



ACADEMIC SECURITY AND COUNTER EXPLOITATION PROGRAM

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UNFINISHED BUSINESS: EXPORT CONTROL AND FOREIGN INVESTMENT REFORMS

U.S.-China Economic and Security Review Commission | June 1, 2021

In 2018, U.S. lawmakers tightened U.S. export control policies and the process for screening inbound foreign direct investment (FDI). These changes were prompted by Chinese entities' efforts to acquire sensitive U.S. technology and greater awareness of the risks posed by China's military-civil fusion strategy and industrial policies, such as Made in China 2025. In addition, Congress wanted to clarify the transactions and items covered by these laws for foreign governments and the private sector. In August 2018, as part of the National Defense Authorization Act, the 115th Congress included two pivotal bills related to U.S. national security: FIRRMA and ECRA. The inclusion of these bills flowed from bipartisan consensus regarding risks from China and recognition that the United States needed updated practices and greater clarity to better address new technologies and the rapid pace of innovation. FIRRMA targeted reform of both the process and scope for screening FDI and acquiring sensitive U.S. technology. Meanwhile, ECRA effectively replaces the defunct Export Administration Act of 1979, which expired in 2001, to permanently codify existing export control procedures.

Read the full article [here](#).

CHINA'S FOREIGN TECHNOLOGY WISH LIST

*Ryan Fedasiuk, Emily Weinstein, and Anna Puglisi | Center for Security and Emerging Technology
May 2021*

Within the People's Republic of China's broader strategy to acquire foreign technology, "science and technology diplomats" (科技外交官) act as brokers. Stationed in PRC embassies and consulates across 52 countries, S&T diplomats monitor host country technological breakthroughs, identify investment opportunities for Chinese firms, and serve as the overseas arm of the International Cooperation Department of China's Ministry of Science and Technology (MOST). S&T diplomats occupy a unique role in China's technology acquisition strategy, forming a bridge between foreign and domestic entities. At home, MOST personnel interface with Chinese firms and track the scientific bottlenecks holding back China's development. Abroad, they coordinate with overseas scientists, professional associations, diaspora guilds, and elements of the United Front Work Department in the countries where they are stationed, to identify opportunities where Chinese firms can grow relationships and invest.

Read the full article [here](#).



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NEW REPORT DETAILS BEIJING'S FOREIGN INFLUENCE OPERATIONS IN CANADA

Robert Fife and Steven Chase | The Globe and Mail | May 31, 2021

China has set up a sophisticated network in this country to harass people of Chinese ethnicity and Uyghur- and Tibetan-Canadians, distort information in the media, influence politicians and form partnerships with universities to secure intellectual property, a new study says. A report by Alliance Canada Hong Kong (ACHK) that was tabled on Monday evening at the special House of Commons committee on Canada-China relations warns that the influence operations by the People's Republic of China (PRC) are widespread, but have gone largely unnoticed. Alliance Canada Hong Kong is an umbrella group for Hong Kong pro-democracy advocates in this country. "In Canada, individuals and groups are targeted by [Chinese] party state actors and Chinese nationalists, both directly and indirectly," said the report titled *In Plain Sight: Beijing's Unrestricted Network of Foreign Influence in Canada*. "Chinese authorities co-ordinate intimidation operations and use families who are in PRC-controlled regions as bargaining chips."

Read the full article [here](#).

U.S. AGENCY NOT DOING ITS JOB TO HALT TECH TO CHINA'S MILITARY -CONGRESSIONAL REPORT

Karen Freifeld | U.S. News and World Report | June 1, 2021

The U.S. Commerce Department is failing to do its part to protect national security and keep sensitive technology out of the hands of China's military, according to a U.S. congressional advisory report seen by Reuters. The U.S.-China Economic and Security Review Commission report, due to be published on Tuesday, said the Commerce Department had been slow to create a list of sensitive technology that should be scrutinized before export to China. The lag in developing the list of emerging and foundational technologies, as required by a 2018 law, may exacerbate national security risks, the report said. The Commerce Department, entrusted to strengthen U.S. export control laws, "has, to date, failed to carry out its responsibilities," said the report, titled, "Unfinished Business: Export Control and Foreign Investment Reforms." In a statement, the Commerce Department declined to directly respond to the lack of a list, but noted it had published four rules on controls on emerging technologies and more are pending.

Read the full article [here](#).

UNIVERSITIES FIGHT SCRUTINY OF FOREIGN FUNDING IN SENATE CHINA BILL

Michael Stratford | Politico | May 27, 2021

Colleges and universities are rushing to fend off a new round of federal scrutiny of their foreign dealings as the Senate negotiates last-minute changes to bipartisan legislation aimed at countering China's economic influence and power. Higher education groups have cheered on the massive boost to science and technology research in the bill, which is a top priority for Senate Majority Leader Chuck Schumer that he was pushing to finish this week. But universities are fighting a range of provisions that would impose new federal controls on foreign donations to U.S. campuses and contracts that schools have with partner institutions or other entities abroad. Democrats and Republicans on Thursday were also still negotiating changes over how to structure a key portion of how the U.S. government would set up new mechanisms to monitor foreign donations, particularly from China, to American campuses. Under the initial bipartisan proposals, universities would face national security reviews of some of their foreign transactions and they would have to publicly disclose more about the funding they receive from abroad.

Read the full article [here](#).



CHINESE PRESIDENT XI JINPING SEEKS TO RALLY COUNTRY'S SCIENTISTS FOR 'UNPRECEDENTED' CONTEST

Coco Feng | South China Morning Post | May 29, 2021

China should be prepared for "unprecedented" scientific and technological competition, which has become the "the main battleground" of global power rivalry, President Xi Jinping has said in a rallying call to the country's scientists. Xi said China needed to speed up its efforts to tackle technological bottlenecks and make breakthroughs in key areas such as artificial intelligence, semiconductors, quantum technology, life science and energy in a speech to mark the country's national day for science and research on Sunday. The Chinese leader cited rising protectionism, rapid changes to the global supply chain and increasing uncertainty in the aftermath of the Covid-19 pandemic as reasons to act. He also pledged to increase investment in science and innovation and promised to free scientists from red tape and give them greater autonomy. His speech coincided with a similar call from US President Joe Biden, who on the same day asked the Congress to back an ambitious increase in funding for scientific agencies.

Read the full article [here](#).

U.S. SENATORS WANT REVIEW OF CHINESE DONATIONS TO U.S. UNIVERSITIES

Patricia Zengerle | Reuters | May 26, 2021

U.S. senators offered legislation on Wednesday that would require national security reviews of major Chinese gifts and contracts to U.S. universities. They hope limiting such reviews to China alone would ease concerns in academia that reviews of foreign funding could threaten research. The measure, an amendment to a broad bill seeking to boost U.S. competitiveness with China, would require the federal government's Committee on Foreign Investment in the United States (CFIUS) to review grants and contracts from China whose value exceeds \$1 million. The broad bill could come up for a vote in the Senate as soon as this week. It must also pass the House of Representatives before being sent to the White House for President Joe Biden to sign into law. The amendment, seen by Reuters, was offered by Republican Senators Jim Risch and Marco Rubio and Democratic Senators Bob Menendez and Ben Cardin.

Read the full article [here](#).

WHITE HOUSE TAPS MATT OLSEN, UBER SECURITY BOSS AND FORMER NSA LAWYER, TO LEAD KEY DOJ DIVISION

Jeff Stone | CyberScoop | May 26, 2021

The White House has nominated Matt Olsen to run the Justice Department's National Security Division, a move that would put the Uber security executive and former civil servant at the helm of some of the most sensitive cases in the U.S. Olsen, who now works as Uber's chief trust and security officer, previously worked as the director of the National Counterterrorism Center during the Obama administration and served as the general counsel of the National Security Agency. The Biden administration announced his nomination on Wednesday. If confirmed by the Senate, Olsen will take over a key division of the Justice Department focused on counterintelligence, terrorism, foreign interference in U.S. elections and, increasingly, cybersecurity matters. He would replace John Demers, an assistant attorney general who has focused heavily on countering alleged Chinese espionage and theft of intellectual property in the U.S.

Read the full article [here](#).



MACH 30 WIND TUNNEL TO ‘PUT CHINA DECADES’ AHEAD IN HYPERSONIC RACE

Stephen Chen | South China Morning Post | May 31, 2021

A Chinese physicist has said that a new wind tunnel in Beijing to be unveiled “soon” will put China decades ahead of the rest of the world in hypersonic technology. Chinese Academy of Sciences researcher Han Guilai told an online lecture last week that the JF-22 wind tunnel, in Beijing’s Huairou district, was capable of simulating flights at up to 10km per second – 30 times the speed of sound. Together with an existing facility, also in Beijing, it would put China “about 20 to 30 years ahead” of the West. Han, from China’s top hypersonic research agency the Institute of Mechanics, said the surface of an aeroplane travelling at such a speed could reach 10,000 degrees Celsius (18,032 Fahrenheit) – hot enough to break air molecules into atoms, even giving some of them an electric charge. “This air is no longer the air we breathe in,” said Han. “The flying vehicle we study is like swimming in mud.”

Read the full article [here](#).

SECURITY CONCERNS WITH CHINA LIMITING STUDENT LEARNING

Nicholas J. Romanow | The James G. Martin Center for Academic Renewal | May 28, 2021

The college campus has become a battleground between the United States and China. Donations, research funding, and international students give colleges a much-needed financial and enrollment boost, but the connection to the Chinese government can also threaten academic freedom and, on some occasions, national security. Fundamentally, universities exist to serve students and the public interest, and tension between the U.S. and China makes it harder for universities to train future leaders and inform the public through research. Nearly every facet of China Studies has become fraught with security concerns. Confucius Institutes—state-run Chinese language and cultural centers on campuses across the U.S.—have been shut down in response to concerns that they act as vehicles for Chinese influence. After the 2019 Hong Kong National Security Law began to target people beyond the borders of China, professors now warn students that discussing sensitive issues in an online class can expose them to legal jeopardy—especially Chinese-Americans and visiting Chinese students.

Read the full article [here](#).

NEW FDD REPORT HIGHLIGHTS SIGNIFICANT GAPS IN PENTAGON’S EFFORTS TO DOCUMENT CHINESE MILITARY INFLUENCE IN THE UNITED STATES

Foundation for Defense of Democracies | May 27, 2021

While the Pentagon has identified 44 Chinese companies operating in the United States with ties to the People’s Liberation Army (PLA), a new Foundation for Defense of Democracies (FDD) report sheds light on additional Chinese military-linked companies operating in the U.S. but have avoided examination, reflecting significant gaps in the Pentagon’s efforts to document Chinese military influence in America. The finding is one of several in “Defusing Military-Civil Fusion: The Need to Identify and Respond to Chinese Military Companies,” which documents connections between Chinese-linked companies in the U.S. and the Chinese military and military civil fusion (MCF) apparatus. The authors warn that Chinese Communist Party (CCP) military companies operating in the United States will exploit U.S. resources for malign ends and foster U.S. dependence on CCP military companies.

Read the full article [here](#).



CONFUCIUS INSTITUTES: CHINA'S TROJAN HORSE

Lee Edwards, Ph.D. | *The Heritage Foundation* | May 27, 2021

When the Left and the Right agree on something in these disputatious times, the wise man will want to know what it is. And what has brought these warring factions together, however briefly? The Confucius Institutes that dot American campuses. The progressive *New Republic* magazine and the conservative National Association of Scholars (NAS) both warn that the Institutes are not the innocent cultural centers offering Chinese language instruction they pretend to be. They are, rather, a key stratagem of China's "soft war" against America, crafted, in the words of NAS senior researcher Rachelle Peterson, to "teach political lessons that unduly favor China." Writing in the *New Republic*, Isaac Stone Fish referred to "an epidemic of self-censorship at U.S universities" that funnels students away from "topics likely to offend the Chinese Communist Party." Topics like the disastrous Great Leap Forward from 1958-1962 that enforced collectivization in the towns and countryside and resulted in the deaths of 30 to 50 million Chinese.

Read the full article [here](#).

DEDICATED GOVERNMENT TEAM TO PROTECT RESEARCHERS' WORK FROM HOSTILE ACTIVITY

The Rt Hon Kwasi Kwarteng and Amanda Solloway MP | *GOV.UK* | May 25, 2021

A dedicated new team is to be established within government to offer researchers advice on how to protect their work from hostile activity, ensuring international collaboration is done safely and securely. The new Research Collaboration Advice Team (RCAT) within the Department for Business, Energy and Industrial Strategy (BEIS) will promote government advice on security-related topics, such as export controls, cyber security and protection of intellectual property. It will ensure researchers' work is protected, and that the UK research sector remains open and secure. The government is committed to supporting the UK's brilliant scientists, researchers and businesses to make the most of the enormous benefits that come from working with partners overseas. Last month we confirmed our association to the world's largest collaborative research programme, Horizon Europe – worth around €95 billion over the next decade. The RCAT team will help researchers make the most of their collaborations while helping them to protect themselves from those who seek to compromise the UK's national security.

Read the full article [here](#).

MANAGING RISKS IN INTERNATIONALISATION: SECURITY RELATED ISSUES

Sir Peter Gregson and Anthony Finkelsten | *Universities UK* | October 15, 2020

Internationalisation has shaped the agenda and strategies of universities not just in the UK, but globally. It has brought significant economic and social benefits to the UK, and intellectual opportunities for scholarship, while transforming universities into global institutions. The UK benefits from international research collaborations. Collaborations with international partners continue to be vital to the continued success of the UK's research and innovation sector. The UK's universities are world-leading, but they do not have a monopoly on brilliant researchers, and the UK benefits from the skills and expertise of researchers based at research organisations overseas. The sector has historically done a good job of managing the risks associated with internationalisation.

Read the full article [here](#).



LAWMAKERS INQUIRE ABOUT BIOMEDICAL RESEARCH FOREIGN INFLUENCE

Douglas Clark | Homeland Preparedness News | September 25, 2020

Three lawmakers recently forwarded correspondence to the National Institutes of Health (NIH) and the Federal Bureau of Investigations (FBI) requesting insight regarding efforts to address foreign biomedical research influence. Energy and Commerce Committee Republican Leader Rep. Greg Walden (R-OR), Health Subcommittee Republican Leader Rep. Michael Burgess (R-TX), and Oversight and Investigations Subcommittee Republican Leader Rep. Brett Guthrie (R-KY) sent the letters to NIH Director Francis Collins and FBI Director Christopher Wray. "As the largest funder of biomedical research in the world, the NIH research community faces significant exposure to risks related to undue foreign influence on research, with more than 80 percent of NIH funding awarded to more than 300,000 researchers at more than 2,500 research institutions globally," the lawmakers wrote. "Recently, Federal Bureau of Investigations Director Christopher Wray described how Chinese researchers intentionally conceal participation in Chinese talent recruitment programs while accepting millions of dollars in U.S. federal grant funding as part of a larger agenda secretly to steal and bring U.S. knowledge and innovation back to China."

Read the full article [here](#).

IT'S NOT JUST CHARLES LIEBER: NIH'S ONGOING INVESTIGATION HAS SWEEPED UP 54 SCIENTISTS WHO VIOLATED RULES ABOUT FOREIGN TIES

Amber Tong | Endpoints News | June 23, 2020

The NIH's working group for foreign influences on research integrity has opened cases against 189 scientists suspected of violations related to overseas ties since launching an ongoing, sweeping investigation almost two years ago, newly available statistics showed, leading to the terminations and resignations of 54 scientists. Of those who have been investigated, 41% have also been removed from the NIH system, barred from seeking further grants. Michael Lauer, NIH's head of extramural research, presented a comprehensive set of these and other numbers in a virtual update on Friday, just a day after Charles Lieber — the former head of Harvard's chemistry department — was indicted in federal court for lying about his Chinese connections. While high-profile cases like Lieber's, as well as those at MD Anderson, Emory University and Moffitt before him, have gripped the biomedical field, they merely represent individual snapshots of when institutions respond to the NIH's warnings about hidden foreign ties. The official data shine light on the broader picture.

Read the full article [here](#).

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