

A riot police officer points at a woman (C) who lay down after being searched during a

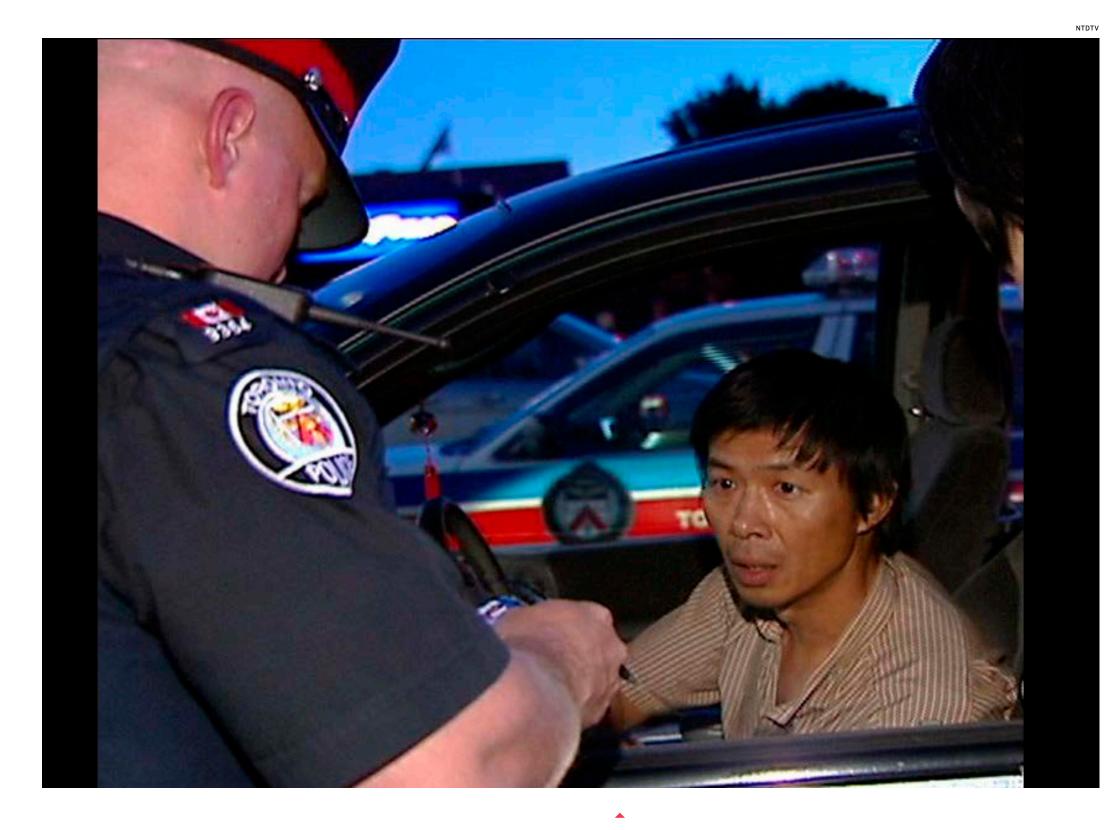
demonstration in a mall in Hong Kong on July 6, 2020, in response to a new national security law introduced in the city which makes political views, slogans and signs advocating Hong Kongs independence or liberation illegal.

A NEW ERA OF AUTHORITARIAN RULE FOR HONG KONG

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CHINESE INFLUENCE

EXCLUSIVE: Internal Chinese Regime Document Shows Money Trail Behind Defamation Campaign in Canada



LIMIN ZHOU



n internal Chinese regime document obtained by The Epoch Times reveals operations by agents of a notorious Chinese Communist Party organization dispatched to carry out a mission in Canada, and the money trail behind a nearly two-decade defamation campaign conducted by a Montreal publication to advance Beijing's interests.

The document is a 2018 yearly report from the Judicial and Political Committee of the Fangshan District of Beijing, a Chinese Communist Party (CCP) organ that oversees the district's 610 Office, a Gestapolike secret organization charged with carrying out the CCP's persecution campaign against Falun Dafa adherents.

It reports that representatives from the Fangshan District 610 Office came to Montreal, Toronto, and Ottawa to conduct sessions to slander "heretical religions," a reference to Falun Dafa. The operation in Canada was conducted in accordance with the requirements of the Central Party Committee and the Municipal Party Committee, the document says.

"Anti-heretical religion seminars were held with the [Chinese] communities of the three cities to publicize related Chinese laws and regulations for dealing with heretical religions, and basic knowledge of anti-heretical religions," the document reads.

The document adds that the mission had the intended effect. "Local citizens have a clear un-

derstanding of Falun Gong and other heretical religious organizations, expressing that they will not believe in them, will not promote them, and will not participate in their activities." Intelligence bodies, research-

ers, and defected CCP agents have long documented and spoken publicly about Beijing's use of the diaspora to serve its interests overseas, particularly in Canada. But this document shows the direct involvement of a Chinese secret police-type organization in Canada, as well as a direct link between the CCP organization and a Chinese publication in Canada serving the regime's interests.

That publication is the Montreal-based Chinese-language Les Presses Chinoises, which the document says is cooperating with the Fangshan District 610 Office to publish content opposing Falun Dafa and leaflets defaming the practice.

"42 issues and 62 articles have been published, and 400,000 anti-heretical religion propaganda leaflets have been printed," the document says. It adds that 48 issues of the publication would be published by the end of 2018, each featuring a special section that contains articles slandering Falun Dafa.

The document says that "all funds have already been paid" for 2018.

Falun Dafa, also known as Falun Gong, is a spiritual practice consisting of meditative exercises and moral teachings. Adherents of the practice, ruled to be a "protected creed" by an Ontario Human Rights Tribunal, have been subjected to a Toronto police question Lu Ping over his delivery of Crescent Chau's latest anti-Falun Gong tabloid at the Asian Farm grocery store in northeast Toronto on June 30, 2007.

In a profound sense, we have the specter of Beijing's manipulation of Canadians, their media, and even their government. This is unacceptable for any country, let alone a liberal democracy that values the constitutional rights of all of its citizens, including those who may be Falun Gong

Intelligence expert David Harris

practitioners.

severe persecution campaign by the Chinese regime since 1999.

New Tactic

China expert Yiyang Xia says it's "eye-opening" that the local 610 Office branch has gone beyond the borders of China, going so far as sending agents to Canada to carry out a mission of demonizing Falun Dafa on Canadian soil.

"The city-level 610 Office's direct operation in the Canadian cities seems to be a new tactic in exporting the persecution of Falun Dafa overseas," said Xia, senior director of research and policy at the Washington-based Human Rights Law Foundation.

"Previously, we only knew of Chinese embassies and consulates systematically extending the persecution to marginalize and defame Falun Dafa adherents in Western countries."

Xia said he was aware of another 610 Office branch funding anti-Falun Dafa activities in Flushing, New York, for years. According to a past report in the Chinese edition of The Epoch Times, the branch behind the activities in Flushing is the Tianjin 610 Office.

This latest development in Canada shows that the unusual scheme where a Beijing districtlevel 610 Office coordinates activities abroad may be a pattern.

"The CCP's penetration into other countries this way is not very noticeable, but these operations could potentially involve many city-level 610 Office agents interfering with the society in countries outside of China, like the United States and Canada," he said.

"This is not only a blatant vio-

lation of sovereignty of Western countries, it also undermines people's constitutional rights of freedom of religious beliefs and erodes freedoms in these countries."

Winnipeg-based human rights and immigration lawyer David Matas says if the 610 Office agents who came to Canada to carry out the regime's directive of eradicating Falun Dafa had disclosed their true intention for coming to Canada, they wouldn't have been granted visas because "they would be coming in for the purpose of fermenting incitement to hatred."

"My guess is that they didn't disclose the purpose of their visit when making the visa applications, and that would be a violation of the law right here insofar as they come under false pretenses, and it's certainly worthwhile making thorough investigations when people come in," Matas said.

Foreign Interference Intelligence expert David Harris says Canadian authorities should be investigating the activities of the 610 Office and its agents in Canada.

"The reports of further variations on Beijing's attempts to penetrate Canada and influence Canadians are extremely disturbing in part because they seem to represent an expansion in the influence operations that the Chinese Communist Party undertakes on the sovereign territory of Canada," said Harris, director of the intelligence program at Insignis Strategic Research in Ottawa.

"In a profound sense, we have the specter of Beijing's manipulation of Canadians, their media, and even their government. This is unacceptable for any country, let alone a liberal democracy that values the constitutional rights of all of its citizens, including those who may

be Falun Gong practitioners." Harris adds that the Canadian government should investigate this matter "in light of the evidence that has emerged," and take "appropriate, decisive, diplomatic, and political actions against Beijing."

Matas says this is a clear case of foreign interference in "If the Chinese government were to spend that money openly through its Embassy, and this was a publication of the Embassy, that would be inappropriate diplomatic activity," he said. "It would be foreign interference in Canadian affairs, and the people who were responsible for such a publication would be expelled from Canada as persona non grata."

But Canada lacks the required legislation to confront the issue of foreign interference more effectively, he said.

"I think when any foreign agency is pumping money into Canada for advocacy purposes, there should be a requirement of registration for that advocacy. It shouldn't be undercover the way it is now," Matas said.

In some jurisdictions such as Australia, there are laws in place that require entities acting on behalf of foreign governments to publicly register their names.

"I think Les Presses Chinoises and its financing is a classic example of the fact that we're undefended against this sort of manipulation," Matas said.

610 Office

The 610 Office, named after the day it was formed on June 10, 1999, was tasked to coordinate efforts to eradicate Falun Dafa, which had grown too popular in China for the liking of the totalitarian CCP. Government statistics showed that between 70 to 100 million people in China took up the meditation discipline in the 1990s after its introduction to the public in 1992.

The CCP organ was formed under the direct command of Jiang Zemin, the Party leader who started the persecution campaign against Falun Dafa in 1999 with the aim of eradicating it completely.

The 610 Office was provided with extralegal powers, transcending administration power at different jurisdiction levels to coordinate all aspects of the campaign to eliminate Falun Dafa through persecuting its adherents. This included arrest, torture, killings, and propagation of slanderous information about the practice to turn public opinion against it. The document is a 2018 yearly report from the Judicial and Political Committee of the Fangshan District of Beijing, a Chinese Communist Party (CCP) organ that oversees the district's 610 Office, a Gestapo-like secret organization charged with carrying out the CCP's persecution campaign against Falun Dafa adherents.

A stack of Crescent Chau's publication, distributed nationwide in 2006. A court found Chau's explanation for how he funded the 100,000copy, no-advertisement, freely distributed pro-communist newspapers unconvincing, saying it was reasonable to state he was acting as an agent of Beijing.

THE EPOCH TIME



Hao Fengjun, a former officer with the 610 Office who defected to Australia in 2005, said in past interviews that there are 610 Office branches at each level of the CCP, from the Central Committee all the way down to the provincial, city, and local district-level Party branches.

Although there have been reports of some organizational change to the 610 Office, China expert Xia says there has been no fundamental change. He says the only significant change is that since March 2018, the CCP organization overseeing the 610 Office has been changed to the CCP Central Political and Legal Affairs Committee.

But for all practical purposes, nothing has changed for the players, and the 610 Office continues its mission of eradicating Falun Dafa, probably under a different name, Xia says.

Les Presses Chinoises

The internal document shows the financial links between the 610 Office and Les Presses Chinoises, which has been publishing content against Falun Dafa for years.

The online archives of Les Presses Chinoises show that most of the weekly papers published for consecutive years have a section titled "The Truth of Justice," which parrots the CCP's defamation and condemnation of Falun Dafa and its adherents that is spread by the regime in China. The content usually spans two pages, which contain no ads or any typical news articles.

Les Presses Chinoises is owned by Crescent Chau. The Epoch Times contacted Chau for comment but received no response.

The paper published its first special edition on the subject in November 2001, which included a petition asking the Chinese community to "unite" in "denouncing Falun Gong."

The special edition was an indictment of Falun Dafa, and the content a word-for-word repetition of the CCP's hate propaganda against the practice disseminated in China.

University of Montreal history professor David Ownby, who has studied Falun Dafa, has called the articles "unsubstantiated filth poured upon the page" and said there is no truth to the content.

A group of Falun Dafa adherents took Chau to court, and in December 2001, three weeks after the first special edition, the court issued an injunction ordering Crescent Chau to stop publishing his anti-Falun Gong content.

In February 2002, Chau defied a court injunction and published a second anti-Falun Gong special edition cover-to-cover, saying Falun Dafa adherents were "evil" and an "enemy of the state," among other slanderous statements.

Chau somehow drummed up funds to print 100,000 copies of another 32-page cover-to-cover anti-Falun Dafa special edition nationwide in both August 2006 and July 2007, parroting CCP defamation material against Falun Dafa spread in mainland China. Copies were circulated in Montreal, Toronto, and Ottawa, and as far west as Vancouver. Again, the special edition contained no advertising and was distributed for free. Regular issues of the paper, which had a circulation of 3,500 to 4,000 in Montreal, sold for 60 cents.

The Chinese state-owned media People's Daily published a report praising Chau's efforts days after the nationwide circulation.

Chau is a regular at the World Chinese Media Forum hosted every two years in China by the government and the United Front Work Department, the CCP organization responsible for gathering intelligence and influencing politics in foreign countries. Chinese state-owned media quoted Chau as saying that Beijing "should strengthen its connection to the overseas Chinese community."

The Epoch Times Chinese edition wrote a series of investigative reports in 2007 on Chau and suggested that he might be an agent of the Chinese regime. The reports included inter-

views with Chen Yonglin, a former Chinese diplomat working for a unit specializing in the eradication of Falun Dafa, who defected to Australia.

Chen said it's clear that Les Presses Chinoises "has become the henchman and propaganda tool for the Chinese Communist Party." He also said that "it's very likely that the printing costs" were covered by the regime. "The contents seem to be

mostly produced and provided by the CCP," he said.

Chau sued The Epoch Times for libel, but the case was dismissed by Superior Court Justice Catherine Mandeville in April 2010. "This is a case of the biter complaining about being bitten," Mandeville said, and that "the reputations of Mr. Chau and of La Presse Chinoise are ... unequivocally anti-Falun Gong and pro-PRC [People's Republic of China]." La Presse Chinoise is the name of the company printing the Les Presses Chinoises publication.

Being called a Beijing agent was therefore not an "unfair attack" but rather "a legitimate opinion," she said.

"Mr. Chau ... believes that it is part of his responsibility to defend the position of the PRC government. The [Epoch Times] articles raised that his opinions on Falun Gong but also on Tibet and many other subjects are identical to that which the PRC's government advocates," Mandeville said.

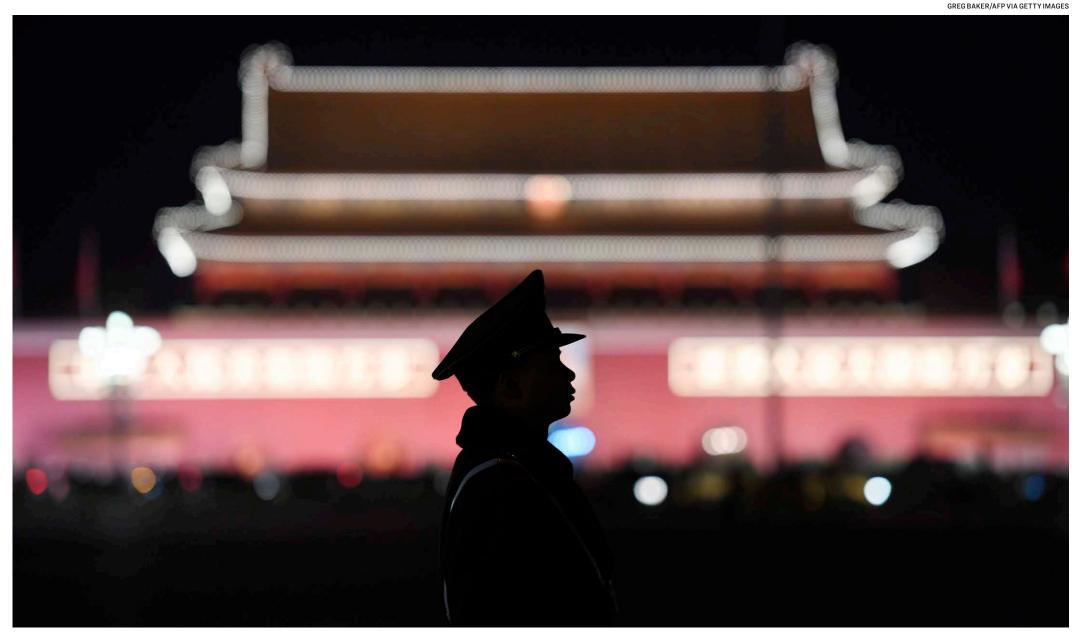
Mandeville also said Chau's explanations for how he funded his special editions denouncing Falun Dafa were "to say the least, nebulous."

During court proceedings, Chau admitted that he hadn't interviewed Falun Dafa practitioners for the content he published and hadn't read Falun Dafa's teachings. He said he aspires to eradicate Falun Dafa.

Chau subsequently appealed the lower court's decision without success. The three appeal court judges reaffirmed in 2012 that referring to Chau and his newspaper company "as agents promoting the ideas of a government cannot be considered defamatory."

Chau tried to take the case to the supreme court, but failed.

Epoch Times staff member Omid Ghoreishi contributed to this report.



A paramilitary police officer stands guard in Tiananmen Square in Beijing on March 11, 2018.

CHINESE INFILTRATION

Communist China's Silent War Against America

For decades, CCP has been using 'unrestricted warfare' to weaken US from within

BOWEN XIAO

News Analysis

tealthily, surreptitiously, and with sweeping precision, the Chinese Communist Party (CCP) began a decades-long war against America for world domination by utilizing a military strategy known as "unrestricted warfare" that continues today.

Unbeknownst to most of the population, the CCP has infiltrated almost every major avenue of life in the United States—leaving tion specifically related to the performance virtually no industry untouched. While of wireless devices. this threat has largely existed undetected, the effects it's had on the nation, as well throughout the United States, particularly as its geopolitical consequences, are far- to the San Francisco Bay Area and Silicon reaching.

Skirting the traditional, direct military confrontation offensives that have become somewhat outdated in modern times, this unconventional strategy has become cen- Zhang. tral to the communist regime's approach to warfare.

The strategy is highlighted in the 1999 book "Unrestricted Warfare," authored by two Chinese air force colonels—Qiao Liang and Wang Xiangsui—and published by the People's Liberation Army, the armed forces of the CCP. The book, which has been translated into English, is based on the original army documents.

Beijing uses an array of subversive tactics, including, but not limited to, propaganda warfare, culture warfare, memetic warfare, front operations, political infiltration, technological and telecommunications warfare, legal warfare, economic espionage, education espionage, cyberwarfare, and sanctions warfare.

Exploitation, infiltration, and espionage are all recurring themes. The CCP employs the bureau was attempting all of them to varying degrees simultaneously in multiple sectors of society in order to undermine or influence the United States its main impediment to global domination.

While some examples are more obvious, such as China's long history of intellectual property theft and unfair trade practices with the United States, others that use what it calls "soft power" are harder to detect.

One such avenue is its Party-backed Confucius Institutes (CIs) that infiltrate and operate on American college campuses in order to boost CCP's image. It also aims to push a foreign policy goal of making the regime not only an economic superpower, but also a cultural one.

CIs have attracted attention from lawmakers, national organizations, and the FBI over allegations that the program undermines academic freedom. The CIs have been accused of promoting Chinese communist propaganda under the pretense of promoting the Chinese language and history. There are thousands of CIs over the world and, by one count, at least 75 in America.

Other examples are more blatant, from a former chair of Harvard University's chemistry department being recently indicted for making false statements about funding he received from China to a Chinese citizen who was found guilty of economic espio-

nage, theft of trade secrets, and conspiracy. In the latter case, a man identified as 41-year-old Hao Zhang was found to have attempted to steal trade secrets from two U.S. companies "for the benefit of the People's Republic of China," according to the Justice Department. Zhang stole informa-

Economic espionage "is a pervasive threat Valley, which is the center of innovation and technology," John F. Bennett, special agent in charge of the San Francisco Division of the FBI, said of the case involving

The Thousand Talents

Plan, one of the more widely known CCP talent recruitment or "brain gain" programs, encourages theft of intellectual property from U.S. institutions, according to the FBI. By offering competitive salaries, stateof-the-art research facilities, and honorific titles, these programs lure talent from overseas into China, "even if that means stealing proprietary information or violating export controls to do so," the bureau states.

FBI Director Christopher Wray testified in 2018 that

to view the danger posed by China "as not

Walter Lohman, director of The Heritage Foundation's Asian Studies Center, said the United States has treated China's "sensitivities" carefully, yet has received "nothing in return.'

"China's aggressive behavior over the last 15 years or so has only gotten worse, despite our best efforts," he told The Epoch Times.

China currently poses the biggest threat to the United States because it is "powerful across the range of indicators, and ... is directly threatening so many American interests, like our communication networks, like Taiwan, freedom in Hong Kong, and

freedom of the seas," he said. The CCP also has aggressively promoted and pushed its telecommunications companies, such as Huawei, and ZTE, as well as Chinese-owned apps like TikTok and Zoom, into the United States and around

the world.

Lawmakers and U.S. officials have begun to realize the national security threats these Chinese companies pose. The Federal Communications Commission (FCC) in June formally designated Huawei and ZTE as national security threats, thus banning access to money from the FCC's \$8.3 billion a year Universal Service Fund to buy or modify any equipment or services provided by the suppliers.

One reason behind the decision, as FCC Chairman Ajit Pai notes, is that both companies are closely linked to the CCP and its ly subject to Chinese law obligating them to cooperate with the country's intelligence services." Both companies deny this.

Chinese-owned TikTok, which has seen meteoric growth in the United States, also was recently found to be secretly reading users' clipboard data, although the app

> now claims that it has fixed the issue. There are similar concerns about Zoom, as researchers found that encryption keys were being transmitted to servers in China.

While the United States is stepping up its efforts to counter threats from Beijing, the communist regime is simultaneously ramping up its own aggressive endeavors through the CCP's United Front Work Department.

This unit coordinates thousands of groups to carry out foreign political influence operations, suppress dissident move-

ments, gather intelligence, and facilitate the transfer of other countries' technology to China, according to a June report by the Australian Strategic Policy Institute.

Its political influence initiatives target foreign elites, including politicians and business executives, and are often covert in nature, the report said. Overseas Chinese communities are also key targets, with the Party seeking to co-opt and control community groups, business associations, and Chinese-language media.

Alex Joske, author of the report, said that the United Front's work abroad amounts to an "exportation of the CCP's political system." Its effort "undermines social cohesion, exacerbates racial tension, influences politics, harms media integrity, facilitates espionage, and increases unsupervised technology transfer," the report states.

With these CCP-backed companies, the regime is attempting to exert its influence over the entire globe, not just the United States. Some major programs backed by the (BRI) and its "Made in China 2025" plan. The CCP, through the BRI, injected bil-

lions of dollars into low-income countries in order to build their infrastructure projects. Since 2013, the initiative has launched more than 2,900 projects valued at \$3.87 trillion. The BRI has been called a "debt trap" because of Beijing's predatory lending practices, which leave countries vulnerable to China's aggressive influence campaigns.

Over the past two decades, China has become a major global lender, with outstanding debt exceeding \$5.5 trillion in military apparatus, in that they "are broad- 2019—more than 6 percent of global gross domestic product, a report by the of International Finance stated.

And the CCP's "Made in China 2025" industrial plan, which was rolled out in 2015, seeks to make the country a global competitor in 10 tech sectors by 2025. In late 2018, Beijing also began "China Standards 2035" to accelerate efforts to become the leader in burgeoning tech sectors such as big data, artificial intelligence, and the internet of things (IoT).

Meanwhile, a report published in March determined that Beijing was exploiting the global CCP virus pandemic, which first broke out in Wuhan, China, to advance its economic goals and fulfill its wider ambitions.

"Beijing intends to use the global dislocation and downturn to attract foreign investment, to seize strategic market share and resources—especially those that force dependence [on China]," the report by Horizon Advisory, a U.S.-based independent consultancy, states. The group reviewed recent policies and notices announced by Chinese central government agencies, regional governments, and research institutes.

While a growing number of countries are expressing anger and frustration over Beijing's botched handling of the outbreak, exacerbated by a wide-reaching coverup, backlash is also mounting against its efforts to brand itself as a global leader in combating the pandemic.

Beijing sent a slew of medical experts and supplies such as masks and respirators to countries where they were desperately needed in a bid to improve its image.

But the products it delivered often turned out to be defective, leaving countries no choice but to reject the faulty equipment. The Netherlands, Spain, Turkey, Finland, Britain, and Ireland are just some of the countries that received supplies found to be unusable.

"Authoritative Chinese sources state explicitly that the economic ravages and dislocation that COVID-19 creates give China an opportunity to expand its dominance in global markets and supply chains-both in the real economy and in the virtual domain," the Horizon Advisory report states. "They also stress that the present crisis will allow regime that also play into its international Beijing to reverse U.S. efforts to protect its ambitions are its Belt and Road Initiative systems, and those of its allies, from China."

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main impediment to global domination.

just a whole-of-government threat, but a whole-of-society threat on their end." To counter China's strategy effectively, Wray said the United States must also employ a "whole-of-society response."

BOOK EXCERPT

'Hidden Hand: Exposing How the Chinese Communist Party Is Reshaping the World'

CLIVE HAMILTON & MAREIKE OHLBERG

November 2018, Peter Navarro, the White House trade adviser who at the time was intimately involved in President Donald Trump's trade war with Beijing, launched a scathing attack on what he called the "globalist billionaires" of Wall Street.

He accused the "self-appointed group of Wall Street bankers and hedge fund managers" of engaging in their own "shuttle diplomacy" with the Chinese side and attempting to sabotage U.S. trade negotiations by putting enormous pressure on the White House to give way to Beijing. Navarro further accused the financial elite of being "unregistered foreign agents" acting as part of Beijing's influence operations in Washington.

It was strong stuff, but was there any foundation to it? Beijing has been working on Wall Street for a long time. When Prime Minister Zhu Rongji visited the United States in 1999, he holed up in Waldorf Astoria New York and spent days in back-to-back meetings with business leaders. "Zhu seems never to tire of courting Corporate America," report-

ed The New York Times. The titans of U.S. finance have for decades been guiding the nation's China policy. Whenever presidents Clinton, Bush, or Obama threatened to take a tougher stance on China's trade protectionism, currency manipulation, or technology theft, Wall Street chiefs used their influence to persuade them to back off. And it was pressure from Wall Street that proved decisive in the Clinton White House's decision to support China's admission to the World Trade Organization, despite China's serial violation of trade rules.

Twenty years later, The New York Times was writing: "In Washington, on Wall Street and in corporate boardrooms, Beijing has used the country's size and promise for decades to quell opposition and reward those who helped its rise." Financial institutions have

been Beijing's most powerful advocates in Washington.

The finance sector—the big banks, hedge funds, and investment vehicles—is thus in the center of the map of power in the United States, and occupying pride of place is Goldman Sachs. No organization has been more important to the Chinese Communist Party's (CCP) campaign to penetrate U.S. elites, or more willing. For the CCP, titans of finance are easy targets, as there's a concordance of interests. Wall Street executives, anticipating an Eldorado when Beijing opens up its vast finance markets to foreigners, have been advising Chinese companies about which American companies to buy and lending them the money to do it, taking a cut from the sales. In the words of a senior White House official, "people who like making deals really like the Chinese Communist Party."

The CCP is pushing on an open door. But the alignment of interests may not be long term, as it's Beijing's intention to eventually make Shanghai the financial capital of the world, displacing New York and the City of London. As Lenin reputedly said: "The capitalists will sell us the rope with which we will hang them."

By 2003, Goldman Sachs "had become the lead underwriter for major Chinese state-owned companies." In 2006, Henry

Paulson moved from CEO of Goldman Sachs to Treasury secretary under George W. Bush, taking with him one of the best contact books on the Chinese elite. Paulson had visited the country some 70 times. He asked the president if he could take charge of America's China economic policy and Bush agreed.

But Paulson, in the judgment of author and journalist Paul Blustein writing in Foreign Policy, screwed up.

Blustein argues that if Paulson had responded more forcefully to Beijing's currency manipulation, tight control of state-owned enterprises, mistreatment of U.S. enterprises in China, and program of technology theft, then the conditions that led to the trade war might not have arisen. Instead of recommending retaliatory actions to protect U.S. companies, Paulson worked to head them off in Congress, proposing to hold a "Strategic Economic Dialogue" which began in December 2006. Needless to say, this gave the advantage to Beijing which it continues to exploit today.

The Princelings of Wall Street The CCP has not been content to rely solely on a concordance of interests between Beijing and big finance in the West. Another important avenue of influence is the princelings—the sons and daughters of top Party leaders past and present. For years, the giant state-owned investment company CITIC has been dominated by princelings, as has China Poly Group, the conglomerate built around arms manufacturing. China's burgeoning private equity sector is controlled by the "red aristocracy" and their children.

For Western hedge funds, insurance companies, pension funds, and banks, a prerequisite for doing business in the emerge ing, highly lucrative Chinese capital markets is a network of connections to the families that control the largest companies and dominate the Party hierarchy. Giving jobs to the sons, daughters, nephews, and nieces of these families brings immediate guanxi, or personal networks for reciprocal benefit. The offspring need not be well

Beijing has been working on Wall Street for a long time. When Prime Minister Zhu Rongji visited the United States in 1999, he holed up in Waldorf Astoria New York and spent days in back-to-back meetings with business leaders.



"Hidden Hand" by Clive Hamilton and Mareike Ohlberg.

qualified or even especially bright; it's their connections that count. An ideal career path for a princeling is an undergraduate degree at a prestigious university, preferably an Ivy League college or Oxbridge, then straight onto the trading floor of a big bank or hedge fund in New York or London and after a few years there, an MBA and then a Wall Street firm.

An unusual insight into how this works was provided by an inquiry by the U.S. Securities and Exchange Commission in 2016, which led to JPMorgan paying \$264 million for violating the Foreign Corrupt Practices Act. JPMorgan had been caught hiring Chinese princelings to win business, something the commission described as "systematic bribery." The company operated what it called the Sons and Daughters Program, which provided dozens of jobs in Hong Kong, Shanghai, and New York to children of the Party elite.

One was Gao Jue, the son of China's commerce minister, Gao Hucheng. A recent graduate of Purdue University, Gao Jue landed a job after a meeting between his father and senior JPMorgan executive William Daley. (Daley was a U.S. Commerce secretary under Bill Clinton and pushed for China's entry into the WTO. He later served as President Obama's chief of staff.)

Gao Jue interviewed poorly but was offered a coveted analyst position with the bank. Prone to falling asleep at work, he was soon judged to be an "immature, irresponsible and unreliable" employee. When, as part of a general downsizing, the bank later wanted to lay him off, his father took the head of the bank's Hong Kong office, Fang Fang, to dinner and pleaded for his son to be kept on, promising to "go extra miles" for JPMorgan in its China deals. Fang was persuaded and a senior executive in New York agreed to keep Gao Jue on, even though the executive's own son had been laid off. Business is business. When Gao Jue was eventually let go, he took other finance jobs before winding up at Goldman Sachs. There are, of course, many

mainland Chinese working in U.S. finance who are highly competent and deserve their positions, often very senior ones. Fang is one example. He graduated from the prestigious Tsinghua University in the 1980s and then studied for an MBA at Vanderbilt University in Nashville. In 1993, he took a job at Merrill Lynch, working in New York and Hong Kong, and in 2001, he began a 13-year career with JPMorgan, rising to the position of chief executive for China investment banking, based in Hong Kong. In that time, he brokered the appointment of many sons and daugh ters to positions within the bank. He also gained intimate knowledge of the personal finances of some of China's ruling elite. The New York Times described Fang as having a "deep network of contacts in Chinese government and business circles."

While not CCP royalty, Fang is on very close terms with the red aristocracy. Fortune describes him as "a media-friendly executive with close ties to the Communist Party." In 2011, he founded the Hua Jing Society in Hong Kong, a social club for the children of mainland elites who had studied abroad and returned to Hong Kong. The society has been described as the Princelings' Club and the Hong Kong branch for CCP princelings.

For the CCP elite, entanglement with the masters of Wall Street through the placement of scores of princelings serves a more important purpose than employment for their kids. It is a means of gathering intelligence and exerting influence because it places its informants and agents in the heart of American power.

The entire workings of a U.S. firm may be sent back to a father or an uncle in China, along with confidential information on the personal and financial affairs of the wealthiest people in North America.

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SPENCER PLATT/GETTY IMAGES



The Wall Street Bull sculpture in the Financial District in New York in this file photo.

HONG KONG

New Security Law Ushers in Authoritarian Era for Hong Kong

EVA FU

t the crossroads between the East and West, the international hub of Hong Kong has long prospered on its dynamic public discourse, vibrant press, and bustling commercial trade.

Now, a growing number of Hongkongers are considering fleeing the city, fearing that the cherished freedoms that distinguished the territory from mainland China will vanish under Beijing's latest encroachment. On July 1, the 23rd anniversary of

the transfer of sovereignty to China from the UK, an expansive national security law went into effect. Offenses such as secession, subversion, and "collusion with foreign forces" now carry a maximum penalty of life imprisonment.

The law triggered fears that Hong Kong, once a place where people could be outspoken critics of the regime, would turn into another mainland Chinese city under the authoritarian grip of the Chinese Communist Party.

"This is a global tragedy," Fred Mc-Mahon, the Dr. Michael A. Walker chair of economic freedom research at the Fraser Institute, told The Epoch Times. The Canada-based institute on July 3 released a letter denouncing the law, while calling for a "global response" to address the deteriorating situation in Hong Kong.

As of July 3, it had been signed by a coalition of think tanks from 39 countries.

Clampdown on Speech

Hong Kong police acted swiftly, arresting 10 people under provisions of the law when thousands of protesters gathered in Causeway Bay on July 1 to oppose it. In some cases, they were arrested for possessing flags, banners, and flyers with slogans that advocated for Hong Kong independence.

A Shau Kei Wan restaurant, one of thousands of shops that openly support Hong Kong's pro-democracy movement, meanwhile, was forced to take down protest messages from its walls on July 2 after police warned the owner.

Four armed police officers appeared at the restaurant in the morn-

ing and photographed the interior, curity bureau be established in the city restaurant owner Gordon Lam told The Epoch Times. Citing the security law, the police threatened to arrest Lam if he didn't remove a display of sticky notes expressing support for the movement.

Later that evening, the Hong Kong government announced that the popular protest slogan "Liberate Hong Kong, the revolution of our times" was banned, declaring that it violates the new law because it "connotes" a pro-independent, separatist, and subversive message.

"Is Hong Kong still Hong Kong? How is today's Hong Kong different from other Chinese cities like Guangzhou and Shanghai?" Lam said.

"This national security law is thoroughly destroying Hong Kong's core values."

Multiple shops have begun removing pro-democracy messages in anticipation of a clampdown, while public libraries have pulled books written by pro-democracy activists. On July 4, police confiscated an American flag from a protester during a local demonstration celebrating July Fourth, citing breach of the law.

Activist Nathan Law, who testified at a U.S. congressional hearing on July 1, fled Hong Kong to an unidentified location, saying that if he stayed, his "speech and appearance would put my own safety in serious jeopardy, given the circumstances."

Security Apparatus

Chinese officials claimed the law would target a small segment of society, but the offenses' broad and vague definitions—as well as a part that stipulates that non-Hong Kong residents could also be subject to prosecution—have stoked concern among legal experts and human rights observers, who say that residents and foreigners alike who draw the regime's ire could be at its mercy once they set foot on Hong Kong soil. Such laws "should never be used to criminalize conduct and expreshuman rights office said in a July 3 program. statement, expressing alarm at the potential "discriminatory or arbitrary already is encroaching on our freeinterpretation and enforcement."

On July 3, Beijing appointed Zheng Yanxiong, known for his role in suppressing on 2011 anti-corruption protests in the southern village of Wukan, to head the new security bureau—which directly answers to the central government.

"We used to think of 'secret police' as something abstract. Now, it is a very real fear," Law said at the July 1 hearing.

In 2016, he won an election to become a local lawmaker but was disqualified after protesting Beijing's grip over Hong Kong during his oathtaking ceremony.

Global Backlash

The Chinese regime, as in the past, has responded to international backlash by saying the law and its implementation are "internal affairs."

"What business has that to do with you?" said Zhang Xiaoming, deputy director of Beijing's office for Hong Kong affairs, when asked during a July 1 press conference about possible sanctions from Western governments

The U.S. Congress has unanimously approved legislation that would impose sanctions on Chinese officials who violate Hong Kong's autonomy, as well as banks that do business with those officials. The UK promised to extend immigration rights to an estimated 3 million Hongkongers, a decision that roughly two-thirds of the British public agreed with, according to a recent poll. Lawmakers in Japan's ruling party are campaigning to cancel Chinese leader Xi Jinping's upcoming visit in light of the developments in Hong Kong.

The city is "the front line in the fight for freedom against authoritarianism," said Benedict Rogers, a Londonbased human rights activist and vocal critic of Beijing's encroachment over Hong Kong.

"If the regime is allowed to just get away with this with impunity, then it's not going to stop with Hong Kong," sion that is protected under interna- he said in an interview for The Epoch tional human rights law," the U.N. Times' "American Thought Leaders"

"The Chinese Communist Party doms-in your country and mine-The law also mandates that a new se- and we mustn't let that continue."

still Hong Kong? How is today's Hong Kong different from other Chinese cities like

Is Hong Kong

Guangzhou and Shanghai? Gordon Lam, Hong Kong restaurant owner



Riot police detain a man as they clear protesters taking part in a rally against a new national security law in Hong Kong on July 1, 2020, on the 23rd anniversary of the city's handover from Britain to China.

THE EPOCH TIMES Week 28, 2020



Riot police run on a street toward pedestrians during a crowd control operation at a demonstration in Hong Kong, on July 1, 2020.

ORGAN HARVESTING

Hong Kong Epoch Times Staffer: Police Threatened to Send Me to Mainland China

EVA FU

n Epoch Times distribution worker who was arrested in Hong Kong while spreading **promotional** material during a recent protest says a police officer threatened to send her to mainland China and have her "organs harvested

alive." Chen Xiaojuan is one of four Epoch Times personnel who was arrested on July 1 in Hong Kong's Causeway Bay area.

Thousands of Hongkongers had poured into the streets to protest the new national security law that Beijing imposed on the eve of the 23rd anniversary of the city's transfer of sovereignty to China from UK rule. The four workers were trapped behind police cordons along with protesters before being taken separately into police custody at the North Point Police Station.

While they were released on bail on July 2, their phones were confiscated.

After her release, Chen said a male officer made the threat after she refused to change into a police-issued outfit and removed a shirt that a female officer tried three times to put over her head.

"You don't sign your names, nor do you wear the clothes. How about we send you to mainland China and have your organs harvested alive?" Chen recalled the officer telling her.

Chen said the officer's remark, and the implied endorsement of state-sanctioned organ harvesting, left her in tears, since she previously learned about allegations that the Chinese regime harvested organs from prisoners of conscience for use in transplant surgery.

You don't sign

your names, nor do you wear the | police-issued | clothes. How about we send you to mainland China and have your organs harvested alive?

Hong Kong Epoch Times distribution staffer Chen Xiaojuan recalled the officer telling her.

independent people's tribunal, after hearing testimony from more than 50 witnesses, concluded beyond a reasonable doubt that state-sanctioned organ harvesting has taken place in China for years "on a significant scale," and continues today. The tribunal also stated that the main source of organs were adherents of the persecuted spiritual group Falun Gong; thousands of adherents have been arrested and detained in China's prisons, labor camps, and brainwashing centers since 1999.

Since 2015, the Chinese regime has claimed that all organs for transplant surgeries are sourced from voluntary donations. But a 2019 study, published in BMC Medical Ethics, found that China's organ donation numbers conform "almost precisely to a mathematical formula," suggesting they likely have been falsified.

The allegations have drawn scrutiny internationally, with Belgium and Austria being the latest countries to draft resolutions to combat such abuse.

Chen wonders whether Hong Kong police have actually sent anyone back.

"Do you all agree with organ harvesting? It's such an evil thing," she said in response to the officer, who didn't reply. She continued to resist wearing the uniform, despite the threats.

"I told them I didn't do anything wrong," Chen said. "They arrested me and put me in police custody, so they are at fault." The Hong Kong police didn't

immediately return a request by The Epoch Times for comment. The following day, a female officer—whom Chen observed to be more senior in rank—in-

sisted that Chen couldn't use the

In July 2019, a London-based restroom without wearing the uniform. When Chen tried to explain why she didn't wish to wear it, the officer appeared agitated, and said she was "about to join the Chinese Communist Party."

> Eventually, the officer relented. Zhang Yan, another Hong Kong Epoch Times worker who was arrested the same day, was handing out promotional materials a day earlier at the Prince Edward metro station, when a police officer warned twice, without explanation, that "this would be the last time" her actions would be allowed.

> "I thought ... Are they going to change their attitudes toward our Epoch Times distribution personnel after July 1? And they did." Zhang said, referring to the first day the law was in effect.

The four are due to report back to the police station on Aug. 4. While concerned for their own

safety, Zhang and Chen say they will keep doing their jobs so the public has access to diverse perspectives.

"A lot of Hong Kong media have been controlled by the Chinese Communist Party," Zhang said. "If people miss out on the voice from the other side, and only receive the Party's propaganda, the brainwashing will change them gradually just like in the mainland ... and Hong Kong will become just another Chinese city.

"Someone has to do it," she added.

The Hong Kong edition of The Epoch Times has condemned the police for indiscriminate arrests and the threat that such actions pose to the city's press freedom and freedom of speech. In a statement, the bureau also vowed to continue reporting on the truth and defending Hongkongers' rights to be informed.

CHINA INSIDER 8

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