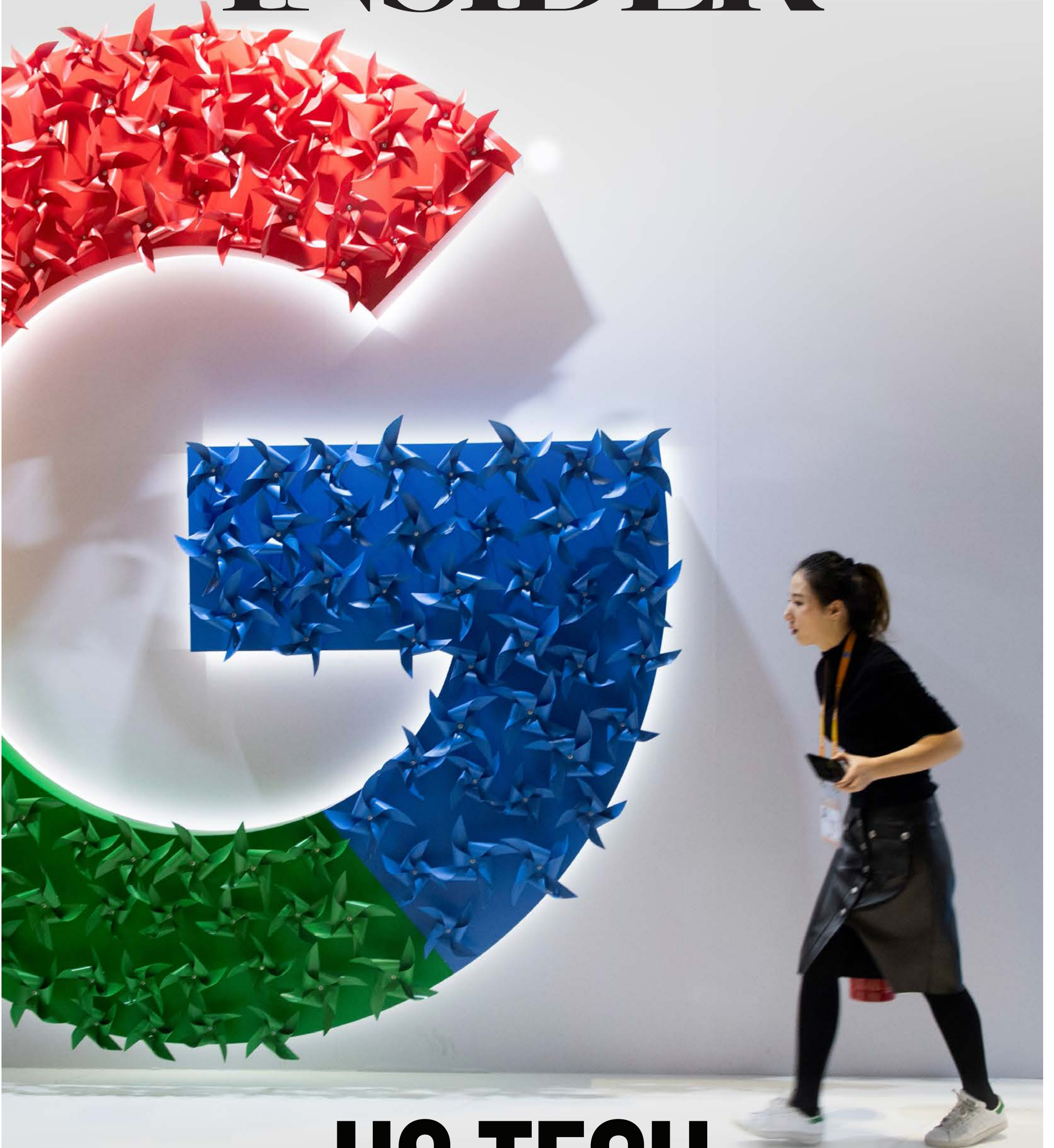


WEEK 2, 2022

THE EPOCH TIMES

# CHINA INSIDER



## US TECH SUPERCHARGING THE CCP

See Page 2



## PROPAGANDA

# Chinese State Media Uses Times Square Screen to Play Xinjiang Propaganda

EVA FU

NEW YORK—Chinese state media Xinhua is running digital billboards in one of the world's most coveted ad spaces to promote goods from Xinjiang amid rising global outcry over the regime's campaign of repression in the region.

In New York City's Times Square just before Christmas, a giant screen measuring about 64 feet high and 40 feet wide repeatedly played a video by Xinhua, depicting Shihezi, one of the largest cities in Xinjiang, as a thriving "green" city.

The 30-second video touted Shihezi as an "epitome" of China's green development efforts, with "sweet fruits, intoxicating wines, a green city image, and a happy life of people," according to a description from a Jan. 4 press release from Xinhua Screen Media Co.

"China's Shihezi city delights Times Square with fruits of green development," Xinhua stated in the press release.

Such portrayal stands in stark contrast with the regime's human rights abuses in the region, which includes the detainment of an estimated 1 million Uyghurs in camps, where they are subjected to torture, forced labor, and political indoctrination.

Those concerns have led the United States and allies to stage a diplomatic boycott against Beijing's 2022 Winter Olympics. The U.S. government, several Western parliaments, and an independent people's tribunal have classified Beijing's campaign as a genocide.

Presenting Shihezi as a "green city" against this backdrop feels ironic, according to Ilshat H. Kokbore, vice chair of the executive committee of advocacy group World Uyghur Congress. Kokbore worked as a college teacher in Shihezi for 15 years from 1988 to 2003.

The regime is trying to "whitewash the genocide accusation," he told The Epoch Times. With the Olympics coming in just four weeks, any diplomatic recognition or praise from the West would equate to a "success" that Beijing could use to boost its legitimacy, he said.

Behind the "green" facade, Shihezi is a military-style city run by Xinjiang Production and Construction Corps (XPCC), according to Chinese state media. XPCC is a regional paramilitary group the United States has sanctioned over serious human rights violations.

"The city is not friendly to anyone, not even friendly to the Han Chinese who live there," Kokbore said, referring to the majority ethnic group in China.

Shihezi is a major city for exporting cotton and tomato products, according to Chinese media reports.

When Kokbore was a teacher there, every year during the cotton harvest season, which typically started around mid-September, he would lead around 50 to 70 Uyghur students to pick cotton. The labor was unpaid. To accomplish the quota, they

sometimes had to stay in the cotton fields from 6 a.m. to 10 p.m.

"It was called labor education for the students," he said.

Washington banned all imports of cotton and tomatoes from the region last January over forced labor concerns. In December, President Joe Biden signed into law a bill that banned all imports from Xinjiang.

These sanctions have hit Xinjiang hard, Kokbore said, which he believes is a principal reason behind Beijing's ad campaign. With exports to the United States curbed, his connections from Shihezi told him, the city's government is in a tight spot financially and even has some trouble fully paying civil servants' salaries.

This propaganda campaign is unlikely to bear fruit, given what the world knows about the Chinese regime's abuses against its citizens in Xinjiang and elsewhere, he said. Kokbore pointed to the recent example of Xi'an city's harsh lockdown in a bid to keep down COVID-19 numbers, which has left locals struggling to obtain food and basic medical care.

"How can anyone trust this government?" he said. "Their own citizens cannot enjoy any freedom ...[and] cannot, when they need, even visit the doctor."

Xinhua made its debut at Times Square in 2011 in an effort to expand its global outreach, using the screen to play videos that portray the regime in a favorable light.

Early last year, amid rising scrutiny over China's alleged coverup of the pandemic origin, an ad from Xinhua claimed that China was leading the world in fighting the pandemic and called for unity. Around the time, Beijing had refused to hand over raw patient data for the World Health Organization's virus origin probe.

But the news agency and other Chinese state outlets are facing growing skepticism in the West. The agency registered as a foreign agent last year under order from the Justice Department. It is also one of 15 Chinese state news outlets the United States has designated as foreign mission, alongside China Daily and English-language broadcaster CGTN.

Americans need to "say no" to the Chinese regime, said Kokbore.

Given that Beijing heavily restricts the activities of American and other foreign media outlets in China, Kokbore questioned why Washington should grant so much freedom to the regime's outlets in the United States.

"Why should we let the Chinese media freely propagate communist ideology? It shouldn't happen."

*Eva Fu is a New York-based writer for The Epoch Times focusing on U.S.-China relations, religious freedom, and human rights. Contact Eva at [eva.fu@epochtimes.com](mailto:eva.fu@epochtimes.com)*

*Danella Pérez Schmieloz contributed to this report.*



An electronic billboard leased by Xinhua (2nd from top), the news agency operated by the Chinese government, makes its debut in New York's Times Square, on Aug. 1, 2011. The LED sign is 60 feet (18.3 meters) by 40 feet (12.2 meters) and is located on the building at 2 Times Square.

Why should we let the Chinese media freely propagate communist ideology? It shouldn't happen.

Ilshat H. Kokbore, vice chair, executive committee of World Uyghur Congress



Students for a Free Tibet protest below a new electronic billboard leased by Xinhua (2nd from top), the news agency operated by the Chinese regime, as it makes its debut in New York's Times Square, on Aug. 1, 2011.

## ECONOMY

# CCP Mismanagement, Authoritarianism Pushing China Down Road to Economic Ruin: Experts



Vendors selling tomatoes wait for customers at a market in Shenyang in China's northeastern Liaoning province on Dec. 9, 2021.

MICHAEL WASHBURN

Fiscal mismanagement, exacerbated by the growing authoritarian tendencies of the Chinese Communist Party (CCP), is quickly undoing economic and social progress and setting the stage for soaring poverty and social unrest throughout China, said experts at a Hudson Institute virtual event on Jan. 11.

The virtual event, "Is China Headed for an Economic Crisis?," featured Thomas Duesterberg, a senior fellow at Hudson Institute, a Washington-based think tank, and Leland Miller, CEO of China Beige Book International.

Looking at China today, Duesterberg outlined a number of festering ills that the CCP in recent years has proven singularly ill-equipped to address.

One of the biggest looming problems has to do with the country's demographics. China has what Duesterberg called a severely aging population, in which the number of working-age men and women is expected to decline sharply as a total percentage of the citizenry in coming years. By 2050, Duesterberg predicted, half a billion Chinese will be over the age of 60 and many will require extensive support through an already strained social welfare system. Not only is that system underdeveloped when compared to the social networks and safety nets found in western countries, but it is also underfunded.

Compounding this issue is a growing trend toward inequality, which takes myriad forms.

"There's an unequal distribution of income, both vertically and geographically. The IMF noted in a paper a few years ago that from being one of the most equitable economies in 1990, China now has inequality higher than most, with inequality in urban regions rising sharply. This inequality extends also to the education system, to jobs, opportunities, and to opportunities for women," Duesterberg said.

Duesterberg cited the statistic that women currently comprise only about five percent of the total membership of the central committee of the CCP, a 205-member high-level decision-making body of the Party, and suffer from a marked wage gap.

Further complicating the long-term economic picture is the ongoing degradation of the natural environment of China, as air, water, and soil become increasingly polluted amid Beijing's heavy-handed efforts to control China's river systems. Additionally, for all its natural resources, mismanagement at the top contributes to a general

lack of self-sufficiency with regard to food, energy, and minerals, Duesterberg said.

### Favoring State-Owned Enterprises

All these problems would be daunting enough even in a country with highly capable and transparent leadership. The growing authoritarianism of the regime of Xi Jinping, Duesterberg said, and its tendency to favor state-owned firms rife with cronyism and incompetence and to sideline private-sector players, seriously exacerbates the many economic and social ills.

"Estimates are that the state-owned private enterprises of China are only about 20 percent as productive in the industrial sectors as those in the advanced economies of the West," he said. "Xi Jinping also promoted the role of the CCP officials, in company management boards, often advancing politics rather than economic efficiency as the goals of management."

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A crackdown on independent news sources is part and parcel of the regime's authoritarian approach and puts China at a further disadvantage when competing with other countries. Xi is averse not only to large and successful Chinese firms like Alibaba, but also to dynamic firms in the digital marketplace that had been poised for growth in such realms as video-gaming, ride-sharing, and healthcare, Duesterberg said.

Looking at all these trends in aggregate, there can be no doubt as to their stalling effect on China's economy, he said. According to Duesterberg's figures, China must devote 7 to 9 yuan for every single yuan it hopes to gain in overall gross domestic product (GDP). In the boom years of the 1990s, he said, the corresponding figure was 1 to 2 yuan for every single-yuan advance in GDP.

The diminished capital output ratio has, predictably, led to soaring levels of both public and private debt in China, Duesterberg noted. Part of Beijing's response has

begun to pursue increasingly reckless real estate schemes at home.

"In the 1990s Beijing began to allow sales of land, and local governments seized the opportunity to engineer a boom in land development, which enables them to meet some goals [but also] created a bubble much larger than in the U.S. and Europe 2008, and comparable to the disaster that faced Japanese bubbles in 1990s," Duesterberg said.

"One half of China's economy in recent two decades has been attributed to the real estate sector, and 80 percent of personal wealth now is tied up in real estate. Half of revenues from local sale and development land taxes are underpinning the solvency of local government finances," he noted.

All this has set up China for a catastrophic bursting of the real estate bubble, he predicted, pointing to the Evergrande crisis in recent months.

### Long-Term Decline

Miller agreed to a large extent with Duesterberg's analysis, but said that he does not think China is poised for a "Lehman moment," a reference to the catastrophic collapse of Lehman Brothers in the U.S. that triggered the global financial crisis in 2008. Rather, Miller said he expects China's economic woes to play out in a more incremental fashion over time.

"I think the consequence of these challenges is that you're looking at a future of long-term stagnation," Miller said.

"One thing you keep seeing is that with all this buildup of debt, so much of it non-performing, and with more and more capital going to non-productive uses instead of productive uses, it slows the economy down dramatically over time," he added.

Duesterberg and Miller both identified a role for foreign capital in bailing out Chinese industry and alleviating some of the most serious problems. The deployment of foreign wealth in the form of stocks, bonds, and venture capital could provide increasing political leverage to make Beijing abide by its World Trade Organization duties and curb its more egregious human rights abuses, Duesterberg suggested.

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A farmer transports cotton sacks at a cotton factory in Shihezi of Xinjiang, China, on Sept. 23, 2007.

COURTESY OF LIU DANBI



Huang Shiqun (2nd R) in the 1990s.

## RELIGIOUS FREEDOM

# NJ Resident Loses Mother Who Suffered Torment in Chinese Brainwashing Center

EVA FU

**N**EW YORK—On Liu Danbi's 31st birthday in December 2021—the first without a birthday wish from her mother—she didn't cry. Her tears had run out long ago, she said.

Liu hadn't seen her mother face to face since they said goodbye at a Chinese airport seven years ago, when she boarded a flight for New York for her graduate studies at the University at Buffalo.

When they parted, Liu was seized by a sudden grief and dissolved into tears for seemingly no reason.

"I had a hunch it was the final farewell to my mother," she told *The Epoch Times*. Her mother, Huang Shiqun, died on April

23, 2021, after swallowing seven bottles of pills that were prescribed by a psychiatric hospital. Her body was discovered in a hidden stairwell of the apartment building where she lived with her husband.

Huang left a final message for her husband, written on a slip of paper.

"You are the best husband in the world," she wrote. "I'm just not lucky enough."

Before her death at age 57, Huang had struggled for two years with depression, which began sometime during her arrest and subsequent detention in her hometown of Wuhan, China, for trying to call attention to the Chinese regime's persecution of her beliefs.

Huang, formerly a kindergarten teacher, was an adherent of Falun Gong, a spiritual discipline with five meditative exercises

**She told me she felt like every cell in her body was being tortured.**

Liu Danbi

and moral teachings centered on the principles of truthfulness, compassion, and forbearance.

Official reports estimated that roughly 70 million people were practicing the discipline in China in 1999. But fearing its popularity, the regime started a violent campaign to persecute Falun Gong, leading to the arrest of millions of adherents over the past 22 years.

In Liu's memory, her mother was always talkative and optimistic. Huang struck up conversations with strangers on the street and made friends with fruit vendors in her neighborhood. She had a good voice and a talent for impersonating Teresa Teng, a Taiwanese pop icon in the 1980s who won fans from all over Asia with her heartrending romantic ballads.

"It was as if nothing was too difficult for her," Liu said. "Her mere presence would make me feel safe."

But those traits disappeared after she came back from Wuhan's Qiaokou District Legal Education Center in February 2018. The facility is known by Falun Gong adherents to be a brainwashing center for its efforts to make practitioners of the faith give up their beliefs through a combination of propaganda, coercion, and forced medication.

Liu never knew what happened to her mother during her one month of detention at the center. But when Huang came back, she was no longer herself. Her weight had plummeted by 66 pounds. She was restless at night and would pace back and forth. She suffered from vision and hearing loss. She couldn't read and would get lost even around her own neighborhood. During calls with Liu, Huang spoke of hair loss on her arms and muscle cramps.

More worrisome were the changes to her mental state. Once a lighthearted person, Huang became anxious and withdrawn. She had curtains drawn even in the daytime, saying that she was afraid of the light. Any visitors would distress her, and she no longer wanted to go outside.

The hospital told the family that Huang's cranial nerves had degenerated.

"She told me she felt like every cell in her body was being tortured," Liu said. "I felt that she was ready to jump off the building at any minute and give up her life."

Huang spoke often to Liu about her physical and psychological pains, but both of them were cautious about discussing the cause, as they knew their phone conversations were likely wiretapped. Liu suspected the guards put psychiatric drugs in her mother's food during Huang's detention.

She came to this conclusion after reading reports online about the detention center and about Falun Gong adherents who have exhibited similar symptoms after being drugged. Some adherents detained at the center have said that their meals had a taste of medicine to them, according to Minghui, a U.S.-based website that tracks the persecution of Falun Gong practitioners.

Xiao Yingxue, a former employee at the Qiaokou District Industrial and Commer-



An actor dressed as a Chinese policeman stands guard over a cage containing actors playing the role of Falun Gong practitioners during a demonstration outside of London's Houses of Parliament on July 20, 2009.

cial Bureau, was injected with three doses of unknown substances at the same center in 2011 and complained of severe headaches for several years afterward. Wang Yujie, 24, vomited white foam after being injected with unknown drugs on her shoulder at the provincial brainwashing center in Hubei Province, China. She lost her hearing and vision and died in September 2011, four months after her release, according to Minghui.

Liu was only able to learn about her mother's time in detention from messages written by Huang on pieces of paper and held up for her during a video call, which Liu would take a picture of to read later. Huang used this method of silent communication to avoid being detected by potential eavesdroppers.

In those notes, Huang wrote about unrelenting torment: how she was forced to sit in a "classroom" with two layers of metal doors

COURTESY OF MINGHUI.ORG



An undated photo of Huang Shiqun playing the piano at work.

**Official reports estimated that roughly 70 million people were practicing the discipline in China in 1999. But fearing its popularity, the regime started a violent campaign to persecute Falun Gong, leading to the arrest of millions of adherents over the past 22 years.**

for 15 hours daily, where recordings and videos smearing Falun Gong were played on high volume; how inmates, with orders from the guards, forbade her from sleeping and shoved her if she slightly closed her eyes. The guards gave her little food. On the fifth day, Huang's body began to shake uncontrollably. She had stood firm when the guards asked her to sign documents renouncing her belief, but on that day, she yielded.

"She didn't know what it was, but felt she couldn't control herself," Liu said.

Huang was repeatedly made to write "homework" to smear and "express hatred" toward her beliefs until it would satisfy the guards.

Police hadn't left Huang alone even after her release. Less than a year later, they asked her to sign another document renouncing her faith. The measure was part of a nationwide "Zero Out" campaign aimed at eliminating the Falun Gong adherents in the local area.

Provincial Chinese Communist Party officials also pressured Huang's husband to divorce her.

Accepting the loss of Huang was difficult for Liu's father, who had also been living on high alert day and night trying to keep Huang safe. Liu's cousin told her that she had never seen him cry like that.

"He never prepared himself for that day," Liu said.

Even now, he can sleep only two or three hours, even with the help of sleeping pills, according to Liu.

Just recently, Liu's father called her on the phone. He was drunk.

"He told me he doesn't know how he can continue living," she said.

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*Sarah Lu contributed to this report.*

## OPINION

## How Do We Deal With Non-Traditional Chinese Threats?

CHRISTOPHER BALDING



The conviction of Harvard University professor Charles Lieber on fraud charges seems to have prompted more questions about how

America should respond to non-traditional Chinese threats.

While the Chinese regime presents an unparalleled breadth and depth of threats both traditional and non-traditional, America struggles to deal with them. How do we maintain our American system of openness and address an enemy that seeks to use that very openness against us?

The Lieber case is instructive in how China operates and poses legal risks to Americans. Despite the journalistic and academic dramatic rhetoric to the contrary, the charges against Lieber were not about espionage or information that he may or may not have passed to Beijing. He was charged with much simpler crimes of lying on official funding documents and hiding income and assets received from work rendered for China.

The specific points of the crimes seem well founded with even Lieber admitting he smuggled back large amounts of undeclared cash on his trips to China.

Questions have been raised about prosecutorial discretion and whether charges were really warranted. Given that the basic facts of lying on official documents and failing to report income have been applied to a variety of high-profile individuals—from ex-Trump campaign manager Paul Manafort to Huawei royalty Meng Wanzhou—there is a clear pattern of using these charges against powerful, connected individuals. Furthermore, given the millions of dollars of compensation that Lieber failed to report or disclose on Federal funding applications, the severity clearly represented a material legal breach.

Universities have raised concerns about whether the government is restricting academic research and information flows. These issues are a bit thornier but remain clear. The crimes are not about information flows between countries but failure to disclose potential conflict of interests in research and income derived from work done for third parties.

Think about this scenario in a slightly different manner. For example, imagine a company or an individual who does advanced research for Google and gives assurances that they are not doing research for any competitors or receiving compensation from competitors. Google then finds out that they are doing research for competitors and receiving funding from them. This would at least be the basis of a good civil suit and criminal charges.

The crimes are about disclosure and financing rather than working with other researchers. Academics and universities remain perfectly free to work with China-based professors and universities, but they must accurately disclose those activities when applying for federal funding and reporting income.

Given the focus on China, some have raised whether the China Initiative that ensnared Lieber is racist. While no claims have been raised that the charges against Lieber are racist given he is a white male, they have been raised about an upcoming case of Massachusetts Institute of Technology (MIT) professor Gang Chen. Even though the charges against Chen are nearly identical as

Lieber's with similar underlying facts, concerns have been raised about racial bias. All enforcement should be divorced from considerations of race and class.

The FBI field office in Boston that has brought headline-grabbing charges has a history of raising concerns about malign foreign state ties to research. In 2014, the FBI field office in Boston engaged in a campaign to raise awareness about Russian influence and access to sensitive technologies through venture capital firms. These were clearly not racially motivated but by concern over potentially malign influence and access to technology of adversarial states.

This fails to address the larger issues of how the United States should engage with an adversarial state that has adopted a civil-military fusion model to target American individuals and institutions everywhere. It also requires us to rethink and understand how we conceive of threats from an adversary—the Chinese Communist Party (CCP).

Think tanks and universities accept money from CCP-linked individuals with contractual obligations about discussing the donor and an unwritten understand-



People visit the Forbidden City during the Labor Day holidays, which take place from May 1 to May 5, in Beijing, on May 3, 2021.

**U.S. universities are actively avoiding legal obligations to provide information on foreign donors and resisting transparency efforts.**

ing about the direction of research content, mission alignment, and personnel. In addition to traditional security and intelligence services, China funds with billions of dollars a year a government department called the United Front—which is tasked with influencing foreign individuals, institutions, and securing sensitive technology.

To compound this problem, U.S. universities are actively avoiding legal obligations to provide information on foreign donors and resisting transparency efforts. Chinese government agents engagement in harassment of Americans and Chinese nationals living in the United States—even university student groups subject to monitoring. Chinese intelligence maintains databases of professors, think tanks, and technology executives—marking them as "important" for their purposes. China is exploiting American openness to further its non-traditional national security objectives.

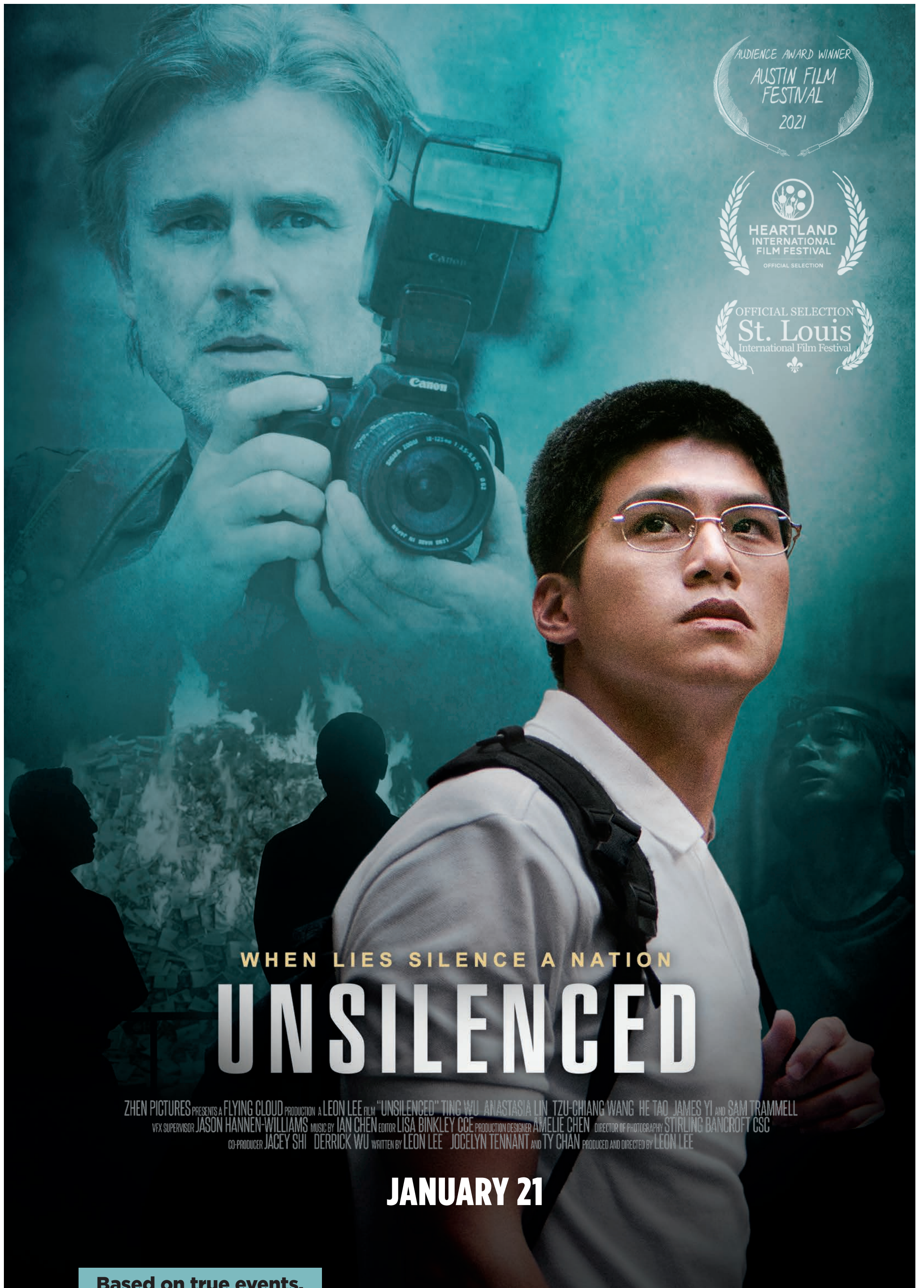
Entering this new threat theater, legal obligations to the state can only take us so far when dealing with a cunning adversary that's willing to exploit our basest desires for money and sex. Though the Lieber case appears well founded factually, professors and universities need to reconsider their engagement with China

beyond the purely monetary and consider the following: should we be engaging with the Chinese and how should we engage with them? Just because a technology researcher can engage with China, the time has come to ask if he/she should be engaging with China. There are too many examples of U.S. research ending up being used in Chinese security and oppression products. Even if it is legal, we need to ask whether we should.

The case of Lieber captures the dilemma perfectly. We need to move beyond what is legal in dealing with a whole-of-society civil-military fusion threat. Universities must hold themselves accountable to a higher moral and ethical standard in their engagement with China.

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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.*



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**JANUARY 21**

**Based on true events.**

**When the Chinese Communist Party launches a brutal crackdown against 100 million citizens, a jaded American reporter and a team of innocent students risk everything to expose the deadly propaganda and fight for freedom.**

*Unsensored* stars Sam Trammell (*True Blood, Homeland*) and Anastasia Lin (Miss World Canada) and is directed by Peabody Award-winning director Leon Lee (*Letter from Masanjia, The Bleeding Edge*).

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- Newark, DE: Cinemark Christiana
- Pittsburg, PA: Cinemark Robinson Township
- Fairfax, VA (D.C.): Cinemark Fairfax Corner 14
- Richmond, VA: The Byrd Theatre
- Newport News, VA (Norfolk): Cinemark City Center 12
- Raleigh, NC: Cinemark Raleigh Grande



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