

On a sunny day in New York City, in a hotel room overlooking Central Park, we saw and heard something that for years the United States government has officially maintained does not happen.

But our undercover videotape tells a different story, documenting for the first time in this country a grisly but lucrative international black market -- the buying and selling of human organs.

In this case, a kidney from the bodies of prisoners executed far away in China.

Dr. Dai: You will surely be satisfied with the arrangements for you, and the operation will surely be successful. I can guarantee this, no problem.

This was the starting point of a three-month Primetime Live investigation that took us from Central Park South in New York City to the back alleys of Hong Kong, to a restricted military hospital in southern China, equipped with the latest in American medical technology.

Dr. Ronald Guttman (International Transplantation Society): It's a money-making operation. They're in business. This is an industry. And they're moving it around the world.

Dr. Ronald Guttman, an adviser to the International Transplantation Society, says it's been an open secret among

doctors who do transplants that the Chinese military has been selling the kidneys of executed prisoners -- perhaps thousands of them since the late 1980s.

Dr. Ronald Guttman: In my opinion, a very barbaric and disgusting kind of practice. It makes me cringe. And I think exposing it is very important.

It's a question of supply and demand, a ready supply of prisoners to be executed, like these men, and a huge, unmet demand for kidneys around the world.

This Chinese military videotape made in 1992, and never intended to be seen outside official circles, shows the condemned men and women paraded through the streets on their way to an execution field.

This is a country which last year executed more than 4,000 people. Some just petty thieves.

It's not known what crimes these prisoners were convicted of or whether the organs of any of them were about to be sold.

But the tape shows guards precisely lining up their guns at the base of the skull.

That makes retrieval of kidneys and organs much easier.

And Dr. Guttman says certain medical preparations begin well

before the execution.

Dr. Ronald Guttman: They're given anti-coagulant drugs so the blood won't clot when they're executed. They're given muscle relaxants.

And then, with a large crowd watching, the command is given.

Soldier: Fire!

(Gunshots)

Dr. Zhou Wei Cheng: After the execution, doctors removed the prisoner and placed him in the ambulance.

A Chinese doctor, Zhou Wei Cheng, who now lives in Atlanta, told us what happens once the prisoners are dead, based on what he saw at his hospital just before he fled China in 1994.

Dr. Zhou Wei Cheng: First, there was a cut from the back to extract the kidneys. Dr. Chen from the surgical department also took out the eyeballs and a piece of skin from the dead prisoner's abdomen. The orthopedist cut out one section of the bone from the lower leg. All the extracted organs were placed in a special kind of liquid to maintain the freshness.

Then they rushed back to the hospital. In the hospital, two patients were lying on the operating table waiting for the transplants. When the ambulance arrived, the kidneys were placed into the patients' bodies. All the other organs were only for laboratory experiments.

Harry Wu (Former Political Prisoner): The

rifle right away placed in the back.

The graphic tape was secretly removed from military archives and smuggled out of China by an underground group of dissidents and provided to Primetime Live by a former political prisoner who spent almost 19 years in a Chinese prison and has become China's most outspoken and despised critic, Harry Wu.

Harry Wu: This is fundamental violation of human rights.

For the last three years, Wu has been traveling the world trying to expose the black market in prisoners' body parts, which Wu says has spread from Asia to Europe and now to the United States, as he showed us with a recent copy of a Chinese language newspaper published in New York.

Harry Wu: There's a small piece advertisement right here.

Brian Ross: What does that say?

Harry Wu: "Kidney transplant in Mainland China. Don't miss the opportunity. Call."

So we did.

Our call to the advertised number in Bridgeport, Connecticut, led to this meeting in a New York City hotel with a Chinese doctor and his wife, a Dr. and Mrs. Dai, who -- with our hidden cameras rolling -- told us they had

already helped provide kidneys for several Americans but, that because of Harry Wu, everything had to be kept very quiet.

Dr. Dai: You've probably heard of Harry Wu. I have to be careful because people calling us might have the same agenda as Harry Wu. We are fully aware of the sensitive nature of this issue. Usually we don't talk about this.

With the help of a woman who works with Harry Wu, we told the Chinese doctor that a kidney was needed for a sick brother.

The doctor told us no problem, that he knew, a month in advance, that a new batch of prisoners' kidneys would soon be available.

Dr. Dai: At the end of July, there will definitely be kidney sources that will match your brother's situation, in age and everything. If you are willing to go there around the 20th of July to receive a kidney from the July batch.

The total price for a transplanted kidney, according to Dr. Dai, \$30,000 in cash, with a down payment to be made in New York.

Mrs. Dai: If you decide to go ahead with this, then you pay us \$5,000, and we will order and reserve a kidney and a bed in the hospital.

The hospital we were to be sent to is a hospital which, as the sign outside in English says,

belongs to the PLA, the Peoples' Liberation Army, called the Nanfang Hospital, three hours north of Hong Kong.

We came here as tourists, given the Chinese government's denial that it's in the business of selling organs of executed prisoners, and we asked two Chinese dissidents to carry a hidden camera inside.

This is the heart of the military's kidney business, an elaborate medical complex where patients told us numerous foreigners had just received or were waiting to receive kidney transplants among hundreds of foreigners who have received kidneys here in the last few years.

Apple Yoonuch (Transplant Patient): I just talked to the doctor.

One of them was 38-year-old Apple Yoonuch of Bangkok.

Apple Yoonuch: First time, I asked the doctor, "Where, where can I get a kidney?" And they said, "From a prisoner."

That prisoner's kidney is now in her body, and even though it saved her life, the experience has left Ms. Yoonuch full of regret and willing to talk with Primetime, breaking the circle of silence that has surrounded what goes on at the Nanfang military hospital.

First, she said, doctors in China took her blood and tissue samples and then sent her home to wait.

Apple Yoonuch: Third of January, the doctor called me that there will be an execution. It means that prisoners, some prisoners are going to be shot dead.

Brian Ross: And one of them matches up with you?

Apple Yoonuch: Yes. So I have to come over and prepare myself to be -- to get the operation, kidney operation.

Six days later, according to the local paper, 45 prisoners were sentenced to death and executed on the same day, including one who apparently, even before he had been sentenced to death, was found to have the same blood and tissue type as Apple Yoonuch.

Brian Ross: So they were shot in the morning, and the transplant was in the afternoon?

Apple Yoonuch: In the afternoon, yes.

Brian Ross: Were there also other people who got transplants?

Apple Yoonuch: Yes, yes.

Brian Ross: With kidneys from executed prisoners?

Apple Yoonuch: Yes.

In the course of our investigation, we also found

that a big American corporation had played an important role here -- the W.R. Grace Company, which, through a joint business venture with the Chinese army, equipped and helped to run a kidney dialysis center, where, in addition to routine dialysis, transplant patients are kept going while they await surgery upstairs.

W.R. Grace sold its kidney dialysis business last year, and a company spokesman denied that current management knew anything about the use of prisoners' kidneys for transplants.

But a former top Grace executive who regularly visited the hospital in China told Primetime that he was well aware of what was going on there.

In our final meeting in New York with the Chinese doctor and his wife who told us they were here on student visas and had connections back in China, we were assured the best medical care awaited us and that the kidney we bought would come from a healthy prisoner who would be thoroughly tested before he was shot.

Mrs. Dai: Regarding the prisoners' health, they are all given physical check-ups and blood tests. They don't carry hepatitis or anything like that. All those carrying these diseases will be excluded. You see, there are so many criminals, they have a lot to choose

from.

And then we gave the doctor what he had come for -- \$5,000 in cash, down payment for a healthy kidney from a prisoner in China.

Federal law and the state laws of New York and Connecticut make it illegal to buy or sell any human organs.

Brian Ross: Dr. Dai?

Dr. Dai: Yes.

Brian Ross: Brian Ross from ABC News.

And when we entered the room with our camera showing, the doctor immediately denied knowing anything about prisoners or executions.

Brian Ross: Aren't you here selling the organs of prisoners who have been executed in China?

Dr. Dai: No.

Brian Ross: You're not?

Dr. Dai: No.

Brian Ross: What do you think the \$5,000 was for?

Dr. Dai: It's not selling, it's introduce, it's kind of service charge. All right?

Brian Ross: How many people have you introduced to China? How many?

Dr. Dai: I don't want to -- I think it's my

business.

By some estimates, the kidney business has meant tens of millions of dollars to the Chinese military which, even as the black market has expanded around the world, continues to deny any such business actually exists.

In a letter to Primetime, the Chinese embassy in Washington suggested we stop production of our story saying, "The so-called the sale of criminals' organs in China is a deliberate fabrication with ill intentions."

And that in the rare instance when a prisoner's organ is used, the death row criminals voluntarily sign up.

Dr. Guttman says that makes a mockery of international principles adopted in the wake of Nazi medical experiments.

Dr. Ronald Guttman: There's no such thing as, first of all, as of consent when you're talking about incarcerated people to say, "Well, we can produce a piece of paper that the prisoner has given consent before we kill him," is a kind of ludicrous thing.

No other country in the world is known to use the organs of prisoners, except for China, which, based on our Primetime Live investigation, appears to have turned its chilling executions of thousands of people into a multimillion

dollar black market of a kind
the world has never seen.