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US Sent Billions in Funding to China, Russia for Cat Experiments, Wuhan Lab Research: Ernst

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Hundreds of millions of U.S. tax dollars went to recipients in China and Russia in recent years without being properly tracked by the federal government, including a grant that enabled a staterun Russian lab to test cats on treadmills, according to Sen. Joni Ernst (R-lowa).

Ernst and her staff investigators, working with auditors at the <u>Government Accountability Office</u> (GAO) and the <u>Congressional Research Service</u>, as well as two nonprofit Washington watchdogs—<u>Open The Books</u> (OTB) and the <u>White Coat Waste Project</u>

(WCWP)—discovered dozens of other grants that weren't counted on the federal government's USASpending.gov internet database.

While the total value of the uncounted grants found by the Ernst team is \$1.3 billion, that amount is just the tip of the iceberg, the GAO reported.

Among the newly discovered grants is \$4.2 million to China's infamous Wuhan Institute of Virology (WIV) "to conduct dangerous experiments on bat coronaviruses and transgenic mice," according to a May 31 Ernst statement provided to The Epoch Times.

The \$4.2 million exposed by Ernst is in addition to previously reported funding to the WIV for extensive gain-of-function research by Chinese scientists, much of it funded in whole or part prior to the COVID-19 pandemic by National Institutes for Health (NIH) grants channeled through the EcoHealth Alliance medical research nonprofit.

The NIH has <u>awarded</u> seven grants totaling more than \$4.1 million to EcoHealth to study various aspects of SARS, MERS, and other coronavirus diseases.

Buying Chinese Puppy Parts

As part of another U.S.-funded grant, hearts and other organs from 425 dogs in China were purchased for medical research.

"These countryside dogs in China are part of the farmer's household; they were mainly used for guarding. Their diet includes boiled rice, discarded raw food animal tissues, and whatever dogs can forage. These dogs were sold for food," an NIH study uncovered by the Ernst researchers reads.

Other previously unreported grants exposed by the Ernst team include \$1.6 million to Chinese companies from the federal government's National School Lunch Program and \$4.7 million for health insurance from a Russian company that was sanctioned by the United States in 2022 as a result of the invasion of Ukraine.

"It's gravely concerning that Washington's reckless spending has reached the point where nobody really knows where all tax dollars are going," Ernst separately told The Epoch Times. "But I have the receipts, and I'm shining a light on this, so

bureaucrats can no longer cover up their tracks, and taxpayers can know exactly what their hard-earned dollars are funding."

The problem is that federal officials don't rigorously track sub-awards made by initial grant recipients, according to the Iowa Republican. Such sub-awards are covered by a multitude of federal regulations that stipulate many conditions to ensure that the tax dollars are appropriately spent.

The GAO said in an April report that "limitations in sub-award data is a government-wide issue and not unique to U.S. funding to entities in China."

"GAO is currently examining the state of federal government-wide sub-award data as part of a separate review," the report reads.





Peter Daszak, right, the president of the EcoHealth Alliance, is seen in Wuhan, China, on Feb. 3, 2021. (Hector Retamal/AFP via Getty Images)

The Eco-Health sub-awards to WIV illustrate the problem.

"Despite being required by law to make these receipts available to the public on the <u>USAspending.gov</u> website, EcoHealth tried to cover its tracks by <u>intentionally not disclosing the amounts of taxpayer money being paid to WIV</u>, which went unnoticed for years," Ernst said in the statement.

"I was able to determine that more than \$490 million of taxpayer money was paid to organizations in China [in] the last five years. That's ten times more than GAO's estimate! Over \$870 million was paid to entities in Russia during the same period!

"Together that adds up to more than \$1.3 billion paid to our adversaries. But again, these numbers still do not represent the total dollar amounts paid to

institutions in China or Russia since those numbers are not tracked and the information that is being collected is incomplete."

Adam Andrzejewski, founder and chairman of OTB, told The Epoch Times, "When following the money at the state and local level, the real corruption exists in the subcontractor payments. At the federal level, the existing system doesn't even track many of those recipients.

"Without better reporting, agencies and appropriators don't truly understand how tax dollars were used. We now know that taxpayer dollars are traded further downstream than originally realized with third- and fourth-tier recipients. These transactions need scrutiny. Requiring recipients to account for where and how they actually spend each dollar creates a record far better than agencies are capable of generating."

Too Many Tracking Loopholes

"Our Worldwide Waste investigations have exposed how dangerous and illegal federal loopholes make it literally impossible for Congress and taxpayers to

determine how much of our money is being funneled to foreign animal labs and how it's being spent ... but it was especially challenging to follow the money because reporting loopholes allow tax money to be indirectly shipped to foreign labs via pass-through entities like the disgraced EcoHealth Alliance, with little or no transparency," WCWP Senior Vice President Justin Goodman told The Epoch Times.

"We can only imagine that had taxpayers and Congress known sooner about the NIH's scary spending in Wuhan, they never would've allowed it. Taxpayers have a right to know how their money is being spent so we can find, expose, and defund Wuhan-style wasteful government spending. We've learned the hard way that it can be deadly."

Ernst and Rep. Mike Gallagher (R-Wis.), chairman of the House Select Committee on the Strategic Competition Between the United States and the Chinese Communist Party, are introducing legislation to require federal officials to go much deeper in tracking funding going to Russian and Chinese recipients.

Their Tracking Receipts to Adversarial Countries for

Knowledge of Spending (TRACKS) Act will require every penny from a government grant paid to any organization in China and Russia to be tracked and publicly disclosed.

"Thanks to Senator Ernst's work, we know the federal government has wasted more than \$1 billion in U.S. taxpayer dollars on our adversaries. This is crazy, but to make matters worse, this may only be the tip of the iceberg," Gallagher said. "The TRACKS Act brings badly needed transparency to how we spend federal dollars and will help us take steps to hold the government accountable and prevent taxpayers from supporting our adversaries."