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## In the NEWS

### Senator CORY BERNARDI

and his political party, the Australian Conservatives, are calling for a Royal Commission to address concerns regarding the growing influence of the Chinese Communist Party in Australia.

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### A CHINESE WOMAN

with links to the Chinese Communist Party's overt spy agency, the United Front Work Department, has been charged with illegally entering U.S. President Trump's Florida resort armed with a malware-loaded USB stick.

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### The CHINESE REGIME

has adopted blockchain technology in its "national strategy" with a plan to subvert the United States and become the future leader of global financial systems by creating an "international government."

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## HUAWEI

# 5G Ban on Huawei a Safeguard in Case China Relations Deteriorate, Says Turnbull

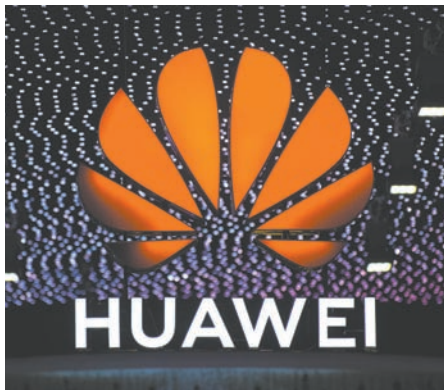
MARGARET WOLLENSAK

Australia banned Chinese telecom companies Huawei and ZTE from having a hand in building its 5G network to "hedge against adverse contingencies" in case friendly relations with the Chinese regime deteriorated, says former Australian Prime Minister Malcolm Turnbull.

The two Chinese tech giants were banned from providing 5G technology to Australia on national security grounds under Turnbull's government shortly before he resigned in August 2018. The difference between 5G networks and 4G or 3G networks is that in a 5G network, every component of the network can access every other part of the network, which could leave a network vulnerable.

Turnbull said the decision to ban was "no criticism of either company or their technology" but was a reality of the nature of 5G technology and potentially volatile politics.

DAVID RAMOS/GETTY IMAGES



A Huawei logo above the company's booth at the GSMA Mobile World Congress in Barcelona, Spain, on Feb. 26, 2019.

"We have to, in an uncertain world, hedge against contingencies where people who we have friendly relations with, we may not necessarily be friends with in the near future," he said in an interview with South China Morning Post this week.

"There are a number of countries that have the capability, [and] China is obviously one, to inflict adverse consequences on Australia."

Canada is currently experiencing what could be described as "adverse consequences" due to relations with China getting rocky after the arrest of Huawei executive Meng Wanzhou last December at the request of the United States. Not only were two Canadians in China detained in what is widely seen as retaliation for Meng's arrest, but China is now blocking imports of Canadian canola.

The Australian government said in a statement last year that it implemented the Huawei ban to mitigate the risk of involving "vendors who are likely to be subject to extrajudicial directions from a foreign government that

*Continued on A2*

## TRUMP

# Trump Calls for New Focus on Finding Jobs for Former Prisoners

EPOCH TIMES STAFF

WASHINGTON—President Donald Trump said on April 1 that he wants to follow up on criminal justice reform with efforts that help federal inmates find jobs after they leave prison with a Second Step Act.

Congress passed legislation last year called the First Step Act that gave judges more discretion when sentencing some drug offenders and boosts prisoner rehabilitation efforts. The effort drew strong support from

Republicans and Democrats worried that mandatory minimum laws had generated unfair sentences in many drug-related cases.

Trump said Americans with criminal backgrounds are unemployed at rates up to five times the national average, which stood at 3.8 percent in February.

He said that a Second Step Act will focus on "successful re-entry and reduced unemployment for Americans with past criminal records." His goal is to cut that unemployment rate for ex-

CHIP SOMODEVILLA/GETTY IMAGES



Alice Marie Johnson, who had her sentence commuted by President Trump after serving 21 years in prison for cocaine trafficking, attends a celebration of in the White House on April 1.

prisoners to single digits within five years.

The president was short on details about what future legislation would include, but the White House said Trump's bud-

get for the next fiscal year proposes more than \$500 million to help prisoners succeed after their release.

"When we say 'hire American,'

*Continued on A8*

## COMMENTARY

# Secret Coal Plants Reveal China's Strategy of the 'Green' Mirage

JOSHUA PHILIPP

Commentary

Despite claims that it would reduce coal use, the Chinese regime has quietly renewed its construction of coal-fired power plants.

The findings were based on recent satellite images that show the regime has resumed construction on dozens of coal-fired power plants, according to German broadcaster Deutsche

Recent satellite images that show the regime has resumed construction on dozens of coal-fired power plants.

Welle. The new construction was exposed in a joint report from the Global Energy Monitor, Greenpeace, and the Sierra Club.

As Deutsche Welle notes, this goes against the Chinese Communist Party's (CCP's) own measures in 2012 and 2013 to allegedly slow the growth of its coal industry, and its promise to cap coal consumption. The broadcaster reported that the CCP also has been putting cash behind more

coal-fired plants abroad.

This shows that while the CCP has been paying lip service to "clean energy" and has backed international programs to curb greenhouse-gas emissions, it has maintained its own programs for cheap and effective energy.

At the same time, by promoting less profitable and less effective energy programs in Europe and elsewhere, the CCP has been tak-

*Continued on A4*

## US POLITICS

# AOC Gets Headlines but a Showdown Is Coming With Moderate Democrats

WASHINGTON—Insurgent Rep. Alexandria Ocasio-Cortez (D-N.Y.) still dazzles star-struck mainstream journalists, but a showdown is coming with centrist Democrats who seek a different future for their party.

The first signs of such conflict on the political horizon first became clear three weeks ago, when two key AFL-CIO union leaders announced their opposition to the Green New Deal, the climate change proposal most closely associated with Ocasio-Cortez (aka "AOC").

"We will not accept proposals

*Continued on A9*

## UKRAINE

# Reflecting Widespread Anti- Establishment Sentiment, Comedian Steals the Show in Ukraine's Election

CHRIS COLLISON

KHARKIV, Ukraine—Stepping into the voting booth, Tatiana Ovcharova wasn't quite sure who she was going to vote for, even after working as an election observer for the campaign of Ukrainian presidential candidate Volodymyr Zelensky. But now that the comedian-turned-politician has a strong lead heading into the second round of voting, Ovcharova thinks she made the right choice.

"He may have bitten off more than he can chew," Ovcharova said. "But if it is a choice between a dishonest person and an inexperienced but smart person, I would choose the inexperienced person."

Ukraine's presidential runoff on April 21 will pit the political newcomer against incumbent President Petro Poroshenko. Zelensky scored a double-digit lead over Poroshenko in the first ballot, reflecting widespread anti-establishment sentiment.

*Continued on A3*

Accuracy  
& Integrity

The Epoch Times was founded in 2000 to provide honest and uncensored news coverage of China. Based in New York City, our newsroom is dedicated to restoring accuracy and integrity in media. We stand outside political interests and the pursuit of profit. And we stand against the systematic destruction of traditional culture by destructive ideologies such as communism.



# 5G Ban on Huawei a Safeguard in Case China Relations Deteriorate, Says Turnbull

CONTINUED FROM A1

conflict with Australian law.” While the original statement did not mention China or name any companies, Huawei later confirmed on Twitter that both it and ZTE had been blocked from providing 5G network equipment.

The United States, Australia, and New Zealand, all members of the Five Eyes intelligence alliance, have banned Huawei from developing their 5G networks. The other two members, Canada and the U.K., have not implemented bans, although the U.K. recently criticized Huawei for serious security vulnerabilities.

The board overseeing Huawei equipment in the U.K. released a report on March 28 saying it could give “only limited assurance that the long-term security risks can be managed in the Huawei equipment currently deployed in the U.K.” They also said Huawei made “no material progress” to correct security flaws in its equipment that were brought up in a similar report from 2018.

The ban in Australia left only Finland’s Nokia and Sweden’s Ericsson to supply equipment for the nation’s 5G network. Turnbull said it “beggars belief” that there were no Five Eyes vendors that could compete.

“I think that was a big oversight on the part of previous American administrations. There is a lot of blame to go around frankly and that is something that has got to be addressed,” he said.

**U.S. Takes Hard Stance**

The U.S. administration has adopted a hard stance against the Chinese regime in the name of national security. They have banned Huawei and ZTE from their 5G networks, and have warned other nations against using Huawei technology.

The administration has charged Huawei and several of its subsidiaries in a pair of indictments for alleged fraud, money laundering, violating trade sanctions, theft of trade secrets, and obstruction of justice.

Earlier this month, the United States warned Germany and other countries that there would be less intelligence sharing if they allow Huawei technology into their 5G network, reports the Wall Street Journal. Germany has announced it would not ban Huawei from the country’s upcoming 5G auction, and instead has increased the security requirements vendors need to meet.

The caution was directed at Canada as well, says a Canadian intelligence expert.

“I think the cautions offered by the U.S. ambassador to Germany and others concerning Huawei and the 5G network are the most immediate of warnings to Canada about our country’s prospects vis-à-vis Canada-U.S. relations,” said David Harris, a lawyer and 30-year veteran of national security and intelligence affairs.

Responding to questions on the warn-

ing, U.S. Secretary of State Mike Pompeo told Fox News Radio that the presence of Chinese equipment in a country’s network would mean Beijing would have access to potentially sensitive data.

“When you talk about this happening in countries like Poland or Germany or the U.K., we’re very concerned about that, not only for American security because we have information stored, too, but for the security of their own people,” Pompeo said.

Harris, currently the director of the International Intelligence Program of INSIG-NIS Strategic Research, said that given the threat to Canada’s interests, the Canadian government should have banned Huawei a long time ago, a suggestion that echoes other Canadian security experts.

“It is hard for me to believe that a company such as Huawei would not do the bidding

of the Chinese government and would not build traps, back doors into its technology on behalf of the Chinese government,” former CSIS director Ward Elcock told CBC.

Under Chinese national security laws, companies are required to support, assist, and cooperate with national intelligence work. While Huawei denies that Beijing is using their technology to install back doors and spy, security experts and governments have expressed security concerns over possible future threats presented by the regime’s many intelligence laws.

“It is public record that under Chinese cybersecurity law, Chinese companies like Huawei are required to provide, essentially, access upon demand with little to no process to challenge that,” FBI Director Christopher Wray said at a press conference announcing U.S. indictments against Huawei on Jan. 28.

DAVID RAMOS/GETTY IMAGES



A logo outside the Huawei booth at the GSMA Mobile World Congress 2019 in Barcelona, Spain, on Feb. 26, 2019.

## Morrison Government Announces \$7.1 Billion Budget Surplus

RICHARD SZABO

The Australian government announced the first federal budget surplus in more than a decade on April 2.

The centre-right Coalition government revealed on budget night the national expenditure has returned to profitability for the first time since the year 2007.

“The budget is back in the black with the Morrison government delivering the first budget surplus in more than a decade,” Australian Treasurer Josh Frydenberg said in a public statement. “This year will see a surplus of \$7.1 billion—a \$55.5 billion turnaround from the deficit we inherited six years ago.”

If the current economic performance continues, the government predicts further surpluses of \$11 billion in the 2020-21 financial year (FY21), \$17.8 billion in FY22, and \$9.2 billion in FY23.

That’s “a total of \$45 billion of surpluses over the next four years,” the treasurer said. “Surpluses will continue to build toward 1 percent of GDP within a decade.”

The surplus may be used by the government to go towards addressing the country’s net debt estimated at \$361 billion or 18 percent of GDP in FY20, according to government figures.

Net debt is expected to decline to \$326.1 billion or 14.4 percent of GDP by FY23, according to the government.

**Commodities, Taxes Drive Surplus**

The latest surplus was mainly driven by soaring commodity prices and higher corporate taxes, two years after the then Turnbull government withdrew a proposal to reduce the corporate tax rate by 5 percent to 25 percent.

Business transactions have largely offset declines in other areas of economic activity. Tax receipts are expected to fall \$15 billion over four years due to weakening household consumption, property investment, and average wages.

“In the near term, however, this impact will be more than offset by an increase in company tax collections in 2018-19 and 2019-20, reflecting the recent observed strength in commodity prices,” the budget papers said.

**Growth Through High Taxes**

Reserve Bank of Australia Assistant Governor (Economic) Luci Ellis highlighted the federal government’s fiscal growth strategy of high taxation at the Housing Industry Association in Sydney on March 26.

“In the past year, taxes paid by households increased by around 8 per cent, more than double the rate of growth in gross household income of 3.5 per cent,” she said.

Mannkal Economic Education Foundation Research Analyst Cian Hussey wrote in The Spectator that Prime Minister

TRACEY NEARMY/GETTY IMAGES



Australian Treasurer Josh Frydenberg (L) and Finance Minister Mathias Cormann (R) announce the Federal Budget in Canberra on April 2, 2019.

Scott Morrison is leading the “biggest-spending and highest-taxing government Australia has ever seen.”

“A decade of fiscal mismanagement, from both major parties, has resulted in an enormous public debt that the Coalition is not serious about paying down. Tax receipts have boomed in recent years, but higher levels of spending rather than being used to reduce the debt are matching them just as quickly.”

Hussey also questioned why politicians have been consistently allowed pay rises even though net government debt has continued to increase over the last decade.

“Astonishingly in 2012 they were given two rises, one for 31.3 per cent and another for 3 percent just four months later,” Hussey said. “That politicians can receive pay rises while delivering such poor budgetary outcomes is absurd. To do their bit in assisting the budget, their pay should be frozen after delivering multiple budget deficits.”

**Tax Cut Starts at \$1 a Week**

Frydenberg also announced tax cuts for about 10 million Australians, but only if the Liberal Coalition is re-elected at the general election in May.

People earning up to \$18,200 a year will pay no income tax, while those earning between that amount and up to \$37,000 will receive a \$55 tax cut in FY20 or about \$1 a week.

Those earning between \$37,000 and \$48,000 will receive a \$190 tax cut, or about \$3.70 a week.

People making between \$48,000 and \$90,000 will have a \$550 tax cut or \$10.60 a week.

“Taxpayers will be able to access the offset after they lodge their end of year tax returns from 1 July 2019, which is in just 13 weeks’ time,” Frydenberg said.

A decade of fiscal mismanagement, from both major parties, has resulted in an enormous public debt that the Coalition is not serious about paying down.

## Royal Commission into Influence of Chinese Communist Party needed, Australian Conservatives Say

DANIEL CAMERON

MELBOURNE, Australia—A royal commission into Chinese Communist Party (CCP) infiltration is needed if Australia is to protect its sovereignty, Senator Cory Bernardi and Victorian Senator candidate Kevin Bailey said at an Australian Conservatives Conference on March 30.

Speaking to attendees at the 2019 Victorian State Conference, Senator Cory Bernardi, leader of the Australian Conservatives party, iterated concerns regarding the CCP’s influence in Australia’s domestic affairs.

“We do know that Chinese Communist Party agents are trying to work within our electorate system, work within our political system, our education system, and within our business system to have influence on Australia’s domestic affairs.

“Now we need to get to the bottom of it, quite frankly,” he said.

Australia’s new foreign interference laws, which took effect this year, have placed restrictions and enforced transparency for people and organisations that have links to a foreign state. These range from a public register for people and organisations acting on behalf of a foreign agent, to the banning of foreign political donations.

However, obvious organisations of concern, such as the Confucius Institutes that are run under the CCP’s Ministry of Education as a Chinese culture and language program, have yet to register as required by the new legislation.

“Their position sets up a potential showdown with the government, which could seek to use newfound powers to probe the centres and forcibly register them,” The Sydney Morning Herald reported.

Another point of concern for Australians is the CCP’s controversial Belt and Road Initiative (BRI), which was secretly signed by Victoria’s left-leaning Labor premier Daniel Andrews on Oct. 25, 2018, has been criticised for creating massive debts in developing countries through its projects. This is then used as leverage by the CCP for advancing its interests through debt-trap diplomacy.

Kevin Bailey said: “[The BRI] seems to have the tentacles of the Communist Party of China reaching out into a whole range of other countries, and debt, and providing credit and facilities.

Bailey added that Australia, much like other countries, is headed towards acquiring massive debts with China. He said that if Australia loses hold of its security, then by default, it “would lose a part of its sovereignty.”

“One of the things we don’t want in this region is for Australia to become a patronage stage of China.”

Other concerns regarding foreign control and ownership include the Port of Darwin, with its 99-year-lease to Landbridge, owned by Chinese billionaire Ye Cheng who is also a member of the National Chinese People’s Consultative Committee that seeks to advance the CCP’s BRI policy.

Merridind airport in Western Australia (WA) is also a point of concern as it has a 100-year lease with state-owned China Southern Airlines after China paid \$1 in 1993 to the WA government to secure the lease. According to The Australian, anyone seeking to land at the airport must seek permission with the airport’s flight school that has since seen more than 2,000 pilots graduate to fly for China Southern Airlines.

Additionally, China-based companies and their control over Australia’s energy grids, communication networks, and farming land are likely to have long term implications for Australia’s sovereignty.

“[T]here are literally thousands and thousands of Australians who are concerned about these very real issues,” Bailey said.

“[Australians] need to be awakened to the real and present danger of the destruction of our sovereignty, if we allow this to continue on.

“We just don’t know how deep these tentacles go. The only way to get to the bottom of this is to have a Royal Commission.”

MARK GRAHAM/AFP/GETTY IMAGES



Australian Senator Cory Bernardi is pictured in his office at Parliament House in Canberra on Feb. 7, 2017.



# Reflecting Widespread Anti-Establishment Sentiment, Comedian Steals the Show in Ukraine’s Election

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lishment sentiment and dissatisfaction with Ukraine’s political class.

In a popular Ukrainian television show, Zelensky plays a school teacher who becomes the Ukrainian president after a fiery speech about government corruption goes viral online. As the third season of the series debuted in March ahead of the election, it has been at times difficult to differentiate advertising for the show from political campaigning.

Zelensky’s platform has been short on policy details, but his youthful charisma and irreverent, anti-elite messaging have resonated with many voters. However, his connection to Ihor Kolomoisky, a powerful Ukrainian oligarch who owns the television channel that airs his series, has raised suspicion that he would not be as independent-minded as his television counterpart.

Some Ukrainians also worry that Zelensky’s political inexperience could leave the country vulnerable to manipulation by Russia, which has been locked in a de facto war with Ukraine since 2014.

Aleksandr Khriplivyi, a veteran of the war in Ukraine’s southeast and a Poroshenko supporter, said he approaches the election more seriously than those who chose to vote for the comedian.

“It is a choice of civilizations—Europe or Asia,” said Khriplivyi. “Will we either continue until the end of this conflict or we will capitulate. I am afraid that someone else will make a deal with Putin. Poroshenko may not be ideal, but he is the best choice we have.”

Zelensky has said that he is open to negotiating with Putin over the conflict in the southeast if elected president.

As an animator who was hired to manage a startup in Kharkiv despite lack of management experience, Ovcharova doesn’t think Zelensky’s background is a disadvantage. She also points to the path of another famous politician.

“We watched a film about Ronald Reagan, and Zelensky did the voiceover,” she said. “Reagan was also an actor. I think there are some parallels going on.”

She added that she sees Zelensky’s appeal to young people as his biggest asset.

“A lot of people see themselves in him, as a person who doesn’t have a rich father or mother, who rose through his own strength,” she said. “He provides motivation for young people.”

Poroshenko has campaigned on his record as president—namely, the establishment of an independent Ukrainian Orthodox Church, his support for soldiers fighting in the armed conflict, and the promotion of the Ukrainian language over Russian. But he has also been criticized for a slowing pace of reforms, the rising price of gas, allegations of corruption, and a difficult economic reality, especially among pensioners who have struggled to make ends meet in Europe’s

poorest country.

### ‘A Sign of Democracy’

Ahead of the vote, some candidates had expressed concern that the election could be riddled with fraud, vote-buying, or violence. Instead, election observers noted that the process was peaceful and saw a relatively low number of election violations.

Kateryna Minkina, a long-term observer for OPORA, a civic election monitoring organization that has participated in the last several national elections, said that violations were mostly limited to confusion among poll attendants over recently introduced identification documents and voters who photographed their completed ballots, which is illegal under Ukrainian law.

A dizzying 39 candidates appeared on the election ballot, which stretched nearly 32 inches long. Among them was Yulia Tymoshenko, a former prime minister who

had topped opinion polls for much of 2018 but failed to secure enough votes to make it to the second round.

In a region where election results are all but assured ahead of a vote in many countries, Ukraine’s unpredictable political landscape stands out. A majority of Ukrainians voted for candidates other than Zelensky and Poroshenko, meaning that more than half of the electorate is still up for grabs in the second round.

“Since we still don’t know who will become president, I think that maybe it is a sign of democracy,” Minkina said. “That is the main thing we were standing for during the revolution. I hope there will be more positive examples in the next few years. There were not a lot of reforms that were implemented after Maidan [the 2014 revolution that resulted in the ouster of pro-Russian President Viktor Yanukovich], but at least they were launched. That they proceed depends on this election.”

“Tatiana Ovcharova, an animator in Kharkiv, says comedian Volodymyr Zelensky’s charisma and appeal to younger voters are among the top reasons she voted for him.

CHRIS COLLISON FOR THE EPOCH TIMES



CHRIS COLLISON FOR THE EPOCH TIMES

A voter casts a ballot during the first round of the presidential election in Kharkiv, Ukraine, on March 31, 2019.

## Microsoft Finds Backdoor in Huawei Laptops That Could Give Hackers Access

NICOLE HAO

Researchers at U.S. tech giant Microsoft recently revealed that they discovered a backdoor in certain Huawei laptop models that allowed unprivileged users to gain access to all data on the computers.

This vulnerability is similar to the technique used DoublePulsar, a malware tool leaked by the hacker group The Shadow Brokers in early 2017 that infected more than 200,000 computers running on Microsoft Windows software within a few weeks. DoublePulsar was again used for the WannaCry ransomware attack in May 2017 that targeted Windows computers throughout the world, seeking payment in Bitcoin in exchange for restoring the computers.

### The Backdoor

Microsoft published a blog post on March 25 that detailed how researchers found the backdoor on Huawei’s laptops and then proceeded to fix the loophole. Microsoft said that after it informed Huawei of the backdoor, the Chinese tech manufacturer released a patch on Jan. 9 to fix the vulnerabilities.

Microsoft did not specify when it discovered the backdoor.

All computers have a kernel, which is the core of the computer’s operating system and can completely control everything on the device.

After the DoublePulsar attacks in 2017, Microsoft tried to develop defenses. Starting from Windows 10, version 1809, released on Nov. 13, 2018, Microsoft installed newly developed sensors to better detect kernel threats like DoublePulsar.

But then Microsoft detected an “anomalous” injected code in the kernels of the Huawei laptop model Matebook.

Upon further investigation, Microsoft engineers traced the code to a device management software called PCManager that is pre-installed on Huawei Matebooks. The software had included a driver that would allow unprivileged users to upgrade their access level to senior privilege. If these unprivileged users escalate to the highest level of privilege, they can visit all data on the computer and its connected computing system. If a third party gains access and inserts malware, it could ruin the computer’s operating system.

Microsoft reported the vulnerability to Huawei, and built a “detection mechanism that would raise an alert for any successful privilege escalation” in Matebooks, the blog explained.

Soon after, Microsoft engineers found another backdoor in the Matebook: The same unsafe driver allowed unprivileged users to directly access all data without having to upgrade privilege levels.

### Huawei’s Record

The company, one of the world’s larg-

JOSEF LAGO/AFP/GETTY IMAGES



The Huawei MateBook X Pro laptop presented at the Mobile World Congress in Barcelona, Spain on Feb. 25, 2018. Microsoft recently revealed how it found a backdoor vulnerability within Matebook laptops.

est manufacturer of telecommunications equipment, smartphones, and other electronic devices, has come under fire for its close ties to the Chinese regime, which the U.S. and other governments have warned could mean its products have back doors that allow the Chinese regime access to spy on people overseas.

Huawei has continually denied those claims, previously citing the fact that no backdoor incident had ever been detected.

Though this latest Microsoft incident does not appear to involve the Chinese regime, there have been documented cases demonstrating Huawei’s liability.

In January 2018, French newspaper Le Monde revealed that data from the headquarters building of the African Union were being transferred to a server in Shanghai every night.

The African Union’s headquarters are located in Addis Ababa, Ethiopia. The building was financed and constructed by the Chinese regime as a gift. Huawei is one of the suppliers for the building’s computing and telecommunication systems, according to an analysis by Canberra-based think tank Australian Strategic Policy Institute, citing content from Huawei’s own website and documents obtained from the African Union, including contracts for the union’s IT infrastructure.

The think tank pointed out that while it is possible Huawei was not aware of the alleged data theft, the company’s obliviousness would itself be cause for a “national security concern.”

Meanwhile, a November 2018 report by the Weekend Australian newspaper said that, according to an intelligence source, Australia has evidence that Huawei officials have been approached by the Chinese regime and pressured to disclose access codes and network details to hack into a foreign network.

While it is possible Huawei was not aware of the alleged data theft, the company’s obliviousness would itself be cause for a “national security concern.”

## IMF’s Lagarde says no recession, but worldwide growth will slow

EMEL AKAN

WASHINGTON—While there will be no recession in the near term, the global economy is at “a delicate moment,” according to International Monetary Fund Managing Director Christine Lagarde.

Speaking at the U.S. Chamber of Commerce, Lagarde announced that the International Monetary Fund (IMF) would be releasing new global growth forecasts ahead of its spring meeting in Washington next week.

“Today, if you ask me, the weather is increasingly unsettled,” she said, adding that since January, global economic growth lost further momentum.

“Only two years ago, 75 percent of the global economy experienced an upswing,” she said. “For this year, we expect 70 percent of the global economy to experience a slowdown in growth.”

Lagarde noted, however, the IMF did not forecast a recession in the near term. In fact, it anticipates a pickup in growth in the second half of 2019 and into 2020.

The recent policy responses, such as the Federal Reserve’s “more patient pace of monetary policy normalization” and increased stimulus in China, have supported the easing of financial conditions, according to her.

Early last year, the IMF chief warned “darker clouds are looming” after two years of strong global economic expansion.

In October, the organization cut its global growth forecast for the first time since July 2016 due to slowing Chinese economic growth, U.S.–China trade war, and financial worries in emerging markets. In January, it announced further downward revision, stating that the world economy was growing at a pace slower than expected and risks were rising.

In its January report, the IMF projected that the world’s economy would grow at 3.5 percent in 2019 and 3.6 in 2020, 0.2 and 0.1 percentage point below last October’s projections.

The expected growth in the second half of this year and early 2020 is precarious, Lagarde said, as the economy is vulnerable to downside risks that include Brexit, high debt in certain sectors and countries, trade tensions, and “sense of unease in financial markets.”

### Impact of Trade Tensions

The IMF chief also noted that trade tensions would take a toll on both the U.S. and Chinese economies.

“Specifically, we have looked at what might happen if tariffs on all goods traded between the United States and China went up by 25 percentage points,” she explained. “That alone would reduce annual gross domestic product by up to 0.6 percent in the United States and by up to 1.5 percent in China.”

High-level trade talks between the United States and China will continue this week in Washington.

Speaking at the Chamber of Commerce,

In 2018, the Shanghai index [fell] nearly 25 percent. The index has now gone up 27 percent since the beginning of this year after President Donald Trump signaled progress in trade talks.

White House economic adviser Larry Kudlow said that the U.S. trade delegation led by Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin made headway last week in Beijing. The administration expects to make more headway this week, he said.

“We are focusing heavily on enforcement and intellectual property theft and forced transfer of technology and cyber hacking and that structural group, which is very important as well as lowering tariffs and non-tariff barriers,” he said.

Last week, Kudlow told a group of reporters that Washington could lift some tariffs on China, without giving up too much leverage in trade talks.

The Trump administration believes Beijing has reasons to compromise, as economic woes continue to put pressure on the Chinese regime. Meanwhile, Beijing is expected to implement more stimulus measures to counter the slowing economy.

Under the weight of U.S. tariffs, the Chinese economy weakened last year. The economic growth slowed to its weakest pace in nearly three decades. If both sides fail to reach a deal and trade tensions resume, China’s troubles will deepen, according to analysts.

In 2018, China was the worst performing major stock market in the world, with the Shanghai index falling nearly 25 percent. The index has now gone up 27 percent since the beginning of this year after President Donald Trump signaled progress in trade talks.

SAMIRA BOUAOU/THE EPOCH TIMES



IMF Managing Director Christine Lagarde speaks at the 13th Annual Capital Markets Summit at the U.S. Chamber of Commerce in Washington on April 2, 2019.



# Secret Coal Plants Reveal China’s Strategy of the ‘Green’ Mirage

CONTINUED FROM A1

The CCP supports restricting greenhouse-gas emissions because international regulations enable it to buy up resources at fire sale prices.

dominate the market.

**Unrestricted Warfare**

These actions tie closely to military strategies outlined in the CCP’s unrestricted warfare systems—specifically to resource warfare and international law warfare (also called “legal warfare”). Environmental warfare combines both of these concepts.

According to the Chinese military book “Unrestricted Warfare,” resource warfare is described as “grabbing riches by plundering stores of resources,” and legal warfare is described as “seizing the earliest opportunity to set up regulations.”

“The goal of this kind of warfare will encompass more than merely ‘using means that involve the force of arms to force the enemy to accept one’s own will,’” the book states.

“Rather, the goal should be ‘to use all means whatsoever—means that involve the force of arms and means that do not involve the force of arms, means that involve military power and means that do not involve military power, means that entail casualties and means that do not entail casualties—to force the enemy to serve one’s own interests.’”

In the strategic sense, resource warfare could be the intentional destruction of land to deny its use to an adversary—such as when Russia burned farmland while falling back from Napoleon’s forces, causing Napoleon’s army to starve.

When it comes to legal warfare, this includes the manipulation of laws and regulations to control or deny access to key resources, such as iron ore, rare earth minerals, or energy sources like oil and natural gas.

The CCP demonstrated this strategy’s use in September 2010, when it was trying to seize control of Japan’s Senkaku Islands. After Japan detained a Chinese fisherman in the disputed waters, the CCP answered by banning the sale of rare earth minerals to Japan.

Its control of the rare earth market acted as a symbolic gun to the head of Japan’s high-tech industry—and likewise the Japanese economy.

In other words, the CCP used a legal warfare method to seize control of territory.



President Donald Trump at the White House on June 1, 2017.

**Environmental Warfare**

Now let’s get into fossil fuels and greenhouse gases—and whichever side of the fence you’re on with global warming, forget about it for a moment. We’re going to look at this purely from the angle of strategy.

When it comes to the current topic of coal energy, the CCP had been speaking with two tongues. On one side, it was paying lip service to clean energy and claiming it would lead this charge. On the other side, it wasn’t changing anything—and it even continued its track record of being the top offender on greenhouse-gas emissions.



A Chinese state-owned coal-fired power plant is seen in Huainan City, Anhui Province, on June 16, 2017.

The energy business is strategically valuable—not just for controlling the ability to power armies, economies, and national infrastructure—but also on its power to influence other nations.

Russia was keenly aware of this concept, and has used its control of natural gas to sway politics in Europe. Leaked State Department cables in 2009 showed that Russia was planning to exert similar control with nuclear energy, and was specifically targeting Eastern Europe.

Russia’s known ambitions to use energy markets for political influence were part of the controversy when the U.S. State Department under Hillary Clinton held its March 6, 2009, “reset” with Russia, and helped approve Russia’s purchase of uranium company Uranium One—as millions of dollars poured into the Clinton Foundation.

When it comes to the debates around global warming, China is the greatest abuser on greenhouse-gas emissions. As Deutsche Welle notes, coal is the worst offender in carbon emissions, and while most of the world was pushing to phase out coal energy, global demand for coal rose by 0.7 percent. It states, “Almost all of that growth came from Asia and especially China, where coal power generation of electricity rose by more than 5 percent.”

Going by these numbers, and the Chinese regime’s environmental track record that includes reckless destruction of its own natural resources, it’s fair to say that the CCP cares very little about how its industry affects the environment.

But the CCP claims it cares. This has a few facets to it. Part of the reason the CCP supports restricting greenhouse-gas emissions is that international regulations cripple its competitors, and enable it to buy up resources going at fire sale prices.

Also, the CCP controls a strong portion of the “clean energy” tech movement, including through its monopoly on rare earth minerals used in solar panels and wind turbines, and its ability to underprice competitors in wind turbine technology, which its military hackers—“Unit 61398”—stole from U.S. company American Superconductor Corp.

This brings us to the Paris climate accord, which was an international agreement to cut greenhouse-gas emissions. President Donald Trump pulled out of the agreement, criticizing it as a deal that would have placed heavy restrictions on

U.S. companies while giving free rein to the major abusers, including China.

Ironically, the Trump administration—with restrictions lifted on producing clean-burning natural gas—has managed to cut carbon emissions even without the restrictions in the Paris accord—so much so that the United States is now the world leader in cutting carbon emissions. It’s outpaced all the critics from Canada to Europe, and all the way to China.

Meanwhile, according to The Heartland Institute, “China’s carbon dioxide emissions rose at the fastest rate in seven years during the first quarter of 2018, according to Greenpeace. China is the world’s biggest greenhouse-gas emitter and its government data show the country’s carbon dioxide emissions were 4 percent higher in the first quarter of 2018 than at the same time in 2017.”

The Paris accord would have allowed the CCP to dominate the energy market. The new findings on the CCP’s coal-fired plants show that, despite all its talk about clean energy, it was all just hot air.

*Joshua Philipp is a senior investigative reporter for The Epoch Times.*

## In Growing Trend, Chinese Authorities Crack Down on Duck Meat Company

NICOLE HAO

Local Chinese authorities have arbitrarily detained a Chinese tycoon and seized his company, valued at 10 billion yuan (\$1.49 billion), as revealed in a recent exposé by China Times.

The partially state-run China Times first reported on the scheme on March 29, but its reports were soon removed by internet censors. Other Chinese media that had been covering the case eventually deleted their reports. However, some overseas Chinese media have reposted the articles.

The case is indicative of a recent phenomenon in the Chinese economy in which local governments have intimidated the private sector with heavy-handed tactics.

**An Entrepreneur Detained**

As the richest man in Dezhou City of eastern China’s Shandong Province for several years running, Zhang Hongbo had become a famous entrepreneur in China. He was one of the torchbearers during the Beijing Olympics in 2008. He also accompanied Chinese Communist Party (CCP) leaders during a visit to Europe in 2014.

In April 1998, he invested 135 million yuan (\$20.11 million) to create Zhong’Ao, a meat company specializing in breeding and raising ducks, producing duck feed, butchering the birds, and processing the meat.

Before he was suddenly detained in 2017, Zhang owned 99.98 percent of the company’s shares, with his firm valued at more than 10 billion yuan, according to China Times.

The most valuable assets of the company were export licenses to the European Union. To receive these licenses, Zhong’Ao invested in high-quality production lines and strict food safety standards. By the end of 2017,



Ducks in cages at a farm in Yanqing District, outside Beijing on Jan. 27, 2010.

Chinese firms owned 37 EU poultry meat export licenses, of which Zhong’Ao owned two, according to Chinese media reports.

On the evening of June 4, 2017, Zhang received a phone call from the mayor of Qingyun County, who told him the local Party boss Zhang Xiaodong would like to meet with Zhang to discuss possible cooperation between Zhong’Ao and the state-run China National Cereals, Oils and Foodstuffs Corporation.

When Zhang arrived at around 10 p.m., several plainclothes police were waiting for him there and detained him without due process, China Times reported.

The next day, police forced Zhang to sign a bankruptcy filing document for Zhong’Ao. Then, police sent a notice to Zhang’s family that he was charged with “running an illegal operation,” according to local media.

On the third day, the Qingyun court filed an immediate verdict that Zhong’Ao had gone bankrupt and appointed Shandong Huaxin, a Rizhao-City based trading company, to deal with the bankruptcy process.

According to China’s bankruptcy laws, a company must apply for bankruptcy in court, after which the court and local government will co-organize a liquidation team within 15 days, which includes officials from different departments, lawyers, and accountants.

China Times reported that in Shandong Province, courts can appoint a local company as bankruptcy agents to handle the process, but this company must be based in the same city as the bankrupt company and must be approved by officials.

The case of Zhong’Ao did not follow local laws.

Zhang’s parents have repeatedly asked police to release Zhang in the past 21 months, but all their efforts were in vain. Zhang’s charges were also repeatedly changed. No court hearing was ever arranged.

**Forced Bankruptcy**

Zhong’Ao was deemed bankrupt by the local court and became under the control of Qingyun county government and Huaxin on June 5, 2017.

China News reported that the local government intended to use this “bankruptcy” method in order to seize the company’s lands for real estate development.

EU export licenses are very valuable. But the Qingyun County government cannot arbitrarily close Zhong’Ao’s production lines.

So the government arranged for Zhong’Ao to file for bankruptcy. In 2018, Qingyun Xingye, an assets management company, bought partial stakes in Zhong’Ao, but did not register ownership change within 15 days as required by Chinese customs. So the EU licenses were revoked.

After losing the EU licenses, Zhong’Ao was forced to close down its production lines. The county government then arranged to sell the company’s land.

After losing the EU licenses, Zhong’Ao was forced to close down its production lines. The county government then sold the company’s land.

**Sale of Company Land**

Zhong’Ao had 5,000 mu (about 824 acres) of land within the city center of Qingyun County when Zhang was detained. The land is for industrial use.

In the middle of January 2019, over 3,000 mu (448 acres) of them went on sale, as well as 180,000 square meters (1.9 million square feet) of buildings on them.

The partially state-run China News reported that Qingrong Funding Company bought all the land, at a price far lower than when Zhong’Ao purchased it.

**‘Guo Jin Min Tui’**

From around 2010, a new phrase was coined in China: “Guo Jin Min Tui,” which means “the state-owned enterprises advance, while the private sector retreats.” It means the government uses policies to limit the private sector’s development and instead push for state-owned firms.

Most recently, during this year’s “Lianghui” political meetings in Beijing, one particular official brought up the issue.

Sun Qian, the deputy prosecutor general of the Supreme Procuratorate, the highest national level agency responsible for both prosecution and investigation in China, said on March 4: “The bosses of some individual private businesses were detained by police once they were suspected of a crime. From the perspective of the judiciary, we should not detain people and close down businesses haphazardly.”



# Chinese Regime’s Social Credit System Aims to Foster Political Obedience Among Young Citizens

OLIVIA LI

In the latest move to implement a social credit system across mainland China, Chinese authorities recently launched a credit rating app targeting China’s 460 million adults aged 18 to 45. According to this scheme, those who earn the highest credit scores enjoy greater access to training and employment benefits, while those with low scores encounter restrictions even in day-to-day life.

Observers say that the Chinese Communist Party (CCP) is trying to use technology to build a unique form of totalitarianism that has never existed in the past.

The social credit rating app, called “Unic-town,” was formally released in February by a team at Tsinghua Unigroup under the dual leadership of Communist Youth League Central Committee and the National Development and Reform Commission, according to the Hong Kong-based South China Morning Post (SCMP).

Unlike the financial credit system in the West, Unictown gathers a large amount of non-financial information about its users, including so-called “anti-social” behavior and participation in “volunteer work.”

By collecting, sorting, and analyzing a vast array of data, from a person’s educational background to online shopping habits, the app aims to encourage “good” behavior and deprecate “bad” behavior, especially among college students and new graduates.

For this group of users, extra points can be earned for publishing papers, inventing products, and participating in social volunteer activities, while cheating on exams or committing plagiarism will affect their social credit scores.

When a student purchases an online course via Unictown, the app will determine how much of a discount can be applied based on his or her social credit score. More importantly, when looking for employment, those who have higher social credit will be prioritized.

According to SCMP, the developers of Unictown declined to disclose how the app evaluates various data to calculate a credit score, and denied that whether a person is a member of CCP is taken into account in the metric.

China’s state-run media praised the credit sys-

By collecting, sorting, and analyzing a vast array of data, from a person’s educational background to online shopping habits, the app aims at encouraging ‘good’ behavior and deprecating ‘bad’ behavior, especially among college students and new graduates.



People check on travel packages offered by travel agencies in Guangdong Province on March 3, 2018. Travelers in China were blocked from buying plane tickets 17.5 million times in 2018 as a penalty for failing to pay fines or other offenses—penalties imposed under a controversial “social credit” system.

tem as being able to guide young people to consciously practice the CCP’s “socialist core values.”

### III Tech Totalitarianism

Chinese human rights lawyer and visiting scholar at New York University Teng Biao told the Chinese-language Epoch Times that the new social credit scheme is part of a series of measures taken by the CCP to strengthen its surveillance over the whole of society and reactivate totalitarian rule.

Teng believes the CCP is in the process of building a super-totalitarian system using big data, video surveillance, DNA collection, internet technology, facial recognition technology, and social credit, creating an unprecedented form of totalitarianism.

“In the past, there was the Nazi totalitarianism and Mao Zedong’s totalitarian system, but a totalitarian system powered by the internet and contemporary technology has not existed before,” Teng said. “The CCP is now taking the first step to build such a high-tech totalitarian system, by using credit ratings and monitoring and recording every detail in people’s daily life,

which is very frightening.”

While some may welcome the imposition of a social ranking system as an avenue to earning certain benefits, Teng warned against the darker aspects of digital social control, as it would severely curtail individual freedoms in China.

According to Teng, the development of today’s social credit system is rooted in the CCP’s sense of crisis as a ruling party. The CCP has tightened its control in every aspect in Chinese society in recent years; such as by launching tougher crackdowns on human rights lawyers, religious groups, Uyghur and Tibetan activists, and imposing more stringent internet censorship.

Xia Yeliang, a former professor of economics at Peking University now living in the United States, said in an interview with Radio Free Asia that the social credit rankings system for young people is a new means for the Chinese authorities to control them, especially college students.

He compared the social credit system to a huge net, trapping everyone inside. “The CCP wants to make sure that these young people don’t do or say anything that is considered out of the boundary,” Xia said.

# Chinese Exchange Student to Seek Residence in Taiwan After Online Criticism of Beijing

FRANK FANG

TAIPEI, Taiwan—A mainland Chinese exchange student studying in Taiwan has received death threats, and fears that his parents in China may be under house arrest, after he live-streamed criticism of the Chinese communist regime.

Li Jiabao, 21, from Zibo, a city in eastern China’s Shandong Province, is currently studying at Chia Nan University of Pharmacy and Science in the Taiwanese city of Tainan. He said he wants to stay in Taiwan, adding that he will file an application with authorities next month.

In a March 26 interview with Taiwan’s Central News Agency (CNA), Li said he began receiving death threats after he criticized Beijing’s authoritarian rule during a live-stream on Twitter on March 11. In the video, he said “the Chinese Communist Party’s rule will soon come to an end.”

Li, on March 23, posted on Twitter a screenshot of a threat he received on the messaging app Telegram. A man named Chen Yun wrote, “I am waiting to kill you piece of trash with my hands.” The screenshot showed that Yun was a sales director from Jiangyin, a city in China’s Jiangsu Province.

Chinese authorities are aware of Li’s criticism. According to the outlet, Li said he hasn’t been able to reach his parents by phone or on the messaging app WeChat. The last text message he received from his father was on March 14, in which he asked Li to delete all his “dissenting” online posts and quickly return to China.

Li told CNA that he suspects his parents have been put under house arrest by Chinese authorities.

He said he managed to speak to his aunt on the phone, who told him that authorities have opened a case against him. She told him that multiple Chinese agencies, including its intelligence agency, police, and education department are handling the case.

Li says he’s now in financial trouble because his family hasn’t transferred him any money to cover his living expenses since the Twitter stream. To make things worse, Li’s Chinese cellphone number was unexpectedly canceled, leaving him unable to access money wired by his friends to his



SAM YEH/AFP/GETTY IMAGES

Li began receiving death threats after he criticized Beijing’s authoritarian rule during a live-stream on Twitter on March 11.

online account.

“I don’t know what I am going to do,” Li told CNA, adding that he only has enough money to last to the end of April.

Li is in contact with Taiwan’s immigration agency and the Straits Exchange Foundation, a semi-official organization that handles issues relating to China, CNA reported.

Mainland Affairs Council, a Taiwanese government agency that deals with China issues, said in a March 27 statement that it will respect Li’s freedom of speech because Taiwan is a free, democratic society, the CNA reported.

The council implored China to refrain from suppressing Li or intimidating his family members in China.

The Chinese regime considers Taiwan a renegade province, despite the fact that the latter is a de facto independent country with its own elected officials, constitution, military, and currency. In contrast, China is under authoritarian one-party rule, lacking in basic freedoms such as the right to free speech or press.

The regime strictly blocks speech about Taiwan independence and its democratic values, while any comments critical of the Chinese Communist Party’s rule is also swiftly censored.

In an earlier interview with CNA, Li expressed fear that he might be charged with “inciting subversion of state power” or similar crimes if he returns to China.

The Chinese communist regime is known to charge dissidents and human rights activists with vague catch-all crimes, including “inciting subversion of state power” and “gathering a crowd to disrupt the order of a public place.”

The student told CNA that he formed his views about the regime after he learned how to bypass the Great Firewall—China’s massive online censorship apparatus—when he was 12 years old.

Li said that allowed him to learn about the truth about events such as the Cultural Revolution and the Tiananmen Square Massacre.

Tourists walk in front of Taiwan’s National Palace Museum in Taipei on March 13, 2019.

# US Secretary of State Meets Uyghurs, Demands Beijing End Mass Detention

FRANK FANG

U.S. Secretary of State Mike Pompeo has renewed calls for the Chinese regime to end its detention of more than 1 million Uyghurs and other Muslim minorities after meeting with a survivor and relatives of prisoners on March 27.

“We call on the Chinese government to release immediately these individuals’ family members and all others arbitrarily detained in the camps,” the State Department said in a statement about Pompeo’s meeting.

Pompeo met with four Uyghurs including survivor Mihrigul Tursun, a woman who has spoken publicly about her experiences of being tortured and abused at an internment camp in China’s northwestern Xinjiang province.

In November 2018, Tursun testified before a U.S. congressional committee that she was given unknown drugs and electrocuted while tied to a chair during her detainment in one of China’s so-called “vocational re-education centers.”

Pompeo also met with three other Uyghurs, whose relatives have either been detained or criminally sentenced in China.

The United Nations estimates that the communist regime is holding more than 1 million Uyghurs, ethnic Kazakhs, and other Muslim minorities in a vast network of internment camps, where prisoners undergo political indoctrination and are forced to renounce their faith. Beijing has used the pretext of “extremist threats” to justify such measures.

Pompeo, at a March 26 press briefing, described the Chinese regime’s treatment of Uyghurs as “historic human rights abuse.”

“We’re working to convince the Chinese that this practice is abhorrent and ought to be stopped,” he told reporters.

### Suppression

Uyghur and Kazakhstan national Gulbakhar Jalilova, 54, a former detainee, told The Epoch Times in December 2018 that detained Uyghurs were psychologically and physically tortured, poisoned, and even killed by injection of unknown drugs.

Another former Uyghur detainee, a Kazakhstan national aged 54, who spoke to The Epoch Times in 2018 on condition of anonymity, said young girls were being raped inside these camps and were given pills to stop them from becoming pregnant.

Beyond the camps, Uyghurs also face harassment from local Chinese authorities. Radio Free Asia reported in February that Uyghurs were forced to eat pork and drink alcohol, both of which are strictly forbidden in Islam.

In addition, more than 10 million Uyghur and other Turkic minorities in Xinjiang are subject to intense monitoring via a dense network of surveillance systems and security checkpoints.

In November 2018, Reuters reported that the Trump administration was considering sanctions against Chinese officials and companies with ties to the regime in the region.

Around the same time, bipartisan legislation was introduced in both the Senate and the House calling for a stronger U.S. response to the regime’s suppression, including an export ban on U.S. technology that could be used in surveillance in the region, and sanctions against culpable Chinese officials.

In early March, State Department official Michael Kozak, in a briefing presenting the department’s annual human rights report, said that abuses like those currently being committed against China’s Muslim minority had not been seen “since the 1930s.”



# Join in Restoring Virtue and Values to Society

## For Our Children and Grandchildren’s Sake...

At The Epoch Times, we’re building a media supported by readers instead of corporate advertisers, ensuring it’s free from outside influences—forever. Please help to strengthen this vision.

### A REAL DANGER Our Civilisation Faces Serious Treats at This Moment in History

1. Our nation is in trouble. According to a 2018 survey, 58 percent of young Australian voters say they would prefer to live in a socialist society.\*
2. If this trend continues, within the next decade, Australia could become a socialist country.
3. 85% of newspaper sales in Australia are controlled by two corporations. They’re not out to tell you the truth about what’s happening; they only tell you the picture of the world that they represent.
4. For decades, ideas stemming from communist ideology like socialism and cultural marxism have been moving Australia away from the preservation of rights enshrined in the Magna Carta.
5. These ideas create social turmoil, division, frustration, hatred, and violence; they break down the morality at the foundations of society. These same ideas now have found their way into the government, schools, and other key institutions across the nation.

\* POLICY PAPER ON MILLENIAL ATTITUDES TOWARD SOCIALISM CONDUCTED BY THE CULTURE, PROSPERITY CIVIL SOCIETY and THE CENTRE FOR INDEPENDENT STUDIES.



### THE BEST DEFENSE The Epoch Times Stands Firmly Against this Subversion

1. The Epoch Times has the wisdom to expose the evil nature of communism and its infiltration into our media, schools, government, churches, and society.
2. The Chinese regime makes it clear to companies that have business ties with China that working with us will cost them business.
3. Built on the values of Truth and Tradition, and based on the virtue of compassion, The Epoch Times promotes long-established universal values that represent the best of humankind.



“After being lobbied and seduced by those puppets, politicians, journalists and leaders of all sorts of organisations across the country believe they are responding to the wishes of ‘Chinese-Australians’. They are in fact dancing to the tune of the Chinese Communist Party.”

Clive Hamilton, Author of ‘Silent Invasion: China’s Influence in Australia’

### THE CHALLENGES We’ve Been Fighting a Long Battle

Since our founding in 2000, the Chinese Communist Party, with its multibillion-dollar lobbying and overseas propaganda budget, has tried relentlessly to stop The Epoch Times. It’s not easy to stand up to the world’s biggest dictatorship, with the world’s largest propaganda and fake news operations, but we have done it.

### These Are Some of the Many Challenges We Face:

1. The Chinese Communist Party has threatened and intimidated our advertisers and ad agencies.
2. The Chinese regime makes it clear to companies with business ties with China that working with us will cost them business.
3. The Chinese regime has had its agents steal our newspapers and distribution boxes, vandalise our offices, and spread misinformation about us abroad. Inside China, the regime has jailed and tortured our journalists.

### Violence We Faced



In 2006, Dr. Peter Li, chief technical officer of The Epoch Times, was beaten, tied up, blindfolded with duct tape, and robbed of two laptop computers by three Asian men who burst into his suburban Atlanta home, wielding a gun and a knife.



## A NEWSPAPER you can trust

### This Did Not Stop Us

You can help make the global communist community’s efforts meaningless—and help us to expand! To achieve this, we need your help!

### The Epoch Times Contributes to Society

1. Truthful reporting on the issues that matter, including the Trump administration’s achievements in the United States and around the world.
2. Leading the reporting on the Chinese communist threat over the last 18 years (since 2000).
3. Exposing communist thought in our government, schools, universities, popular culture, and media.
4. Reporting on the persecution of Falun Gong, including the state-sponsored forced organ harvesting in China—one of the most underreported atrocities of our time.
5. Spreading the truth through Freegate secure anti-censorship software.
6. Providing an acclaimed Mind & Body section that that offers insights from traditional wisdom and holistic wellness.

### Rigorously Exposing Communism

The Epoch Times actively works to investigate and expose communist ideology, its history, theory, and true intentions. Our latest series, “How the Spectre of Communism is Ruling Our World,” exposes the nature of communism and the harm it has brought and continues to inflict on the world.

Since the book “Nine Commentaries on the Communist Party” was published by The Epoch Times in December 2004, 320 million Chinese people have renounced the Chinese Communist Party and its associated organisations.

The Epoch Times reports issues and events side-stepped by other media, but which are vital to exposing the harm communism poses to humanity. These include the persecution of Tibetans, underground Christians, practitioners of Falun Gong, Uyghurs, and other groups in China.



Our infographics have had a big impact on society, allowing people to understand the intricate connections between seemingly unrelated events, revealing what mainstream media is not telling you.

### Our Investigations

We have championed a new method of investigative journalism, bringing together the best of both traditional journalism and quality design to tell stories that expose corruption and subversion. Our work has included investigations about:

1. Illegal Spying on President Trump (February 9, 2018)
2. China’s Military Expansion Into Space (March 23, 2018)
3. The Secret Propaganda War on Our Minds (April 6, 2018)
4. Hillary Clinton and the Uranium One Deal (February 16, 2018)
5. Spygate: The True Story of Collusion (October 12, 2018)
6. Clinton Foundation ‘Pay to Play’ Model Under Investigation (December 5, 2018)





We are the “lucky country.” But our parliamentary democracy only works when the populace is well informed through an honest and transparent press. This is the role that The Epoch Times strives to fulfill.

What People Are Saying



“The Epoch Times is a distinctive newspaper and reports the news truthfully, decently and fairly. It’s a shame that only Chinese Epoch Times was available in the early days. Now, I look forward to the relaunch of the English edition. The Australian community needs to know what is happening in China and the suppression of human rights under the CCP. This will uphold Australian values and is also an opportunity for Australians to help improve the human rights situations in China.”

Qi Jiazhen, Writer



“I think as a media company The Epoch Times can be part of a positive force for the culture and a positive force within this economic machine of capitalism to help elevate cultural products and ideas that are going to help heal society as you preserve the family.”

Carrie Sheffield, founder, Bold



“‘The first duty of the press,’ the great London newspaper The Times declared as long ago in 1851, ‘is to obtain the earliest and most correct intelligence of the events of the time, and instantly, by disclosing them, to make them the common property of the nation.’ “There can be no doubt that in assessing the newspapers of the world, The Epoch Times deserves the encomium that it is a leader in observing, to the very highest degree, this timeless enunciation of the first duty of the press.”

Emeritus Professor David Flint AM



“As a child, my father would eagerly look forward to reading The Epoch Times newspaper. Now I understand why, it’s 100% correct. A rare publication celebrating Chinese culture whilst speaking against the atrocities of communism. Australians take note.”

Asha Towers, NSW President of the National Civic Council



“The Epoch Times has done a great job in its quest for truth and its devotion to humanitarian concerns.”

Feng Chongyi, Associate Professor in China Studies at University of Technology Sydney

A Brief Introduction to The Epoch Times

Started in 2000 by Chinese-Americans who fled communism, The Epoch Times was founded in America to bring truthful and uncensored news to Chinese people worldwide—people oppressed by lies, violence, and propaganda. The English edition of Epoch Times was started in 2004, and has upheld the same values.

In December 2000, a few months after we began publishing, 10 of our staff members in China were jailed and tortured. They were sentenced to prison terms ranging from three to 10 years, forcing us to work largely underground in China. Later, Epoch Times contributors continued to be targeted: One died in a Chinese prison in 2017 after 12 years in jail; another was just released on Feb. 13, 2018 after over 10 years in jail.

Despite these challenges, we have been committed from the beginning to getting the truth out under difficult circumstances, and this is and will forever be part of The Epoch Times.

Having faced extreme challenges (financial, physical, and cyber) from

one of the most despotic regimes on the planet, The Epoch Times has never stopped delivering on its promise to readers: to use traditional, upright, and true journalism to keep the public informed.

We investigate issues overlooked—or avoided—by other media outlets. We don’t spin the news, push biased agendas, or create false narratives. We give the facts and context to allow readers to make up their own minds.

We report on a wide range of topics, from national politics, to holistic health, foreign affairs, traditional culture, immigration, and food & lifestyle.

We also hold that one of the most overlooked stories of the 21st century is the global cultural and moral destruction wrought by communism, and so we take special care to expose this deadly ideology and the harm it has caused to us all.

In all that we do, we make an earnest attempt to hold ourselves to the highest standards of integrity. This is our promise to you.

Make a Difference Today

The Power of Your Contribution

- 1. Help us publish truthful news.
- 2. Builds a nonpartisan, independent media that stands outside of any political interests.
- 3. Helps fund the research that exposes the true nature of communism and its impact on our media, our schools, our government, our religious institutions, and our society as a whole.
- 4. Helps us to report stories within Australia and abroad that are rarely reported by other media outlets.
- 5. Safeguards a forum for discussion of traditional values and the traditional vision of journalism.
- 6. Informs schools, universities and other public institutions with our content.

What Your Contribution Achieves

- \$50 – Help us get our message of ‘Truth and Tradition’ into local universities.
- \$500 – Help 250 households test drive The Epoch Times newspaper.
- \$5,000 – Help us create an ebook of “How the Spectre of Communism is Ruling our World” so that millions of people can enjoy reading it in book form.
- \$10,000 – Fund the research and production of a new investigative piece so that millions of people can benefit from it.
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# Trump Calls for New Focus on Finding Jobs for Former Prisoners

“  
When we say ‘hire American,’ we mean all Americans, including former inmates who have paid their debt to society

U.S. PRESIDENT DONALD TRUMP

CONTINUED FROM A1

we mean all Americans, including former inmates who have paid their debt to society,” Trump said.  
Trump was joined on stage by a handful of former prisoners who have been helped through the First Step Act. He asked each of them to speak, sparking a unique level of spontaneity, sadness and cheer in the White House East Room as they recounted their experience.  
Gregory Allen noted that two months ago, he was in a prison cell and now he was telling his story at the White House, calling it an example of what would “make America great again,” Allen said, borrowing from the president’s trademark phrase as the audience laughed and applauded.

First Step Act

Trump signed into law a landmark criminal justice reform bill dubbed the First Step Act, on Dec. 21, last year.  
The Act gave judges more discretion when sentencing drug and lower-level offenders, while also reducing the recidivism risks of prisoners by expanding on programs such as job training. It passed the House of Representatives a day ago by a landslide vote of 358 to 36.  
Earlier the Senate had pushed the bill—that only affects federal prisoners—through with a similar show of support by 87–12. Trump and his son-in-law Jared Kushner had both lobbied for the measure.  
“Everybody said it couldn’t be done. They said the conservatives won’t approve it, they said the liberals won’t approve it,” Trump told reporters at the White House. “They said nobody’s going to approve it, everybody’s gonna be against it. It’s been many many years ... and nobody came close.”  
Co-sponsored by more than a third of



Matthew Charles, who was released from federal prison after serving 20 years for selling crack cocaine, joins U.S. President Donald Trump for a First Step Act celebration in the East Room of the White House on April 1, 2019.

the Senate, the act received support from both Democrats and Republicans. It aims to make the federal criminal justice system fairer, reduce overcrowding, and save taxpayer dollars. Certain mandatory minimum sentences were also adjusted.  
At the signing event, Trump thanked ranking members from both sides of the aisle and commended the bipartisan effort. At one point, he invited his son-in-law to make remarks, adding that “Jared has worked so hard on this.”  
Kushner, who spoke for several minutes said that in addition to the many people in the room, “This really took an army of

a lot of other people.” He also spoke about the people drawn to the issue by the “pain of the past.”  
“We were their lobbyists,” Kushner said, while describing the people unable to fight for themselves.  
Ivanka Trump joked at the times that now the bill had been signed, she might see Jared more often. “Maybe I’ll get a little bit more time with him now.”  
Under the bill, maximum penalties are maintained for violent felons and drug kingpins. But mandatory minimum penalties are reduced for others. Prisoners can earn time credits toward their release to

halfway houses or home confinement.  
The First Step Act, that took years in the making, represented an easing of tough, law-and-order minimal sentencing requirements imposed on judges that stemmed from a 1980s drive to clamp down on an epidemic of crack cocaine and other illegal drug use in the United States. It was the product of much effort from both liberal and conservative advocacy groups, as well as civil right advocates.

The Associated Press and The Epoch Times reporter Bowen Xiao contributed to this report.

## US Lawmakers Skeptical of China’s New Measures to Clamp Down on Fentanyl

FRANK FANG

U.S. lawmakers have reacted with scepticism after Beijing announced a set of measures to curb fentanyl production and trafficking.  
All fentanyl-related substances are now included on China’s list of controlled substances, a change from the current list of 25 fentanyl analogs and two precursors, according to a press conference held in Beijing on April 1, held jointly by China’s Ministry of Public Security, the National Health Commission, and the National Medical Products Administration.  
The change, which will take effect May 1, aims to block Chinese chemists from continually manufacturing novel forms of the synthetic opioids in order to skirt Chinese regulations.  
Also announced were stepped-up investigations, including requiring Chinese authorities to locate possible illegal fentanyl production in areas such as chemical industrial parks, as well as having Chinese customs officials step up the effort to check high-risk international mail.  
Fentanyl is 100 times more potent than morphine and 50 times more powerful than heroin, according to the U.S. Centers for Disease Control and Prevention (CDC); as little as two milligrams is considered a lethal dosage for most people.

Fentanyl killed 71,500 Americans in 2017, according to data released by the CDC. And China is the largest source of illicit fentanyl and fentanyl-like substances in the United States, according to a 2018 report by the U.S.-China Economic and Security Review Commission (USCC).  
However, U.S. lawmakers urged caution in expecting the latest Chinese policy to have any real impact.  
“This action means nothing without proper enforcement,” U.S. Rep. Chris Smith (R-N.J.) said in a statement. “Chinese-produced fentanyl has been trafficked into the U.S. and is killing Americans, and China has had the capability to crack down on this drug trade and has not done so.”  
The USCC report identified problems within the Chinese regulatory environment that have abetted the manufacturing of fentanyl, including loose oversight and “misaligned incentive structures for local governments” that “prioritize economic growth and development objective above all else.”  
“We have heard soothing, but empty, rhetoric before from China’s leaders,” Smith said. “We must continue to monitor developments closely and hold Chinese officials and manufacturers accountable if they fail to take decisive action and enforce this new policy.”  
Meanwhile, China has continually de-

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This action means nothing without proper enforcement.

U.S. REP. CHRIS SMITH

nied its culpability in the U.S. fentanyl crisis. Most recently, Liu Yuejin, deputy director of the China National Narcotic Control Commission, did so while answering questions at the April 1 press conference announcing the new regulations.  
“The U.S. accusation lacks evidence,” Liu said. “If the United States really wants to solve its fentanyl problem, it must enforce its work domestically.” Liu said an example would be U.S. authorities providing more drug prevention education to the public.  
U.S. Sen. Rob Portman (R-Ohio) also expressed concern about holding China accountable, saying in a statement, “We must monitor closely how China implements and enforces these new restrictions.”  
Portman called on China to work better with U.S. authorities as part of the Synthetics Trafficking and Overdose Prevention (STOP) Act, which President Donald Trump signed into law in November 2018.  
He was among the senators who introduced the STOP Act in February 2017, to address loopholes in the U.S. Postal Service system that allowed drug traffickers, many of them from China, to ship fentanyl purchases through the postal system.  
“China must also step up to provide the U.S. Postal Service advanced electronic data, so U.S. Customs and Border Protection can target, track, screen, and interdict packages suspected of containing illegal drugs,” Portman said.  
Deputy Attorney General Rod Rosenstein also addressed the issue during an October 2017 press announcement to indict two Chinese nationals, who are accused of using the internet to sell fentanyl and other opiate substances they manufactured to drug traffickers and individual customers in the United States. They shipped drug orders through the mail.  
In early March, Smith and Rep. Thomas Suozzi (D-N.Y.) introduced the “Combating Illicit Fentanyl Act of 2019,” which would impose financial sanctions against any individuals identified as being involved with fentanyl production and trafficking. They would also be made ineligible for visas or admission to the United States.

## Anti-Abortion Movie ‘Unplanned’ Surpasses Planned Parenthood in Twitter Followers

PETR SVAB

“Unplanned,” the movie about a former Planned Parenthood clinic director turning against abortion, has exploded on Twitter since its March 29 premiere, surpassing in followers the main account of Planned Parenthood, the largest abortion provider in the United States.  
The biopic stars Ashley Bratcher, from “90 Minutes in Heaven” and “Extraordinary,” as Abby Johnson, a former director of a Planned Parenthood clinic in Texas who later became an anti-abortion activist.  
The Pure Flix production, with a modest \$6 million budget, had a difficult time getting into the box office, as it received an “R” rating for portraying abortion and TV networks refused to sell advertising time for the movie. Then, a day after the premiere, its Twitter account was suspended—by mistake, according to Twitter.  
The account was restored later that day, but, according to Twitter, it caused an error that people who clicked the “Follow” button saw themselves suddenly defaulted back to not following the account.  
Many users saw the phenomenon as Twitter’s way of intentionally suppressing the movie, which the company denied, but the uproar helped propel the movie to online prominence.  
Its Twitter account grew to more than 320,000 followers in the late morning of April 2 from fewer than 6,000 followers in the early hours of March 29. The main account of Planned Parenthood had less than 260,000 followers on April 2.  
“So good to see movie theaters across the country showing @UnplannedMovie—a deeply inspiring new pro-life film based on the best-selling book by @AbbyJohnson,” said Vice President Mike Pence, a prominent critic of abortion, in an April

1 tweet. “More & more Americans are embracing the sanctity of life because of powerful stories like this one.”  
The movie grossed nearly \$6.4 million by March 31, according to IMDb.  
**Personal Matter**  
For Bratcher, the movie had a special significance as she had faced an unplanned pregnancy herself. She felt a “sense of shame” for expecting a child out of wedlock, she told EWTN, a Catholic TV network.  
“I was scared,” she said. “I was young, I didn’t know how things were going to go, I didn’t have a job, I wasn’t married, but I knew that there was this incredible life growing inside of me.”  
“I just remember calling out to God during that time and saying, ‘God, what is my purpose here? I don’t understand. I don’t understand what I’m doing here. And it was during that time that I finally understood God’s love, the Father’s love, because if I could love this little tiny person growing inside of me that much, how much more God must love me.”  
She said her son, who recently turned 9, “saved” her from a “period of rebellion” and selfishness.  
“He taught me to love unconditionally, and what it meant to put someone ahead of myself,” she said. “And having my child empowered me, because it made me want to be a better person, it made me fight for something, it just taught me so much about life because I chose to have him.”  
Americans appear to have shifted away from supporting abortion, especially younger Americans and Democrats. A Feb. 12–17 Marist Poll found that 47 percent of Americans identified as “pro-life,” while 47 percent identified as “pro-choice.” Just a month earlier, the poll showed “pro-choice” identification prevailing 55 percent to 38 percent.

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# AOC Gets Headlines but Showdown Is Coming With Moderate Dems

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“After seeing their ranks decimated in recent elections, the Blue Dogs have clout again.

JIM MANLEY,  
DEMOCRATIC CONSULTANT

that could cause immediate harm to millions of our members and their families,” Cecil Roberts and Lonnie Stephenson wrote in a March 8 letter to Ocasio-Cortez and Sen. Ed Markey (D-Mass.).

Roberts is president of the United Mine Workers of America, while Stephenson leads the International Brotherhood of Electrical Workers. They wrote as spokesmen for the labor giant’s energy policy committee.

Things heated up March 23, when freshman Rep. Max Rose (D-N.Y.), whose Staten Island district borders Ocasio-Cortez’s, issued an invitation to “anyone who considers themselves a socialist anywhere in New York, or any Justice Democrat, a formal invitation to come primary me. We can settle this at the polls.”

Rose was responding to Ocasio-Cortez’s promise to field primary challengers to Democratic incumbents opposing her Green New Deal.

Ocasio-Cortez’s threat prompted Democratic Congressional Campaign Committee officials to warn the party’s legion of consultants against helping her anti-incumbent effort.

Tensions mounted again last week when moderate Democrats on the House Education and Labor Committee rebelled against the \$15 minimum wage proposal of the panel’s chairman, Rep. Bobby Scott (D-Va.).

Scott’s version of the bill hikes the minimum wage nationally, but moderates such as Rep. Elissa Slotkin (D-Mich.), a former CIA analyst, former NFL player Rep. Collin Allred (D-Texas), and Rep. Kurt Schrader (D-Ore.) said they couldn’t support the proposal unless it allowed regional exceptions to the \$15 figure.

An unnamed Democrat told Politico that Scott’s bill could fail on the House floor, thanks to opposition from moderates, sometimes known as “Blue Dog Democrats.”

**Blue Dogs’ Clout**

Campaign and communications experts from both parties see the growing tension between Democratic progressives

and moderates in remarkably similar and pragmatic terms.

Jim Manley, former Senate Majority Leader Harry Reid’s communications director, for example, told The Epoch Times that “despite all of the ink devoted to some of the newer members such as AOC, the fact is that a whole bunch of more centrist members won election last November.”

That means, Manley said, “that after seeing their ranks decimated in recent elections, the Blue Dogs have clout again, but how much they flex it remains to be seen.”

Manley expects issues like the minimum wage hike to be resolved by addressing the moderates’ worries. “There is clearly a deal to be had that involves something less than \$15 an hour, paired with tax breaks for small businesses,” he said.

Jimmy Williams, former communications director for Sen. Dick Durbin (D-Ill.), warned that, while “intra-party warfare is nothing new,” Democrats should stop laughing as they have “since 2009 at the rise of the Tea Party” on the Republican side.

“This idea that progressives will engage in some sort of political terrorism against their own party is rooted in the fact they can’t count to 217,” he said, referring to the minimum majority number.

“If you don’t have 217, nobody is going to give a hoot about Alexandria Ocasio-Cortez, or any of the rest of the progressives, there won’t be any moderates and you won’t have the House majority.”

Williams said House Democrats should each focus on winning their own districts and “let everybody else run in their own districts.”

Beverly Halberg, a Washington-based communications expert, told The Epoch Times: “While many young people have a favorable opinion of socialism, the majority of the Democratic voting base knows that it doesn’t work.

“So, you have some Democrats who are willing to stand up against the socialist wave, not only because of their core constituents but also because they understand history and the dangers of socialism,” said

Halberg.

Similarly, Texas GOP campaign consultant Matt Mackowiak said, “the problem that House Democrats face is their majority was built on more mainstream members getting elected in marginal seats, but the energy and fundraising is on the progressive wing.”

That creates a tricky political situation “on issues like the Green New Deal and a \$15 minimum wage. Freshmen Democrats in tough seats need one thing and progressives demand another,” Mackowiak said.

With 31 House Democrats representing districts carried by President Donald Trump in 2016, the moderates likely have more leverage against progressives between now and November 2020 to sustain a winning effort against Trump.

And, as Williams noted, “the entire point of this exercise for Democrats is to get rid of Trump.”

Contact Mark Tapscott at mark.tapscott@epochtimes.nyc

BRENDAN SMIALOWSKI/AFP/GETTY IMAGES



Then-Rep.-elect Max Rose (D-N.Y.) on Capitol Hill on Nov. 30, 2018.

## Chinese Woman Carrying Malware Charged with Illegally Entering Mar-a-Lago

CATHY HE

A Chinese woman carrying two foreign passports and a thumb drive containing malware managed to pass an initial security checkpoint at President Donald Trump’s Mar-a-Lago club in Florida on March 30, federal prosecutors allege in court documents.

The president was in Florida at the Trump International Golf Club in West Palm Beach, according to White House press pool reports.

Prosecutors charged Yujing Zhang, 32, with making false statements to federal agents and illegally entering a restricted area.

Zhang told a Secret Service agent at the checkpoint outside the Palm Beach club that she was a member and wanted to use the pool, court documents said. While she wasn’t on the membership list, the agent thought that she may have been the daughter of another member with the last name of Zhang.

The agent, court documents said, asked if the member was her father. While she didn’t give a definitive answer, the agent admitted her due to a “potential language barrier issue.”

Zhang’s story changed when she got inside, agents say. After repeated questions by the front desk receptionist, she told her the receptionist that she was there to attend the United Nations Chinese American Association event scheduled for that evening. However the event did not exist, the complaint states.

She was then escorted off the property and questioned by another Secret Service Agent.

The agent said in court documents that Zhang told him that she was there to attend a “United Nations friendship event” between the United States and China, and had come early to familiarize herself with the club and take photos. This again contradicted what she had said at the initial checkpoint about being at the Mar-a-Lago to use the pool. She also showed him an invitation in Chinese that he could not read.

When the agent informed Zhang that she had illegally entered the property, she became argumentative, and was then taken to the local Secret Service office for questioning.

Meanwhile, the agent observed that Zhang was able to speak and read English with ease, the court document said.

Zhang told the agent that she had traveled from Shanghai to attend the non-existent Mar-a-Lago event on the invitation of an

JOE RAEDLE/GETTY IMAGES



The Mar-a-Lago resort, owned by U.S. President Donald Trump, in Palm Beach, Florida.

acquaintance named “Charles,” whom she only knew through WeChat, a popular Chinese messaging app, the complaint said.

She also denied telling the checkpoint agents she was a member wanting to swim, the agent said.

Zhang carried four cellphones, a laptop computer, an external hard drive and a thumb drive containing computer malware, the complaint states. She did not have a swimsuit.

The 32-year-old remains in custody pending a hearing next week.

Zhang faces a maximum of 5 years’ imprisonment and a \$250,000 fine for the charge of making false statements to federal agents, and a maximum of 1 year in prison and a \$100,000 fine for the charge of illegal entering a restricted area.

There is no indication Zhang was ever near the president.

There is also no evidence that Zhang has links with Li Yang, a Chinese native and former Florida massage parlor owner. Yang made headlines recently after it was revealed that she ran a consulting firm promising Chinese business leaders access to Trump via events at Mar-a-Lago.

The Epoch Times previously reported that Yang has ties to the Chinese regime. In 2016, she became deputy president of the Florida branch of the Council for the Promotion of the Peaceful Reunification of China (CPPRC)—a group that operates under the Chinese Communist Party’s United Front Work Department, a body charged with spreading Beijing’s agenda overseas.

The Associated Press contributed to this article.

Yang has ties to the Chinese regime. In 2016, she became deputy president of the Florida branch of a group that operates under the Chinese Communist Party’s United Front Work Department—a body charged with spreading Beijing’s agenda overseas.

## Mexico Must ‘Bring Order’ to Central American Migration, Mexican President Says

PETR SVAB

Mexican President Andrés Manuel López Obrador said that Mexico has to regulate the flow of migrants from Central America who travel through Mexico to cross into the United States illegally after U.S. President Donald Trump on March 29 threatened to shut the border.

“Obviously, we have to help because Central American migrants pass through our territory and we have to bring order to this migration, make sure it’s legal,” Obrador said on April 1. “That’s what we’re doing. But serenely, calmly, without a commotion and with great prudence and responsibility.”

Trump has threatened several times to close down the border, which would choke the flow of people and goods between the two countries, dampening trade. However, it would hurt Mexico substantially more, as 80 percent of Mexican exports go to the United States.

“Mexico must use its very strong immigration laws to stop the many thousands of people trying to get into the USA,” Trump said in a March 30 tweet. “Our detention areas are maxed out & we will take no more illegals. Next step is to close the Border! This will also help us with stopping the Drug flow from Mexico!”

He expressed similar sentiment the day before, urging Mexico to stop two large caravans of migrants traveling north from Guatemala.

“Mexico is tough. They can stop them, but they chose not to. Now they’re going to stop them. And if they don’t stop them, we’re closing the border. We’ll close it. We’ll keep it closed for a long time,” he said. “I’m not playing games.”

López Obrador said he would not have a confrontation with the United States.

“I prefer love and peace,” López Obrador told reporters at his regular morning news conference.

**‘Breaking Point’**

Commissioner of U.S. Customs and Border Protection (CBP) Kevin McAleenan said on March 27 that the border security system has reached its “breaking point,” estimating the agency would conclude the month with some 90,000 caught trying to cross the border illegally—up more than 140 percent from 2018 and the most since 2008.

The overcrowding of CBP facilities has caused the agency to start directly releasing some migrants caught at the border, instead of transferring them to Immigration and Customs Enforcement, which doesn’t have sufficient detention capacity to accept them.

“That’s what we’re doing. But serenely, calmly, without a commotion and with great prudence and responsibility.

MEXICAN PRESIDENT ANDRÉS MANUEL LÓPEZ OBRADOR

This was the first time in more than a decade that the CBP has had to directly release its detainees and is trying to pick those with the lowest risk, McAleenan said.

**Pressure**

Trump has been putting pressure on Mexico and the Central American countries of Honduras, Guatemala, and El Salvador to stop the migrant flow. The U.S. State Department confirmed on March 30 it has stopped aid to the three countries of the so-called Northern Triangle after Trump repeatedly warned them he would do so if they fail to stem the migration.

Mexico began issuing temporary humanitarian visas to some members of a migrant caravan in southern Mexico, giving priority to children and the elderly, the National Migration Institute said April 1. It said it would provide transport back to Central American countries, Cuba, and Haiti, on a voluntary basis.

Earlier this year, Mexico handed out humanitarian visas liberally, but reined in the program after a surge in applications. The institute said that, starting in April, Mexico would encourage people to apply for visas in their home countries.

It was not immediately clear if the government will limit the number of visas it issues.

Reuters contributed to this report.

PEDRO PARDO/AFP/GETTY IMAGES



Mexican President Andrés Manuel López Obrador at the National Palace in Mexico City on March 26, 2019.



# China Using Blockchain Technology to Subvert US-Led Financial System

## Part I: The regime's quest for a new global financial system

LI JIE

*Commentary*

China's largest news portal Sina.com made this statement in a headline in its financial section: "For Americans, blockchain is a technology or a philosophical practice. But for Chinese, blockchain is an opportunity for China to change lanes and surpass competitors."

Undoubtedly, the United States is still in the leading position in blockchain technology. However, in terms of commercial application, it is still at the discussion stage in the United States.

Most U.S. blockchain experts have no idea that the Chinese Communist Party (CCP) has already highlighted the importance of blockchain development and application to such a level that it is treated as part of the "national strategy" and as a key step in the future battle between China and the United States for leadership position in the international arena.

The CCP's ultimate vision in the blockchain development and applications is to create an "international government" (that is, the so-called "community of common destiny" for mankind), powerful enough to influence every corner of the world. The near-term goal is to establish a digital currency system to compete with and eventually replace the dollar trading system, directly targeting the global financial dominance of the United States.

The National Interest magazine published an article on Aug. 24, 2018, warning that "U.S. technological and financial dominance is at stake" as China and Russia seek to develop blockchain technology.

### Blockchain Technology Jeopardizes US Dollar System

A blockchain is a continuously growing list of records, called blocks, which are linked and secured using cryptography. Each block contains typically a hash pointer as a link to a previous block, a timestamp, and transaction data.

By design, blockchains are inherently resistant to modification of the data, and the data are recorded in a verifiable and permanent way.

Satoshi Nakamoto was the first person to propose the concept of blockchain in the 2008 Bitcoin White Paper, and created Bitcoin, the first type of cryptocurrency. Later, blockchain technology was used to create more cryptocurrencies and was gradually applied to other areas.

The blockchain-based cryptocurrency is characterized by decentralization; that is, a financial system that doesn't rely on a centralized regulatory system. There are many different types of cryptocurrencies, and cryptocurrency exchanges can be found in many countries.

Presently, the dollar is still the world's universal currency, and half of all global trade is denominated dollars. Dominating global finance, the United States can not only obtain information on financial transactions, monitor the flow of funds to terrorist organizations or rogue states, but also use the dollar system to impose financial sanctions with ease on foreign companies or countries that violate certain regulations.

However, the dollar trading system, especially international remittances, requires a dedicated network of banks, which is not only time-consuming, but also involves high processing fees. The global peer-to-peer, cryptocurrency-based payment network can make up for these shortcomings.

At present, as cryptocurrency has some potential problems such as cybersecurity risks and being exploited by criminals, it has not been universally recognized

The CCP's ultimate vision in blockchain development and applications is to create an 'international government' powerful enough to influence every corner of the world.



and accepted by the mainstream. Moreover, no single private cryptocurrency can challenge the powerful and well-established dollar system.

However, if a totalitarian regime with a large economy comes up with a plan to improve cryptocurrencies and works with a number of other countries to establish a cryptocurrency trading system, it will be a completely different story.

At present, Alipay, a subsidiary of China's internet giant Alibaba, has successfully used blockchain technology to create a new international remittance system outside the banking network, enabling fast, secure, and convenient remittance via mobile phones or computers. Alibaba is pushing the Alipay business globally through overseas mergers, acquisitions, and business cooperation, including the One Belt, One Road (OBOR) initiative, which is regarded by the CCP as its largest core project in the 21st century.

As early as 10 years ago, Zhou Xiaochuan, then-governor of People's Bank of China, published an article on March 23, 2009, on its website, proposing to create an international reserve currency (the so-called "super-sovereign currency") that is decoupled from any sovereign country. It's clear that the CCP had the ambition to challenge the status of the dollar and Zhou's proposal had attracted a lot of attention from the international society.

Now, it has become a serious threat as the CCP lays out a blockchain strategy in China and abroad.

**The CCP's Global Blockchain Strategy**

According to China's National Intellectual Property Administration of China (CNIPA), the number of Chinese patent applications in 2018 was 1.4 million, an increase of 11.6 percent over the previous year. However, the segment of invention patents in blockchain technology continued to maintain an exponential growth trend, increasing by 115.6 percent year-over-year to 2,913 applications, and more than 100 times that of four years ago.

Among the companies with the largest number of applications in blockchain technology in 2018 were China Unicom, Alibaba, Tencent, Baidu, and JD.com. Some of these companies have also applied for multiple patents at the World Intellectual Property Organization (WIPO). Moreover, several of them had never applied for blockchain patents until 2018.

In contrast, in all other countries and regions, the total number of blockchain patent applications in 2018 is lower than in 2017.

Obviously, behind the huge increase in blockchain patent applications in China is the strong support from the Chinese authorities.

The development of blockchain technology has long been part of the CCP's development strategy. With the CCP's funding and policy support, various official or-

ganizations have been established to promote the development of blockchain. Many industry giants have joined the effort, and a large number of blockchain start-up companies have also come on stage.

According to data released by the news website Sup-China in August 2018, from January 2016 to August 2018, the total investment in the blockchain development from various local governments in China reached approximately \$3.6 billion.

Among them, starting in April 2018, the Xiong'an Global Blockchain Innovation Fund, supported by the Chinese government, provided \$1.6 billion to China's blockchain startups. The sub-institutions of the Central Bank of China also launched a "Blockchain Registry Open Platform" (BROP), hoping to hire more blockchain experts.

It must be noted that government-sponsored development of blockchain in China clearly doesn't include private cryptocurrencies. Since 2017, the CCP has banned the sale of cryptocurrencies, and the restrictions on domestic cryptocurrency activities have become more and more stringent.

In April 2018, Russian news agency Sputnik quoted Zhang Hua, co-founder of the DAEX Blockchain Group Limited, as saying that China's Central Bank is developing China's own digital currency, the encrypted renminbi, and therefore does not allow any other cryptocurrency to circulate in the country.

As early as January 2017, the Central Bank of China officially established the Digital Currency Research Institute, recognizing the inevitability of the emergence of digital currency and the possibility that it will eventually replace paper currency. Since then, the Central Bank has published a series of feasibility reports on state-issued digital currency.

In 2018, Sina.com had a special column in its finance section that claimed that China's Central Bank had already formed a comprehensive chain structure, and was trying to solve the final technical challenge of currency digitization.

If we pay attention to the development priorities announced by the Chinese authorities every time, we will find that the blockchain and cryptocurrency are always included in the priority list in recent years. It is even more so for China's financial institutions, which claimed that cryptocurrency was the top priority in 2018.

However, such research is obviously limited to serving the Chinese authorities, rather than developing decentralized private cryptocurrencies.

*Li Jie is a reporter for NTD, part of the Epoch Media Group.*

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

▲ The Chinese regime has set its sights on replacing the U.S. dollar-backed global financial system, by developing and exporting blockchain technology.

See next edition for the next installment.

# Global Internet Moves Toward Regulation and Balkanized Censorship

JOSHUA PHILIPP



Facebook CEO Mark Zuckerberg believes his own platform, and the internet at large, should follow the European model for regulating internet companies and data. In a Washington Post op-ed, he called for baselines on forbidden content and systems to minimize harmful content, through a "more standardized approach."

Of course, the immediate concern for many internet users is whether this "standardized approach" would include political censorship, and whether the idea of "harmful" content includes the nearly endless array of topics people online now find offensive.

Facebook, Twitter, and other online gatekeepers of information are already on the hot seat for censoring conservatives. In 2016, for example, Gizmodo reported that Facebook staff intentionally prevented conservative news from appearing on its trending news section. In 2018, Twitter engineers were caught on video by Project Veritas explaining how they use algorithms to censor political opinion.

This topic has only grown more heated over time. President Donald Trump wrote in an Aug. 18, 2018, tweet: "Social Media is totally discriminating against Republican/Conservative voices. Speaking loudly and clearly for the Trump Administration, we won't let that happen. They are closing down the opinions of many people on the RIGHT, while at the same time doing nothing to others."

It's because of incidents like this that conservatives are often wary when people like Zuckerberg start talking about new controls

In 2018, Twitter engineers were caught on a Project Veritas undercover video explaining how they use algorithms to censor political opinion.



Facebook co-founder, Chairman and CEO Mark Zuckerberg testifies before the House Energy and Commerce Committee in Washington on April 11, 2018.

on what can and cannot be said on his platform—let alone for the entire internet.

Meanwhile, the internet itself is fragmenting. China, which has maintained its own heavily censored internet behind the "Great Firewall," is now building infrastructure for an internet totally separate from the rest of the world's. Russia is talking about establishing a similar system of "internet sovereignty," and the European Union is drifting further along its totalitarian bend with its recent Article 13 ban on internet memes.

This is likely where the internet is heading. It's a new direction of global "intranets" where each country has its own separate infrastructure, and its own regulations; and where companies need to tiptoe around a kaleidoscope of laws and offenses of each respective country in order to run their websites without getting sanctioned.

And sanctions on websites are what Zuckerberg seems to be talking about. As Zuckerberg proposes in his op-ed, the new regulations "should establish a way to hold companies

such as Facebook accountable by imposing sanctions when we make mistakes."

Of course, it's easy for people like Zuckerberg to call for such things. Massive companies like Facebook could absorb the costs of sanctions without going under, and they also have the staff and finances to implement complex nation-by-nation censorship codes—down to algorithms to check each post. But most other platforms don't have these resources.

Much of this ties to encroaching centralization and to the new socialist fascination that the new left has fallen into.

Yet these changes also highlight one of the major issues with socialist centralization overall. Vast regulations and high taxes typically don't affect the folks at the top or bottom of society. More often, it's the people in the middle who pay the price. And it's the internet companies in the middle that would likely go under if Zuckerberg got his regulatory wish.

Under such systems, online forums could be held liable in different countries for the political opinions of their users. Independent news sites could go out of business for reporting stories outside the established narrative. And even individuals posting their opinions on websites like Twitter and Facebook could find themselves talking to authorities about their web-based "thoughtcrimes."

In China, this is already the reality for businesses and internet users; in Europe, it is rapidly becoming the reality; and in the United States, there are groups and businesses looking to make it a reality.

*Joshua Philipp is a senior investigative reporter for The Epoch Times.*



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The Epoch Times here serializes a translation from the Chinese of a new book, “How the Specter of Communism Is Ruling Our World,” by the editorial team of the “Nine Commentaries on the Communist Party.”

Chapter One (Cont.)

5. Dividing and Conquering

The devil handles people according to their different characteristics and motivations. It may have them murdered or bribed, or indoctrinate them to serve as the pawns of revolution and rebellion.

a. Exterminating Dissent

Some people are wiser and more perceptive than others. Some are closer to the divine, possess good enlightenment quality, and are not susceptible to the devil's ploys. Especially in countries like China, which has a long and rich history, it is difficult to get people to go along with the deception.

The Chinese Communist Party had to launch a series of political campaigns that slaughtered tens of millions of people and broke down the cultural order by killing the elites who served as the custodians of traditional Chinese culture.

In totalitarian communist countries, the people are never allowed to have anything to do with politics. In democratic countries, those concerned with the public good have their attention diverted to trivial issues.

Be it in China or the West, the devil does not hesitate to physically liquidate the discerning members of society who see through its conspiracy and are brave enough to stand out by resisting. To do this, the devil arranges political campaigns, religious persecution, show trials, and assassinations.

b. Roping in the Elites

The devil enlists elites across all nations and industries. To do this, it plays to their interests and endows them with power according to how closely they follow its agenda. For those who seek fame and influence, the devil gives them reputation and authority. For the greedy, it arranges profits. It inflates the egos of the arrogant and maintains the bliss of the ignorant. The gifted are seduced with science, materialism, and unrestricted freedom of expression.

Individuals with lofty ambitions and good intentions have their ideals turned into self-glorification, making them feel the warm glow of being presidents, prime ministers, think tank scholars, policymakers, administrators, big-shot bankers, professors, experts, Nobel laureates, and the like, with outstanding social status, political influence, and vast fortunes. Once established, these great personalities are co-opted, each according to his or her circumstances. In the devil's calculus, all of them are ignorant agents and useful idiots.

c. Dumbing Down the Masses

The devil manipulates public knowledge by employing fake narratives, deluding people with its warped educational

system, and controlling the mass media. It deftly uses people's sense of security and shallow entertainment to make the public care only about their immediate interests, vulgar entertainment, competitive sports, social gossip, and indulgence in erotic and carnal desire. At the same time, the devil caters to the lowest common denominators to deprive voters of their vigilance and judgment, and to capture the electorate.

In totalitarian communist countries, the people are never allowed to have anything to do with politics. In democratic countries, those concerned with the public good have their attention diverted to trivial issues (such as transsexual rights), echoing the famous stratagem of “advancing via a hidden route while repairing the plankways in the open” from ancient Chinese military history. Viral news, social sensations, and even terrorist attacks and wars are arranged as cover for the devil's true intentions.

The public is inculcated with a modern consciousness and mobilized to swallow up the minority of people who stubbornly hold to tradition. Intellectuals levy heavy criticism of folk cultures around the world, fostering narrow-minded prejudice among their uneducated audiences. The concepts of critical and creative thinking are abused to pit the younger generation against authority, preventing them from absorbing the knowledge and wisdom in traditional culture.

d. Fabricating Mobs

In communist countries, after slaughtering the bearers of traditional culture, the devil indoctrinated the bulk of the population to participate in revolutions. After the Communist Party seized power in China, it nurtured a generation of “wolf cubs.” They were encouraged to fight, smash, rob, and burn indiscriminately.

The public is inculcated with a modern consciousness and mobilized to swallow up the minority of people who stubbornly hold to tradition.

During the Cultural Revolution, teenage girls readily beat their teachers to death. The “50-Cent Army” internet trolls, who actively work on different social media in China, constantly write about beating and killing, with typical posts reading, “Recover the Diaoyu Islands even if China is rendered barren,” and “We would rather China be peppered with graves than fail to exterminate the last Japanese.” Their murderous sentiment is actively cultivated by the Chinese Communist Party.

In the West, the Communist Party proudly harkens to the experience of the French Revolution and the Paris Commune. Every revolution and insurrection is introduced by

mobs that have no scruples, no shame, and no compassion.

e. Hastening Generational Replacement

The devil has arranged to have the older generation marginalized and removed from society at an accelerated pace. As young people are endowed with ever more rights, political power, and privileges, the elderly lose their positions of authority and prestige, speeding up mankind's break with tradition.

As young people are endowed with ever more rights, political power, and privileges, the elderly lose their positions of authority and prestige, speeding up mankind's break with tradition.

Contemporary literature, arts, and popular culture are all geared toward the tastes and values of the young, who are under pressure to pursue the latest trends in fashion lest they be ostracized by their peers. Rapid scientific and technological progress makes the elderly unable to keep up and adapt to massive social changes that occur as a result.

The transformation of the urban and rural spheres, combined with mass immigration, has alienated the elderly and estranged them from the present. The torment and helplessness of their solitude are exacerbated by the reality of modern life, where the young are in a constant state of competition and have little time to spare for their parents and elders.

f. Fragmenting Society

In traditional human society, people help each other. When there are conflicts, they have religion, morality, laws, and folk customs to facilitate resolution and cooperation.

It is impossible for the devil to bring about the collapse of such an organic society in a short period of time. It has to first disintegrate society into small atomized units, breaking down the traditional relationships between individuals and alienating them from each other. This gives the devil a convenient means of taking on humanity piece by piece.

The devil uses every conceivable standard to divide the society into opposing groups and instigate hatred and struggle among them. Class, sex, race, ethnicity, and religious denomination can all serve as a basis for division.

It magnifies the animosity between bourgeois and the proletarians, the rulers and the ruled, progressives and “regressives,” liberals and conservatives—and all the while, the government steadily expands its powers. An atomized, isolated individual simply has no hope of resisting a totalitarian government that has access to all of society's resources.

6. Deception and Defense

Just as a criminal tries to destroy evidence of his wrongdoing,

ing, the devil does everything it can do to conceal itself. The scale of its deception is difficult to fathom.

a. Open Conspiracy

The devil carries out its most titanic schemes in broad daylight while labeling them as sensible, reasonable, and legal. A normal person cannot understand or imagine the existence of such a massive and wicked conspiracy. Even when one tries to expose the devil's plot, others cannot accept it easily. In addition, the devil uses a variety of means to intentionally reveal parts of its agenda, sowing suspicion, fear, and confusion.

b. Camouflaged Action

During the Cold War, the world was divided between two military and political camps. Yet, while their social systems appeared to be diametrically opposed, the same demonic process was taking place on both sides in different forms.

Many revisionist Western-style communists, socialists, Fabianists, liberals, and progressives publicly rejected the Soviet and Chinese models, but their efforts led society on a path toward a social structure no different from those of the Soviet Union and China. In plain terms, the devil used the totalitarian East as a diversion for the active infiltration of the West.

c. Demonizing the Opposition

Those who dare to expose the devil are labelled “conspiracy theorists,” “extremists,” “far-right,” “alt-right,” “sexists,” “racists,” “warmongers,” “bigots,” “Nazis,” “fascists,” and other terms of abuse meant to isolate and marginalize them from academia and the broader society. Being made into objects of segregation, ridicule, and fear, their ideas gain no audience, and their presence gains no influence.

d. Deflecting Scrutiny

The devil directs the people to despise and suspect certain ethnicities, groups, and individuals, which draws attention away from its own nefarious schemes.

e. Capturing the Majority

Not everyone can be deceived by the devil's ruses. There will always be those intelligent or perceptive enough to discover the devil's secrets. But the devil has already managed to bring the majority of people under its influence and use them as its cover.

The few who see the devil for what it is are like people stranded in the remote wilderness. Their cries go unanswered as they await their doom.

The means by which the devil destroys people are endless and ever-changing. The general strategies listed above are more thoroughly examined in the following chapters.

This concludes Chapter One.

See next week's edition for the next installment.



CHIP SOMODEVILLA/GETTY IMAGES



House Intelligence Committee Chairman Adam Schiff (D-Calif.) at the Capitol on March 6, 2019.

OPINION

# Mueller Investigation: The Aftermath

BRAD JOHNSON



If you are paying any attention, you are aware that the Mueller investigation of President Donald Trump for alleged collusion with the Russians was completed and turned over to Attorney General William Barr, who, as required by law, prepared a summary of the findings for the White House and Congress.

The kicker, of course, is that the report confirmed there was no evidence or any reason to believe that Trump or anyone associated with the president had anything to do with colluding with the Russians. While a segment of the public might be surprised, everyone around Washington—and I really mean everyone—knew this conclusion was coming, including all of the Democrats.

In case of any doubts to this claim, in the weeks leading up to the investigation being completed, House Democrats pre-positioned themselves by moving to take impeachment off the table and by starting their own investigation and publicly stating they would call dozens of witnesses as part of this “new” investigation.

Normally, you would expect the Democrats to drop the whole subject like the hot potato it is, since it blew up in their faces and makes them look bad to their base. At the same time, it badly damages the credibility of the mainstream media that so adamantly supports Democrats.

The problem for Democrats is they have the tiger by the tail and can’t let go. There are two huge reasons for this: First, the Democratic base of voters has been promised that Trump was going to be taken out politically, and they aren’t going to stand for less; take a look at what they are saying on Twitter if you have any doubts. If Democratic politicians just walk away, their voter base will go ballistic, and we will observe a Democratic primary Armageddon like never before.

Remember, Rep. Alexandria Ocasio-Cortez knocked off a popular and well-established Rep. Joe Crowley in a very safe New York primary. Nobody called



SAMIRA BOUAOU/THE EPOCH TIMES

that one in advance, and Democrats haven’t forgotten this lesson.

The second, and more important, reason is that some of the Democrats are at real personal risk in a legal sense, and this is the area where we will spend the next two years, leading to the 2020 elections. Now that the Mueller investigation is over, everyone is beginning to ask how this whole fiasco started, and that’s the tiger the Democrats own and have by the tail.

Senate Judiciary Committee Chairman Lindsey Graham (R-S.C.) has already stated publicly that he’s going to investigate how this case got started when there was no underlying crime. Significantly, President Trump is now in the clear and will take his gloves off and get involved in the fight. If you enjoy paybacks, make sure to sit in the front row; we all know Trump loves to counterpunch.

Very quickly, we’re going to see Adam Schiff (D-Calif.), the House Intelligence Oversight committee chair, and former Obama administration CIA Director John Brennan, and many other senior officials from the intelligence community come under the spotlight. They are the ones who gave serious gravitas to allegations against the president, and often made public comments to the effect that they were aware of classified

▲ The Department of Justice in Washington on July 11, 2018.

The second, and more important, reason is that some of the Democrats are at real personal risk in a legal sense.

details, had seen conclusive evidence, and were certain that Trump is guilty of collaborating with the Russians.

Since we now know those claims are false and no such evidence exists, we need to look closely at why they would knowingly make these false statements. There is really only one explanation that seems to fit all the facts, and that would be if Brennan and the others collaborated to create and use the Steele dossier as an attempt to take the presidency away from Trump.

If true, this is serious beyond belief and seems to constitute treason. Many others, including just recently, several sitting ambassadors have been implicated, and a number of senior Justice Department and FBI officials have long been under suspicion.

The first key step that we will see publicly over the next few months is a close examination of the original FISA application that allowed the warrant that kicked off the FBI investigation of the Trump campaign. A version was released, which I duly read, but it was very heavily redacted, meaning about 70 percent of the report was blacked out.

Even so, it’s very clear that the FISA request was based almost exclusively on the Steele dossier and that’s going to come to light. That’s a serious problem for the Democrats, because everyone who signed the FISA request has been documented to have known in advance that the dossier was either false or unconfirmed at best and they used it anyway. That is illegal by itself, and was then was further used to create the Mueller special counsel investigation.

Next will be the scope memo, which was what gave Mueller the authority and parameters by which he was to conduct his investigation.

*Brad Johnson is a retired CIA senior operations officer and a former chief of station. He is president of Americans for Intelligence Reform.*

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



THE EPOCH TIMES

THE INSIDE STORY OF  
**SPYGATE**

DID OBAMA-ERA OFFICIALS CONSPIRE TO TAKE DOWN TRUMP?





# THE INSIDE STORY OF SPYGATE

A comprehensive overview of the Spycgate scandal, building on dozens of testimonies and court documents

JEFF CARLSON

Efforts by high-ranking officials in the CIA, FBI, Department of Justice (DOJ), and State Department to portray President Donald Trump as having colluded with Russia were the culmination of years of bias and politicization under the Obama administration. The weaponization of the intelligence community and other government agencies created an environment that allowed for obstruction in the investigation into Hillary Clinton and the relentless pursuit of a manufactured collusion narrative against Trump.

A willing and complicit media spread unsubstantiated leaks as facts in an effort to promote the Russia-collusion narrative.

The Spycgate scandal also raises a bigger question: Was the 2016 election a one-time aberration, or was it symptomatic of decades of institutional political corruption?

This article builds on dozens of congressional testimonies, court documents, and other research to provide an inside look at the actions of Obama administration officials in the scandal that’s become known as Spycgate.

To understand this abuse of power, it helps to go back to July 2011, when DOJ Inspector General Michael Horowitz was appointed.

From the very start, Horowitz found his duties throttled by Attorney General Eric Holder, who placed limitations on the inspector general’s right to have unobstructed access to information. Holder used this tactic to delay Horowitz’s investigation of the failed sting operation known as Operation Fast and Furious.

“We got access to information up to 2010 in all of these categories. No law changed in 2010. No policy changed. ... It was simply a decision by the General Counsel’s Office in 2010 that they viewed, now, the law differently. And as a result, they weren’t going to give us that information,” Horowitz told members of Congress in February 2015.

On Aug. 5, 2014, Horowitz and other inspectors general had sent a letter to Congress asking for unimpeded access to all records. Deputy Attorney General Sally Yates responded on July 20, 2015, with a 58-page memorandum, titled “Memorandum for Sally Quillian Yates Deputy Attorney General,” written by Karl R. Thompson, the principal deputy assistant attorney general of the Office of Legal Counsel (OLC).

The July 20, 2015, opinion was widely criticized. But it accomplished what it was intended to do. The opinion limited IG Horowitz’s oversight from extending to any information collected under Title III—including intercepted communications and national security letters. (Notably, The New York Times disclosed that national security letters were used in the surveillance of the Trump 2016 presidential campaign.)

In response, on Aug. 3, 2015, IG Horowitz sent a blistering letter to Congress. The letter was signed not only by Horowitz but by all other acting inspectors general as well.

“The OLC opinion’s restrictive reading of the IG Act represents a potentially serious challenge to the authority of every Inspector General and our collective ability to conduct our work thoroughly, independently, and in a timely manner. Our concern is that, as a result of the OLC opinion, agencies other than DOJ may likewise withhold crucial records from their Inspectors General, adversely impacting their work.

Horowitz continued to push Congress for oversight access and encouraged passage of the Inspector General Empowerment Act. Horowitz would ultimately win his battle, but only as President Barack Obama was leaving office. On Dec. 16, 2016, Obama finally signed the Inspector General Empowerment Act into law.

It is against this backdrop of minimal oversight that Spycgate took place.

Ironically, the Clinton email server investigation, known as the “Mid-Year Exam,” originated from a disclosure contained in a June 29, 2015, memo sent by the inspectors general for both the State Department and the Intelligence Community to Patrick F. Kennedy, then-undersecretary of state for management.

The IGs’ memo included an assessment that Clinton’s email account contained hundreds of classified emails, despite Clinton’s claims that there was no classified information present on her server.

On July 6, 2015, the IG for the Intelligence Community made a referral to the FBI, which resulted in the official opening of an investigation into the Clinton email server by FBI officials Randall Coleman and Charles Kable on July 10, 2015.

A willing and complicit media spread unsubstantiated leaks as facts in an effort to promote the Russia-collusion narrative.

The primary team for the Clinton email investigation and the Trump–Russia investigation remained the same—as did the lines of communication between the FBI and the DOJ.

Department of Justice Inspector General Michael Horowitz testifies before Congress on June 18, 2018.

### A Hand-Picked Team

At this time, Peter Strzok was an assistant special agent in charge at the FBI’s Washington Field Office. The assistant director in charge at the Washington Field Office during this period was Andrew McCabe, a position he assumed on Sept. 14, 2014.

On July 30, 2015, within weeks of the FBI’s opening of the Clinton investigation, McCabe was suddenly promoted to the No. 3 position in the FBI. With his new title of associate deputy director, McCabe was transferred to FBI headquarters from the Washington Field Office, and his direct involvement in the Clinton investigation began.

Strzok would follow shortly. Less than a month after McCabe was transferred, FBI headquarters reached out to the Washington Field Office, saying it needed greater staffing and resources “based on what they were looking at, based on some of the investigative steps that were under consideration,” Strzok told congressional investigators in a closed-door hearing on June 27, 2018.

Strzok was one of the agents selected, and in late August 2015, he was assigned to the Mid-Year Exam team and transferred to FBI headquarters. Strzok, in his comments to lawmakers, acknowledged that the newly formed investigative team was largely made up of hand-picked personnel from the Washington Field Office and FBI headquarters.

Starting in October 2015 and continuing into early 2016, FBI Director James Comey made a series of high-profile reassignments that resulted in the complete turnover of the upper-echelon of the FBI team working on the Clinton email investigation:

- Oct. 12, 2015: Louis Bladel was moved to the New York Field Office.
- Dec. 1, 2015: Randall Coleman, assistant director of Counterintelligence, was named as executive assistant director of the Criminal, Cyber, Response, and Services Branch, and was replaced by Bill Priestap.
- Dec. 9, 2015: Charles “Sandy” Kable was moved to the Washington Field Office.
- Feb. 1, 2016: Mark Giuliano retired as FBI deputy director and was replaced by Andrew McCabe.
- Feb. 11, 2016: John Giacalone retired as executive assistant director and was replaced by Michael Steinbach.
- March 2, 2016: Gerald Roberts, Jr. was moved to the Washington Field Office.

Comey is the only known senior FBI leadership official who remained involved throughout the entire Clinton email investigation. McCabe had the second-longest tenure.

On Jan. 29, 2016, Comey appointed McCabe as FBI deputy director, replacing the retiring Giuliano, and McCabe assumed the No. 2 position in the FBI, after having held the No. 3 position for just six months.

It was at this point that FBI lawyer Lisa Page was assigned to McCabe as his special counsel. This was not the first time that Page worked directly for McCabe. James Baker, the FBI’s former general counsel, told congressional investigators that Page had worked for McCabe at various times during McCabe’s career, going back as far as 2013.

By early 2016, the three participants in the infamous “insurance policy” meeting—McCabe, Strzok, and Page—were now in place at the FBI.

In January 2016, Bill Priestap was named as head of the FBI’s Counterintelligence Division, replacing Coleman and inheriting the Clinton email investigation in the process.

According to Priestap, Coleman had “set up a reporting mechanism that leaders of that team would report directly to him, not through the customary other chain of command” in the Clinton email investigation. Priestap, who said he didn’t know why Coleman had “set it up,” kept the chain of command in place when he assumed Coleman’s position in January 2016.

This new structure resulted in some unusual reporting lines that went outside normal chains of command. Strzok, who would not normally fall under Priestap’s oversight, was now reporting directly to him.

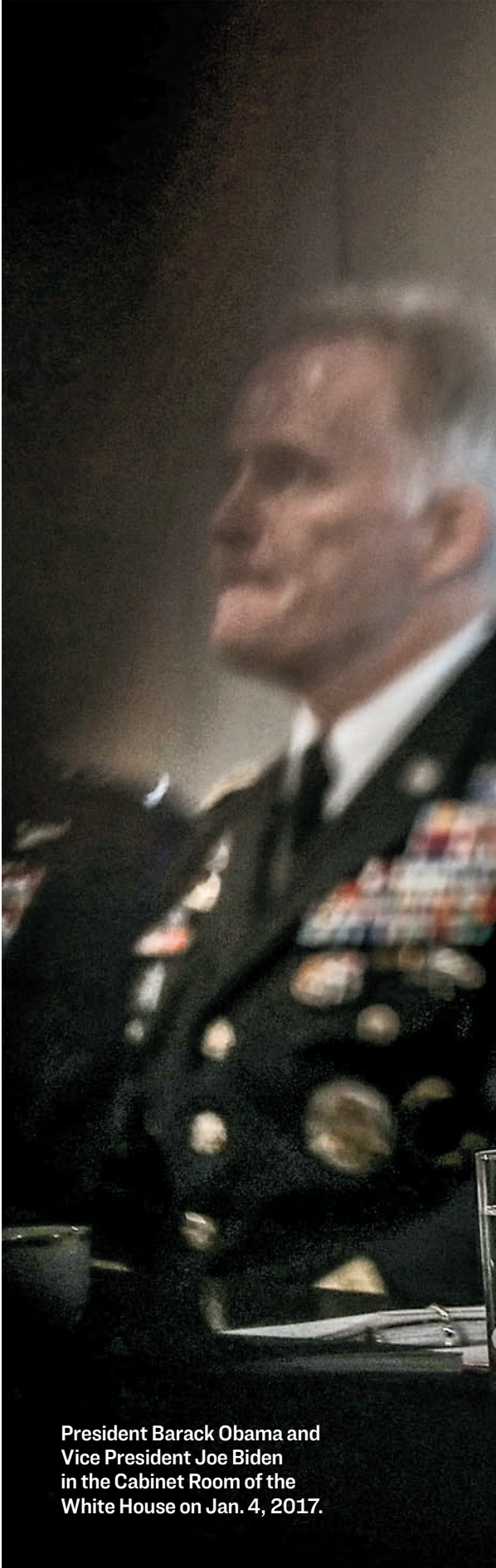
As Priestap described it, the team involved in the Clinton investigation comprised three different but intertwined elements: the primary team, the filter team, and the senior leadership team.

The primary team was small, consisting only of Strzok, FBI analyst Jonathan Moffa, and, to varying degrees, filter team leader Rick Mains and FBI lawyer Sally Moyer. Mains reported to Strzok and Moffa, who in turn, along with Moyer, provided briefings to Priestap.

Below Strzok and Moffa was the day-to-day investigative “filter” team of approximately 15 FBI agents and analysts that was overseen by Mains, a supervisory special agent.

The senior leadership team was more fluid, consisting of higher-level FBI officials who provided briefings and updates to Comey and/or McCabe. In addition to Priestap, Strzok, and Moffa, frequent attendees included Moyer, Page, Deputy General Counsel Trisha Anderson, chief of staff Jim Rybicki, and General Counsel James Baker.

While the elements of the day-to-day investigative team differed for the Clinton email investigation and the Trump–Russia investigation, the primary team remained the same throughout both cases—as



President Barack Obama and Vice President Joe Biden in the Cabinet Room of the White House on Jan. 4, 2017.

SAMIRA BOUAOU/THE EPOCH TIMES





WIN MCNAMEE/GETTY IMAGES



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(L–R) FBI agent Peter Strzok, FBI Deputy Director Andrew McCabe, and FBI lawyer Lisa Page.

did the lines of communication between the FBI and the DOJ. According to testimony by Page, John Carlin, who ran the DOJ’s National Security Division (NSD), was receiving briefings on both investigations directly from McCabe.

**Priestap Left in the Dark**

Priestap, who testified that he was unaware of the frequency of meetings between McCabe, Strzok, and Lisa Page, seems to have been kept in the dark regarding many of the actions taken by Strzok, who appeared to be exercising significant investigative control. Priestap was asked about this by congressional investigators during a June 5, 2018, testimony:

**REP. MEADOWS:** “It sounds like Peter Strzok was kind of driving the train here. Would you agree with that?”

**MR. PRIESTAP:** “Peter and Jon, yeah.”

Additionally, Page often circumvented the established chain of command, not only with McCabe, for whom she reportedly served as a conduit for Strzok, but also with Baker. Additionally, there were concerns that Page bypassed both the executive assistant director for the National Security Branch—first Giacalone, then Steinbach—and Priestap, the head of counterintelligence. Anderson, the No. 2 lawyer, admitted in her testimony to congressional investigators that she had been aware of these concerns, saying, “Neither of them personally complained to me, but I was aware of their concerns.”

A report published by IG Horowitz in June 2018, which reviewed the FBI’s investigation of the Clinton email case, included the notable statement that several witnesses had informed the IG that Page “circumvented the official chain of command, and that Strzok communicated important Midyear case information to her, and thus to McCabe, without Priestap’s or Steinbach’s knowledge.” Steinbach, who was the executive assistant director and Priestap’s direct supervisor, left the FBI in early 2017.

“

**I had a jaundiced eye about everything, yes. I had skepticism about all this stuff. I was concerned about all of this. This whole situation was horrible, and it was novel and we were trying to figure out what to do, and it was highly unusual.**

*James Baker, former FBI general counsel*

According to Anderson, McCabe was aware of the ongoing concerns regarding Page’s circumventions, but it appears that nothing was done to address them:

**MR. BAKER:** “Do you know if Mr. McCabe was aware that some of his agent executives were concerned that they were being bypassed on information on what, by all accounts, was a sensitive, critical investigation?”

**MS. ANDERSON:** “My understanding was that he was aware.”

**DOJ Prevents ‘Gross Negligence’ Charges**

By the spring of 2016, the Clinton email investigation was already winding down. This was due in large part to the fact that the DOJ, under Attorney General Loretta Lynch, had decided to set an unusually high threshold for the prosecution of Clinton, effectively ensuring from the outset that she would not be charged.

In order for Clinton to be prosecuted, the DOJ required the FBI to establish evidence of intent—even though the gross negligence statute explicitly does not require this.

This meant that the FBI would have needed to find a smoking gun, such as an email or an admission made during FBI questioning, revealing that Clinton or her aides knowingly set up the private email server to send classified information.

According to Page, the DOJ played a far larger role in the Clinton investigation than previously had been known:

“Everybody talks about this as if this was the FBI investigation, and the truth of the matter is there was not a single step, other than the July 5th statement, there was not a single investigative step that we did not do in consultation with or at the direction of the Justice Department,” Page told congressional investigators on July 13, 2018.

Comey also had hinted at the influence exerted by the DOJ over the Clinton investigation, at a July

5, 2016, press conference, in which he recommended that Clinton not be charged, stating that “there are obvious considerations, like the strength of the evidence, especially regarding intent.”

Notably, Comey had been convinced to remove the term “gross negligence” to describe Clinton’s actions from his prepared statement by, among others, Page, Strzok, Anderson, and Moffa.

**CIA Director Instigates Trump Investigation**

As the Clinton investigation wound down, interest from the intelligence community in the Trump campaign was ramping up. Sometime in 2015, it appears former CIA Director John Brennan established himself as the point man to push for an investigation into the Trump campaign. Using a combination of unofficial foreign intelligence compiled by contacts, colleagues, and associates—primarily from the UK, but also from other Five Eyes members, such as Australia—Brennan then fed this information to the FBI. Brennan stated this fact repeatedly during a May 23, 2017, congressional testimony:

“I made sure that anything that was involving U.S. persons, including anything involving the individuals involved in the Trump campaign, was shared with the [FBI].”

Brennan also admitted that it was his intelligence that helped establish the FBI investigation:

“I was aware of intelligence and information about contacts between Russian officials and U.S. persons that raised concerns in my mind about whether or not those individuals were cooperating with the Russians, either in a witting or unwitting fashion, and it served as the basis for the FBI investigation to determine whether such collusion [or] cooperation occurred.”

In late 2015, Britain’s Government Communications Headquarters (GCHQ) was involved in collecting information regarding then-candidate Trump and transmitting it to the United States. The GCHQ is the UK equivalent of the U.S. National Security Agency (NSA).





TASOS KATOPODIS/GETTY IMAGES

While GCHQ was gathering intelligence, low-level Trump campaign foreign-policy adviser George Papadopoulos appears to have been targeted, after a series of highly coincidental meetings.

Most of these meetings with Papadopoulos—whose own background and reasons for joining the Trump campaign remain suspicious—occurred in the first half of 2016.

Maltese professor Josef Mifsud, Australian diplomat Alexander Downer, FBI informant Stefan Halper, and officials from the UK’s Foreign and Commonwealth Office (FCO) all crossed paths with Papadopoulos—some repeatedly so.

Mifsud, who introduced Papadopoulos to a series of Russian contacts, appears to have more connections with Western intelligence than with Russian intelligence.

Downer, then Australia’s high commissioner to the UK, met with Papadopoulos in May 2016, in a meeting established through a chain of two intermediaries.

Information allegedly relayed by Papadopoulos during the Downer meeting—that the Russians had damaging information on Clinton—appears nearly identical to claims later contained in the first memo from former MI6 spy and dossier author Christopher Steele that the FBI obtained in early July 2016.

Downer’s conversation with Papadopoulos was reportedly disclosed to the FBI on July 22, 2016, through Australian government channels, although it may have come directly from Downer himself.

Details from the conversation between Downer and Papadopoulos were then used by the FBI to open its counterintelligence investigation on July 31, 2016.

In the summer of 2016, Robert Hannigan, the head of the UK’s GCHQ, traveled to Washington to meet with Brennan regarding alleged communications between the Trump campaign and Moscow. Around the same time, Brennan formed an inter-agency task force comprising an estimated six agencies and/or government departments. The FBI, Treasury, and DOJ handled the domestic inquiry into Trump and possible Russia connections. The CIA, Office of the Director of National Intelligence, and the NSA handled foreign and intelligence aspects.

During this time, Brennan appeared to have employed the use of reverse targeting, which refers to the targeting of a foreign individual with the intent of capturing data on a U.S. citizen.

**MR. BRENNAN:** “We call it incidental collection in terms of CIA’s foreign intelligence collection authorities. Any time we would incidentally collect information on a U.S. person, we would hand that over to the FBI because they have the legal authority to do it. We would not pursue that type of investigative, you know, sort of leads. We would give it to the FBI. So, we were picking things up that was of great relevance to the FBI, and we wanted to make sure that they were there—so they could piece it together with whatever they were collecting domestically here.”

As this foreign intelligence—unofficial in nature and outside of any traditional channels—was gathered, Brennan began a process of feeding his gathered intelligence to the FBI. Repeated transfers of foreign intelligence from the CIA director pushed the FBI toward the establishment of a formal counterintelligence investigation.

The last major segment of Brennan’s efforts involved a series of three reports. The first, titled the “Joint Statement from the Department Of Homeland Security and Office of the Director of National Intelligence on Election Security,” was released on Oct. 7, 2016. The second report, “GRIZZLY STEPPE—Russian Malicious Cyber Activity,” was released on Dec. 29, 2016. The third report, “Assessing Russian Activities and Intentions in Recent U.S. Elections”—also known as the intelligence community assessment (ICA)—was released on Jan. 6, 2017.

This final report was used to continue pushing the Russia-collusion narrative following the election of President Donald Trump. Notably, Adm. Mike Rogers of the NSA publicly dissented from the findings of the ICA, assigning it only a moderate confidence level.

**Fusion GPS and the Steele Dossier**

Meanwhile, another less official effort began. Information paid for by the Democratic National Committee (DNC) and the Clinton campaign targeting Trump made its way to the highest levels of the FBI and the State Department, with a sophisticated strategy relying on the personal connections of hired operatives.

At the center of the multi-pronged strategy to disseminate the information were Fusion GPS co-founder Glenn Simpson and former British spy Steele.

Former U.S. Attorney General Loretta Lynch arrives to meet with the House Judiciary Committee on Capitol Hill on Dec. 19, 2018.

“  
In consultation with the White House, I personally briefed the full details of our understanding of Russian attempts to interfere in the election to congressional leadership.

John Brennan,  
former CIA director

In early March 2016, Fusion GPS approached Perkins Coie—the law firm used by the Clinton campaign and the DNC—expressing interest in an “engagement,” according to an Oct. 24, 2017, response letter by Perkins Coie. The firm hired Fusion GPS in April 2016 to “perform a variety of research services during the 2016 election cycle.”

Steele’s firm, Orbis Business Intelligence, was retained by Fusion GPS during the period between June and November 2016. During this time, Steele produced 16 memos, with the last memo dated Oct. 20, 2016. There is one final memo that Steele wrote on Dec. 13 at the request of Sen. John McCain (R-Ariz.).

Steele provided Fusion GPS with something that Simpson’s firm was lacking: access to individuals within the FBI and the State Department. These contacts could be traced back to at least 2010, when Steele had provided assistance in the FBI’s investigation into FIFA over concerns that Russia might have been engaging in bribery to host the 2018 World Cup.

Sometime in the latter half of 2014, Steele began to informally provide reports he had prepared for a private client to the State Department. One of the recipients of the reports was Victoria Nuland, the assistant secretary of state for European and Eurasian affairs.

After Steele’s company was hired by Fusion GPS in June 2016, he began to reach out to the FBI through Michael Gaeta, an FBI agent and assistant legal attaché at the U.S. Embassy in Rome who Steele had worked with on the FIFA case. Gaeta also headed up the FBI’s Eurasian Organized Crime unit, which specializes in investigating criminal groups from Georgia, Russia, and Ukraine.

Gaeta was later identified as Steele’s FBI handler, in a July 16, 2018, congressional testimony before the House Judiciary and Oversight committees by Page.

On July 5, 2016, Gaeta traveled to London and met with Steele at the offices of Steele’s firm, Orbis. At some point in early July, Steele passed his initial report to Nuland and the State Department. Nuland later said these documents were passed on at some point to both the FBI and then-Secretary of State John Kerry.

Exactly what happened with the reports that Gaeta brought back from London, and precisely who he gave them to within the FBI, remains unknown, although some media reports have indicated they might have been sent to the FBI’s New York Field Office. During the period following Steele’s initial contact with the FBI, there appears to have been no further FBI interaction or contact with Steele.

**Former CIA Contractor Worked for Fusion GPS**

Notably, eight months before Fusion GPS hired Christopher Steele, Simpson had hired Nellie Ohr, the wife of then-Associate Deputy Attorney General Bruce Ohr, to work for his firm as a researcher in October 2015. It was at this time that Fusion GPS was retained by the Washington Free Beacon to engage in research on the Trump campaign.

Prior to joining Fusion GPS, Nellie had worked as an independent contractor for an internal open-source division of the CIA, Open Source Works, from 2008 to at least June 2010; it appears likely she remained in that role into 2014.

Nellie told congressional investigators, in her Oct. 19, 2018, closed-door testimony, that part of her work for Fusion GPS was to research the Trump 2016 presidential campaign, including campaign associate Carter Page, early campaign supporter Lt. Gen. Michael Flynn, and campaign manager Paul Manafort, as well as Trump’s family members, including some of his children.

Additionally, email communications between her and Bruce Ohr show that she routinely sent her husband at the DOJ articles on Russia—most carrying a similar negative slant. The emails continued through the duration of Nellie’s employment with Fusion GPS and usually contained a brief, often one-line comment from Nellie.

In her testimony, Nellie described her work as online open-source efforts that utilized “Russian sources, media, social media, government, you know, business registers, legal databases, all kinds of things.” She said that she would “write occasional reports based on the open-source research that I described about Donald Trump’s relationships with various people in Russia.”

The work Nellie conducted for Fusion GPS matches the same skill set used when she worked for Open Source Works, which is a division within the CIA that uses open-source information to produce intelligence products.

When asked how she came to be hired by Fusion GPS and who had approached her, Nellie responded, “Nobody approached me,” telling investigators that

it was she who had initiated contact and approached Fusion GPS after reading an article on Simpson.

Nellie would continue to work for Fusion GPS until September 2016. By this time, Simpson and Steele already had started working on pushing the Steele dossier into the FBI.

Following the end of her employment with Fusion GPS, Nellie provided Bruce with a memory stick that contained all of the research she had compiled during her time at the firm. Bruce then gave the memory stick to the FBI, through his handler, Joe Pientka.

**Bruce Ohr Becomes a Conduit**

Nearly a month after Gaeta brought back the reports that Steele provided in London, Simpson and Steele decided to pursue a new channel into the FBI through Bruce Ohr. Bruce had known Steele since at least 2007, when they met during an “official meeting” while Steele was still employed by the British government as an MI6 agent. Steele had already been in contact with Bruce via email in early 2016. Notably, most of these prior communications appeared to discuss Russian oligarch Oleg Deripaska and his ongoing efforts to obtain a U.S. visa.

On July 29, 2016, Steele wrote to Bruce, saying that he would “be in DC at short notice on business,” and asked to meet with both Bruce and his wife. On July 30, 2016, the Ohrs met Steele for breakfast at the Mayflower Hotel. Also present at the breakfast meeting was a fourth individual, described by Bruce as “an associate of Mr. Steele’s, another gentleman, younger fellow. I didn’t catch his name.” Nellie testified that Steele’s associate had a British accent.

The timing of the July 30 breakfast meeting is of particular note, as the FBI’s counterintelligence investigation, “Crossfire Hurricane,” was formally opened the following day, on July 31, 2016, by FBI agent Peter Strzok.

According to a transcript of Bruce’s testimony before Congress, Steele relayed information from his dossier at this meeting and claimed that “a former head of the Russian Foreign Intelligence Service, the SVR, had stated to someone ... that they had Donald Trump over a barrel.”

Steele also referenced Deripaska’s business dealings with Trump campaign chairman Paul Manafort and foreign policy adviser Carter Page’s meetings in Moscow.

Lastly, Bruce noted that Steele told him he had been in contact with the FBI but now had additional reports. “Chris Steele had provided some reports to the FBI, I think two, but that Glenn Simpson had more,” he said.

Immediately following the Ohrs’ breakfast meeting with Steele, Bruce reached out to FBI Deputy Director McCabe and the two met in McCabe’s office—sometime between July 30 and the first days of August. Also present at this meeting was FBI lawyer Page, who had previously worked for Bruce at the DOJ, where he was her direct supervisor for five to six years.

Bruce would later testify that during the July/August meeting, he told McCabe that his wife, Nellie, worked for Fusion, noting, “I wanted the FBI to be aware of any possible bias.” FBI General Counsel Baker, who reviewed a portion of the Foreign Intelligence Surveillance Act (FISA) application to spy on Trump campaign adviser Carter Page—which relied in part on the information from Steele—told congressional investigators that he was never told of Bruce’s concerns regarding possible bias and conflicts of interest.

On Aug. 15, 2016, a week or two following Bruce’s meeting with McCabe, Strzok would send the now-infamous “insurance policy” text referencing McCabe to Lisa Page:

“I want to believe the path you threw out for con-







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SAMIRA BOUAOU/THE EPOCH TIMES

sideration in Andy’s office – that there’s no way he gets elected – but I’m afraid we can’t take that risk. It’s like an insurance policy in the unlikely event you die before you’re 40.”

On Aug. 22, Bruce had a meeting with Simpson. He would later discuss that meeting during his testimony:

“I don’t know exactly what Chris Steele was thinking, of course, but I knew that Chris Steele was working for Glenn Simpson, and that Glenn might have additional information that Chris either didn’t have or was not authorized to prevent [present], give me, or whatever.”

It was at this meeting that Simpson first mentioned Belarusian-American businessman Sergei Millian and former Trump attorney Michael Cohen.

**Brennan’s Briefings to the Gang of Eight**

During this same period in late August 2016, Brennan began briefing members of the Gang of Eight on the FBI’s counterintelligence investigation, through a series of meetings in August and September 2016. Notably, each Gang of Eight member was briefed separately, calling into question whether each of the members received the same information. Efforts by Democrats to block the release of transcripts from each meeting are ongoing. Comey, however, did not notify Congress of the FBI investigation until early March 2017, and it’s entirely possible he was unaware of Brennan’s private briefings during the summer of 2016.

During her testimony, FBI lawyer Lisa Page was questioned by Rep. Mark Meadows (R-N.C.) in relation to an Aug. 25, 2016, text message that read, “What are you doing after the CH brief?” CH almost certainly referred to Crossfire Hurricane.

Lisa Page then was asked about an event that took place on the same day as the “CH brief”—a briefing provided by Brennan to then-Senate Minority Leader Harry Reid:

“You give a brief on August the 25th. Director Brennan is giving a brief. It’s not a Gang of Eight brief. It is a one-on-one, from what we can tell, a one-on-one briefing with Harry Reid at that point.”

According to Meadows, Brennan briefed Reid on the Steele dossier:

“We have documents that would suggest that in that briefing the dossier was mentioned to Harry

(Above left) Former Fusion GPS contractor Nellie Ohr arrives for a closed-door interview with investigators from the House Judiciary and Oversight committees on Oct. 19, 2018.

(Above right) DOJ official Bruce Ohr following a closed hearing with the House Judiciary and House Oversight committees on Aug. 28, 2018.

**There is one final memo that Steele wrote on Dec. 13 at the request of Sen. John McCain.**

Former CIA Director John Brennan testifies before the House Intelligence Committee on Capitol Hill on May 23, 2017.

Reid and then obviously we’re going to have to have conversations. Does that surprise you that Director Brennan would be aware [of the dossier]?”

Lisa Page appeared genuinely surprised that Brennan would have been aware of the dossier’s existence at this early point, telling Meadows: “The FBI got this information from our source. If the CIA had another source of that information, I am neither aware of that nor did the CIA provide it to us if they did.”

She elaborated further: “As of August of 2016, I don’t know who Christopher Steele is. I don’t know that he’s an FBI source. I don’t know what he does. I have never heard of him in all of my life.”

This claim by Lisa Page seems incongruous when viewed against Bruce Ohr’s testimony that he met with Page and McCabe in the first days of August following his July 30, 2016, breakfast with Steele:

“My initial meeting was with Mr. McCabe and with Lisa Page.

“I was telling them about what I was hearing from Chris Steele.”

Meanwhile, Brennan’s briefing prompted Reid to write not one but two letters to Comey. Both demanded that Comey commence an investigation, with the details to be made public.

Reid’s first letter, which touched on Carter Page, was sent on Aug. 27, 2016. Reid’s second letter, far angrier and declaring Comey to be in possession of material information, was sent on Oct. 30, 2016.

There had been reports that Comey had been considering closing the FBI investigation of Trump, something Brennan strongly opposed. Now, with Reid’s letters sent, that avenue was effectively closed. The termination of the FBI’s Trump–Russia investigation would be all but impossible in the face of Reid’s public demands.

Perhaps it was in response to Reid’s Aug. 27 letter that the FBI suddenly reached out to Steele in September 2016, asking him for all the information in his possession. The team working on Crossfire Hurricane received documents and a briefing from Steele in mid-September, reportedly at a meeting in Rome, where Gaeta also was present.

During Lisa Page’s testimony, she appeared to corroborate this account, noting that the team received the “reports that are known as the dossier from an FBI agent who is Christopher Steele’s handler in

September of 2016.” She would later clarify the timing, noting “we received the reporting from Steele in mid-September.” A text sent to her by Peter Strzok on Oct. 12, 2016, may provide us with the actual date:

“We got the reporting on Sept 19. Looks like [redacted] got it early August.”

Steele had produced eight reports from June 20, 2016, through the end of August 2016 (there also is one undated report included in the dossier). No further reports were generated by Steele until Sept. 14, when he suddenly wrote three separate memos in one day. One of the memos referenced a Russian bank named Alfa Bank, misspelled as “Alpha” in his memo. Steele’s sudden burst of productivity was likely done in preparation for his Oct. 19 meeting in Rome with the FBI.

The impact of Brennan’s potential knowledge of the dossier in August 2016 should not be underestimated. As Brennan testified to Congress, his briefing to the Gang of Eight was done in consultation with the Obama administration:

“Through the so-called Gang-of-Eight process we kept Congress apprised of these issues as we identified them. Again, in consultation with the White House, I personally briefed the full details of our understanding of Russian attempts to interfere in the election to congressional leadership.

“Given the highly sensitive nature of what was an active counter-intelligence case, involving an ongoing Russian effort, to interfere in our presidential election, the full details of what we knew at the time were shared only with those members of Congress.”

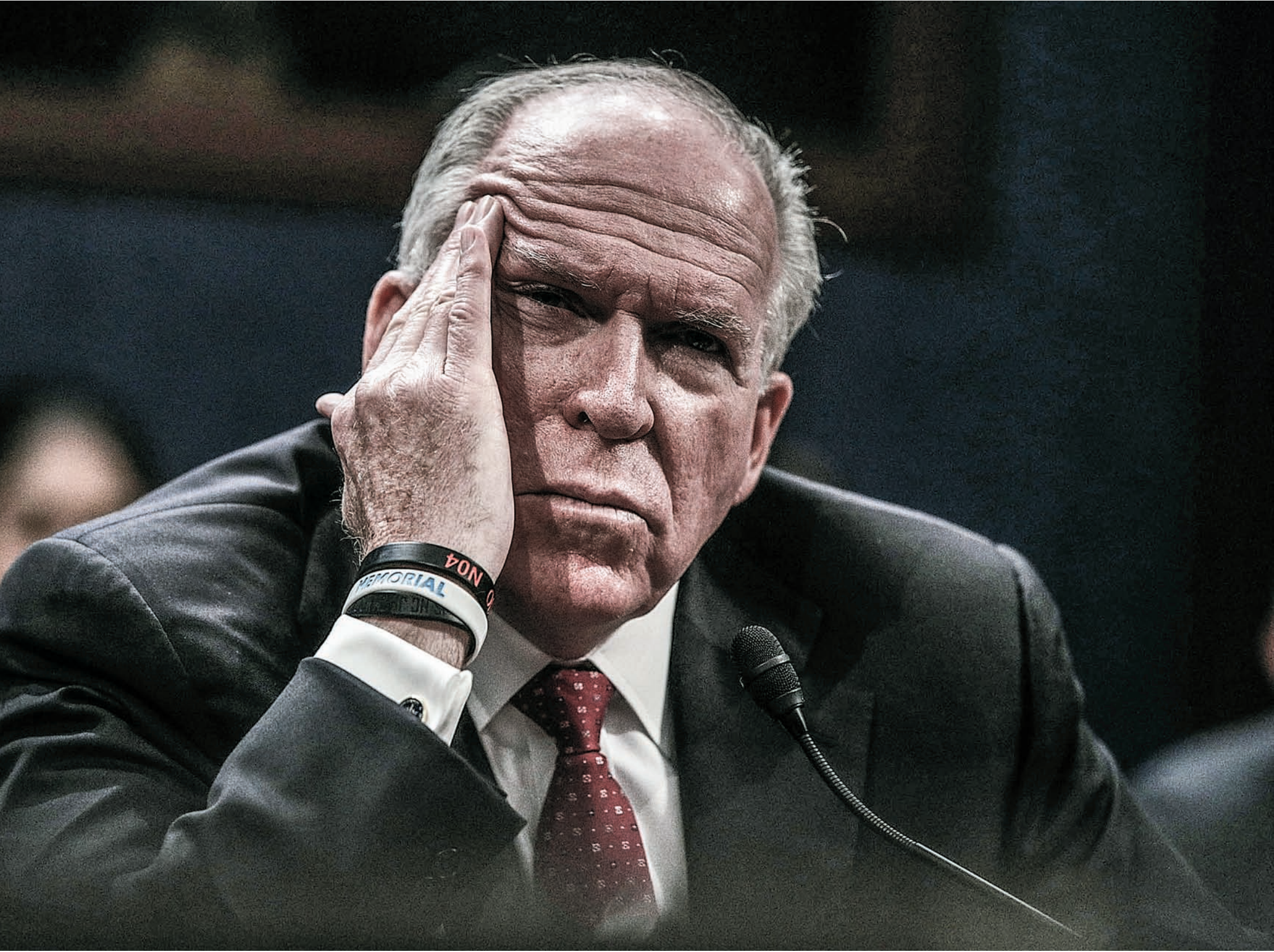
**The Carter Page FISA Warrant**

As the dossier was making its way into the FBI, the agency began its preparations to obtain a FISA warrant on Trump campaign adviser Carter Page, who was surveilled under Title I of the Foreign Intelligence Surveillance Act.

According to Baker’s testimony, it appears that the FBI began to set its sights on Carter Page in the summer of 2016. When asked how he had first gained knowledge of the FBI’s intention to pursue a FISA warrant on Carter Page, Baker testified that it came through his familiarity with the FBI’s investigation:

**MR. BAKER:** “I learned of—so I was aware when the FBI first started to focus on Carter Page, I was aware

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FBI



RESIGN  
& DEMO

An overview of key personnel at the FBI who resigned or were demoted since President Donald Trump took office



**JAMES COMEY**  
*FBI director*  
Fired by President Donald Trump on May 9, 2017.



**ANDREW MCCABE**  
*FBI deputy director and FBI acting director*  
McCabe was forced to resign from his active position on Jan. 29, 2018. He was fired on March 16, 2018.



**JAMES BAKER**  
*FBI general counsel*  
Baker was demoted and reassigned on Dec. 20, 2017, and either resigned or was fired on May 4, 2018.



**TRISHA ANDERSON**  
*Principal deputy general counsel within the Office of General Counsel*  
In the summer of 2018, Anderson returned to her old law firm, Covington, as a partner.



**LISA PAGE**  
*Special counsel to FBI Deputy Director Andrew McCabe*  
Page left Mueller's team in early July 2017. She resigned on May 4, 2018.



**PETER STRZOK**  
*Deputy assistant director of FBI Counterintelligence Division*  
Strzok was forced out of Mueller's team on Jan. 27, 2017, and reassigned to the human resources division.



**RANDALL COLEMAN**  
*Executive assistant director of FBI Criminal, Cyber, Response, and Services Branch*  
Coleman resigned in December 2016.



**MICHAEL STEINBACH**  
*Executive assistant director of National Security Division*  
Steinbach left the FBI in January or February 2017.



**GREG BROWER**  
*FBI assistant director for the Office of Congressional Affairs*  
Brower resigned on March 30, 2018.



**JAMES RYBICKI**  
*Chief of staff to FBI Director James Comey*  
Rybicki either resigned or was forced out on Jan. 23, 2018.



**RACHEL BRAND**  
*Associate attorney general*  
Brand resigned on Feb. 9, 2018.



**JOSH CAMPBELL**  
*Special assistant to FBI Director James Comey*  
Campbell resigned on Feb. 2, 2018.

of that because it was part of the broader investigation that we were conducting. So I was aware that we were investigating him. And then at some point in time --"

**REP. MEADOWS:** "But that was many years ago. That was in 2014. Or are you talking about 2016?"

**MR. BAKER:** "I am talking about 2016 in the summer."

**REP. MEADOWS:** "Okay."

**MR. BAKER:** "Yeah. And so I was aware of the investigation, and then at some point in time, as part of the regular briefings on the case, the briefers mentioned that they were going to pursue a FISA."

It appears the FBI, and possibly the CIA, began to focus on Carter Page earlier than Baker was aware. Carter Page had been invited some months prior to a July 2016 symposium held at Cambridge regarding the upcoming election. The speaker list was notable:

- Madeleine Albright (former U.S. secretary of state)
- Vin Weber (Republican Party strategist and former congressman)
- Peter Ammon (German ambassador to the UK)
- Sir Richard Dearlove (former head of MI6 and Steele's former boss)
- Bridget Kendall (BBC diplomatic correspondent and the next master of Peterhouse College)
- Sir Malcolm Rifkind (former defense and foreign secretary)

Carter Page attended the event just four days after his July 2016 Moscow trip, and it was during this time in the UK that he first encountered Stefan Halper. Page's Moscow trip would later figure prominently in the Steele dossier.

Halper, who has been outed as an FBI informant, stayed in contact with Carter Page for the next 14 months, severing ties exactly as the final FISA warrant on Page expired.

Trisha Anderson, the principal deputy general counsel for the FBI and head of the bureau's National Security and Cyber Law Branch, approved the application for a warrant to spy on Carter Page before it went to FBI Director James Comey.

According to Anderson, pre-approvals for the Carter Page FISA warrant were provided by both McCabe and Deputy Attorney General Sally Yates, before the FISA application was ever presented to Anderson for review.

“As I started looking into Page, I began getting calls from two separate ‘corporate investigators’ digging into what they claim are all kinds of shady connections Page has to all kinds of shady Russians.”

Julia Ioffe, reporter

"[M]y boss and my boss' boss had already reviewed and approved this application. And, in fact, the Deputy Attorney General, who had the authority to sign the application, to be the substantive approver on the FISA application itself, had approved the application. And that typically would not have been the case before I did that," said Anderson.

The unusual preliminary reviews and approvals from both McCabe and Yates appear to have had a substantial impact on the normal review process, leading other individuals like Anderson to believe that the warrant application was more vetted than it really was.

Anderson also testified that she had not read the Carter Page FISA application prior to signing off on it and passing it along to Comey for the final FBI signature. According to FBI lawyer Sally Moyer, the underlying Woods file (a document that provides facts supporting the allegations made in a FISA application) was only read by the originating agent and the supervisory special agent in the field. Moyer also noted that the Woods file relating to the Page FISA had not been reviewed or audited by anyone.

The Carter Page FISA application was largely reliant on the Steele dossier, which was unverified at the time of its submission to the FISA court and remains unverified by the FBI to this day. Circular reporting, provided by Steele himself, was used as corroboration of the dossier. Additionally, Trump campaign adviser George Papadopoulos, whose conversation with Australian diplomat Alexander Downer was used to open the FBI's July 31, 2016, counterintelligence investigation, is referenced in the FISA, yet there "is no evidence of any cooperation or conspiracy between Page and Papadopoulos," according to a House Intelligence Committee memo.

Moyer testified that without the Steele dossier, the Carter Page application would have had a "50/50" chance of achieving the probable cause standard before the FISA court. Notably, the Steele dossier is generally considered to have been largely discredited.

A Perkins Coie Partner and Alfa Bank Allegations

On Sept. 19, shortly after Steele completed his latest three memos, FBI General Counsel James Baker met with Perkins Coie partner Michael Sussmann, the lawyer the DNC turned to on April 28, 2016, after discovering the alleged hacking of their servers.

Sussman, who sought out the meeting, presented Baker with documents that Baker described as "a stack of material I don't know maybe a quarter inch

half-inch thick something like that clipped together, and then I believe there was some type of electronic media, as well, a disk or something."

The information that Sussmann gave to Baker was related to what Baker described as "a surreptitious channel of communications" between the Trump Organization and "a Russian organization associated with the Russian Government."

Baker was describing alleged communications between Alfa Bank and a server in the Trump Tower. The allegations, which were investigated by the FBI and proven to be false, were widely covered in the media.

Just four days earlier, on Sept. 14, Steele mentioned Alfa Bank (misspelled as Alpha bank) in one of his memos.

According to Baker's testimony, there appears to have been at least three meetings with Sussmann—the first in person and at least two subsequent meetings by phone. In either the second or third conversation, Baker came to understand The New York Times was also in possession of Sussmann's information. As would become clear later, other members of the media also had this same information.

As Baker was meeting with Sussmann, Steele was back in Washington for a series of meetings that included his DOJ contact, Bruce Ohr.

On Sept. 23, 2016, Bruce Ohr again met with Steele for breakfast, telling lawmakers during testimony, "Steele was in Washington, D.C., again, and he reached out to me, and, again, we met for breakfast, and he provided some additional information." Ohr said this meeting concerned similar topics that were discussed at the July 30, 2016, meeting but did not provide further details.

Bruce Ohr would also meet either that same month or in early October with FBI agent Peter Strzok, FBI lawyer Lisa Page, and DOJ career officials from the criminal division, Bruce Swartz, Zainab Ahmad, and Andrew Weissman (Ohr testified that he was unsure whether Weissman was at this or a later meeting). Both Weissman and Ahmad would later become part of the team assembled by special counsel Robert Mueller.

Steele's Meetings With the Media

On the same day that Bruce Ohr met with Christopher Steele for breakfast, on Sept. 23, 2016, Yahoo News reporter Michael Isikoff published an article about Trump campaign foreign policy adviser Carter Page. The article, headlined "U.S. Intel Officials Probe Ties Between Trump Adviser and Kremlin,"



DOJ

# ATIONS CTIONS

and DOJ who either resigned, were fired,  
uld Trump took office on Jan. 20, 2017.



**BILL PRIESTAP**

*Head of FBI Counterintelligence Division*

On Dec. 4, 2018, the FBI announced that Priestap “became eligible to retire and has chosen to do so after 20 years of service.”



**SALLY YATES**

*Deputy attorney general and acting attorney general*

Yates was fired on Jan. 30, 2017.



**JOHN CARLIN**

*Assistant attorney general and head of DOJ National Security Division*

Carlin announced his resignation on Sept. 27, 2016. He left on Oct. 15, 2016.



**MARY MCCORD**

*Acting assistant attorney general and acting head of National Security Division*

McCord announced her resignation on April 17, 2017. She left on May 11, 2017.



**DAVID LAUFMAN**

*Deputy assistant attorney general in charge of counterintelligence, National Security Division*

Laufman resigned on Feb. 7, 2018.



**MICHAEL KORTAN**

*FBI assistant director of public affairs*

Kortan resigned on Feb. 8, 2018, effective on Feb. 15, 2018.



**BRUCE OHR**

*Former associate deputy attorney general*

Ohr was demoted twice, first on Dec. 6, 2017 and again on Jan. 8, 2018.



**PETER KADZIK**

*Assistant attorney general for legislative affairs*

Kadzik resigned in January 2017.



**MATTHEW AXELROD**

*Principal associate deputy attorney general*

Axelrod resigned on Jan. 30, 2017, when Sally Yates was fired.



**RICHARD SCOTT**

*Deputy chief of the Counterintelligence and Export Control Section, National Security Division*

Scott resigned in January 2018.

was based on an interview with Steele. Isikoff’s article would later be used by the FBI in the FISA spy warrant application on Carter Page as corroborating information.

Following the publication of the Isikoff article, the Hillary for America campaign released a statement on the same day that touted Isikoff’s “bombshell report,” with the full article attached.

A second lengthy article was published on Sept. 23, by Politico: “Who Is Carter Page? The Mystery of Trump’s Man in Moscow,” by Julia Ioffe. This article was particularly interesting as it appeared to highlight media efforts by Fusion GPS:

“As I started looking into Page, I began getting calls from two separate ‘corporate investigators’ digging into what they claim are all kinds of shady connections Page has to all kinds of shady Russians. One is working on behalf of various unnamed Democratic donors; the other won’t say who turned him on to Page’s scent. Both claimed to me that the FBI was investigating Page for allegedly meeting with Igor Sechin and Sergei Ivanov, who was until recently Putin’s chief of staff—both of whom are on the sanctions list—when Page was in Moscow in July for that speech.”

Ioffe noted that “seemingly everyone I talked to had also talked to the Washington Post, and then there were these corporate investigators who drew a dark and complex web of Page’s connections.”

Her article also mentioned rumors regarding Alfa Bank:

“In the interest of due diligence, I also tried to run down the rumors being handed me by the corporate investigators: that Russia’s Alfa Bank paid for the trip as a favor to the Kremlin; that Page met with Sechin and Ivanov in Moscow; that he is now being investigated by the FBI for those meetings because Sechin and Ivanov were both sanctioned for Russia’s invasion of Ukraine.”

It was probably during this same trip to Washington that Steele met with Jonathan Winer, a former deputy assistant secretary of state for international law enforcement and former special envoy for Libya, whom Steele had known since at least 2010.

Winer had received a separate dossier, very similar to Steele’s, from longtime Clinton confidant Sidney Blumenthal. This “second dossier” had been compiled by another longtime Clinton operative, former journalist Cody Shearer, and echoed claims made in the Steele dossier. Winer gave Steele a copy of the “second dossier.” Steele then shared this second dossier with the FBI, which may have used it as a means to corroborate Steele’s own dossier.

**Trisha Anderson testified that she had not read the Carter Page FISA application prior to signing off on it.**

Steele also met with U.S. media during his visit to Washington, doing so “at Fusion’s instruction.” According to UK Court documents, Steele testified that he “briefed” The New York Times, The Washington Post, Yahoo News, The New Yorker, and CNN at the end of September 2016. Steele would engage in a second round of media contact in mid-October 2016, meeting again with The New York Times, The Washington Post, and Yahoo News. Steele testified that all these meetings were “conducted verbally in person.”

**Alfa Bank Media Leaks**

As Steele’s media meetings were going on, FBI General Counsel James Baker learned that Perkins Coie partner Michael Sussmann was also speaking with reporters from The New York Times regarding the Alfa Bank information that Sussmann had provided to the FBI. After some internal discussion, the FBI approached both Sussmann and The New York Times, asking that any story be held until the FBI had time to complete an investigation into the documents provided by Sussmann. It appears that an agreement was reached, and the FBI began to look into the claims regarding Alfa Bank and the server at Trump Tower.

But Sussman wasn’t the only one that Baker, currently the subject of an ongoing criminal leak investigation, was speaking with. According to congressional investigators, beginning sometime in September 2016—before the presidential election—Baker began having conversations with his old friend and journalist, David Corn of Mother Jones. According to Baker, these conversations were in relation to ongoing FBI matters:

**REP. JORDAN:** “Did you talk to Mr. Corn prior to the election about anything, anything related to FBI matters? Not – so we’re not going to ask about the Steele dossier. Anything about FBI business, FBI matters?”

**MR. BAKER:** “Yes.”

**REP. JORDAN:** “Yes. And do you know – can you give me some dates or the number of times that you talked to Mr. Corn about FBI matters leading up to the 2016 Presidential election?”

**MR. BAKER:** “I don’t remember, Congressman.”

By Oct. 31, 2016, the FBI had apparently wrapped up their investigation into the Alfa Bank allega-

tions, finding no evidence of anything untoward in the process. It was on this day that three separate articles on Alfa Bank would be published.

The first, “Investigating Donald Trump, F.B.I. Sees No Clear Link to Russia” by The New York Times, appeared to be an updated version of the article they had intended to publish before the FBI asked them to delay their reporting. It stated the following:

“In classified sessions in August and September, intelligence officials also briefed congressional leaders on the possibility of financial ties between Russians and people connected to Mr. Trump. They focused particular attention on what cyberexperts said appeared to be a mysterious computer back channel between the Trump Organization and the Alfa Bank, which is one of Russia’s biggest banks and whose owners have longstanding ties to Mr. Putin.”

The reference to “classified sessions in August and September” is likely in relation to the series of Gang of Eight briefings that former CIA Director John Brennan engaged in at that time—including his briefing to then-Senate Minority Leader Harry Reid. The article continued:

“F.B.I. officials spent weeks examining computer data showing an odd stream of activity to a Trump Organization server and Alfa Bank. Computer logs obtained by The New York Times show that two servers at Alfa Bank sent more than 2,700 ‘look-up’ messages—a first step for one system’s computers to talk to another—to a Trump-connected server beginning in the spring. But the F.B.I. ultimately concluded that there could be an innocuous explanation, like a marketing email or spam, for the computer contacts.”

The second article, “Was a Trump Server Communicating With Russia?” by Slate Magazine, was solely focused on the allegations regarding a server in the Trump Tower that had allegedly been communicating with a server at Alfa Bank in Russia.

Immediately following the publication of the Slate article, Clinton posted a tweet that included a statement from Jake Sullivan, a senior policy adviser:

“Computer scientists have apparently uncovered a covert server linking the Trump Organization to a Russian-based bank.”

Sullivan’s statement referenced the Slate article and included the following:

“This could be the most direct link yet between Donald Trump and Moscow. Computer scientists have apparently uncovered a covert server linking the Trump Organization to a Russian-based bank.

“This secret hotline may be the key to unlocking the mystery of Trump’s ties to Russia. It certainly





JAMES COMEY  
FBI Director

BARACK OBAMA  
President

LORETTA LYNCH  
Attorney General

seems the Trump Organization felt it had something to hide, given that it apparently took steps to conceal the link when it was discovered by journalists.”

The Alfa Bank story took off—despite the same-day story from The New York Times that specifically noted the FBI had investigated that matter and found nothing untoward.

The final article published on Oct. 31, “A Veteran Spy Has Given the FBI Information Alleging a Russian Operation to Cultivate Donald Trump” by Mother Jones reporter—and Baker’s friend —David Corn, also mentioned Alfa Bank:

“In recent weeks, reporters in Washington have pursued anonymous online reports that a computer server related to the Trump Organization engaged in a high level of activity with servers connected to Alfa Bank, the largest private bank in Russia. On Monday, a Slate investigation detailed the pattern of unusual server activity but concluded, ‘We don’t yet know what this [Trump] server was for, but it deserves further explanation.’ In an email to Mother Jones, Hope Hicks, a Trump campaign spokeswoman, maintains, ‘The Trump Organization is not sending or receiving any communications from this email server. The Trump Organization has no communication or relationship with this entity or any Russian entity.’”

More notably, Corn’s article also provided the first public reporting on the existence of the Steele dossier:

“A former senior intelligence officer for a Western country who specialized in Russian counterintelligence tells Mother Jones that in recent months he provided the bureau with memos, based on his recent interactions with Russian sources, contending the Russian government has for years tried to co-opt and assist Trump—and that the FBI requested more information from him.”

As it turns out, Corn had detailed, first-hand knowledge of the dossier. According to testimony from Baker, Corn had been provided with parts of the dossier by Fusion GPS head Glenn Simpson. Baker knew of this fact, because within a week of publishing his article, Corn passed these dossier parts on to Baker personally:

**REP. JORDAN:** “Prior to the election Mr. Corn had a copy of the dossier and was talking to you about giving that to you so the FBI would have it. Is that all right? I mean all accurate.”

**MR. BAKER:** “My recollection is that he had part of the dossier, that we had other parts already, and

“  
**I kept [Steele and Simpson] apprised of ... where the senator was in terms of his contact with the FBI.**

*David Kramer, associate of Sen. John McCain*

that we got still other parts from other people, and that – and nevertheless some of the parts that David Corn gave us were parts that we did not have from another source?”

Steele had written four memos after the FBI team received his information in mid-September. All of the memos were written in October—on the 12th, 18th, 19th, and the 20th. It is possible that these were the memos passed along to Baker by Corn.

Baker testified that he received elements of the dossier from Corn that were not in the FBI’s possession at the time. He said that he immediately turned this information over to leadership within the FBI, noting, “I think it was Bill Priestap,” the head of the FBI’s Counterintelligence Division.

The use of personal relationships as a mechanism to transmit outside information to the FBI was actually noted by Baker, who said of Corn: “Even though he was my friend, I was also an FBI official. He knew that. And so he wanted to somehow get that into the hands of the FBI.”

**Bruce Ohr’s FBI Handler**

Christopher Steele was terminated as a source by the FBI on Nov. 1, 2016, for communicating with the media. Despite this, DOJ official Bruce Ohr and Steele communicated regularly for another full year, until November 2017.

On Nov. 21, 2016, Ohr had a meeting with FBI agent Peter Strzok and FBI lawyer Lisa Page, and was introduced to FBI agent Joe Pientka, who became Ohr’s FBI handler. Pientka was also present with Strzok during the Jan. 24, 2017, interview of Trump’s national security adviser, Lt. Gen. Michael Flynn.

The next day, Nov. 22, 2016, Ohr met alone with Pientka. Ohr would continue to relay his communications with Steele to the FBI through Pientka, who then recorded them in FD-302 forms. What Ohr didn’t know was that Pientka was transmitting all the information directly to Strzok.

Ohr, in his testimony, detailed his interactions with Steele and Glenn Simpson, as well as his communications with officials at the FBI and DOJ. Notably, Ohr repeatedly stated that he never vetted any of the information provided by either Steele or Simpson. He simply turned it over or relayed it to the FBI—usually to Pientka—but Ohr also testified that “at least on two occasions I was handed onto a new agent.”

Sometime in late 2016, his wife, Nellie Ohr, provided him with a memory stick containing all of her research that she had compiled while employed at

Fusion GPS. Bruce Ohr testified he gave the memory stick to Pientka. Nellie Ohr had left Fusion in September 2016. Through Pientka, Strzok now had all of Nellie Ohr’s Fusion research in his possession.

On Dec. 10, 2016, Bruce Ohr met with Simpson, who gave him a memory stick that Ohr believed contained a copy of the Steele dossier. Ohr also passed this second memory stick along to Pientka.

On Jan. 20, 2017, Ohr had one final communication with Simpson, a phone call that took place on the same day as Trump’s inauguration. Ohr testified that Fusion GPS co-founder Glenn Simpson was concerned that one of Steele’s sources was about to be exposed through the pending publication of an article:

**MR. OHR:** “He says something along the lines of, I – there’s going to be some reporting in the next few days that’s going to – could expose the source, and the source could be in personal danger.”

**REP. MEADOWS:** “And why was he concerned about that source being exposed?”

**MR. OHR:** “I think he was aware of some kind of article that was likely to come out in the next, you know, few days or something.”

Apparently, Simpson’s information was at least partly accurate. On Jan. 24, 2017, The Wall Street Journal reported that Sergei Millian, a Belarusian-American businessman and onetime Russian government translator, was both “Source D” and “Source E” in the dossier. It remains unknown exactly how Simpson knew in advance that Millian would be outed as a source.

But there are some questions as to the accuracy of the Journal’s reporting. The dossier appears to conflict with the newspaper’s article in at least one aspect. According to the dossier, Source E was used as confirmation for Source D—meaning they can’t be the same person. Suspicions exist that Russian singer Emin Agalarov might be a more logical candidate for Source D. Additionally, Felix Sater remains a realistic possibility for Source E

**McCain, the Dossier, and a UK Connection**

Simpson and Steele were carefully thorough in their dissemination efforts. The dossier was fed into U.S. channels through several different sources.

One such source was Sir Andrew Wood, the former British ambassador to Russia, who had been briefed about the dossier by Steele. Wood may have previously worked on behalf of Steele’s company,



JAMES CLAPPER  
Director of National  
Intelligence

ANDREW McCABE  
FBI Deputy Director

SALLY YATES  
Deputy Attorney General

JOHN BRENNAN  
CIA Director



Orbis Business Intelligence; he was referenced in a UK court filing as an associate of Orbis. Wood was also referred to as an adviser to Orbis in a deposition by an associate of late Sen. John McCain (R-Ariz.), David Kramer.

Kramer knew Wood previously from their mutual expertise on Russia. Kramer said in his deposition, which was part of a defamation lawsuit against BuzzFeed News, that Wood told him that “he was aware of information that he thought I should be aware of and that Senator McCain might be interested in.”

McCain, Wood, and Kramer would meet later that afternoon, on Nov. 19, 2016, in a private meeting room at the Halifax International Security Forum in Nova Scotia, Canada.

Wood told both Kramer and McCain that “he was aware of this information that had been gathered that raised the possibility of collusion and compromising material on the president-elect. And he explained that he knew the person who gathered the information and felt that the person was of the utmost credibility,” Kramer said.

Kramer ascribed the word “collusion” three times to Wood in his deposition. He also said that Wood mentioned the possible existence of a video “of a sexual nature” that might have “shown the president-elect in a compromising situation.” According to Kramer, Wood said that “if it existed, that it was from a hotel in Moscow when president-elect, before he was president-elect, had been in Moscow.”

No such video was ever uncovered or given to Kramer.

Kramer testified that following the description of the video, “the senator turned to me and asked if I would go to London to meet with what turned out to be Mr. Steele.”

Kramer traveled to London to meet with Steele on Nov. 28, 2016. Kramer reviewed all the memos during his meeting with Steele but wasn’t provided with a physical copy of the dossier.

When Kramer returned to Washington, he was provided with a copy of the dossier—which, at that point, consisted of 16 memos—during a meeting with Simpson on Nov. 29, 2016. Kramer also testified that there was another individual, “a male,” present at the meeting.

Interestingly, Kramer testified that Simpson gave him two copies of the dossier, noting that Simpson told him that “one had more things blacked out than the other.” Kramer said, “It wasn’t entirely clear to me why there were two versions of this, so but I took both versions.”

**Bruce Ohr repeatedly stated that he never vetted any of the information provided by either Steele or Simpson. He simply turned it over or relayed it to the FBI.**

Kramer noted that Simpson, who was aware the dossier was being given to McCain, said the dossier “was a very sensitive document and needed to be handled very carefully.”

Despite that warning, Kramer showed the dossier to a number of journalists and had discussions with at least 14 members of the media, along with some individuals in the U.S. government.

Kramer testified that he gave a physical copy of the dossier to reporters Peter Stone and Greg Gordon of McClatchy; to Fred Hiatt, the editor of the Washington Post editorial page; Alan Cullison of The Wall Street Journal; Bob Little at NPR; Carl Bernstein at CNN; and Ken Bensinger at BuzzFeed. It’s possible that Kramer gave copies to other reporters as well.

Kramer said that Simpson and Steele were aware of most of these contacts, but that Kramer hadn’t told either of them that he gave the dossier to NPR. He also noted that Steele had been in contact with Bernstein at CNN and that the CNN and BuzzFeed meetings occurred at Steele’s request. Steele told Kramer that he and Bensinger “had been in touch during the FIFA investigation; they got to know each other that way.”

According to Kramer, he didn’t believe that Fusion GPS and Simpson were aware of these two meetings with CNN and BuzzFeed.

Kramer testified that he, McCain, and McCain’s chief of staff, Christopher Brose, met to review the dossier on Nov. 30, 2016. Kramer suggested that McCain “provide a copy of [the dossier] to the director of the FBI and the director of the CIA.” McCain later passed a copy of the dossier to James Comey on Dec. 9, 2016. It isn’t known whether McCain also provided a copy to then-CIA Director John Brennan. Notably, Brennan did attach a two-page summary of the dossier to the intelligence community assessment that he delivered to outgoing President Barack Obama on Jan. 5, 2017.

Kramer said that he wasn’t aware of the content of McCain’s Dec. 9 discussion with Comey, noting that he “did not get any readout from the senator on the meeting, but just that it had happened.”

Kramer did, however, provide updates to both Steele and Simpson regarding the status of McCain’s meeting with Comey, in subsequent discussions with Simpson and Steele:

“It was mostly just to inform him about whether or not the senator had transfer—transmitted the document to the FBI. Both he and Mr. Steele were—I kept them apprised of whether the senator was—where the senator was in terms of his contact with the FBI.”

The implications of this statement are significant.

Kramer, a private citizen, was providing updates to a former British spy as to what a sitting senator, and chairman of the Senate Committee on Armed Services, was saying to the director of the FBI.

Other members of the media also had advance knowledge of McCain’s intention to meet with Comey. Kramer testified that both Mother Jones reporter David Corn and Guardian reporter Julian Borger came to meet with him. According to Kramer, “They were mostly interested in Senator McCain and his, whether he had given it to Director Comey or not.”

Several days after McCain, Brose, and Kramer met to discuss the dossier, Kramer said that McCain instructed him to meet with Victoria Nuland, the assistant secretary of state for Europe and Eurasian Affairs, and Celeste Wallander, the senior director for Russia and Central Asia on the National Security Council.

The purpose of the meeting was to verify whether the dossier “was being taken seriously.” Both Nuland and Wallander were previously aware of the dossier’s existence, and both officials previously knew Steele, whom “they believed to be credible.” Kramer said he didn’t physically share the dossier with them at this point, but met again with Wallander “around New Years” and “gave her a copy of the document”

Nuland had actually received a copy of the earlier Steele memos back in July 2016.

Steele produced a final memo dated Dec. 13, 2016. According to UK court documents, Kramer, on behalf of McCain, had asked Steele to provide any further intelligence that he had gathered relating to “alleged Russian interference in the US presidential election.” Notably, it appears it was this request from McCain that led Steele to produce his Dec. 13 memo.

Although Kramer didn’t provide a date, he said he received the final Steele memo sometime after “Senator McCain had provided the copy to Director Comey.” We know that Kramer received the final memo prior to Dec. 29—when Kramer met with BuzzFeed’s Bensinger.

Kramer testified that Bensinger “said he wanted to read them, he asked me if he could take photos of them on his—I assume it was an iPhone. I asked him not to. He said he was a slow reader, he wanted to read it. And so I said, you know, I got a phone call to make, and I had to go to the bathroom...” Kramer said that he “left him to read it for 20, 30 minutes.”

Kramer also testified that besides the reporters, he gave a final copy of the dossier to two other people in early January 2017: Rep. Adam Kinzinger (R-IL) and House Speaker Paul Ryan’s chief of staff, Jonathan Burks.



James Clapper Leaks Details of Obama–Trump Briefings

The intelligence community assessment (ICA) on alleged Russian hacking was released internally on Jan. 5, 2017. On this same day, outgoing President Obama held an undisclosed White House meeting to discuss the assessment—and the attached summation of the dossier—with national security adviser Susan Rice, FBI Director James Comey, and Deputy Attorney General Sally Yates. Rice would later send herself an email documenting the meeting.

The following day, CIA Director John Brennan, Director of National Intelligence James Clapper, and Comey attached a written summary of the Steele dossier to the classified briefing they gave Obama. Comey then met with President-elect Trump to inform him of the dossier. This meeting took place just hours after Comey, Brennan, and Clapper formally briefed Obama on both the ICA and the Steele dossier.

Comey would only inform Trump of the “salacious” details contained within the dossier. He later explained on CNN in an April 2018 interview that he had done so at the request of Clapper and Brennan, “because that was the part that the leaders of the intelligence community agreed he needed to be told about.”

Shortly after Comey’s meeting with Trump, both the Trump–Comey meeting and the existence of the dossier were leaked to CNN. The significance of the meeting was material, as Comey noted in a Jan. 7 memo:

“Media like CNN had them and were looking for a news hook. I said it was important that we not give them the excuse to write that the FBI has the material.”

The media had widely dismissed the dossier as unsubstantiated and, therefore, unreportable. It was only after learning that Comey briefed Trump on it that CNN reported on the dossier. The House Intelligence Committee report on Russian election interference confirmed that Clapper personally leaked confirmation of the dossier, along with Comey’s meeting with Trump, to CNN:

“The Committee’s investigation revealed that President-elect Trump was indeed briefed on the contents of the Steele dossier and when questioned by the Committee, former Director of National Intelligence James Clapper admitted that he confirmed the existence of the dossier to the media.”

Additionally, the House intelligence report shows Clapper appears to have been the direct source for CNN’s Jake Tapper and his Jan. 10 story that disclosed the existence of the dossier:

“When initially asked about leaks related to the ICA in July 2017, former DNI Clapper flatly denied ‘discuss[ing] the dossier [compiled by Steele] or any other intelligence related to Russia hacking of the 2016 election with journalists.’ Clapper subsequently acknowledged discussing the ‘dossier with CNN journalist Jake Tapper,’ and admitted that he might have spoken with other journalists about the same topic.

“Clapper’s discussion with Tapper took place in early January 2017, around the time IC leaders briefed President Obama and President-elect Trump, on ‘the Christopher Steele information,’ a two-page summary of which was ‘enclosed in’ the highly-classified version of the ICA.”

On Jan. 10, 2017, CNN published the article “Intel Chiefs Presented Trump With Claims of Russian Efforts to Compromise Him” by Evan Perez, Jim Sciutto, Jake Tapper, and Carl Bernstein. (The article would later be updated and have a Jan. 12, 2017, date.)

The allegations within the dossier were made public, and with reporting of the briefings by intelligence community leaders, instant credibility was given to the dossier’s assertions.

Immediately following the CNN story, BuzzFeed published the Steele dossier, and the Trump–Russia conspiracy was pushed into the mainstream.

David Kramer was asked about his reaction when CNN broke the story on the dossier. According to his deposition, Kramer stated, “I believe my words were ‘Holy [expletive].”

Kramer, who was actually meeting with The Guardian’s Julian Borger when CNN reported on the dossier, said that he quickly spoke with Steele, who “was shocked.”

On the following day, Jan. 11, 2017, Clapper issued a statement condemning the leaks—without revealing the fact that he was the source of the leak.

On Nov. 17, 2016, Clapper submitted his resignation as director of national intelligence; his resignation became effective on Jan. 20, 2017. Later that year, CNN hired Clapper as its national security analyst.

The Effort to Remove General Flynn

Lt. Gen. Michael Flynn, then-national security adviser to President Donald Trump, was interviewed on Jan. 24, 2017, by FBI agents Peter Strzok and Joe Pientka about two December 2016 conversations that Flynn had had with Russian Ambassador Sergei Kislyak.

Details of the phone conversation had leaked to the media. Flynn ultimately pleaded guilty to one count of lying to the FBI regarding his conversations with Kislyak. It remains unknown to this day who leaked Flynn’s classified call—a far more serious felony violation.

The Washington Post reported in January 2017 that the FBI had found no evidence of wrongdoing in Flynn’s actual call with the Russian ambassador. The call, and the matters discussed in it, broke no laws.

Flynn has been portrayed in the media as being suspiciously close to Russia; a dinner in Moscow that occurred in late 2015 is frequently cited as evidence of this.

On Dec. 10, 2015, Flynn attended an event in Moscow to celebrate the 10th anniversary of Russian television network RT. Flynn, who was seated next to Russian President Vladimir Putin for the culminating dinner, was also interviewed on national security matters by an RT correspondent. Flynn’s speaker’s bureau, Leading Authorities Inc., was paid \$45,000 for the event and Flynn received \$33,000 of the total amount.

Seated at the same table with Flynn was Jill Stein, the Green Party candidate in the 2016 election. By all accounts, including Stein’s, Flynn and Putin didn’t engage in any real conversation. At the time, Flynn’s trip didn’t garner significant attention. But it would later be used by the media and the Clinton campaign to push the Russia-collusion narrative.

Notably, as stated by lawyer Robert Kelner, Flynn disclosed his Moscow trip to the Defense Intelligence Agency before he traveled there and provided a full briefing upon his return:

“As has previously been reported, General Flynn briefed the Defense Intelligence Agency, a compo-

“The deputy attorney general in fact appointed special counsel Robert Mueller, and directed that Mr. McCabe be removed from any participation in that investigation.

DOJ spokesperson

“I was urging my former colleagues and, frankly speaking, the people on the Hill ... ‘Get as much intelligence as you can before President Obama leaves the administration.’

Evelyn Farkas, former deputy assistant secretary of defense

nent agency of the DoD, extensively regarding the RT speaking event trip both before and after the trip, and he answered any questions that were posed by the DIA concerning the trip during those briefings.”

Flynn’s trip to Russia was first brought to broader attention on July 18, 2016, during a live interview at the Republican National Convention with Yahoo News reporter Michael Isikoff.

The Isikoff interview took place on July 18, 2016. Unknown at the time, the matter had also captured the attention of Christopher Steele, who had begun publishing his dossier memos on June 20, 2016.

Contained within an Aug. 10, 2016, memo was this initial reference to Flynn:

“Kremlin engaging with several high profile US players, including STEIN, PAGE and (former DIA Director Michael Flynn) and funding their recent visits to Moscow.”

In addition to the obvious questions raised by the timing of Flynn’s name appearing in Steele’s Aug. 10 memo, is the manner in which Flynn is denoted. All other names are capitalized, in the manner of intelligence briefings. Flynn’s name isn’t capitalized and, in one case, appears within parentheses.

Steele met with Yahoo News’ Isikoff in September 2016 and gave him information from the dossier. The resulting Sept. 23, 2016, article from Isikoff was then cited by the FBI as validating Steele’s claims and was featured in the original FISA application, and its three subsequent renewals, for a warrant to spy on Trump campaign foreign policy adviser Carter Page.

Steele wasn’t the only person Isikoff was working with. On April 26, 2016, Isikoff published a story on Yahoo News about Paul Manafort’s business dealings with Russian oligarch Oleg Deripaska. It was later learned from a Democratic National Committee (DNC) email leaked by Wikileaks that Isikoff had been working with Alexandra Chalupa, a Ukrainian-American operative who was doing consulting work for the DNC. Chalupa met with top officials in the Ukrainian Embassy in Washington in an effort to expose alleged ties between Trump, Manafort, and Russia.

The obvious question remains: How did the information on Flynn make its way into the dossier at the time it did, and who provided the information to Steele?

Flynn’s 2015 dinner in Moscow was initially used to implicate the Trump campaign’s ties to Russia. It was then used as a means to cast doubts on Flynn’s ability as Trump’s national security adviser. Following Flynn’s resignation, it was then used as a means to pursue the ongoing collusion narrative that gained full strength in the early days of the Trump administration.

A Jan. 10, 2017, article in The New York Times, “Trump’s National Security Pick Sees Ally in Fight Against Islamists: Russia,” highlighted the efforts:

“In an extraordinary report released last week, the agencies bluntly accused the Russian government of having worked to undermine American democracy and promote the candidacy of Mr. Trump. The report is likely to renew questions about Mr. Flynn’s avowed eagerness to work with Russia, and his dismissal of concerns about President Vladimir V. Putin.”

Flynn would resign from his position as national security adviser in February 2017. The sequence of events leading to his resignation were both coordinated and orchestrated, with acting Attorney General Sally Yates playing a leading role.

On Jan. 12, 2017, Flynn’s Dec. 29, 2016, call with Kislyak was leaked to The Washington Post. The article portrayed Flynn as undermining Obama’s Russia sanctions that had been imposed on the same day as Flynn’s call with the Russian ambassador.

On Jan. 15, five days before Trump’s inauguration, Vice President Mike Pence appeared on “Face the Nation” to defend Flynn’s calls.

A few days later, on Jan. 19, Obama officials—Yates, Clapper, Brennan and Comey—met to discuss Flynn’s situation. The concern they reportedly discussed was that Flynn might have misled Trump administration officials regarding the nature of his call with Kislyak.

Yates, Clapper, and Brennan supported informing the Trump administration of their concerns. Comey took a dissenting view. On Jan 23, Yates again pressured Comey, telling the FBI director that she believed Flynn could be vulnerable to blackmail. At this point, according to media reports, Comey relented, despite the FBI finding nothing unlawful in the content of Flynn’s calls.

Strzok and Pientka, at the instruction of McCabe, interviewed Flynn the following day. According to court documents, McCabe and other FBI officials “decided the agents would not warn Flynn that it was a crime to lie during an FBI interview because they wanted Flynn to be relaxed.” It was during this interview that Flynn reportedly lied to the FBI.

The DOJ was provided with a detailed briefing of the Flynn interview on the following day. On Jan. 26, Yates contacted White House counsel Don McGahn, who agreed to meet to discuss the matter. Yates arrived at McGahn’s office, bringing Mary McCord, John Carlin’s acting replacement as head of the DOJ’s National Security Division.

Yates later testified before Congress that the meeting surrounded Flynn’s phone calls and his FBI interview. She also testified that Flynn’s call and subsequent interview “was a topic of a whole lot of discussion in DOJ and with other members of the intel community.” McGahn reportedly asked Yates, “Why does it matter to the DOJ if one White House official lies to another official?”

McGahn called Yates the following day and asked her to return for a second meeting. Yates returned to the White House without McCord. McGahn asked to examine the FBI’s evidence on Flynn. Yates said she would respond by the following Monday.

Yates failed to provide McGahn with the FBI’s evidence on Flynn. From that point, the pressure on Flynn and the Trump administration escalated—with help from media reporting.

Flynn resigned on Feb. 13, after it was reported that he had misled Pence about phone conversations he’d had with Kislyak.

The following day, The New York Times reported that “phone records and intercepted calls show that members of Donald J. Trump’s 2016 presidential campaign and other Trump associates had repeated contacts with senior Russian intelligence officials in the year before the election, according to four current and former American officials.”

With Flynn gone and the Russian narrative firmly established, the conspirators then turned their attention to Trump’s newly confirmed attorney general, Jeff Sessions. On March 1, 2017, The Washington Post reported that Sessions had twice had contact with the Russian ambassador, Kislyak. The following day,

March 2, Sessions recused himself from the Russia investigation.

On the same day that Sessions recused himself, Evelyn Farkas, a former deputy assistant secretary of defense, detailed efforts at hampering the newly installed Trump administration, during a March 2, 2017, interview with MSNBC, in which she described how the Obama administration gathered and disseminated intelligence on the Trump team:

“I was urging my former colleagues and, frankly speaking, the people on the Hill ... ‘Get as much information as you can. Get as much intelligence as you can before President Obama leaves the administration.’

“The Trump folks, if they found out how we knew what we knew about the Trump staff’s dealing with Russians, [they] would try to compromise those sources and methods, meaning we would no longer have access to that intelligence. ... That’s why you have the leaking.”

Note that Farkas said “how we knew,” not just “what we knew.”

Obama Officials Used Unmasking to Target the Trump Campaign

On Tuesday, March 21, 2017, the chair of the House Permanent Select Committee on Intelligence, Rep. Devin Nunes (R-Calif.), met a classified source who showed him “dozens” of intelligence reports. Contained within these reports was evidence of surveillance on the Trump campaign. Nunes held a press conference on March 22 highlighting what he had found:

“I recently confirmed that on numerous occasions, the intelligence community incidentally collected information about U.S. citizens involved in the Trump transition. Details about persons associated with the incoming administration, details with little apparent foreign intelligence value were widely disseminated in intelligence community reporting.”

In a series of rapid-fire questions and answers, Nunes attempted to elaborate on what he had been shown:

“From what I know right now, it looks like incidental collection. We don’t know exactly how that was picked up but we’re trying to get to the bottom of it...I think the NSA’s going to comply. I am concerned – we don’t know whether or not the FBI is going to comply. I have placed a call, I’m waiting to talk to Director Comey, hopefully later today.

“I have seen intelligence reports that clearly show the President-elect and his team were at least monitored and disseminated out in intelligence, in what appears to be raw—well I shouldn’t say raw—but intelligence reporting channels.

“It looks to me like it was all legally collected, but it was essentially a lot of information on the President-elect and his transition team and what they were doing.”

The documents Nunes had been shown highlighted the unmasking activities of the FBI, the Obama administration, and CIA Director Brennan in relation to the Trump campaign. Although March 2017 would prove chaotic, the Trump administration had survived the first crucial months, and would now begin to slowly assert its administrative authority.

Comey Testifies No Obstruction by Trump Administration

On May 3, 2017, James Comey testified before the Senate Judiciary Committee. Under oath, Comey stated that his agency—and the FBI’s investigation—had not been pressured by the Trump administration:

**SEN. HIRONO:** “So if the attorney general or senior officials at the Department of Justice opposes a specific investigation, can they halt that FBI investigation?”

**MR. COMEY:** “In theory, yes.”

**SEN. HIRONO:** “Has it happened?”

**MR. COMEY:** “Not in my experience. Because it would be a big deal to tell the FBI to stop doing something that – without an appropriate purpose. I mean where oftentimes they give us opinions that we don’t see a case there and so you ought to stop investing resources in it. But I’m talking about a situation where we were told to stop something for a political reason. That would be a very big deal. It’s not happened in my experience.”

Less than a week later, on May 9, Trump fired Comey based on a May 8 recommendation by Deputy Attorney General Rod Rosenstein.

Rosenstein would later tell members of Congress: “In one of my first meetings with then-Sen. Jeff Sessions last winter, we discussed the need for new leadership at the FBI. Among the concerns that I recall were to restore the credibility of the FBI, respect the established authority of the Department of Justice, limit public statements and eliminate leaks.”

Regarding the recommendation, Rosenstein said: “I wrote it. I believe it. I stand by it.”

McCabe’s FBI Reaches Out Again to Steele

Within days of Trump’s firing of Comey, the FBI, now under the leadership of acting-FBI Director Andrew McCabe, suddenly decided to reestablish direct contact with Christopher Steele through DOJ official Bruce Ohr.

The re-engagement attempt came six months after Steele had been formally terminated by the FBI on Nov. 1, 2016.

The FBI’s re-engagement of Ohr was highlighted during a congressional review of some text messages between Ohr and Steele:

**MR. OHR:** “The FBI had asked me a few days before, when I reported to them my latest conversation with Chris Steele, they had had would he—next time you talk with him, could you ask him if he would be willing to meet again.”

**REP. JORDAN:** “So this is the re-engagement?”

**MR. OHR:** “Yes.”

The texts being referenced were sent on May 15, 2017, and refer to a request that Ohr received from the FBI to ask Steele to re-engage with the FBI in the days after Comey had been fired on May 9.

This was the only time the FBI used Ohr to reach out to Steele.

The Battle Between McCabe and Rosenstein

Two days after Comey was fired, on May 11, 2017, McCabe testified before the Senate Intelligence Com-



CHIP SOMODEVILLA/GETTY IMAGES

mittee. While the hearing’s original intent had been to focus on national security threats, Trump’s firing of Comey completely altered the topic of the hearing.

McCabe, who agreed that he would notify the committee “of any effort to interfere with the FBI’s ongoing investigation into links between Russia and the Trump campaign,” told members of Congress that there had been “no effort to impede our investigation to date.” In other words, McCabe testified that he was unaware of any evidence of obstruction from Trump or his administration. Notably, Comey’s May 3 testimony may have left McCabe with little choice other than to confirm there had been no obstruction.

McCabe, however, failed to inform the committee that he was actively considering opening an obstruction-of-justice probe of Trump—a path he would initiate in a meeting with Rosenstein just five days later.

On the morning of May 16, 2017, Rosenstein allegedly suggested to McCabe that he could secretly record Trump. It was at this meeting that McCabe was “pushing for the Justice Department to open an investigation into the president,” according to witness accounts reported by The Washington Post.

In addition to McCabe, Rosenstein, and McCabe’s special counsel, Lisa Page, there were one or two others present, including Rosenstein’s chief of staff, James Crowley, and possibly Scott Schools, the senior-most career attorney at the DOJ and a top aide to Rosenstein.

An unnamed participant at the meeting, in comments to The Washington Post, framed the conversation between McCabe and Rosenstein in an entirely different light, noting that Rosenstein had responded with angry sarcasm to McCabe, saying, “What do you want to do, Andy, wire the president?”

This was just five days after McCabe had publicly testified that there was no obstruction on the part of the Trump administration.

Sometime later that same day, both Rosenstein and Trump met with former FBI Director Robert Mueller in the Oval Office. The meeting was reported as being for the FBI director position, but the idea that Mueller would be considered for the FBI director role seems highly unlikely.

Mueller had previously served as the FBI director from 2001 to 2013—two years beyond the normal 10-year tenure for an FBI director. In 2011, Obama requested that Mueller stay on as FBI director for an additional two years, which required special congressional approval.

Rosenstein appointed Mueller as special counsel the following day, on May 17, 2017, and in doing so, Rosenstein removed control of the Trump–Russia investigation from McCabe and put it in the hands of Mueller.

This was confirmed in a recent statement by a DOJ spokesperson, who said, “The deputy attorney general in fact appointed special counsel Robert Mueller, and directed that Mr. McCabe be removed from any participation in that investigation.”

Following the appointment of Mueller as special counsel, it also appears the FBI’s efforts to re-engage with Steele abruptly ended.

#### ‘There’s No Big There There’

We know the FBI hadn’t found any evidence of collusion in the May 2017 timeframe. While McCabe was attempting to open an obstruction investigation, Peter Strzok—who played a key role in the counter-intelligence investigation of the Trump campaign—texted Lisa Page about lacking evidence of collusion:

“You and I both know the odds are nothing. If I thought it was likely, I’d be there, no question. I hesitate, in part, because of my gut sense and concern there’s no big there there.”

Page, who was asked about this text during her July 2018 testimony, said, “So I think this represents that even as far as May of 2017, we still couldn’t answer the question.”

James Baker, who was questioned about the Strzok text, was then asked if he’d seen any evidence to the contrary. He stumbled a bit in his reply:

**REP. MEADOWS:** “Do you have any evidence to the contrary that you observed personally in your official capacity?”

**MR. BAKER:** “So the difficulty I’m having with your question is, what does ‘collusion’ mean, and what does ‘prove’ mean? And so I don’t know how to respond to that.”

#### FBI Leadership Speculates on New Trump–Russia Collusion Narrative

In his testimony, Baker disclosed the actual substance of discussions taking place at the upper echelons of the FBI immediately following Comey’s firing—that Vladimir Putin had ordered Trump to fire Comey:

**MR. BAKER:** “We discussed, so to the best of my recollection, with the same people I described earlier: Mr. McCabe, possibly Mr. Gattis [Carl Ghattas, executive assistant director of the National Security Branch], Mr. Priestap, possibly Lisa Page, possibly Pete Strzok. I don’t remember that specifically.”

**REP. RATCLIFFE:** “So there was—there was a discussion between those folks, possibly all of the folks that you’ve identified, about whether or not President Trump had been ordered to fire Jim Comey by the Russian Government?”

**MR. BAKER:** “I wouldn’t say ordered. I guess I would say the words I sort of used earlier, acting at the behest of and somehow following directions, somehow executing their will, whether—and so literally an order or not, I don’t know. But—”

**REP. RATCLIFFE:** “And so—”

**MR. BAKER:** “As a—it was discussed as a theoretical possibility.”

**REP. RATCLIFFE:** “When was it discussed?”

**MR. BAKER:** “After the firing, like in the aftermath of the firing.”

The FBI, with no actual evidence of collusion after 10 months of investigating, began discussing a complete hypothetical at the highest levels of leadership as a means to possibly open an obstruction-of-justice investigation of the president of the United States.

During his testimony, Baker told lawmakers: “I had a jaundiced eye about everything, yes. I had skepticism about all this stuff. I was concerned about all of this. This whole situation was horrible, and it was novel and we were trying to figure out what to



Former FBI Director James Comey leaves the Rayburn House Office Building after testifying before the House Judiciary and House Oversight committees on Dec. 7, 2018.

## Director of National Intelligence James Clapper personally leaked confirmation of the dossier, along with Comey’s meeting with Trump, to CNN.

## The FBI had found no evidence of wrongdoing in Lt. Gen. Michael Flynn’s actual call with the Russian ambassador.

do, and it was highly unusual.”

McCabe was later fired for lying to the DOJ inspector general and is currently the subject of a criminal grand jury investigation.

#### The Fixer

Despite the ongoing assault from the intelligence community and holdovers from the Obama administration, Trump was not entirely without allies.

Dana Boente, one of the nation’s highest-profile federal prosecutors, served in a series of critical shifting roles within the Trump administration. Boente, who remained the U.S. attorney for the Eastern District of Virginia until early 2018, concurrently became the acting attorney general following the firing of Sally Yates. Boente, who was specifically appointed by Trump, was not directly in the line of succession that had been previously laid out under an unusual executive order from the Obama administration.

Upon the confirmation of Sessions as attorney general, Boente next served as acting deputy attorney general until the confirmation of Rod Rosenstein as deputy attorney general on April 25, 2017. Boente then became the acting head of the DOJ’s National Security Division on April 28, 2017, following the sudden resignation of Mary McCord.

Boente was appointed as FBI general counsel on Jan. 23, 2018, replacing Baker, who was demoted and reassigned. Baker is currently the subject of a criminal leak investigation. Boente remains in his position as FBI general counsel.

On March 31, 2017, the Trump administration asked for the resignations all 46 holdover U.S. attorneys from the Obama administration. Trump refused to accept the resignations of just three of them—Boente, Rosenstein, and John Huber.

As Sessions noted in a March 29, 2018, letter to congressional chairmen Chuck Grassley, Bob Goodlatte, and Trey Gowdy, Huber was assigned by Sessions to lead a prosecution team and is currently working with DOJ Inspector General Michael Horowitz: “I already have directed senior federal prosecutors to evaluate certain issues previously raised by the Committee. ... Specifically, I asked United States Attorney John W. Huber to lead this effort.”

#### John Carlin’s Race With Admiral Rogers

The Carter Page FISA application has been the subject of significant media attention, but there’s another element to the story that, although largely ignored, is equally important. It involved what amounted to a surreptitious race between then-NSA Director Adm. Mike Rogers and DOJ National Security Division (NSD) head John Carlin.

Following a March 9, 2016, discovery that outside contractors for the FBI had been accessing raw FISA data since at least 2015, Rogers directed the NSA’s Office of Compliance to conduct a “fundamental baseline review of compliance associated with 702” at some point in early April 2016 (Senate testimony & pages 83–84 of court ruling).

On April 18, 2016, Rogers moved aggressively in response to the disclosures. He abruptly shut down all FBI outside-contractor access. At this point, both the FBI and the DOJ’s NSD became aware of Rogers’s compliance review. They may have known earlier, but they were certainly aware after outside-contractor access was halted.

The DOJ’s NSD maintains oversight of the intelligence agencies’ use of Section 702 authority. The NSD and the Office of the Director of National Intelligence (ODNI) jointly conduct reviews of the intelligence agencies’ Section 702 activities every 60 days. The NSD—with notice to the ODNI—is required to report any incidents of agency noncompliance or misconduct to the FISA court.

Instead of issuing individual court orders, the attorney general and the director of national intelligence (DNI) are required by Section 702 to provide the Foreign Intelligence Surveillance Court (FISC) with annual certifications that specify categories of foreign intelligence information the government is authorized to acquire, pursuant to Section 702.

The attorney general and the DNI also must certify that Intelligence Community agencies will follow targeting procedures and minimization procedures that are approved by the FISC as part of the certification.

Carlin filed the government’s proposed 2016 Section 702 certifications on Sept. 26, 2016. Carlin knew the general status of the compliance review by Rogers. The NSD was part of the review. Carlin failed to disclose a critical Jan. 7, 2016, report by the NSA inspector general and associated FISA abuse to the

FISA court in his 2016 certification. Carlin also failed to disclose Rogers’s ongoing Section 702-compliance review.

On Sept. 27, 2016, the day after he filed the annual certifications, Carlin announced his resignation, which would become effective on Oct. 15, 2016.

On Oct. 4, 2016, a standard follow-up court hearing was held (Page 19), with Carlin present. Again, he made no disclosure of FISA abuse or other related issues. This lack of disclosure would be noted by the court later in the April 2017 ruling:

“The government’s failure to disclose those IG and OCO reviews at the October 4, 2016 hearing [was ascribed] to an institutional ‘lack of candor.’”

On Oct. 15, 2016, Carlin formally left the NSD.

On Oct. 20, 2016, Rogers was briefed by the NSA compliance officer on findings from the 702 NSA compliance audit. The audit had uncovered a large number of issues, including numerous “about query” violations (Senate testimony).

Rogers shut down all “about query” activity on Oct. 21, 2016. “About queries” are particularly worrisome, since they occur when the target is neither the sender nor the recipient of the collected communication; rather, the target’s “query,” such as an email address, is being passed between two other communicants.

On the same day, the DOJ and FBI sought and received a Title I FISA warrant on Trump campaign adviser Carter Page. At this point, the FISA court still was unaware of the Section 702 violations.

On Oct. 24, 2016, Rogers verbally informed the FISA court of his findings:

“On October 24, 2016, the government orally apprised the Court of significant non-compliance with the NSA’s minimization procedures involving queries of data acquired under Section 702 using U.S. person identifiers. The full scope of non-compliant querying practices had not been previously disclosed to the Court.”

Rogers appeared formally before the FISA court on Oct. 26, 2016, and presented the written findings of his audit:

“Two days later, on the day the Court otherwise would have had to complete its review of the certifications and procedures, the government made a written submission regarding those compliance problems ... and the Court held a hearing to address them.

“The government reported that the NSA IG and OCO were conducting other reviews covering different time periods, with preliminary results suggesting that the problem was widespread during all periods under review.”

The FISA court was unaware of the FISA “query” violations until they were presented to the court by then-NSA Director Rogers.

Carlin didn’t disclose his knowledge of FISA abuse in the annual Section 702 certifications, apparently in order to avoid raising suspicions at the FISA court ahead of receiving the Carter Page FISA warrant.

The FBI and the NSD were literally racing against Rogers’s investigation in order to obtain a FISA warrant on Carter Page.

Rogers presented his findings directly to the FISA court’s presiding judge, Rosemary Collyer. Collyer and Rogers would work together for the next six months, addressing the issues that Rogers had uncovered.

It was Collyer who wrote the April 26, 2017, FISA court ruling on the entire episode. It also was Collyer who signed the original FISA warrant on Carter Page on Oct. 21, 2016, before being apprised of the many issues by Rogers.

The litany of abuses described in the April 26, 2017, ruling was shocking and detailed the use of private contractors by the FBI in relation to Section 702 data. Collyer referred to it as “a very serious Fourth Amendment issue.” The FBI was specifically singled out by the court numerous times in the ruling:

“The improper access previously afforded the contractors has been discontinued. The Court is nonetheless concerned about the FBI’s apparent disregard of minimization rules and whether the FBI may be engaging in similar disclosures of raw Section 702 information that have not been reported.”

Rogers informed Collyer of the ongoing FISA abuses by the FBI and NSD just three days after she personally signed the Carter Page FISA warrant.

Virtually every FBI and NSD official with material involvement in the original Carter Page FISA application would later be removed—either through firing or resignation.



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