Written by <u>William F. Jasper</u> on August 23, 2018

New American



President Donald Trump may be famously riled over China's "very unfair" trade practices and its <u>"economic aggression"</u> against the United States, but Stephen Schwarzman (shown), one of his former top business advisors, remains famously bullish on investment in China. While President Trump is attempting to block Beijing's "Made In China 2025" master plan for technology supremacy, Schwarzman is doing all within his power to help the Chinese Communist Party (CCP) successfully carry out its central-planning blueprint for global dominance.



Schwarzman is the CEO of the Blackstone Group, reportedly "the world's largest private equity firm and private real estate investor." When it comes to investment in China, Schwarzman is recognized as the dealmaker with unparalleled access. The *Washington Post* has referred to him as "the New York investor, who has one of the closest relationships to Beijing of any American executive."

#### **Toxic Prescription**

On August 15, Blackstone announced its latest China deal, a \$400 million investment in YiChang HEC ChangJiang Pharmaceutical Co. (HEC Pharma). In financial terms, the HEC deal is not huge, as Blackstone's investments go. In June 2017, for example, it sold Logicor, a logistics company, for \$13.8 billion to the China Investment Fund, which is but one of many investment entities controlled by the Chinese government. However, Blackstone's HEC Pharma investment should be sending danger signals to American political and business leaders, as well as to consumers and health professionals. For one thing, it is certain to provide assistance to Xi Jinping's "Made In China 2025" campaign, which specifically targets pharmaceutical production technology as one of the "core" technologies it is ramping up to dominate. More urgently important, however, is the danger that deals such as the Blackstone-HEC investment pose to the American public, which has become dependent on drugs made in China, a country notorious for contaminated food and drug products that have caused deaths and injuries worldwide. (See here, here, here, and here.)

According to Rosemary Gibson and Janardan Prasad Singh, co-authors of the newly-released book, *China Rx: Exposing the Risks of America's Dependence on China for Medicine*, 80 percent of the ingredients in U.S.-branded pharmaceuticals and over-the-counter drugs originate in China or India, with the majority coming from China. This overwhelming dependence on a foreign hostile source not only compromises the health of millions of Americans, who are unsuspectingly at risk of consuming adulterated made-in-China drugs, but it also dangerously compromises our national security, warn Gibson and Singh.

Mike Osterholm agrees. He is director of the Center for Infectious Disease Research and Policy at the



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University of Minnesota and an expert on biosecurity. "It's a major national security risk for us in two ways," said Osterholm, in a recent <u>interview</u> with NBC News. "We are very concerned about the quality of these drugs," he noted, but the national security implications are much more frightening. "Now we are caught up in an economic war in the sense of tariffs," Osterholm continued in the interview. "If we were ever in an international incident with China, they would literally have their hands around our necks in terms of critical drugs. They wouldn't even have to fire a shot."

The pharmaceutical field is one of the critical battlefields where China has been waging strategic economic warfare against America. "Food has been used as a weapon of war. Our medicines can be used like that, too," Ms. Gibson said, in an interview with NBC. She pointed to penicillin as Exhibit A. "Penicillin is a good example," she told NBC. "We don't make penicillin ingredients in this country anymore. That happened because Chinese companies came in and dumped it on the global market at a very low price. Now they are the largest producer of penicillin industrial ingredients in the whole world."

If the United States and China should ever go to war against each other — or even enter into confrontation short of outright war — our vulnerability on this front would be immense. However, an earthquake, tsunami, or other natural disaster or civil war in China could also disrupt America's supply of critically-needed drugs. "It would be disastrous," says Gibson. "India still produces some of the drugs for us but most of the essential compounds for them come from China, so they would shut down too."

"I can think of nothing that would make us more vulnerable than shutting off all these drugs we depend on every day," she said. "Hospitals would become centers of chaos and death. We are not talking about expensive designer drugs. You couldn't do surgery. You wouldn't have anesthesia. You couldn't provide dialysis."

#### Traders, Traitors, and "Scholars"

The drug safety and national security concerns of Gibson, Osterholm and other experts don't appear to perturb Schwarzman in the least. The Blackstone/HEC deal syncs up nicely with Schwarzman's big investment in Tsinghua University, which boasts one of China's premier pharmaceutical research centers. Schwarzman, who, according to *Forbes*' 2018 rating, has a personal net worth of \$13.8 billion, donated \$100 million toward building Schwarzman College at Tsinghua. Along with his namesake college, he is endowing the Schwarzman Scholars program at Tsinghua. To fund the college and scholars program, Schwarzman is reportedly on track to raise an additional \$500 million from fellow billionaires in the U.S. and China. Beijing's Tsinghua University is one of China's most prestigious educational institutions and the alma mater of many of the country's top Communist Party leaders, including President Xi Jinping and former President Hu Jintao.

It is noteworthy that Schwarzman has explicitly modeled his Schwarzman Scholars program after the famous Rhodes Scholarship program. Cecil Rhodes, the legendary South African "diamond king" of fabled wealth, funded his scholarship program as a vehicle to advance his <u>scheme for world</u> <u>government</u>.

"The government of the world was Rhodes' simple desire," wrote Sarah G. Millin in her sympathetic biography, *Cecil Rhodes: Empire Builder* (1933). In his own words to his close confidant William Stead, Rhodes described his vision as a "scheme to take the government of the whole world." In an obituary/eulogy following Rhodes' death, the *New York Times* reported in 1902, that "Rhodes was indeed carried away by his tremendously exciting scheme to control the world. He wrote: 'What a



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scope! What a horizon of work for the next two centuries for the best energies of the best people in the world.'"

The *Times* further noted that toward achieving this goal of global control, "Mr. Rhodes believed the most important factor would be 'a secret society,'" to be "supported by the accumulated wealth of those whose aspiration is a desire to do something." The principle instruments of Rhodes "secret society" were (and remain) the Rhodes Scholarships, the <u>Council on Foreign Relations</u> (CFR) in New York, and the Royal Institute for International Affairs (RIIA, also known as Chatham House) in London. (We have reported extensively on Rhodes' scheme and the role of the Rhodes Scholarships in that scheme <u>here</u>, <u>here</u>, <u>here</u>, and <u>here</u>.)

Schwarzman is a leading member of the Rhodes-spawned CFR, and his Blackstone Group is a corporate sponsor of the Council. The Advisory Board of his Schwarzman Scholars reads like a list of the CFR's top luminaries: Henry Kissinger, Condoleezza Rice, Henry Paulson, Robert Rubin, John Thornton, Colin Powell, Richard Haass. Schwarzman College and the Schwarzman Scholars program, also include, of course, top Communist Party members of China's brutal totalitarian regime. Schwarzman's close personal relationship with President Xi Jinping, says the *Washington Post's* Michael Kranish, "is rooted in business: Until recently, the Chinese government had a significant stake in Blackstone, which does billions of dollars in business in China. Schwarzman has said others consider him an 'unofficial ambassador' between the countries."

The *Post* article by Kranish, titled "Trump's China whisperer," noted that Schwarzman's special "access was evident when, days after Trump's inauguration, Xi pulled Schwarzman aside at the 2017 World Economic Forum in Davos, Switzerland" for "an animated conversation about Trump's perception of China."

Schwarzman was not a Trump supporter, either in the volatile 2016 Republican presidential primaries, or in the general election in November. During the 2016 primaries, he had poured \$100,000 into Jeb Bush's campaign. Even after Trump won the Republican nomination, Schwarzman refused to help. However, after Trump defied establishment wisdom and defeated Hillary Clinton, the Blackstone wonderworker apparently saw the advantage of getting involved.

"Schwarzman called Trump to congratulate him on his victory and offered to help," Kranish wrote in the *Post.* "Trump lacked connections to corporate leaders outside of real estate, and he determined that Schwarzman would be the best person to help him develop relationships with some of the country's most influential chief executives. He asked Schwarzman to head a White House group of business advisers."

According to Kranish, Schwarzman's "influence grew as he arrived at the White House on Feb. 3, [2017] to chair the first meeting of the President's Strategic and Policy Forum."

The Schwarzman-chaired Forum was stacked against Trump from the beginning, with CEOs who were either themselves members of the globalist Council on Foreign Relations or were representing corporations that are CFR "corporate members." It included:

- Stephen Schwarzman (CFR) Blackstone Group (CFR corporate member)
- Jamie Dimon (CFR) JPMorgan Chase (CFR corporate member)
- Larry Fink (CFR) BlackRock (CFR corporate member)
- Jack Welch General Electric (CFR corporate member)

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- Daniel Yergin (CFR) IHS Markit
- Ken Frazier Merck & Co. (CFR corporate member)
- Doug McMillon Walmart Stores (CFR corporate member)
- Jim McNerney Boeing (CFR corporate member)
- Indra Nooyi PepsiCo (CFR corporate member)
- Ginni Rometty IBM Corporation (CFR corporate member)

Not surprisingly, almost from the get-go the high-powered, Schwarzman-led Forum found itself at odds with the president they were supposedly serving. Not only did they oppose him on tariffs, but also vigorously defended China against President Trump's charges that China was manipulating its currency to the detriment of America. Kranish says that, according to an unnamed source who was in the Forum meeting, "Trump seemed stunned" by the apparent unanimity of the assembled corporate execs in opposition to his proposed policies.

However, it was another matter entirely that caused many of the president's Strategic and Policy Forum members to jump ship — or was used as an excuse to do so. In August 2017, President Trump became embroiled in one of his most contentious of many bouts with the "Fake News" media. It concerned the violent confrontation in Charlottesville, Virginia between members of various "Alt-Right" groups and leftist Antifa groups. The anti-Trump media seized on the president's comments condemning the violence on "both sides" as equivalent to him endorsing racism and naziism.

According to accounts by the *New York Times* and other sources, Larry Fink led the mutiny. As CEO of BlackRock, the world's largest asset manager (with \$6.29 trillion under management), Fink swings a lot of weight. Fink actually started out under Schwarzman at Blackstone, but branched off on his own in 1988 under the BlackRock label. Like Blackstone, BlackRock is deeply invested in China and considers itself a "world company," not an "American company." In a <u>letter to BlackRock shareholders</u> in April, Fink said "One of the most critical priorities for BlackRock today and into the future is increasing our presence and penetration in high-growth markets around the world, particularly in Asia and especially China."

Fink was the first to resign from the President's Strategic and Policy Forum and urged others to also resign. However, President Trump had gotten wind of the brewing trouble and beat them to the punch. Before they were able to arrange a staged resignation en masse to deliver a crippling blow to his administration, he disbanded the Forum.

Shwarzman and Fink are prime examples of the Wall Street globalist elites who are undermining America's national security and sovereignty in the pursuit of convergence with China in a "new world order." This has been spelled out by fellow globalists such as billionaire George Soros (CFR), who said in 2015, "I think you really need to bring China into the creation of a new world order." In fact, he said, China should "own it in the same way as the United States owns … the current order." Soros, who for decades has been funding leftist groups that are trying to subvert and tear down America's limited constitutional government, says that communist China's totalitarian regime is "actually a better functioning government than the United States."

In spite of the fact that China has been growing increasingly repressive under President Xi, globalists such as Schwarzman, Fink, Soros, and a host of their comrades are doing everything possible to assure that China "owns" the new world disorder they are helping it build. President Trump and a growing



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number of awakening Americans are standing in their way. That is why the globalists of the China Lobby are growing increasingly shrill and nasty in their attacks, and are funding radical "Resistance" groups that have adopted the violent tactics of Mao Zedong's "Red Guard" in <u>China's Cultural</u> <u>Revolution</u> during the decade of 1966-1976.

The Blackstone/BlackRock tycoons and their ilk intend to become even more fabulously wealthy and powerful by partnering with the Beijing communist elite on an even grander scale. The battle lines have been drawn and it should be unmistakably clear whose side Schwarzman, Fink, Soros, and their globalist comrades are on.

Photo of President Trump with Stephen Schwarzman: AP Images

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