

Episode 179: "Taking a Hard Look at our Dependence on China for Drugs" with Rosemary Gibson and Frank Gaffney

Speaker 1 ([00:04](#)):

Welcome to the Bill Walton Show, featuring conversations with leaders, entrepreneurs, artists, and thinkers, fresh perspectives on money, culture, politics, and human flourishing. Interesting people, interesting things.

Speaker 2 ([00:25](#)):

Bill Walton, March 10th.

Bill Walton ([00:28](#)):

I want you to weigh in hard on how we're doing. I think this conversation's got to stray a little bit from just the narrow-

Rosemary Gibson ([00:34](#)):

Oh, great.

Bill Walton ([00:35](#)):

... what's inside the pharmaceutical world; because it's all interrelated.

Rosemary Gibson ([00:39](#)):

Absolutely. Absolutely.

Bill Walton ([00:39](#)):

And I think everybody's interested in this, and I don't know how much you can talk about vaccines, but...

Rosemary Gibson ([00:47](#)):

I'll talk at a very high level.

Bill Walton ([00:49](#)):

Pharmaceutical companies, the FDA, CDC.

Rosemary Gibson ([00:52](#)):

About... I'll deal at a high level that's consistent across the board.

Bill Walton ([00:57](#)):

And Frank, you've got to talk in depth about how much more we know about what China is doing, and how they've-

Frank Gaffney ([01:02](#)):

Unrestricted warfare. How supply chains fit into the unrestricted warfare program is kind of where I would go from.

Rosemary Gibson ([01:08](#)):

Absolutely.

Bill Walton ([01:09](#)):

Supply chains.

Rosemary Gibson ([01:10](#)):

I'm switching gears from putting it on China to putting it on us. This is all us.

Bill Walton ([01:15](#)):

Okay. Let's roll. What do you say?

Rosemary Gibson ([01:17](#)):

Sure. Okay.

Bill Walton ([01:19](#)):

Welcome to the Bill Walton Show. I'm Bill Walton. It's been almost two years since we visited with Rosemary Gibson and Frank Gaffney about Rosemary's terrific book, terrific, but also incredibly sobering and upsetting *RX: Exposing the Risk of America's Dependence on China for Medicine*. In addition of authoring this book, Rosemary has also been named Lifetime Achievement Award for the American Academy of Hospice and Palliative Medicine. And she's on a number of very interesting boards, which we'll talk about during the show.

Bill Walton ([01:55](#)):

Frank Gaffney, my national defense hero, founded the Center for Security policies, is Vice Chairman of the Committee were Present Danger: China, of which I'm a very proud member. And I think Rosemary you're involved.

Frank Gaffney ([02:10](#)):

So is she.

Rosemary Gibson ([02:10](#)):

Yes.

Bill Walton ([02:10](#)):

And you also host a terrific show, which occasionally I get to join, called Securing America.

Frank Gaffney ([02:17](#)):

Weekly.

Bill Walton ([02:17](#)):

Weekly.

Frank Gaffney ([02:18](#)):

Just to be correct.

Bill Walton ([02:19](#)):

Weekly, which can be found on Real America's Voice, AKA Steve Bannon's network.

Frank Gaffney ([02:24](#)):

There you go.

Bill Walton ([02:25](#)):

And what we started off with last time, two years ago, and we've had Rosemary on in between; but the facts really haven't changed that much. Millions of Americans are taking prescription drugs and over the counter drugs made in China, and they don't know it, and most of their doctors don't know it. And 30 years ago, the United States, Europe, and Japan manufactured 90% of the global supply of the key ingredients that go into our pharmaceuticals and over-the-counter drugs. No more.

Bill Walton ([02:59](#)):

China is now the largest global supplier. So, we have an issue, particularly in view of what we've learned in the last two years during the pandemic, the lockdowns, the mandates, the on and on; we've learned a lot about pharmaceutical companies. We've learned out about the FDA, the CDC. The supply chain dependency we have on China has become only more apparent; and it's something that we're all beginning to see some progress on. And Rosemary is going to explain the progress we've made since then. So, Rosemary let's let you kick it off. So, just recap what the book was about, then, and a little bit about where we are now.

Rosemary Gibson ([03:47](#)):

Sure. Well, Bill, it's always great to be with you and Frank, to visit again. Yeah. This is an expose of a story that very powerful forces and special interests didn't want the American people to know; and that was how dependent we became on a single country, the world did, on a single country for thousands and thousands of medicines that we take and for the functioning of our healthcare system. And it came out in 2018, Bill, and it predicted, and I didn't ever imagine it would happen so quickly, but it predicted three things that are coming true, some of which already have come true.

Rosemary Gibson ([04:30](#)):

The first thing is that we will someday find ourselves dependent during a pandemic, and we'll be lining up with other countries to get basic medicines that we need to survive. And that indeed happened.

Rosemary Gibson ([04:46](#)):

The second prediction-

Bill Walton ([04:47](#)):

Lining up to get them from China.

Rosemary Gibson ([04:49](#)):

Right. And competing.

Bill Walton ([04:53](#)):

Right.

Rosemary Gibson ([04:53](#)):

Remember, India cut off some exports of basic medicines during COVID. And one of the reasons they did that was not only because they needed them for their own people, but because they are also dependent on China. So all roads lead to China. And so, we saw that happen in real time. And the Strategic National Stockpile, Bill, it was weeks away from not having the most basic medicines. We were turning into a developing country.

Bill Walton ([05:23](#)):

This was April, May of 2020?

Rosemary Gibson ([05:26](#)):

That's right.

Bill Walton ([05:26](#)):

Okay.

Rosemary Gibson ([05:28](#)):

And behind the scenes, companies were scrambling to find product. So that's the first thing that came true.

Rosemary Gibson ([05:37](#)):

The second thing, I predicted that the FDA's ability to protect us would just be blown to bits; because what the FDA does is not just approve new drugs, but the FDA also inspects manufacturing plants to make sure that what they're making is what they're supposed to be making, and that there aren't contaminants in them that could cause harm, either deliberately or not.

Rosemary Gibson ([06:06](#)):

So for about the past two years, the FDA has basically stopped sending people to China for their health reasons, to conduct inspection in China, as well as India and elsewhere. So we're effectively bringing in medicines that are unregulated, in my view.

Bill Walton ([06:28](#)):

Well, and the Chinese... So we're not inspecting the plants in China, and the Chinese themselves don't trust their own drug manufacturers in China.

Rosemary Gibson ([06:37](#)):

That's right.

Bill Walton ([06:38](#)):

And in fact, there's a big market for American-manufactured drugs in China, because they'd rather buy... The Chinese would rather buy ours than-

Rosemary Gibson ([06:44](#)):

Absolutely.

Bill Walton ([06:45](#)):

... than the stuff they're making.

Rosemary Gibson ([06:46](#)):

Absolutely. And now what we're seeing, is-

Bill Walton ([06:51](#)):

So...

Rosemary Gibson ([06:51](#)):

Yeah. Yeah. And how ridiculous it is. This was actually in a GAO Government Accountability Report.

Bill Walton ([07:01](#)):

If it were just ridiculous, it'd be one thing. It's dangerous.

Rosemary Gibson ([07:04](#)):

Oh, well-

Bill Walton ([07:05](#)):

Is your point.

Rosemary Gibson ([07:05](#)):

Well, let's go and see what all kinds of havoc that can cause. But quick point; so now, instead of in-person inspections; and by the way, if you're a federal employee, a dedicated person working at FDA, do you want to be the guy or gal who travels to China and sees a whole bunch of problems, tells the Chinese company this, knowing that maybe that plant could be shut down. Do you really want to be the one person there? First of all, you'll never be invited back.

Bill Walton ([07:38](#)):

Well, Chinese have a way of ushering people like that out of the country, or maybe they even disappear.

Frank Gaffney ([07:44](#)):

Yeah. They're just gone.

Rosemary Gibson ([07:45](#)):

Well, that's exactly right. And so-

Bill Walton ([07:46](#)):

Okay. So the inspectors are there at a tremendous personal risk.

Rosemary Gibson ([07:51](#)):

And I can't speak to what country, but I've been told that inspectors have been threatened. Now, whether it's China or other countries, I can't say. So the FDA is in a position of they can't find people that want to go do those jobs. So what are they defaulting to? Inspections by Zoom. Let's do it remotely. That's like if there's a plane crash, and the NTSB does a site inspection remotely.

Bill Walton ([08:19](#)):

So let me visualize this. You've got an employee of the Chinese pharmaceutical manufacturers is walking around with an iPhone, showing you little Zoom photos of processes and vats and conveyor belts and stuff like that. Is that what we're talking about?

Rosemary Gibson ([08:37](#)):

That's what we're talking about. And so, this is like a social credit score for federal employees. And remember, when US diplomats were headed to China, and there were COVID tests at the airport that were anal swabs, it was truly for humiliation. So you can see that China wants to decouple from our regulatory system, and kick out our system of assuring protection for the American people.

Rosemary Gibson ([09:05](#)):

And think of the havoc that can cause, deliberate contamination; and you can channel deliberately contaminated, potentially lethal products, just through distribution channels here in the US to certain sectors, whether it's the military or certain hospitals or certain communities.

Bill Walton ([09:26](#)):

And what's your third prediction? Because I want to circle back on all these because they're all very interesting to dig into.

Rosemary Gibson ([09:32](#)):

The third prediction is a follow-on from number two, is that the Chinese government will effectively say to the FDA, officially, "Goodbye. And we want you to give us what they call mutual recognition, that you will treat us just like you treat the European regulators. And so, if it's inspected by the China FDA, it's good enough for the United States." And we're on that road, because of the FDA's inability to protect the American people.

Frank Gaffney ([10:03](#)):

What could possibly go wrong?

Bill Walton ([10:06](#)):

So, Frank, what's your take on this?

Frank Gaffney ([10:09](#)):

Let me back the lens up just a little bit.

Bill Walton ([10:10](#)):

Do it.

Frank Gaffney ([10:10](#)):

Because do I think what you need to understand is, this is a microcosm of the larger problem that we've gotten ourselves into, as part of what I consider to be the unrestricted warfare of the Chinese Communist Party against the United States, specifically the economic warfare line of attack; but that's only one of the many. But the economic warfare one had, as its purpose, I think going back to Deng Xiaoping's "hide and bide" strategy, which he advanced shortly after the Soviet Union collapsed.

Bill Walton ([10:49](#)):

"Hide and bide."

Frank Gaffney ([10:50](#)):

"Hide and bide."

Bill Walton ([10:50](#)):

And he was doing all this, biding his time, and not unveiling what his real intentions were. And Xi has decided to and not hide.

Frank Gaffney ([11:00](#)):

That's right.

Bill Walton ([11:00](#)):

And not bide.

Frank Gaffney ([11:01](#)):

The mask has slipped.

Bill Walton ([11:02](#)):

Okay.

Frank Gaffney ([11:03](#)):

That's jumping ahead. But just to stay with this earlier phase-

Bill Walton ([11:06](#)):

All right.

Frank Gaffney ([11:07](#)):

The Soviet union collapsed, Deng Xiaoping, the then General Secretary of the Chinese Communist Party, says, "There's a new Cold War. The Soviets lost the last one. We're going to win the next one with the United States. And we're going to implement this strategy of taking advantage of them, but concealing our true purpose, which is ultimately to destroy the United States and dominate the world." And during this "hide and bide" phase, we saw American capitalists, American pharmaceutical firms, American industrialists of various stripes, American financiers like your friends on Wall Street, Bill.

Bill Walton ([11:51](#)):

You keep blaming me.

Frank Gaffney ([11:52](#)):

I keep just... I'm pointing it out.

Bill Walton ([11:54](#)):

All right.

Rosemary Gibson ([11:54](#)):

And follow the money.

Frank Gaffney ([11:55](#)):

You're a recovering Wall Street maven.

Bill Walton ([11:57](#)):

Yeah.

Frank Gaffney ([11:58](#)):

These guys all were, with the active encouragement of the United States government under both Republican and Democratic administrations, transferring the industrial might of the United States, an enormous wealth of investors of all kinds, to the Chinese; which enabled them to build up dominant positions among the most outrageous and dangerous and extreme of which is the one that Rosemary has chronicled in her book and has just been talking about, namely our dependency on China for life-saving medicines. But it's true of all kinds of other things as well. And this is the point that I think we really want to make sure we illuminate here, is that if you are concerned about this, as we should be and must take corrective action on, you've also got to look at the host of other supply chain dependencies, whether it's chips or flat screens or rare earth minerals or whether it's the host of electronic gear. That when you really think about it-

Bill Walton ([13:06](#)):

Well, the whole wind and solar industry depends on everything coming out of China.

Frank Gaffney ([13:12](#)):

Exactly. If you think you're going to wean the United States from fossil fuels, and onto something greener and cleaner, you have just increased our dependency on the Chinese Communist Party.

Bill Walton ([13:24](#)):

Right.

Rosemary Gibson ([13:24](#)):

And these are all the sectors of our economy that are the future.

Frank Gaffney ([13:29](#)):

Exactly.

Rosemary Gibson ([13:29](#)):

Of our economy and the jobs for our children and grandchildren. And they are being cut out from under us. Just on solar, there was a vote in Congress that killed the tariffs that were trying to protect US industries. And what was the result? Within two weeks, the plant down in Alabama announced that it was laying off its employees; and all the spinoff effects of that as a direct result-

Bill Walton ([13:53](#)):

So we had tariff protection for domestic manufacturer, and we stripped ourselves of that?

Rosemary Gibson ([13:58](#)):

There was some protections, and there was a request to have more protections for certain types of solar panels.

Bill Walton ([14:02](#)):

Yeah.

Rosemary Gibson ([14:03](#)):

And Congress supported the Chinese. And what happens is, China is involved in supporting some of the environmental groups, with the intent of killing our energy supplies, at the same time, promoting, "Well it's cheaper. Well, we can do solar cheaper if we buy them from China."

Bill Walton ([14:21](#)):

Well, we found... Well, I think that's what got us into the dependency on all the manufactured drugs, is we look for the lowest cost supplier.

Rosemary Gibson ([14:31](#)):

That's exactly right.

Bill Walton ([14:32](#)):

This is the Bill Walton Show. I'm here with Rosemary Gibson and Frank Gaffney. And we're talking about our supply chain, and specifically, our supply chain with regard to pharmaceuticals; but it also influences almost everything else that we think of as industries of the future. Frank?

Frank Gaffney ([14:48](#)):

And it's always cheaper, until it isn't.

Bill Walton ([14:50](#)):

Yeah.

Frank Gaffney ([14:51](#)):

They buy in, they get those dependencies established. They create essentially, the hollowed out alternatives, and then the price goes up.

Bill Walton ([15:00](#)):

Didn't they do that with vitamin C? We don't make vitamin C in the United States anymore. Didn't they drop the price of vitamin C to drive all the domestic manufacturers out? And then as soon as they were out of business, pop it back up again?

Rosemary Gibson ([15:13](#)):

That's-

Frank Gaffney ([15:13](#)):

Penicillin, too.

Rosemary Gibson ([15:14](#)):

Well, yes. And let's take that vitamin C case. How many of your listeners and viewers take vitamin C? Well, here's the story behind it. Chances are that, in your vitamin C tablet, is the synthetic powder ascorbic acid; and China is the dominant global supplier. And what happened? Exactly right, Bill. They dumped it on the global market.

Bill Walton ([15:36](#)):

Yeah.

Rosemary Gibson ([15:37](#)):

At really low prices, and formed, they formed a cartel. There was actually a court case. There were a couple of courageous American companies that took them to court, saying, "This is a clear violation of antitrust." And this was back in 2004.

Bill Walton ([15:52](#)):

We went through this before, but it's worth repeating. Name some of the drugs that we no longer manufacture.

Rosemary Gibson ([15:58](#)):

We don't-

Bill Walton ([15:59](#)):

Penicillin is one.

Rosemary Gibson ([16:00](#)):

We have virtually no penicillin, and virtually all other antibiotics we can no longer make in the United States of America. So, with all the talk about vaccines for viral infections, there's been nothing about re-establishing our industrial base for those things that we need when there's bacterial infections. Go back to 1918, and the outbreak, the influenza. But what did people die of? They didn't die of the virus. They died of, most of them, bacterial pneumonia. And we didn't have antibiotics then. China knows this.

Frank Gaffney ([16:36](#)):

Yeah. And it's getting worse, as I understand it; because the degrees to which these various medicines are no longer effective against strains of various diseases.

Rosemary Gibson ([16:50](#)):

That's true. They're resistant. But we can get on to a related subject, Frank. And that is, this is a new phenomenon that wasn't reported in China RX. It was there, but it's escalating. The quality of our generic drugs is plummeting.

Frank Gaffney ([17:05](#)):

You say our drugs?

Rosemary Gibson ([17:06](#)):

And prestigious institutions like Cleveland Clinic, our drugs.

Frank Gaffney ([17:10](#)):

Meaning those we manufacture or those that we're consuming?

Rosemary Gibson ([17:13](#)):

The ones that we are distributing to the American people as you go into your retail pharmacy. So, prestigious organizations like the Cleveland Clinic, they're starting to test certain generic drugs. And some of them are just... They just crumble, or they're not dissolving properly in the body and worse. So, let's play that out 10 years from now; China can send us anything, and slowly and slowly and slowly decimate a population. Just sell antibiotics with a huge bacterial infection outbreak, and it doesn't work.

Bill Walton ([17:48](#)):

And circling back to your earlier prediction; the FDA is supposed to be the guardian of our generic drug quality?

Rosemary Gibson ([17:56](#)):

It is. Yes.

Bill Walton ([17:57](#)):

Any other agencies? Who are our guardian angels here? Who's protecting us? Or who is supposed to be?

Rosemary Gibson ([18:02](#)):

Well, manufacturers are required by law to test everything before they sell it, but they don't.

Bill Walton ([18:08](#)):

But the manufacturers are in China.

Rosemary Gibson ([18:10](#)):

Correct. Now, the buyers, there's big buyers here. They're on the Fortune 10 list, some of them.

Bill Walton ([18:16](#)):

Yeah.

Rosemary Gibson ([18:17](#)):

You would think that they would spend a few bucks. It doesn't cost that much to test everything before they sell it to the American people. But they don't; they buy strictly on the basis of price. They use artificial intelligence. They scour the globe to find the cheapest stuff. Quality is not on there. So, there's no one guarding the hen house here. And so, we are going to see much more serious problems, I predict, without action.

Frank Gaffney ([18:46](#)):

What are-

Bill Walton ([18:46](#)):

What about-

Frank Gaffney ([18:46](#)):

Can I just emphasize one point?

Bill Walton ([18:48](#)):

Yeah. Sure.

Frank Gaffney ([18:49](#)):

Because it's come up in connection with the COVID issue.

Bill Walton ([18:53](#)):

Yeah. Yeah, yeah.

Frank Gaffney ([18:55](#)):

It's introduced the whole phenomenon of a biological warfare program, that the Chinese Communist Party has had illegally for decades. And we're learning more about it all the time. But the point is that that fellow that I mentioned a moment ago, Deng Xiaoping, roughly at the same time as he established the "hide and bide" strategy, it is said by a then Defense Minister of China by the name of Chiu Kuo-cheng, that the purpose of the biological weapons program of China was, going forward, going to be depopulating the United States, so that it could be colonized by the Chinese.

Frank Gaffney ([19:40](#)):

Now, if you put into that context what Rosemary is talking about, this is just another line of attack on the population of this country. And as opposed to nuclear weapons, for example, which if used, would have that effect, but would also devastate the place; these sorts of chemical weaponry, if you will, albeit supposedly medicines or biological agents of various kinds, won't destroy the infrastructure, leaving it in place more or less intact, to be inherited by the new Chinese overlords. That's the sort of thing that makes what Rosemary is talking about not just again, a nightmare and an outrage and a scandal, but a national security crisis of the first order.

Rosemary Gibson ([20:33](#)):

If you want a cheap way and a quiet way to take down a country, all you have to do is put these products into the marketplace; and you know where they're going, you can track what happens. But for us as Americans, we don't have a way, we don't; we have a way we could, to be alert to this. It's very cheap. You don't need any nuclear weapons.

Frank Gaffney ([21:01](#)):

But its not just cheap.

Rosemary Gibson ([21:02](#)):

It's effective.

Frank Gaffney ([21:02](#)):

We're paying them to poison us, is what it can come down to.

Rosemary Gibson ([21:06](#)):

Exactly.

Frank Gaffney ([21:07](#)):

And you can do it for profit. It's like Fentanyl.

Rosemary Gibson ([21:09](#)):

And to show cause and effect with Fentanyl, you can show some cause and effect.

Frank Gaffney ([21:13](#)):

Big time.

Rosemary Gibson ([21:13](#)):

For this, this is hidden. That's why there's a chapter in China RX called The Perfect Crime. You can cede the distribution system to our military hospitals, to certain parts of... If you want to take out certain parts faster than others of our country, just start controlling the distribution systems.

Frank Gaffney ([21:33](#)):

Right.

Rosemary Gibson ([21:34](#)):

And you can put anything in-

Frank Gaffney ([21:36](#)):

What you put into them as well.

Rosemary Gibson ([21:37](#)):

Exactly right. And we don't have a way of tracking or tracing this to show cause and effect. And so, people keep doing what they're doing every day. "Oh, the patient died of this or of that." But really, it's something else.

Bill Walton ([21:50](#)):

So, is this... Do you think... Are you saying this is happening now, or this is hanging out as the neck? You also might create a virus lab in oh, I don't know, Wuhan, and you might do some gain of function research, and I don't know.

Frank Gaffney ([22:05](#)):

That's happening now.

Bill Walton ([22:06](#)):

Let the thing jump out of the lab, and, "Oh my. Oh, what a mistake?"

Rosemary Gibson ([22:11](#)):

Well, this is silent. Let's do it silently. Why cause all that trouble and bad press?

Bill Walton ([22:16](#)):

But do we... Is this happening now? Do we have a drug that... When do they...

Frank Gaffney ([22:21](#)):

Let slip the dogs of war?

Bill Walton ([22:23](#)):

Let's slip. Thank you, Frank.

Frank Gaffney ([22:26](#)):

It's easy for you to say.

Bill Walton ([22:32](#)):

In the studio here, we're surrounded by dogs, so I guess-

Frank Gaffney ([22:34](#)):

That's right.

Bill Walton ([22:35](#)):

I've got to be careful, I think.

Frank Gaffney ([22:36](#)):

Let it slip.

Bill Walton ([22:37](#)):

They may be offended. So, when do we... How imminent is this? And we're... If they kick the FDA out of China, and we've got 90% of our generics manufactured in China, or at least the final assembly in China; they're using a lot of Indian sub-components, as I understand. How imminent is this? And when do they pull that trigger?

Rosemary Gibson ([23:02](#)):

Just to clarify, it is really the Chinese have the components, like the rare earths; and everybody else is using those components to make drugs.

Bill Walton ([23:08](#)):

Okay. So this goes back to their dominance in-

Frank Gaffney ([23:10](#)):

So the Indians are making generic drugs with Chinese components.

Rosemary Gibson ([23:12](#)):

That's right.

Bill Walton ([23:13](#)):

Okay. All right. And they garbled it.

Rosemary Gibson ([23:14](#)):

So, where is this now? Well, we have real test of change in the marketplace now. So, a very fine 40-year cardiologist calls up and says, "I have a patient who is the wife of a physician. And the patient called me to said, 'My blood pressure is up to 180.' And this person is taking a standard blood pressure medicine."

Rosemary Gibson ([23:38](#)):

And the first response of the physician who's been attuned to this, is to say, "Go back to your pharmacy. Well, I'll look at you, examine you; but immediately go to your pharmacy and get a different generic manufacturer for the same drug, same dose." And she did that; and within a very short period of time, her blood pressure normalized. That 180 blood pressure is stroke territory. So you can imagine; and that be multiplied over and over again.

Frank Gaffney ([24:06](#)):

So where did the original generic drug emanate from?

Rosemary Gibson ([24:10](#)):

Well, it's interesting. That drug, I don't know where it emanated from; but you can bet that a lot of the starting materials came from China. And are the follow-on manufacturers testing them? Probably not.

Bill Walton ([24:26](#)):

Yeah. So you-

Frank Gaffney ([24:27](#)):

Bill, can I just ask a quick question?

Bill Walton ([24:28](#)):

Sure.

Frank Gaffney ([24:28](#)):

Because I have to jump for the audience's sake. Rosemary wrote this superb book four years ago, and we talked about it two years ago. All of this is out there.

Rosemary Gibson ([24:38](#)):

Absolutely right.

Frank Gaffney ([24:39](#)):

This is not unknown.

Rosemary Gibson ([24:40](#)):

Absolutely right.

Frank Gaffney ([24:41](#)):

And you've just described a comprehensive failure on the part of the United States government, the regulatory agencies particularly.

Rosemary Gibson ([24:50](#)):

Absolutely right.

Frank Gaffney ([24:50](#)):

To do anything about this. Is it fair to say that in the intervening four years since you published this, this has gotten worse, and that we are at greater risk even than we were when you put it on paper in the first place?

Rosemary Gibson ([25:05](#)):

Yes. We are at greater risk now than ever before. And it's escalated in the past four years.

Bill Walton ([25:10](#)):

I was going to ask the same question.

Rosemary Gibson ([25:12](#)):

And our government has done hardly anything, and Congress has done nothing. Think of the trillions-

Bill Walton ([25:17](#)):

Frank and I talk to each other every week, so we're-

Rosemary Gibson ([25:20](#)):

So you're up to speed. So, we spend trillions and trillions of dollars on COVID. Right? Both administrations, not a single penny of that money has gone to fix this problem. And what does that tell you? And we have some hypotheses about why that is.

Bill Walton ([25:40](#)):

Why?

Rosemary Gibson ([25:40](#)):

Remember Bill Barr's speech about China? And he talked about how American companies-

Bill Walton ([25:47](#)):

The then Attorney General.

Rosemary Gibson ([25:48](#)):

Then Attorney General, said, "American companies are being pressured to do the bidding of the Chinese government." What was so surprising to me is that in the prior administration, President Trump signed an executive order that would require the federal government to, through the Defense Department, which has military hospitals for the veteran system; they consume, they buy a lot of medicines, to require federal departments to prioritize the purchase of domestically made drugs. Common sense, right?

Frank Gaffney ([26:24](#)):

A national security imperative, actually.

Rosemary Gibson ([26:28](#)):

And it would actually give 25% more authority to those departments to spend more, if they had to, for American-made generic drugs. That would rebuild our industrial base, and that would enable commercial customers to get in on it.

Frank Gaffney ([26:45](#)):

Because it's called Buy America.

Rosemary Gibson ([26:46](#)):

It's called Buy America. And you know what happened? So, the vehemence of the special interests, the big buyers, the big pharma; it was really quite remarkable. They have their own sandbox with the innovator products, the branded products. Why are they so adamant about these commodity products? They don't care.

Frank Gaffney ([27:11](#)):

These generic drugs that are no longer under patent.

Rosemary Gibson ([27:12](#)):

They're, yeah. Generics that are no longer under patent.

Bill Walton ([27:14](#)):

But they don't come under it, so why? What's-

Rosemary Gibson ([27:15](#)):

So, why? So, when you talk to people who actually work in the industry, not the lobbyists in Washington; what they observed, and I heard this from three different people. In the course of their careers, they saw these big branded companies give away the specs to make antibiotics and all these other products, these generics, to China in return for getting access to the Chinese market to sell their higher margin innovative products.

Bill Walton ([27:51](#)):

Bingo. Bingo. Okay.

Rosemary Gibson ([27:51](#)):

And you can bet, as I hypothesis, but very reasonable to consider, that these same companies are under the gun to keep lobbying for China in the United States, to maintain the existing supply chain, and allow China to achieve its stated aim to become the pharmacy to the world.

Frank Gaffney ([28:17](#)):

But this is actually not just a hypothesis.

Bill Walton ([28:19](#)):

Frank, let me just interrupt a second. This is the Bill Walton Show. I'm here with Frank Gaffney and Rosemary Gibson, and we're talking about the alarming tendency of our elites to not protect America in the interest of doing more business with China.

Frank Gaffney ([28:36](#)):

I was just saying that this isn't a hypothesis any longer. What has happened in the intervening period, particularly even just the past six months I think, is that as you were saying, Bill, earlier, the mask has slipped. Xi Jinping is telling these companies, "You will lobby on our behalf if you want to do business with China. Period."

Rosemary Gibson ([28:57](#)):

That's right.

Frank Gaffney ([28:58](#)):

And what you've described, Rosemary, in this case, is again, unfortunately, just a microcosm of the larger problem. Congress, the executive branch, the media.

Rosemary Gibson ([29:09](#)):

All of it.

Frank Gaffney ([29:09](#)):

The industries are all bending to their will, at our expense.

Bill Walton ([29:14](#)):

We know this, because it bears repeating that China is one of the largest consumer goods markets in the world. It's the largest market for luxury goods, and there are 3 or 400 million buyers of American-made

pharmaceuticals. And we've talked about BlackRock, and in fact there are lots of investment dollars that they would like to help manage. And the list of industries that have got a stake in doing more business with China goes on and on and on.

Frank Gaffney ([29:43](#)):

Right. Engaging is what it's called.

Bill Walton ([29:45](#)):

Engaging.

Frank Gaffney ([29:46](#)):

They want to continue to engage. And when the argument is made by people like our committee on the present danger of China that, "Well, wait a minute. What you're doing in engaging, including in some cases, Bill, as you know, guys on Wall Street putting money into not just the Chinese Communist Party-owned and operated companies, which is essentially all of them. But People's Liberation Army companies that are manufacturing among other things, bio weapons and nuclear weapons, and other things with which to kill not just our service personnel, but all of us. And our money; that's investors' money. That's not Larry Fink's money; that's the average American, in most cases, actually, probably unwittingly having their money being put to purposes that are so detrimental to our country, as well as them individually.

Rosemary Gibson ([30:38](#)):

Absolutely. Right.

Frank Gaffney ([30:39](#)):

Shocking.

Rosemary Gibson ([30:40](#)):

And it's also interesting to hear from certain sectors of the big pharma industry, that they are feeling pushback from China. So, China is the big buyer. They put out solicitations to buy drugs. And what we're seeing is that the pricing pressure the Chinese government is putting on US and other Western big pharma companies. You have to reduce your price if you want to sell in the Chinese market.

Rosemary Gibson ([31:14](#)):

Something we've talked for years and years on here, why don't we negotiate drug prices here in the United States? "Oh, we can't do that." But the same companies will absolutely cede to the demand of China, that, "If you want to sell here, you're going to do it on our terms at our price." So it makes your question, whether we Americans are subsidizing not just the R&D, but eventually Chinese consumers.

Bill Walton ([31:39](#)):

Well, it's not just the products, it's also the jobs.

Rosemary Gibson ([31:41](#)):

Oh, absolutely.

Bill Walton ([31:42](#)):

Because Pfizer and Merck have both shut down research facilities here in the United States. I think you write in your book that a bench chemist costs all in about \$250,000. And if you get that same bench chemist in China, it's \$50,000, so that they save-

Frank Gaffney ([31:59](#)):

Possibly trained in this country, no less.

Bill Walton ([31:59](#)):

Probably. Well, what, 90,000 PhDs have been trained here and gone over, or doctors gone over there to practice their trade. Is that number accurate?

Rosemary Gibson ([32:10](#)):

It's probably even more now. And think of that intellectual capital that is dissipating, dying on the vine here, if these people don't have jobs. We're losing our capacity. We're just a short time away of not having people who know how to build and operate antibiotic production facilities. That generation is leaving.

Bill Walton ([32:31](#)):

Right.

Rosemary Gibson ([32:31](#)):

So who's going to do it?

Frank Gaffney ([32:33](#)):

Rosemary, just to drill down on that point; to what extent, you mentioned in the connection with the generics, we've transferred the intellectual property. So they're now building those things for us, manufacturing them. How much of that is also a requirement extracted from these big pharma companies? For example, and again, this is just part of the pattern of the industries that they're pillaging more generally. But these innovative products that you're talking about, are they also having to transfer those technologies, those patents, those property rights, what have you to China?

Rosemary Gibson ([33:12](#)):

That's a very-

Frank Gaffney ([33:12](#)):

Have access to the market.

Rosemary Gibson ([33:14](#)):

That's a very important point, Frank. So, here in the US, and I'm sure it's true in China, that if you have a new product, you have to give all of your information and clinical trial, data, and ingredients to the FDA. And you can imagine, China FDA has to get that for new innovator products that have to be approved for use in China. But it can be even easier.

Bill Walton ([33:36](#)):

So they're using their regulatory agencies to get our intellectual property.

Rosemary Gibson ([33:39](#)):

Absolutely. And look what happened in Europe, the European Medicines Agency; that's the counterpart to the FDA. Pfizer's documents for the vaccine were hacked and stolen.

Bill Walton ([33:52](#)):

Congress has got a big bill about trade, supporting American industries. Is there anything in that bill that addresses the issues that you're raising?

Frank Gaffney ([34:04](#)):

The COMPETES Bill?

Bill Walton ([34:05](#)):

The America COMPETES Bill. I think, it looks like it's just filled with bad stuff, but I don't know the details. Is there anything... Has anybody in Congress heard this and say, "Gee, we need to do something about it by passing this particular piece of a bill?"

Rosemary Gibson ([34:21](#)):

In 2019 and the early part of 2020, there was substantial interest on a bipartisan basis. Senator Elizabeth Warren, Senator Marco Rubio had virtually identical bills that would have taken care of a number of issues that we've talked about today: our dependence of the military on China. In the House, similarly, Congressman Garamendi and Vicky Hartzler from Missouri, they had a great bill. There were like 70, 80, 90 bills introduced in Congress to begin to fix this. And that just fell off the apple cart, and it's nowhere to be seen. We don't see those types of bills being introduced; because what's happening now, it's all top-down. You heard that the budget in the middle of the night, how more than a trillion dollars just was dumped.

Bill Walton ([35:11](#)):

Top-down.

Rosemary Gibson ([35:11](#)):

In Congress.

Bill Walton ([35:12](#)):

Meaning from Nancy, or top-down from-

Rosemary Gibson ([35:14](#)):

From whom? That's a good question. From whom?

Frank Gaffney ([35:14](#)):

A handful of leadership folks are the only ones who see these bills.

Bill Walton ([35:19](#)):

But these are, Elizabeth Warren anyways, has got some clout. You'd think Rubio would have it. So they just have given up on their own bills?

Rosemary Gibson ([35:29](#)):

Well, there hasn't been debate or discussion about this, and fanfare given to the subject.

Frank Gaffney ([35:37](#)):

But no. But just to put a fine point on it, Bill; it's one thing to introduce a bill. By and large, even in the Senate, legislation only gets to the floor if the leadership wants it to get to the floor. And as Peter Sweiziser's new book Red Handed documents, you look at that leadership, and virtually all of them are in the pocket of the Chinese Communist Party. So if China is saying, "You're not going to act on this legislation." Those leadership figures are in a position to make sure that's exactly what happens.

Rosemary Gibson ([36:10](#)):

And there's two forces. It's that force, China force, and then you've got the special interests here who still want to buy cheap. And those are Fortune 10 and 20 companies.

Frank Gaffney ([36:21](#)):

Big time.

Rosemary Gibson ([36:22](#)):

That their job is just to supply product. So, we're doing it to ourselves.

Frank Gaffney ([36:28](#)):

Right.

Rosemary Gibson ([36:28](#)):

To a significant degree.

Frank Gaffney ([36:30](#)):

And as this develops, you have, I think, an opportunity to have it be different. And this, I know hopefulness is part of your messaging about it.

Bill Walton ([36:40](#)):

Well, we need to do more shows on this.

Frank Gaffney ([36:42](#)):

We do.

Bill Walton ([36:43](#)):

This is...

Frank Gaffney ([36:43](#)):

We do. How will we respond?

Bill Walton ([36:45](#)):

But I think the infiltration is the thing. If there's a 35,000 foot explanation for this, is that this Chinese have been systematically been penetrating United States, and-

Frank Gaffney ([36:55](#)):

Hollowing it out.

Bill Walton ([36:56](#)):

... getting people, if not literally on the payroll, figuratively on the payroll, and-

Frank Gaffney ([37:01](#)):

Both.

Bill Walton ([37:02](#)):

Both. Right.

Frank Gaffney ([37:04](#)):

And here's the thing. I personally believe that one of the few upsides of the COVID biological warfare attack against this country, and I use those terms advisedly, is that virtually every family in America has been impacted in one way or another. Some of them have lost loved ones. Some of them have lost jobs, some of them have lost income, whatever. They all now have reasons to want to have things be different vis-a-vis, the Chinese Communist Party. There is still an elite, and what Peter talks about as elite capture as one of the angles of attack of that unrestricted warfare against us. But the public, the vast majority of Americans and the vast majority of investors and the vast majority of consumers and the vast majority of shareholders,, all now have reason to want to heed what Rosemary warned us about four years ago in, again, this microcosmic example.

Frank Gaffney ([38:11](#)):

So we're now hearing a lot of talk about supply chains. We're now seeing a lot of problems with supply chains as well. Stuff just isn't here. And it's not just pharmaceuticals, it's all kinds of products.

Bill Walton ([38:24](#)):

Right.

Frank Gaffney ([38:24](#)):

So we can't get chips for our trucks and cars, so that the automotive industry is in jeopardy. But the point is, we need to understand and communicate to the public. And you're right; we should be doing a lot more programs on it. And I look forward to doing that with you in both of our capacities. But we need to make sure that the public understands this is going to get us all killed; not just inconvenience us, not just cost us more, but get us all killed, because that's the ultimate objective of the Chinese Communist Party.

Rosemary Gibson ([38:57](#)):

And there's another angle that I think is worth pursuing. And I'll use the example of say, Costco. So if you go to Costco, and you want new tires on your-

Frank Gaffney ([39:08](#)):

Costco.

Rosemary Gibson ([39:09](#)):

Costco.

Frank Gaffney ([39:09](#)):

Not COSCO.

Rosemary Gibson ([39:10](#)):

Thank you.

Frank Gaffney ([39:11](#)):

Which is the Chinese shipping company.

Rosemary Gibson ([39:12](#)):

Thank you. This is Costco.

Bill Walton ([39:15](#)):

Frank's been helping us out with our pronunciation today.

Rosemary Gibson ([39:17](#)):

Very important.

Bill Walton ([39:19](#)):

Thank you, Frank.

Frank Gaffney ([39:20](#)):

Just got to keep straight who's the bad guys.

Bill Walton ([39:22](#)):

Costco.

Frank Gaffney ([39:22](#)):

And who are not necessarily the bad guys.

Rosemary Gibson ([39:24](#)):

This is our West Costco, where you buy whatever you want to buy-

Frank Gaffney ([39:26](#)):

All those Chinese products.

Rosemary Gibson ([39:27](#)):

... in your big cart. So, just... Some people have their tires changed at Costco. Imagine if Costco were selling tires that, say that if the US Department of Transportation handed out warning letters to manufacturers around the world for shotty products. Imagine if the Department of Transportation handed warning letters to a Chinese company making vehicle tires, and Costco was buying them and selling them to the American people.

Frank Gaffney ([40:01](#)):

Without notice.

Rosemary Gibson ([40:02](#)):

That wouldn't... People would be outraged, and that would change overnight. We have retail pharmacies, pharmacies in big box stores, that are selling substandard, unsafe, generic drugs in the United States of America. We need a front face that's real to the American people. China's too far away; but my corner drug store, there's no excuse. And I think we have to bring this closer to home, and ask the question politely, "Why are you selling us this crap?" And to hospitals; "Why are you tolerating selling this crap?"

Bill Walton ([40:41](#)):

Well, much like trial lawyers, but it seems like this is a litigation rich target.

Rosemary Gibson ([40:47](#)):

And what I've been advocating for. This is fixable. And this is where we need some public interest support, to test every batch of basic generic drugs, and put that information out like in a Consumer Reports format. And I 100% guarantee that the market will change overnight.

Frank Gaffney ([41:12](#)):

That's a great attitude.

Rosemary Gibson ([41:12](#)):

It'll make it impossible for the retail pharmacies to sell crap. I'll tell you a quick story. I had to get a medicine for a minor issue about a month ago; and I went to a pharmacy. I won't name it. And I, doing what I do, I look at the bottle. I ask for the bottle, and I see whose name is on it. And I said, "I don't want that." Because I know that company, it has a quality culture problem.

Rosemary Gibson ([41:47](#)):

So then I went to the second pharmacy, independent pharmacy. Maybe they have a different product. They were selling the same product from the same company, but they also sold one from a European company that I would trust. Different dosage, didn't want to call a health professional to think, "This is a crazy woman." If I had to, I would do it.

Rosemary Gibson ([42:06](#)):

So I went to a grocery store pharmacy. Again, I asked for the bottle. And I look on it, and I say, "Well, there's a manufacturer whose name I know, that good people are contracting with them that I trust, who inspect their plants, and I feel comfortable with that product." Nobody should have to do that.

Rosemary Gibson ([42:27](#)):

So what we need is funding to support testing of every batch of generic drugs. You start with the most essential ones. It doesn't cost much to test them. Cleveland Clinic had a drug tested. It was used for people with heart transplants; it was an immunosuppressant. Tested by a group up in Boston; they found it didn't dissolve properly in the body. I think it was just a case being poorly made. And people, I'll just say, people were harmed by that. And they published this.

Bill Walton ([42:59](#)):

Well, it seems to me, you need both a carrot and a stick here, though.

Rosemary Gibson ([43:02](#)):

Yeah.

Bill Walton ([43:03](#)):

And you can test this, but you can give people a Good Housekeeping Seal of Approval, but there also ought to be a litigation strategy.

Rosemary Gibson ([43:11](#)):

Absolutely.

Bill Walton ([43:11](#)):

Because if you're saying, if you're correct and I believe you are.

Rosemary Gibson ([43:15](#)):

Absolutely.

Bill Walton ([43:15](#)):

That these drugs are harming people, it seems to me like you've got to drum up some trial lawyers who'd be very interested in this.

Rosemary Gibson ([43:21](#)):

We need both, and public shaming. And find out which pharmacies are selling this stuff that's not being inspected by the FDA. This is fixable.

Bill Walton ([43:31](#)):

Well, and they're also has go to be human cry about labeling.

Rosemary Gibson ([43:33](#)):

Absolutely.

Bill Walton ([43:34](#)):

Because if you look at your jar of apple juice, it's got all this stuff in there and the calories and this, it goes on and on and on. If you look at your pill bottle, there's no information, seems to me-

Frank Gaffney ([43:49](#)):

About where it's made.

Bill Walton ([43:49](#)):

Yeah.

Rosemary Gibson ([43:51](#)):

Well, it's worse than that. There's information, but it's so obfuscating and it's deliberate.

Frank Gaffney ([43:57](#)):

Misleading.

Rosemary Gibson ([43:57](#)):

So you don't know. But, that information is knowable from people who work in the industry. They know where it's coming from and where it's made.

Frank Gaffney ([44:05](#)):

And so, that's a database that needs to be tapped, too. Can I just ask a question, going back to your analogy about the tires?

Rosemary Gibson ([44:12](#)):

Yes.

Frank Gaffney ([44:12](#)):

Because you talked about the Department of Transportation doing the homework to establish that these are defective tires. And presumably, they would say that if you use them, they could endanger your lives. But from what you've said to this point, Rosemary, as I understand it, there isn't a counterpart doing that kind of warning, let alone the screening that would give rise to the warning in the drug space. Is that the case? And if not, in addition to the testing, how do we get the FDA or whomever it would be, to be issuing the counterpart to the tire warnings?

Rosemary Gibson ([44:54](#)):

That's a great point, Frank. The FDA has been issuing some warning letters, because of what they have seen somehow through documents, or maybe a handful of visits; and these warning letters identify very serious deficiencies. The problem is, these big Fortune 10 and 20 companies, they know there's a warning letter out there; they still buy the product and sell it to you and me.

Frank Gaffney ([45:26](#)):

So the problem is not just that there isn't screening. It isn't just that there isn't a warning. Even when there is.

Rosemary Gibson ([45:34](#)):

Yes.

Frank Gaffney ([45:34](#)):

Unlike the tire guys, you were saying that people are so accustomed to this being a practice they can engage in with impunity.

Rosemary Gibson ([45:46](#)):

Yes.

Frank Gaffney ([45:46](#)):

That they're simply ignoring-

Rosemary Gibson ([45:48](#)):

That's what's happening.

Frank Gaffney ([45:48](#)):

... their responsibility to advise the public about the dangers.

Rosemary Gibson ([45:51](#)):

That's exactly right. And what happens is, if the three of us want to put our resources together with others, and start a domestic manufacturing company, US-based, fully made in the US, these big buyers, American companies, they'll go to you, Frank, they'll say, "So what's your price? I'm sorry, it's too high. We can buy it over here, even if it has a warning letter." So there goes our business.

Bill Walton ([46:24](#)):

Well, it seems to me that I do think we could maybe put together a litigation fund, and actually make a fortune in claims from these companies.

Rosemary Gibson ([46:33](#)):

If we can have the test, doing the testing.

Bill Walton ([46:34](#)):

Yeah.

Rosemary Gibson ([46:35](#)):

There's a group up in New Haven that started testing every generic before they sell it.

Bill Walton ([46:40](#)):

Well, I think we've got to go after that. We're running out of time. This always happens. We're like at the front end.

Rosemary Gibson ([46:46](#)):

We're just at the good part, here.

Bill Walton ([46:47](#)):

We're at the good part.

Rosemary Gibson ([46:48](#)):

We're coming up with solutions and strategy.

Bill Walton ([46:52](#)):

Quickly, well, you can't do a quick solution. We may need to come back for part two.

Rosemary Gibson ([46:58](#)):

Let's do it.

Bill Walton ([46:58](#)):

Let's do it again. Rosemary Gibson, author of a very clarion call book, China RX, on our dependency on China for drugs. And as Frank points out, we're dependent on China for a lot more. And Frank Gaffney has founded the committee. Gosh, you've got so many titles, the Center for Security Policy, who does a terrific show on where's our... Do your own plug there, Frank.

Frank Gaffney ([47:29](#)):

Your Market Voice. And also, the radio component is on the American Family Network all across the country.

Bill Walton ([47:34](#)):

Okay, great. And Rosemary, where can we find you? What are your current core... What are you working on right now?

Rosemary Gibson ([47:40](#)):

I'm doing a lot, but people can find me at The Hastings Center.

Bill Walton ([47:45](#)):

Okay.

Rosemary Gibson ([47:45](#)):

And follow me on Twitter.

Bill Walton ([47:47](#)):

Right.

Rosemary Gibson ([47:49](#)):

@Rosemary100. And China RX, I hope your viewers and listeners will read it, share it with people that you know; and this is fixable if we want to.

Bill Walton ([48:00](#)):

Okay. This has been the Bill Walton Show. Thanks, Rosemary. Thanks, Frank. And it sounds like we've got part two coming up in the not too distant future to get further into this, and what we can do about some of the alarming things we've talked about. So thanks for joining.

Bill Walton ([48:14](#)):

And as always, you can find the show in all the major podcast and webcast platforms: YouTube, Rumble, Spotify, Apple Music, and on and on. Oh, we're also on CPAC now on Monday nights at 7:00, streaming; and this will be on that channel coming up soon. We're also on For America. So anyway, thanks for being part of this. And we're on a mission here, and I hope you'll stay with us.

Speaker 2 ([48:41](#)):

All right. Excellent.

Bill Walton ([48:44](#)):

So, we didn't get to... Well, we got to some stuff. But it's just so... Rosemary, how can we get some traction with this? It seems to me that what we've got here is just devastating liability from a lot of companies if they really are ignoring this.

Bill Walton ([49:03](#)):

I hope you enjoyed the conversation. Want more? Click the subscribe button, or head over to the BillWaltonShow.com to choose from over a hundred episodes. You can also learn more about our guests on our Interesting People page. And send us your comments. We read every one, and your thoughts help us guide the show. If it's easier for you to listen, check out our podcast page, and subscribe there. In return, we'll keep you informed about what's true, what's right, and what's next. Thanks for joining.