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# CHINA INSIDER

## 'MALIGN INFLUENCE'

THE CCP'S LONG MARCH  
THROUGH THE UN SYSTEM

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NOEL CELIS/AFP VIA GETTY IMAGES



## CCP SUPPRESSION

# Beijing Responsible for ‘Largest Transnational Crackdown in the World’ to Muzzle Diaspora, Report Finds

EVA FU

The Chinese regime has mounted the “largest transnational crackdown in the world” to ensure that Chinese communities globally toe the Party line, according to a recent report.

The expansive campaign targets dissidents who have fled China and those who hold a different point of view from the regime. Beijing’s tactics include spying, threatening, harassment, physical assaults, and piling pressure on relatives who remain in China, according to the nearly 650-page report by the Institute for Strategic Studies of Military Schools (IRSEM), an independent agency affiliated with the French Ministry of Armed Forces.

The report presents a comprehensive look into Chinese influence operations worldwide.

The regime also directly places pressure on at least nine foreign states, demanding the arrest of individuals in those countries who are wanted by Chinese authorities.

About 60 million ethnic Chinese live outside of China, with the United States seeing the fastest-growing Chinese population, according to the Overseas Chinese Affairs Office, an administrative body under China’s cabinet-like State Council that liaises with overseas Chinese.

To the regime, that population is a “priority target” for influence operations, because they have easier access to uncensored views critical of the Chinese Communist Party (CCP) and are likely to spread such information to their relatives in mainland China, according to the report.

Despite a vast majority of them having foreign citizenship and therefore not being considered Chinese nationals, Beijing has maintained that all Chinese nationals overseas are members of one “big Chinese family” bound by blood ties, while branding those who step out of line as “traitors.”

On Aug. 23, 2019, the Chinese ambassador to Lithuania and Chinese embassy officials took part in counterprotests to disrupt a pro-Hong Kong rally in support



Miss World Canada Anastasia Lin speaks to her supporters at an event in her honor at the Spoke Club in downtown Toronto on Dec. 15, 2015.

of the city’s democracy movement in Vilnius, Lithuania. After police intervened and arrested two Chinese citizens, several Chinese diplomats approached police with their embassy badges demanding that the detainees be released. Lithuania later protested by summoning the Chinese envoy, saying that the Chinese embassy staff “were involved in organizing unlawful actions.”

In Sweden, two businessmen representing the Chinese state had attempted to silence activist Angela Gui, daughter of Chinese-born Swedish bookseller Gui Minhai, who Beijing sentenced to 10 years in jail in 2020. During a February 2019 meeting in Stockholm, the businessmen promised to secure her father’s release if she stopped talking to the media, according to the report.

One of the men told her that if she didn’t cooperate with them, it was possible that she might never see her father again.

“What is most important to you? Your values or your father?” she recalled him saying.

The meeting was initiated by Sweden’s ambassador to China, Anna Lindstedt. After a public outcry in Sweden, the country recalled Lindstedt from Beijing and placed her under investigation.

Gui is just one of many overseas Chinese to experience threats from the CCP’s agents.

Canadian actress Anastasia Lin drew Beijing’s ire for being a practitioner of the persecuted faith group Falun Gong

and her outspokenness on human rights. She found herself declared “persona non grata” by Beijing and was refused a Chinese visa.

After she was crowned Miss World Canada in 2015, she received a call from her father, who ran a major business in the Hunan Province of southern China, telling her that he had been visited by Chinese security forces. Under pressure from authorities, Lin’s father pleaded with her to stop her activism.

## ‘It Can Happen to Anyone’

Intimidation is another tactic used by the CCP, the report states. Targets have received abusive phone calls at midnight, while activists and politicians who take a critical stance on China are also blackmailed.

The regime has also sought to discredit dissidents by impersonating them, such as by sending insulting emails to foreign officials in the name of the dissident, according to the report.

Chinese Canadian politician Richard Lee, the deputy speaker for the Legislative Assembly of British Columbia, was detained for eight hours upon his arrival at a Shanghai airport in 2015 over activities “endangering national security.” The police examined both his personal and government phones before expelling him from Chinese territory.

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Lee revealed his experience in 2019 and said he believed that it was linked to his vocal support for human rights in China, including his annual participation in a candlelight vigil to commemorate those killed during the 1989 Tiananmen Square massacre.

The fact that a high-profile official such as Lee “could be harassed means that, as he says himself, ‘It can happen to anyone,’” the researchers wrote.

The report states that the happenings in Canada had unfolded “in all liberal democracies with a large Chinese diaspora.”

## Targeting Falun Gong

In the bid to wipe out the Falun Gong spiritual group, which became the target of a sweeping persecution campaign by the CCP in 1999, Beijing has recruited more than 1,000 agents in Canada, including Chinese Canadians, businessmen, and students, the report states, citing Hao Fengjun, a former police officer from the Gestapo-like 610 Office set up specifically to persecute Falun Gong.

The regime had set up informant networks targeting Falun Gong practitioners in Australia and the United States, according to Chen Yonglin, former first secretary for the Chinese consulate in Sydney, whose job was to “monitor and persecute” Falun Gong, the report states. Diplomats were also given directives to identify practitioners and put them on a blacklist, preventing their return to China, according to Chen, who defected to Australia and obtained asylum in 2005.

Informant networks of a similar scale described by Hao also exist in the United States and Australia, Chen said.

In 2004, Pan Xinchun, deputy consul-general of China in Toronto, was convicted of libel for using slanderous words to attack a Falun Gong practitioner, while two staff members of the Chinese consulate in Calgary were seen distributing hate literature against the practice at the University of Alberta.

## Suppressing Overseas Media

Some journalists with The Epoch Times network also have fallen victim to the regime’s bullying campaign. In 2010, Tao Wang, a reporter for the Chinese-language NTD, a sister outlet of The Epoch Times, revealed that he had received phone calls from Chinese agents issuing death threats.

The threats escalated after he refused to comply with their demands.

“They said, ‘You actually think there is nothing we can do to you because you are in Canada?’ They also mentioned, ‘If you ever go public on this, you are’—in Chinese words—‘seeking death,’” Tao told local media at the time.

Tao, who also had a company in China, learned that Chinese agents also had visited his customers, telling them that Tao was “was participating in illegal activities in Canada that harm China’s national security.” The same day after he received that phone call, his company’s bank accounts in China were frozen.

SAMIRA BOUJOU/THE EPOCH TIMES



Falun Gong practitioners take part in a parade in New York on April 18, 2021, to commemorate the 22nd anniversary of the April 25 peaceful appeal of 10,000 Falun Gong practitioners in Beijing.

## ORGAN HARVESTING

## NGOs Launch Declaration on Preventing Forced Organ Harvesting

FRANK FANG

U.S.-based advocacy group Doctors Against Forced Organ Harvesting (DAFOH) and four other NGOs are calling on governments and the public to support a new initiative to end China’s state-sanctioned practice of forced organ harvesting.

Together, the groups issued the “Universal Declaration on Combating and Preventing Forced Organ Harvesting” on Sept. 26, at the conclusion of a two-week World Summit, which drew experts, politicians, and witnesses from 19 countries to online discussions about the abusive practice.

A video accompanying the declaration called for people to add their signatures to the declaration to “stop the most diabolical atrocity of this century,” since the Chinese regime “has turned doctors into executioners” to kill innocent people for their organs.

The declaration “calls on all governments to combat and prevent forced organ harvesting by providing for the criminalization of certain acts, and to facilitate, both at the national and international levels, the criminal prosecution of forced organ harvesting,” said Arthur Caplan, a professor of bioethics at New York University (NYU), during an online session of the summit on Sept. 26.

The acts include coercing individuals into donating their organs as well as removing organs from living or deceased donors without proper consent, according to Caplan.

Caplan is also the director at the Division of Medical Ethics at NYU Grossman School of Medicine.

He said governments should adopt legislation criminalizing these acts as suggested by the declaration.

Caplan said it’s time to ensure that forced organ harvesting relying on phony or coerced consent comes to a halt. “Nations engaged in such practices must be identified, called to account, held responsible, and even boycotted, until transplantation is operating under a moral framework of free choice and respect. I think this declaration does it,” he said.

The other four NGOs are the Taiwan Association for International Care of Or-

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Arthur Caplan, professor of bioethics, New York University

gan Transplants, the Korea Association for Ethical Organ Transplant in South Korea, the Transplant Tourism Research Association in Japan, and CAP Freedom of Conscience in France.

The Chinese Communist Party (CCP) turns China into a top destination for organ transplant procedures as Chinese hospitals can often find patients with a matching organ in an extraordinarily short amount of time. The regime has dismissed allegations of its engagement in organ harvesting as “rumors” and said the country has a national donation system for organ procurement.

Allegations of forced organ harvesting from detained Falun Gong adherents first emerged in 2006. The adherents, who became targets of China’s persecution in 1999, are still victims of Beijing’s oppressive policies to this day.

An independent London-based tribunal concluded in a 2019 report that state-sanctioned forced organ harvesting has taken place in China for years “on a significant scale.” It said it was “certain” that organs are being sourced from imprisoned Falun Gong adherents and that they’re “probably the principal source.” “[China’s] current voluntary system to get organs seems to be operating alongside the continued use of non-voluntary donors—most plausibly, prisoners and people who thus are misclassified as prisoners and as voluntary donors—in order to maintain the pace at which China is performing transplants,” Caplan said.

The Chinese regime claims its policies targeting Uyghurs in China’s far-western Xinjiang region are aimed at rooting out “extremism.” Similarly, Beijing has created propaganda about Falun Gong, with the aim of inciting public hatred against the group and turning citizens to support its persecution campaign, analysts say.

David Curtis, honorary professor of genetics at University College London, also called for some form of boycott against China.

“It is time for us in the West to think about more formal professional boycotts, especially among doctors and scientists on the basis that the medical and scientific professions in China are implicated at an institutional level in these practices,” he said.

Former Chinese diplomat Chen Yonglin, at a press conference in Sydney after being granted a protection visa, warned of the Chinese communist agenda to influence Australians.





## OPINION

# China's Xi Walks Political Tightrope as Evergrande, Property Market Totters

FAN YU

Some clarity emerged from the China Evergrande saga as the embattled real estate developer triaged its finances by electing to forego paying offshore bondholders in favor of conserving cash to pay Chinese customers and stakeholders.

After weeks of customer protests, credit downgrades, and rumors of default, Evergrande elected to pay onshore bondholders and was directed by the Chinese Communist Party (CCP) leadership to conserve operational cash flows and continue to build homes for depositors.

Who were the offshore dollar-denominated bondholders Evergrande left to dry? None other than China-bulls BlackRock, HSBC, and Swiss investment bank UBS. Or more accurately, the investors in their fund vehicles will be hurt.

From the CCP's perspective, it was necessary triage. Evergrande has been tottering on the brink of insolvency for years. Its massive debt load—more than \$300 billion in liabilities—was going to come to a head at some point, and Beijing's hope is to manage an orderly restructuring of Evergrande as much as possible.

There has been a lot of ink spilled on whether Evergrande's downfall would cause a "Lehman moment" for China. And it very well could, in the sense that recent developments could destabilize an already fragile Chinese property market, a market that has been paramount for China's recent economic growth as well as for the wealth accumulation of its burgeoning "middle class" over the last few decades.

In the grand scheme of things, Evergrande isn't that important. Beijing always knew Evergrande was in trouble, and the company's fate was sealed as soon as Beijing announced in January 2021 the "three red lines" policy imposed on

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the country's property developers. In short, the "three red lines" policy was aimed to force deleveraging of China's grossly indebted property developers. It put strict criteria of financial ratios and metrics on property developers to clamp down on excess borrowing. It was going to be challenging for China's property developers, all of which carried high debt levels, to meet those requirements. At the time, UBS analysts published a note to investors in January that the policy would "open up opportunities for bond investors." At least UBS put its money where its mouth was.

Beijing is attempting to solve long-standing ailments within its property sector. And if Evergrande collapses, then that's the cost it needs to pay to correct the market. China's property market has around 80 million excess supply of housing units and urban apartments are in the range of 20-40 times average workers' annual wages. Something has to give.

China looks to steer the property market away from the "build build build" model of the past. And in doing so—and to avoid a "Lehman moment"—Beijing needs to ensure that the overall stability and faith in the property market does not collapse along with Evergrande. It needs other property developers to pick up projects Evergrande may abandon, for local governments to step in where necessary to reimburse depositors where Evergrande cannot, to maintain social stability, all the while ensuring other large developers do not topple along with Evergrande. So market watchers now are keeping a close eye on Evergrande peers such as Country Garden, Sunac China Holdings, and Vanke.

But the cracks are already getting bigger. A local office of developer Sunac appealed to a municipal government in Zhejiang Province for "policy assistance" recently as the

company struggled through a period of slowing sales, according to a Sept. 24 Financial Times report.

One gets the sense that CCP regime boss Xi Jinping himself is at the helm in reshaping China's economy. Such deep cuts are impossible without his explicit sign-off. Vice Premier Liu He, Xi's economic advisor and the country's top trade negotiator during the last few years, has effectively been sidelined. Liu reportedly had to hold Mao-style self-criticism for allowing ride-hailing company Didi Chuxing to go public in New York.

But Xi needs to handle matters carefully to avoid a long period of stagnant growth and risking political backlash. He already has a full slate of regulatory and social changes to push through, from crackdowns on the technology industry, to heavy-handed regulations over playing video games, to increasingly Marxist-Maoist social commentary, and more recently, China's full ban on cryptocurrencies as it attempts to exert greater control over its people and markets.

Are recent developments a sign that Xi is serious about altering China's development model? And does he have enough political capital and social stability credit to pull it all off? That's a high-wire act for Xi, who is attempting to secure a controversial third term as the Party's General Secretary next year.

It remains to be seen if he is successful in doing so. But one thing is certain, China's real estate-driven "economic miracle" of sizable annual GDP growths is over.

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

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A Chinese migrant worker passes by The People's Bank of China as he heads to a bus station in Beijing on May 1, 2013. PBOC is China's central bank that regulates monetary policy and financial institutions.

## ANALYSIS

## Making (Some) Sense Out of Beijing's Financial Positions

MILTON EZRATI



So much of policy coming out of Beijing these days seems contradictory, especially where financial matters are concerned.

On the one side, China's leadership has all but shut down avenues for the country's businesses to procure foreign capital, in particular any ability of Chinese firms to float public offerings in the United States. But at the same time, the authorities, after years of keeping foreign financial firms out of China, have invited America's BlackRock to build, sell, and administer mutual funds in China. Without naming them, Beijing is inviting other foreign financial firms to do the same. If from some perspectives this sort of behavior seems inexplicable, it nonetheless does seem reasonable in one important regard, and that is Beijing's long-held desire to make the yuan a global reserve currency and perhaps someday replace the dollar as the premier international currency.

Beijing has made no secret of its ambitions for the yuan. It has used China's predominance in trade to advance this objective as well as the political advantages gained through the Belt and Road Initiative (BRI, also known as "One Belt, One Road"). In some instances, Beijing has insisted that trading partners write contracts in yuan instead of the usual dollar-based accounting. Although the yuan has made gains over the five years or so since the International Monetary Fund (IMF) first accepted the currency as part of the basket by which it creates its special drawing rights for central bank accounting, the yuan still has a long way to go to overtake the dollar.

According to a recent IMF accounting, only some 2 percent of global currency reserves are held in yuan compared with over 60 percent in dollars. To be sure, several global financial firms have forecast further gains for the yuan. Morgan Stanley projects that the yuan's share in global reserves will rise to 5 percent or more by 2030. That would constitute a remarkable stride, but it would still leave the yuan less significant than the euro, even sterling, and still far from supplanting the dollar. Other gauges, such as the percent of trade contracts written in various currencies, tell the same story.

Even as the country's leadership in Beijing voiced its yuan ambitions and must enjoy forecasts such as Morgan Stanley's, it surely has long known that as things stand presently, matters can only go so far. Pointedly, Chinese finance, as it is currently structured, lacks what it needs

to support a global currency. The need to develop that support seems to lie behind Beijing's latest moves.

A reserve, for instance, demands liquid currency markets. Before traders, investors, bankers, and central bankers will rely on a currency for international dealing, they have to be sure that they can move into and out of it quickly and easily, and do it anywhere in the world at almost any time. Take an exporting company paid in a global reserve not its own. To meet its payroll and its obligations to suppliers, it must have the ability to change quickly from the currency in which it is paid to the one needed to meet these obligations. China has not only lacked the necessary currency trading facilities and expertise, but it also had controls on money flowing into and out of the country, and still does.

The crackdown in Hong Kong has already begun to drive its impressive international banks and financial institutions to Singapore and points beyond.

Similarly, China has also lacked sufficient yuan-based investment instruments to support its currency in a global role. These are critical because people all over the world must hold balances in any currency that serves as a reserve and as an international trading vehicle. To satisfy their needs, the nation issuing such a currency must offer an array of investment vehicles—accounts to be sure but also ways to earn on balances held for both short- and long-term time frames. China had and still offers little more than stock markets, underdeveloped bond markets, and low-interest accounts at state-owned banks. Without more, few would want to hold yuan balances.

For a time, Beijing might have looked to Hong Kong's impressive financial expertise and facilities to fill these needs and enable the yuan to step up to a premier international role. But it seems that internal political needs have trumped that ambition. The crackdown in Hong Kong has already begun to drive its impressive international banks and financial institutions to Singapore and points beyond. Much expertise is leaving with those institutions and with individuals who no longer want to remain in Hong Kong in the new circumstances. With these strengths clearly ebbing, Beijing has had to seek another solution. Both

these seemingly contradictory moves are surely meant to serve that purpose.

Take the decision to cut Chinese business off from foreign sources of capital. In the present, the shortfall in money flows might work against growth prospects, but over time, it will create pressure on existing financial arrangements to develop vehicles that can raise funds for the businesses cut off from foreign capital. Responding to such demands will also develop the kinds of investment vehicles that could also satisfy the needs of those who would have to hold yuan balances and help it become a global reserve currency. The more thoroughly those facilities develop, the greater the chance that the yuan will rise in global stature.

The decision to invite BlackRock and other foreign financial operations into China would complement such an effort. Not only would BlackRock and these others develop the needed investment vehicles—bond funds and short-term investment funds as well as equity funds—but it would bring into China trading expertise and systems that the yuan also needs to support it as a global currency. These firms would also serve as models for Chinese counterparts to acquire that expertise for themselves. Whether these efforts will give the yuan the status Beijing wants remains an open question on several levels. It is, for instance, not apparent that these moves and others like them will transform Chinese finance sufficiently to compete with what Singapore, Tokyo, London, and New York already offer in abundance, for their own

currencies and for the dollar. Nor is it apparent that the government in Beijing, with its love of centralized control, can tolerate the experimentation and freedom of action needed to create the required financial environment.

And even if Beijing's steps succeeded completely, the rise in the yuan is far from guaranteed. In addition to trading and financial depth, should it develop, much behind a global currency also depends on practice, habit, and custom. Having held the role of premier global reserve currency for over 70 years, the dollar has much of this in its favor. That does not ensure that it will hold its position indefinitely, but it does mean that the transition would take a very long time, long enough to try even the famed patience of the Chinese.

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

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BlackRock Chair and CEO Laurence D. Fink attends a session at the World Economic Forum annual meeting in Davos on Jan. 23, 2020.



Residential buildings under construction are seen at a project developed by China Evergrande Group, in Suzhou, Jiangsu Province, China, on Sept. 23, 2021.





Chinese leader Xi Jinping virtually addresses the 76th Session of the UN General Assembly on Sept. 21, 2021 in New York.

## CCP INFLUENCE

# World Bank China Rigging Scandal Highlights Beijing's 'Malign Influence' at UN: Experts

### TERRI WU

Revelations that World Bank leaders pressured staff to rig an influential report in China's favor have once again shed light on the Beijing regime's influence within the United Nations system.

A recent investigation found that then-World Bank President Jim Yong Kim and then-Chief Executive Kristalina Georgieva had applied "undue pressure" on staff to boost China's ranking in its 2018 "Doing Business" report. At the time, the World Bank leadership was "consumed with sensitive negotiations" over a major capital increase, a move that increased China's stake in the lender, investigators said. Leaders had also received repeated overtures from senior Chinese officials wanting the country's score to be raised to reflect its initiatives at reform.

The fallout from the probe has been swift. The World Bank announced its abandonment of the Doing Business report entirely. Georgieva, now head of the International Monetary Fund (IMF), has faced calls for her resignation, including by *The Economist* magazine. The embattled chief, however, has vehemently denied the investigation's findings.

Analysts now say that the scandal has further underscored the Chinese regime's malign influence in important multilateral institutions.

China's communist regime sees the existing international order as a threat to its interests, Seth Cropsey, a senior fellow at the Washington-based think tank Hudson Institute, told *The Epoch Times*. "So they want to break it up whenever possible."

"Influence and membership and participation in international organizations give them the foot in the door that they need to accomplish that goal."

And to achieve its ends, Cropsey said, Beijing is "willing to use bribery, threats of force, political pressure" and any other means.

### History of Collaboration

The World Bank played an important role in shaping the Chinese Communist Party's (CCP) economic reforms in the 1980s and 1990s, when the regime was attempting to extricate the country away from backwater status, according to China expert Michael Pillsbury.

In his book "The Hundred-Year Marathon," Pillsbury wrote that the World Bank secretly advised the CCP as early as 1983. That year, World Bank executives met with CCP leader Deng Xiaoping. As a result, the bank agreed to study China and recommend how the regime could catch up to the United States economically in the following decades.



Kristalina Georgieva is the managing director of the International Monetary Fund.

China will not stop its so-far successful campaign to gain decisive influence in all the U.N. specialized agencies and to continue their successes in obtaining benefits from the IMF and World Bank.

Michael Pillsbury, author, "The Hundred-Year Marathon"

While the lender released "a few vague reports" about China's need to develop free markets, in private, the World Bank by the mid-1980s endorsed the regime's socialist approach and "made no genuine effort to advocate for a true market economy," Pillsbury wrote.

"China will not stop its so-far successful campaign to gain decisive influence in all the U.N. specialized agencies and to continue their successes in obtaining benefits from the IMF and World Bank," Pillsbury told *The Epoch Times* in an email.

### China's Influence

The IMF and World Bank are among 15 U.N. specialized agencies, of which Chinese representatives head three. No other country leads more than one body. Meanwhile, the International Civil Aviation Organization just saw its Chinese chief depart in August after a seven-year term.

"Since I wrote *The Hundred-Year Marathon* six years ago, the Chinese have not suffered any significant sanctions that would cause them to change their successful trajectory to surpass the U.S. in global primacy," Pillsbury wrote.

The CCP's only recent setback in the U.N. system, according to Pillsbury, occurred when the Chinese candidate was outvoted for the top post at the World Intellectual Property Organization (WIPO).

In the lead up to WIPO's March 2020 election, the Trump administration mounted an effort to ensure that Wang Binyang, a representative of the Chinese regime—which is notorious for its lack of intellectual property protections—wasn't successful in his bid to lead the body charged with safeguarding those rights worldwide.

Wang was ultimately defeated by Singaporean Daren Tang, who was backed by the United States and many other Western nations, by a vote of 28 to 55.

"The Chinese thought they had a fast-track to that [position]," then-U.S. Secretary of State Mike Pompeo said in July 2020. "We put up a good candidate. ... And we crushed them. It was an amazing diplomatic effort."

### Pushing Belt and Road Through UN

The Chinese regime also has used U.N. bodies to legitimize and promote its massive global infrastructure investment project, known as the Belt and Road Initiative (BRI). The trillion-dollar plan has been criticized by U.S. officials for facilitating the expansion of Beijing's economic and military clout, while saddling developing countries with unsustainable debt burdens.

The U.N. Department of Economic and

Social Affairs, a secretariat body, has been a major vehicle used by the regime to promote BRI, according to a 2019 report by Washington-based think tank Center for a New American Security. Chinese officials have held the top position at the U.N. body since 2007, allowing Beijing to draw on "an extensive network of Chinese nationals to steer the organization toward embracing" the BRI, the report stated.

Through these efforts, the Chinese regime has been able to package its BRI projects under the U.N.'s sustainable development goals, the report said, thus allowing U.N. resources to be directed toward Chinese-backed investments.

The WHO, led by Hong Kong's Margaret Chan from 2007 to 2017, also promoted the BRI in the health care sector.

In January 2017, Chan signed a BRI memorandum in health care with China at a meeting with CCP leader Xi Jinping in Geneva. In May 2017, less than two months before the end of her term, Chan visited Beijing and signed the action plan.

Upon leaving the WHO, Chan immediately took high-level positions in CCP organizations, including the Political Consultative Congress, a political advisory body that is a key organ in the regime's domestic and foreign influence efforts, known as "united front" work.

During her terms, Chan also appointed Xi's wife, Major Gen. Peng Liyuan, and Chinese state-run TV host James Chau as WHO goodwill ambassadors, roles they still hold today.

Current WHO chief Tedros Adhanom Ghebreyesus, who succeeded Chan in July 2017, led a WHO delegation to the Belt and Road Forum for Health Cooperation in Beijing in August 2017. During that trip to China, Tedros signed a strategic agreement supporting the BRI, while the WHO received an additional contribution of \$20 million from the regime.

This memorandum between the WHO and China, which hasn't been made public, will allow China's ruling regime to expand its influence over hospital systems worldwide, particularly in the area of data, Ian Easton, senior director at Virginia-based think tank Project 2049 Institute, warned during an August virtual discussion hosted by the Hudson Institute.

The agreement paves the way "for client states around the world to use Chinese technology, products, and software in hospitals and other organizations relating to global health," Easton said.

The World Bank and IMF didn't respond to questions from *The Epoch Times* relating to the CCP's influence in U.N. systems. WHO officials also didn't respond to requests for comment.

## OPINION

# Prisoner Swap Between Huawei CFO and Canada's 'Two Michaels' Gives Hardliners in Beijing Ammunition

### PETER DAHLIN



Former diplomat Michael Kovrig and business consultant Michael Spavor are both home in Canada now. On Sept. 24, they were released by Beijing immediately after Huawei

Chief Financial Officer Meng Wanzhou was released from Canadian custody, following U.S. prosecutors' decision to end the extradition request for her and to put the prosecution on hold until December 2022.

The deferred prosecution agreement between Meng and the United States would allow her to return to China. In December 2018, Meng was arrested at Vancouver International Airport on a U.S. extradition warrant. She is accused of being involved in a scheme to use the global banking system to evade U.S. sanctions against Iran. The detentions of the two Canadians were widely seen as a tit-for-tat response by the Chinese regime over Meng's arrest—a tactic called "hostage diplomacy."

For a long time, the hardliners in Beijing have likely been under pressure, as NGOs, civil society actors, and media, alongside government action have pushed the reputational and political costs to unimaginable levels for China.

Kovrig and Spavor were detained in China for over 1,000 days and Chinese authorities accused them of spying. Kovrig had a closed-door trial in March but the verdict moved to an unspecified date. Last month, a Chinese court sentenced Spavor to 11 years in prison.

It's hard for any outsider to imagine the reaction of family members and friends when the two men were released. It's a time for both Michaels to realize that their return to freedom could be a whole new challenge, especially on how to deal with the mental health fallout that comes from such extreme experiences. It's a phenomenon that my NGO *Safeguard Defenders* is familiar with, often arranging mental health support for victims of disappearances, detentions, and torture. Being released from detention is often a mixed blessing—a happy occasion that brings a whole new slew of challenges.

The Trudeau government in Ottawa has withstood extensive criticism for its handling of the case, and so has both the Trump and Biden administrations. Criticism has focused on the failure to move quickly in leveraging reputational and political risks against Beijing for its blatant

hostage taking. Still, to their defense, after acting far too slow and not taking enough action early on, both governments came to realize that the cost to Beijing had to be increased, with Canada rallying allies under the banner of general action against arbitrary detention being one key action.

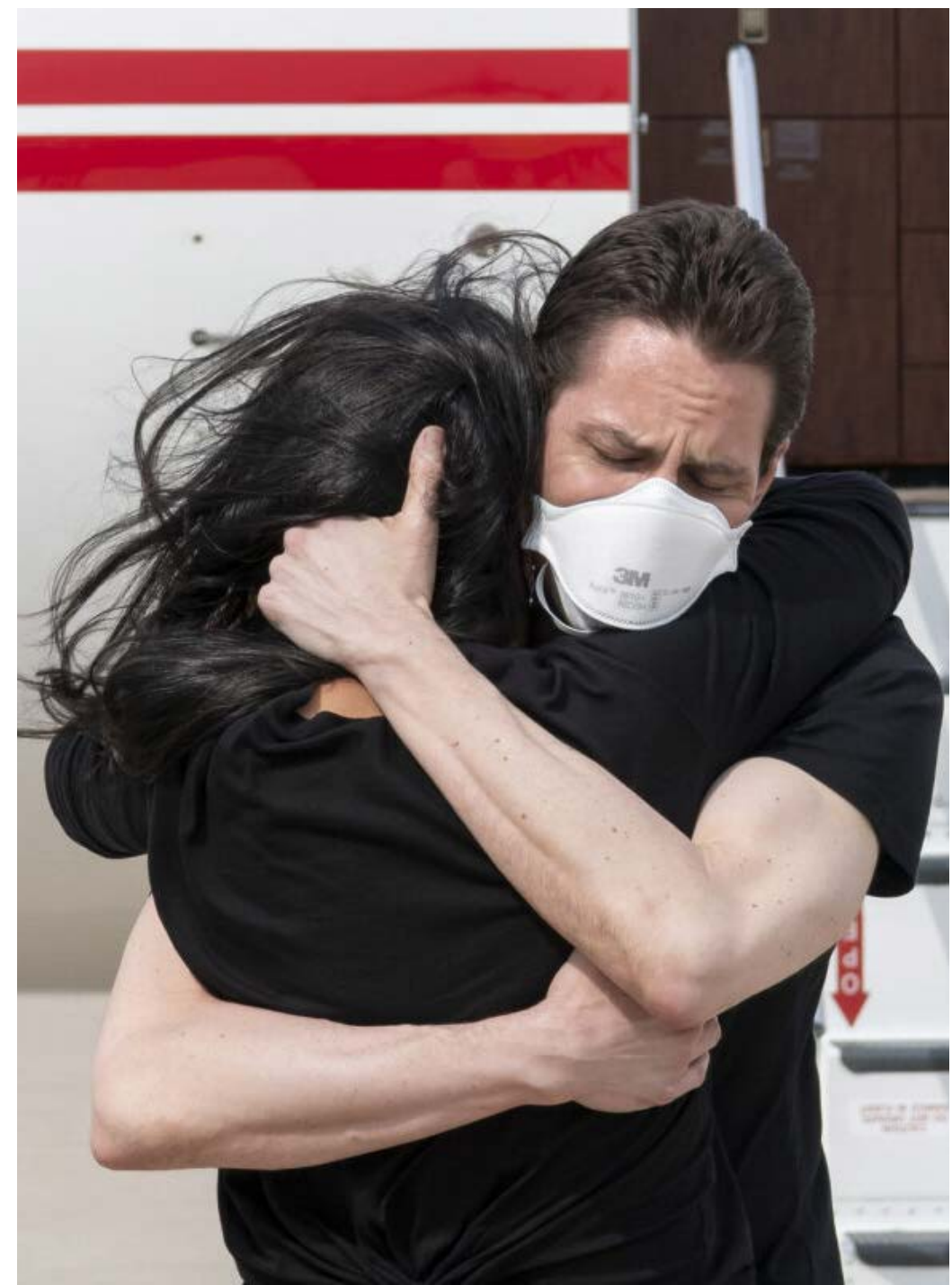
For a long time, the hardliners in Beijing have likely been under pressure, as NGOs, civil society actors, and media, alongside government action have pushed the reputational and political costs to unimaginable levels for China. While I sit here in Europe, where people are often blissfully unaware of what goes on in China, the case of the "Two Michaels" is an anomaly, one where people outside the "China sphere" have been shocked by Beijing's behavior. It's not for nothing that the leader of Lithuania recently said that China's behavior concerning the "Two Michaels" was a wake-up call for us all.

In the end, the release of Meng has proven the hardliners right, despite the much higher-than-expected cost. This high cost is likely the reason why we have not seen other people being taken as hostages in China. Still, with hardliners now being able to show that hostage diplomacy does indeed yield the desired results, foreigners in China are likely in greater danger now than ever. Hostage diplomacy, the hardliners will contend, is effective—even if the cost ends up far greater than anyone in Beijing can foresee.

In the end, the Canadian government had no choice but to engage wholeheartedly to get their citizens back, which is a sign of a responsible government. However, for a long time, it failed to respond quickly to pressure Beijing and to raise the cost of its hostage diplomacy. Canada, like Australia and Sweden before it, started taking action far too late, relying on normal diplomatic procedures—the ones they are accustomed and comfortable with—before taking wider action.

Hopefully, once and for all, Western governments will now have learned that the Chinese Communist Party (CCP) cannot be dealt with as any other government, and when the next Michaels are taken—and they will—governments will have learned to launch wide counter measures quickly, and involve their allies, rather than squander a whole year.

For Canada, it's now time to consider the usefulness of the bilateral consular agreement with China—an agreement that China has violated time and time again. Why maintain an agreement which bounds Canada, but which China ignores at will without consequences? It's time to focus energy on diversifying Canada's supply chains and lessen its economic dependency on China, much like Australia and Japan are now doing. It's time to counter the undue influence of CCP-operated groups on Canada, to rein in CCP media such as CGTN and CCTV, which operates without over-



Former diplomat Michael Kovrig embraces his wife Vina Nadjibulla upon his arrival at Toronto Pearson International Airport on Sept. 25, 2021.



Huawei chief financial officer Meng Wanzhou (C) talks to media outside the B.C. Supreme Court in Vancouver on Aug. 18, 2021.

Most importantly, the parliamentary committee established to advise on whole-of-government policy changes for dealing with China needs to be given room to put forth real and concrete proposals for how to better deal with the Chinese regime in the future.

In the end, like with all complicated political matters, I think a lot of us are left feeling conflicted; relieved and happy that both Michaels are finally free from a hellish situation that they should not have been put through, but also worried that the way it ended will embolden the CCP to do more, and do worse.

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

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