

Shadows of Influence

EB-5 Fuels Chinese Communist Land Purchases and Infiltration

WRITTEN BY
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In the glittering corridors of power where immigration policy meets national security, a 35-year-old program designed to boost the U.S. economy has morphed into a shadowy conduit for foreign money, political favoritism, and potential espionage, now linked to the alarming spread of fentanyl distribution. The EB-5 Immigrant Investor Program, launched in the early 1990s as a bipartisan effort to attract global capital, stands accused of enabling Chinese Communist Party (CCP) operatives to enter the U.S. legally and purchase land near military bases, while Washington insiders exploit it for personal gain. A web of fraud, bribes, and cover-ups implicates former Republican Attorney General William Barr, media mogul Armstrong Williams, and echoes Democrat Clinton-era connections—raising alarms about America's vulnerability to foreign influence and drug trafficking.

scandal. Enacted in 1990 under Republican President George H.W. Bush via the Immigration Act, it offered green cards to foreigners investing at least \$500,000 in job-creating U.S. ventures, a threshold later raised to \$800,000 in targeted areas. By 1993, a “regional centers” pilot—pooled investment hubs—launched, championed by Republican Wyoming Senator Alan Simpson and Democrat Connecticut Representative Bruce Morrison, who saw it as a boon for American workers. Democrat President Bill Clinton and Democrat Hillary Clinton had no direct role in its creation; Bill’s presidency began months after the pilot’s debut. Yet, as the Washington Examiner reported in 2013, Democrat Clinton ally Terry McAuliffe leveraged EB-5 for his GreenTech Automotive venture, luring Chinese investors in a scheme Virginia officials called a “visa-for-sale” racket with “national security implications.” Similarly, wealthy Democrat donor Bruce Ratner used EB-5 to raise \$228 million, per *Businessweek*, for an NBA arena and shopping mall in Brooklyn, wielding eminent domain and government subsidies. Andrew Kimball, developer of the Brooklyn Navy Yard, hailed his \$60 million from Chinese EB-5 investors as “a gift from the gods,” per *Crain’s New York*. As Timothy P. Carney noted in the *Examiner*, it’s really “a

gift from the federal government,” with insiders like McAuliffe, Ratner, and Kimball using EB-5 as a free tool to raise capital, edging out entrepreneurs whose plans lack political clout.

Three decades later, EB-5 has funneled billions into the U.S., with Chinese nationals—many with ties to the CCP—claiming 80 to 90 percent of visas, per U.S. Citizenship and Immigration Services (USCIS) data. USCIS monitors funds through source-of-funds checks and regional center reports, requiring proof of 10 new jobs per investor. But a 2023 Government Accountability Office audit exposed weak oversight: fraud detection falters, site visits are scarce, and “indirect” job models are often rubber-stamped, leaving billions in potential laundered cash unchecked. This enabled schemes like a 2017 ICE forfeiture action targeting \$15 million in Southern California properties—luxury homes in Arcadia, Diamond Bar, and Riverside, a commercial building in the City of Industry, and undeveloped land in Ontario and Rancho Cucamonga—bought with over \$50 million defrauded from 100+ Chinese investors by attorney Victoria Chan and her father through their California Investment Immigration Fund, per ICE reports. Evidence suggests some CCP-linked investors use such real estate purchases to mask fentanyl distribution networks—a threat the DOJ has failed to address.

Chinese applicants, often tied to state-owned

enterprises, face FBI background checks and biometric scans. Communist Party membership isn't a dealbreaker; waivers are common for "nominal" affiliates, per 2025 State Department guidelines. Republican Iowa Senator Chuck



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Grassley, who in 2017 exposed EB-5 scams linked to China’s “most wanted” fugitives and by 2023 revealed schemes granting visas to 100+ Chinese nationals—including bribery suspects—while fraudsters pocketed \$15 million without starting projects, calls this vetting porous. “It’s not just investment; it’s influence,” Grassley warned, noting ignored FBI and HSI alerts.

sensitive sites. While military asset purchases are barred—USCIS approves only civilian projects—the program’s real estate focus enables Chinese entities to buy farmland near U.S. bases, often as cover for illicit activities like fentanyl trafficking. A 2024 New York Post investigation mapped 384,000 acres of Chinese-held U.S. land near 19 installations, including California’s Travis Air Force Base, where Flannery Associates spent nearly \$1 billion on parcels in 2021–2023, triggering a Committee on Foreign Investment in the United States (CFIUS) probe over suspected CCP ties. Decommissioned bases like California’s Fort Ord went to local developers or universities, but adjacent buys persist: Fufeng Group’s thwarted 2022 bid for 300 acres near North Dakota’s Grand Forks AFB sparked fears of drone surveillance hubs. The 2023 Promoting Agriculture Safeguards and Security Act, backed by Republican South Dakota Senator Mike Rounds, and 2024 National Defense Authorization Act tightened CFIUS reviews, yet pre-2023 deals—like those near Camp Pendleton—slipped through, fueled by opaque LLCs hiding owners, as a Pentagon “Operation Land Shield” audit revealed.

warns, the threat of Chinese real estate acquisitions is escalating amid a New Cold War, with Chinese entities holding at least 346,915 acres of U.S. agricultural land—less than 1% of foreign-held but rapidly growing—while total holdings remain “unknowable” due to shell companies and lax federal tracking under the Agricultural Foreign Investment Disclosure Act (AFIDA). Chinese FDI has poured over \$100 billion into U.S. firms since 2010, many owning real estate, with Chinese buyers topping foreign commercial property purchases in 2020 per the National Association of Realtors. CFIUS has failed in high-profile cases, approving risky deals and forcing states to act—24 already regulate foreign land buys, some constitutionally. The report urges federal and state lawmakers to monitor, review, and prohibit threats, balancing security with property rights, as grassroots pushback in places like Val Verde County and Grand Forks highlights failures.

Could EB-5 cash be quietly funding bioweapon labs or fentanyl production on or near decommissioned bases, shielded by barbed wire and locked gates? While no confirmed cases exist, concerns mount amid Chinese smuggling of biological agents—like the June 2025 FBI bust of three nationals with a dangerous fungus—and reports of Beijing harvesting U.S. genetic data for targeted bioweapons. Opaque investments in biotech startups on former military sites, per a 2025 Senate Biotech report, evoke fears of dual-use facilities mirroring China's ambitions, where AI merges with synthetic biology for novel pathogens or drug synthesis. With EB-5's lax vetting, such “gifts from the gods” could harbor threats behind fenced-off compounds, far from prying eyes.

2025 paints EB-5 as part of a visa-fraud empire run by Republican Barr and Williams. Brazilian journalist Patrícia Lélis, now in asylum abroad after FBI raids and death threats, claims she was coerced into crafting sham business plans for E-2 and EB-5 visas at Williams' Howard

Stirk Holdings. One case: “Reis Cosmetics,” a Florida ghost company that secured green cards for Singaporean billionaire Julian Reis’s parents after a 10-minute interview—allegedly fast-tracked by Barr’s “automatic approvals,” per texts from Williams’ lawyer, Democrat New York Assemblyman Clyde Vanel. Lélis’s notes reveal a machine of deception: \$700,000 wired to her for fake filings, burner phones buzzing with calls to prosecutors like Democrat Georgia Fulton County District Attorney Fani Willis, and Barr’s tips on RICO charges against Republican former President Donald Trump. “Barr knows the companies... were not real,” Lélis told Veritas, tying the scheme to CIA ops—a leaked 2023 memo, signed by Barr, labels Reis an “agent” and plots Lélis’s deportation. The scheme’s reach includes bribes Qatar’s gold bars to Democrat New Jersey Senator Bob Menendez (now imprisoned), Turkish Airlines perks for Democrat New York City Mayor Eric Adams (indicted 2024), and anti-Trump media ploys with Meta to “alter algorithms” and sway GOP voters.

The DOJ and FBI? Enablers, per Lélis and a Trump-era tipster. Indicted on 19 fraud counts in January 2024—while Barr and Williams walk free—Lélis faced home raids that missed her evidence trove. DOJ prosecutor Russell Carlberg warned in June 2025 texts: “I can bury you without lifting a finger.” Ex-U.S. Attorney Jessica Aber (DOJ) confessed unease in December 2024 before her sudden March 2025 death, ruled epileptic but suspicious. A DOJ insider told Veritas: “Barr has unleashed the full force of the FBI... to seize her documents.”

regional centers, praised by Democrat New York Senator Chuck Schumer and Democrat Vermont Senator Pat Leahy as “taxpayer-free” job engines, have spawned frauds like Vermont’s Jay Peak scandal, where developers Ariel Quiros and William Stenger bilked \$200 million in 2021 DOJ convictions, leading to a 2023 Vermont settlement paying \$16.5 million to mostly Chinese victims. Carney’s 2013 warning resonates: “There are economic and moral costs here.” Economically, the U.S. loses when government funnels Chinese money to connected projects like Ratner’s Brooklyn or McAuliffe’s electric cars, sidelining ventures with genuine promise but no political pull. Morally, Carney questions whether private companies should sell a public good like permanent residency. A businessman can offer a foreign investor a higher interest rate from his pocket—or a green card, at no cost to himself, leaving less-connected entrepreneurs “left in the cold.”

chased \$50 million in laundered EB-5 proceeds from schemes like the Chans', while ex-FBI agent Charles McGonigal's 2023 guilty plea for leaking CEFC China Energy probes—CCP-tied, with potential EB-5 overlaps—echoes past betrayals like Lorraine Woo's 2004 indictment for tipping off Chinese espionage suspects. Recent lawsuits highlight the pattern: In July 2023, 37 Chinese investors sued Manhattan developers for \$109 million in diverted EB-5 funds (*Youyi Chen v. 215 Chrystie Venture*); April 2023 saw Chun Liu allege \$70 million siphoned from a Miami redevelopment; and April 2025 brought a \$100 million class action against a D.C. firm for false job-creation promises, per Law360. In November 2023, the SEC charged Nadim Ahmed with misleading Chinese investors, while January and August 2025 saw ICE and FBI busts of \$50 million and \$31.5 million frauds targeting Chinese EB-5 hopefuls, per HSI reports. A March 2023 GAO report decried persistent “opportunities to improve fraud and national security risk monitoring.”

Enterprise Institute's 2013 warning that EB-5 lets businessmen "sell green cards—mostly to Chinese millionaires" rings prophetic. With CCP shadows over bases, potential fentanyl pipelines, and Barr's alleged deep-state strings pulling visa puppets, will lawmakers seal the loopholes, or will elite impunity endure? For related legal battles, see the case of Michael McMahon, a private investigator ensnared by EB-5's fallout, detailed in a separate report. 