresh scrutiny on WIPO and the way it is governed.

"If we're [United States] going to stay in the organization, we need to be assured of a reasonable check on the executive," Pooley added, calling for an independent board of directors or "re-organizing the whole project into some new organization with transparency and accountability."

In a phone interview with The Epoch Times, former WIPO Chief Information Officer Wei Lei said his real concern was not about who ends up leading WIPO, but rather about the institutional structure.

"Member states need to develop stronger mechanisms for oversight," he said.

Pointing to the allegations of abuse under the current WIPO chief, such as supplying sensitive technology to hostile and dangerous regimes, Wei said the problem at WIPO is systemic.

"There have already been serious problems in WIPO maintaining the integrity of secret information," he said, noting that a member of Congress had blasted WIPO and compared the corruption there with revelations of scandal in the international soccer agency FIFA: "We seem to see the FIFA of UN agencies," declared Rep. Brad Sherman (D-Calif.) during a February 2016 hearing.

"Remember, this was under an Australian—how much friendlier can you get?" Wei asked.

"We need oversight so that no matter where the director-general is from, they can be held accountable."

At WIPO, the boss has so much power and so little accountability that "even if an angel were put in charge, the angel would be corrupted soon, I guarantee you," he said.

Especially critical, he said, are protections for whistleblowers—the people who can alert U.S. authorities when something is going wrong.

"Without whistleblower protections, nobody will even find out about the problems," said Wei.

Comparing the director-general to a "king," Wei said "the member states are asleep at the wheel."

Another crucial reform would be separating all that power and introducing external oversight, a plan Wei outlined in a letter to member states. Wei said no one has responded to his letter thus far.

What Can Trump and the US Government Do?

Sources whom The Epoch Times contacted agreed that the U.S. government must be actively involved in dealing with this threat.

Wei said Congress and the president should take advantage of all this attention on the UN agency and push for strong reform.

"They really need to get a commitment from all candidates to reform the organization," he said, believing that security, confidentiality, and tech decisions at WIPO had already been damaged and compromised.

Pooley, meanwhile, said the Trump administration must give the State Department clear instructions to block the communist

Chinese takeover.

If that fails, Pooley reiterated that the U.S. government must seriously consider leaving the WIPO patent system and starting a new organization for governments to coordinate the international process for patent applications.

Brett Schaefer, senior research fellow in international regulatory affairs at the Heritage Foundation, agreed that the U.S. government should withdraw from the Patent Cooperation Treaty (PCT) if Beijing wins control of the UN body.

This agreement is one of the key treaties underpinning WIPO's role in the intellectual property system, allowing inventors to apply for patent protection in over 150 nations via the UN agency without spending vast resources in each individual nation.

Schaefer told The Epoch Times that withdrawing from the PCT "would address the main concern about security of proprietary information and cause only a temporary disruption, provided that other major countries were willing to stand up an alternative to the PCT outside of WIPO."

"Since it is a relatively narrow area and would emulate a process already in place, it should not be a difficult task," he added.

In a report about the director-general race, Schaefer also called on U.S. companies and innovators to boycott WIPO's patent system if Wang wins.

From Capitol Hill, a bipartisan coalition of U.S. lawmakers including Senate Minority Leader Chuck Schumer is calling on the administration to take "necessary diplomatic steps" to block China's candidacy.

"Given China's persistent violations of intellectual property protections, including through trade secret theft, corporate espionage, and forced transfer of technology, the United States and its allies must stand firmly against Wang," they wrote in a letter to President Trump.

Multiple experts told The Epoch Times that the U.S. government should work with allies to develop a strategy to stop the communist Chinese candidate and pursue major reforms at WIPO.

Pro-U.S. experts expressed support for Daren Tang of Singapore, apparently among the preferred U.S. government choices, and Colombian Marco Matias Alemán, who leads WIPO's Patent Law Division.

Edwards, the patent adviser to the Eagle Forum Education and Legal Defense Fund, argued that Alemán would probably have the best chance of beating Wang.

Administration officials, such as U.S. Patent and Trademark Office Director Andrei Iancu, recently sounded the alarm at the Global Innovation Policy Center and has become increasingly vocal.

Speaking last week on his way to Munich, meanwhile, U.S. Secretary of State Mike Pompeo said the administration was tracking the WIPO election "very, very closely."

"The Chinese have stolen hundreds of millions of dollars of intellectual property from the United States of America," he said. "We are going to make sure that whoever runs that organization understands the importance of enforcing intellectual property rights across nations and across boundaries."

"You should know that we're engaged in lots of conversations to make sure that whoever is ultimately selected has respect for property rights and the rule of law in the context of intellectual property rights," Pompeo added.

The selection process for WIPO's next leader is already underway.

In March, the Coordination Committee will select a candidate. And in May, the entire roster of WIPO member states will vote to approve that candidate, which is usually a formality.

If Wang ends up on top, experts say to expect fireworks.

Alex Newman is an award-winning international journalist, educator, author, and consultant. He serves as the CEO of Liberty Sentinel Media and writes for diverse publications in the United States and abroad.



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