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Subcommittee on Higher Education and Workforce Development

Exposing The Dangers Of The Influence Of Foreign Adversaries On College Campuses

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Introduction

Chairman Owens, Ranking Member Wilson, and distinguished members of this subcommittee, thank you for the opportunity to testify about foreign adversary influence on U.S. college campuses. I am pleased to provide relevant research and policy insights from the Foundation for Defense of Democracies, a non-partisan research institute, where I serve as a senior fellow.

Today, foreign adversary nations are engaged in far-reaching campaigns to exploit the United States' open, collaborative nature in furtherance of their strategic, military, and economic goals. Nowhere is this threat more acute than on U.S. college campuses. China, Russia, Iran, and other authoritarian regimes fully recognize that the United States' higher education system underpins America's innovation, science and technology leadership, and economic competitiveness. In taking advantage of opaque, often-unregulated academic exchanges, these nations and their state-backed companies stand to circumvent the massive costs and accompanying risks associated with conducting their own research and development — all at the expense of the United States, its allies, and its partners.

The threat posed by these adversarial actors extends well beyond technology transfer and intellectual property theft as a means to enhance their composite national strength. Increasingly, America's adversaries are also leveraging their unfettered access to U.S. college campuses to stifle free speech protections, monitor student activities, and propagate disinformation and other false narratives. As a result, these countries have succeeded in weaponizing such access to sow social division, undermine faith in public institutions, and restrict open discourse. These and other brazen activities pose significant challenges to academic freedom and, if left unchecked, threaten to seriously erode the integrity of America's academic ideals.

No doubt, openness, freedom, and diversity represent fundamental pillars of our democracy and serve as intrinsic strengths of the United States and our way of life. Maintaining America's competitive edge thus hinges on a shared commitment to open academic and scientific exchange. But so, too, must we embrace common-sense measures to protect our intellectual capital and discourage its misappropriation as well as to counter authoritarian attempts to promote on-campus censorship and intimidation. The key then is to strike an appropriate balance between preserving our values and protecting U.S. national security as we enter this renewed era of great-power competition.

Despite the scope and intensity of the threat, the United States has, in my view, never been better positioned than it is today to tackle these and other emerging challenges on campus. One reason: members of Congress, working on a bipartisan basis, have in recent years instituted a number of significant measures aimed at inoculating America's higher education system from the corrosive actions of China and other countries. Those efforts included passing legislation prohibiting U.S. universities hosting Chinese government-supported Confucius Institutes (CIs) from receiving Defense Department funding for Chinese language study.¹ This lone provision in the John S. McCain National Defense Authorization Act (NDAA) for Fiscal Year 2019 led to a dramatic

¹ John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. 115-232, 132 Stat. 1636. (<https://www.govinfo.gov/content/pkg/PLAW-115publ232/html/PLAW-115publ232.htm>)

decrease in the number of CIs operating across the United States, from a high of 113 in 2018 to 10 today.²

Notwithstanding growing bipartisan alarm and action, the Chinese government and other authoritarian actors have nevertheless embraced ever-more sophisticated means to deepen their influence and access throughout American academia. Even worse, obtaining a complete and accurate understanding of these activities has been severely hindered by weak, often contradictory, regulatory oversight and long-standing transparency gaps at the federal and state levels. If left unaddressed, the economic and strategic losses stemming from these systemic deficiencies risk undermining America's commercial and military advantages. More troubling, however, is that these malign activities stand to jeopardize the ability of faculty, staff, and students to debate ideas freely without fear of intimidation and retribution by hostile foreign nations and/or their on-campus proxies.

Of course, the United States is not alone in facing these complicated challenges. Indeed, Washington has much to learn from the collective experiences of other democracies, including Australia, which are waging similar campaigns to combat malign influence throughout their higher education systems. Policymakers in Washington also stand to gain from lessons learned at the state level, particularly in Florida, where the state legislature unanimously passed first-of-its-kind legislation aimed at protecting post-secondary institutions and their students from the evolving threat posed by adversarial “countries of concern.”³

Overview: An Evolving, Whole-of-Academia Threat

Adversarial foreign nations, such as China, Russia, and Iran, skillfully exploit American academic openness and collaboration to further their hard and soft power as well as to monitor the speech and actions of their nationals studying in the United States. These countries undeniably recognize the value of continued access to American academia and higher education in advancing their own national goals. Chinese leader Xi Jinping has himself emphasized the significance of maintaining access to U.S. higher education to further his country's military modernization and great-power aspirations.⁴

The Tech Threat

China is certainly not the only country with its sights set on American academia, but it is by far the most prolific offender. China's whole-of-society strategy to leverage American academic

² Craig Singleton, “The Middle Kingdom Meets Higher Education,” *Foundation for Defense of Democracies*, December 9, 2021. (<https://www.fdd.org/analysis/2021/12/09/the-middle-kingdom-meets-higher-education/#easy-footnote-bottom-58-124712>); “How Many Confucius Institutes Are in the United States?” *National Association of Scholars*, June 22, 2023.

(https://www.nas.org/blogs/article/how_many_confucius_institutes_are_in_the_united_states)

³ Agreements of Educational Entities with Foreign Entities, Senate Bill 846, Florida Senate, May 8, 2023.

(<https://laws.flrules.org/2023/34>)

⁴ PRC President Xi Jinping, “习近平:使留学人员回国有用武之地 留在国外有报国之门 (Let the overseas students return to the country to use their abilities, and stay abroad to serve the country),” *Speech at the 100th Anniversary Celebration of the European and American Alumni Association*, October 21, 2013.

(https://www.chinadaily.com.cn/dfpd/shizheng/2013-10/21/content_17049078.htm)

openness aligns with its broader, stated objective of becoming a global superpower. The Chinese government has specifically and formally embraced the notion that its civilian universities must integrate into China's military-civil fusion (MCF) system, which aims to eliminate barriers between China's civilian research and commercial sectors and its military and defense industrial sectors.⁵ China similarly maintains a range of policies to “advance the two-way transfer and transformation of military and civilian technological achievements.”⁶

By facilitating collaborations between Chinese civilian universities and their American counterparts, China clearly aims to tap into America's cutting-edge research, acquire advanced technologies, and bolster its own military capabilities. Chinese officials have openly acknowledged as much, noting that cooperation with U.S. academia contributes to China's catch-up development, with U.S. universities and research institutes representing a “treasure trove of technological talent” ripe for Beijing's taking.⁷

These adversarial initiatives have evolved over time and often take many forms. They include weaponizing student exchange programs and non-immigrant visa processes as well as academic and research partnerships to acquire and export sensitive information and next-generation technology.⁸ Beijing's efforts include sponsoring promising Chinese students and scholars in science, technology, engineering, and math (STEM) fields at U.S. and foreign universities, with the understanding that these individuals will return home to provide the technology and talent Beijing needs to compete with the United States.⁹ Xi has personally championed such programs as crucial to China's long-term military development, noting that China's defense industry must actively harness joint-degree programs and other research-focused initiatives in STEM-related fields to fill critical knowledge gaps back in China.¹⁰

⁵ Emily de La Bruyere and Nathan Picarsic, “Defusing Military-Civil Fusion,” *Foundation for Defense of Democracies*, May 27, 2021. (<https://www.fdd.org/analysis/2021/05/26/defusing-military-civil-fusion>)

⁶ PRC Chinese Ministry of Education, “教育部 财政部 国家发展改革委印发 《关于高等学校加快“双一流”建设的指导意见》的通知 (Notice of the National Development and Reform Commission of the Ministry of Education and the Ministry of Finance on Printing and Distributing the ‘Guiding Opinions on Accelerating the Construction of “Double First Class” in Higher Education’),” April 27, 2018. (Archived version available at <https://web.archive.org/web/20191115032608/https://yz.chsi.com.cn/kyzx/jybz/201808/20180827/1716774413.html>)

⁷ “中国驻外使领馆:万流归海引人才 不遗余力架桥梁 (PRC overseas mission: amid the flow of tens of thousands of talents returning to China, we do not spare energy in building bridges),” *Government of China*, June 4, 2014. (www.gov.cn); Alex Joske, “Hunting the phoenix: The Chinese Communist Party's global search for technology and talent,” *Australian Strategic Policy Institute*, January 1, 2020. (<https://www.jstor.org/stable/resrep26119>)

⁸ Craig Singleton, “The Middle Kingdom Meets Higher Education,” *Foundation for Defense of Democracies*, December 9, 2021. (<https://www.fdd.org/analysis/2021/12/09/the-middle-kingdom-meets-higher-education/#easy-footnote-bottom-58-124712>)

⁹ Anastasya Lloyd-Damjanovic and Alexander Bowe, “Overseas Chinese Students and Scholars in China's Drive for Innovation,” *U.S.-China Economic and Security Review Commission*, October 7, 2020. (https://www.uscc.gov/sites/default/files/2020-10/Overseas_Chinese_Students_and_Scholars_in_Chinas_Drive_for_Innovation.pdf)

¹⁰ PRC President Xi Jinping, “习近平:使留学人员回国有用武之地 留在国外有报国之门 (Let the overseas students return to the country to use their abilities, and stay abroad to serve the country),” *Speech at the 100th Anniversary Celebration of the European and American Alumni Association*, October 21, 2013. (https://www.chinadaily.com.cn/dfpd/shizheng/2013-10/21/content_17049078.htm)

Some adversarial nations also manage and fund talent recruitment programs to advance their information collection and national development goals. These programs specifically target science and technology professionals and/or students, regardless of citizenship or national origin, with the intent of obtaining, often illicitly, proprietary technology or software, unpublished data and methods, and other intellectual property from U.S. college campuses.

China, for instance, operates more than 200 distinct talent recruitment programs designed to gain footholds throughout foreign universities.¹¹ Beijing's primary target remains America's 'R1' and 'R2' research institutes, or those universities involved in the highest levels of academic research in the United States. Particularly troubling is the extent to which many of China's talent initiatives are overseen by China's military — which sets China's talent recruitment programs apart from those of most other nations. These programs directly aid China's military-civil fusion strategy. In freely tapping into American academia, Beijing seeks everything from foundational knowledge taught on college campuses to next-generation research, much of which is not technically classified but still has potential military applications.¹²

The lack of separation between the Chinese Communist Party, the Chinese state, and China's military gravely complicates ongoing efforts to evaluate the security risks and independence of seemingly benign projects involving many Chinese universities and their researchers. These complicated due diligence challenges are felt most acutely by U.S. universities and academics. In the aggregate, U.S. universities maintain thousands of known academic and research partnerships with Chinese universities, including those overtly tapped by Beijing to support its military-civil fusion needs.

Similar vetting challenges also plague the U.S. government, most notably the Defense Department. Each year, executive branch agencies award millions of dollars in taxpayer funds to support basic and applied research initiatives at U.S. universities. Alarming, many of these U.S. universities also voluntarily maintain student exchange and STEM-related research partnerships with Chinese universities directly supporting China's military.

For example, in a recently released memorandum, the Defense Department, published for the first time a list of research institutions in China, Russia, and other countries of concern that actively support their nations' militaries and intelligence needs.¹³

In the case of China, the Defense Department list included entities such as Nanjing University, Sichuan University, Sun Yat Sen University, and Ocean University. All of these universities

¹¹ Senator Rob Portman, "Securing the U.S. Research Enterprise from China's Talent Recruitment Plans," *Statement Before the U.S. Senate Permanent Subcommittee on Investigations*, November 19, 2019.

(<https://www.hsgac.senate.gov/wp-content/uploads/imo/media/doc/2019-11-19%20Chairman%20Portman%20Opening%20Statement2.pdf>)

¹² Craig Singleton, "The Middle Kingdom Meets Higher Education," *Foundation for Defense of Democracies*, December 9, 2021. (<https://www.fdd.org/analysis/2021/12/09/the-middle-kingdom-meets-higher-education/#easy-footnote-bottom-58-124712>)

¹³ Department of Defense: Research and Engineering, "Policy for Risk-Based Security Reviews of Fundamental Research, June 8, 2023. (<https://media.defense.gov/2023/Jun/29/2003251160/-1/-1/1/COUNTERING-UNWANTED-INFLUENCE-IN-DEPARTMENT-FUNDED-RESEARCH-AT-INSTITUTIONS-OF-HIGHER-EDUCATION.PDF>)

have been overtly designated by the Chinese government as part of its Double First-Class University Plan (世界一流大学和一流学科建设) to support the nation's military build-up in fields involving nuclear weapons research, aerospace technology, aviation design, and armament development.

Less known is that these four Chinese universities alone maintain more than six dozen known academic and research partnerships with America's top research universities, many of which receive U.S. government research and development funding.¹⁴ These American research institutes include Massachusetts Institute of Technology (MIT); Harvard College; Yale University; the University of Pennsylvania; Arizona State University; the University of California; Los Angeles; Purdue University; the University of Michigan; the University of Arizona; Carnegie Mellon University; and Rutgers University, just to name a few.

The true extent of these and other partnerships remains largely unknown. The reason: U.S. universities are not required by law to disclose details regarding their foreign partnerships nor to conduct any formal due diligence on their Chinese partners. U.S. universities are similarly under no legal or regulatory obligation to sever ties with Chinese universities supporting China's military-industrial complex — even if those Chinese universities are on the U.S. Commerce Department's Entity List, which restricts the exportation of sensitive items to designated entities and individuals.¹⁵

One need look no further than a recent controversy involving Alfred University to understand the scope of the challenge. The little-known New York-based university maintains at least two Defense Department contracts totaling at least \$17.5 million.¹⁶ These contracts fund sensitive research involving the development and testing of materials used in hypersonic missiles — an emerging field of extreme importance to Washington and Beijing given the ability of these advanced, ultra-fast missiles to evade traditional missile defense networks. Yet Alfred elected to maintain long-standing, unregulated partnerships with the China University of Geosciences, which hosts a major Chinese government-funded and directed defense laboratory specifically tasked with aiding China's People's Liberation Army on military research topics.¹⁷

¹⁴ “U.S.A Partner Institutions, *Nanjing University*, accessed July 6, 2023. (Archived version available at <https://web.archive.org/web/20230706185233/https://stuex.nju.edu.cn/en/wwwwww/list.htm>); “Cooperation & Exchanges,” *Sichuan University*, accessed September 28, 2022. (Archived version available at https://web.archive.org/web/20220928103532/https://international.scu.edu.cn/Cooperation_Exchanges/What_We_Do/About_Exchanges_and_Cooperation.htm); “Partner Universities,” *Yenching Academy of Peking University*, accessed July 1, 2023. (Archived version available at https://web.archive.org/web/20230701100239/https://yenchingacademy.pku.edu.cn/ADMISSIONS/Partner_and_Cooperating_Universities.htm); “International Cooperation,” *Ocean University of China*, accessed July 7, 2023. (Archived version available at <https://web.archive.org/web/20230707152024/http://eweb.ouc.edu.cn/959/list.htm>)

¹⁵ Craig Singleton, “The Middle Kingdom Meets Higher Education,” *Foundation for Defense of Democracies*, December 9, 2021. (<https://www.fdd.org/analysis/2021/12/09/the-middle-kingdom-meets-higher-education/#easy-footnote-bottom-58-124712>)

¹⁶ Jimmy Quinn, “House CCP Committee Launches Probe of University's Hypersonic-Research Contract,” *National Review*, June 1, 2023. (<https://www.nationalreview.com/2023/06/house-ccp-committee-launches-probe-of-universitys-hypersonic-research-contract>)

¹⁷ Craig Singleton, “The Middle Kingdom Meets Higher Education,” *Foundation for Defense of Democracies*, December 9, 2021. (<https://www.fdd.org/analysis/2021/12/09/the-middle-kingdom-meets-higher-education/#easy-footnote-bottom-58-124712>)

It was only after these partnerships came to the attention of Congress and the media that Alfred severed its ties with China University of Geosciences, which, in recent years, has donated hundreds of thousands of dollars to Alfred.¹⁸ Alfred similarly shuttered a Confucius Institute the two schools jointly operated on Alfred's campus. Nevertheless, like so many other universities across the United States, the extent of Alfred's other Chinese liaisons, including those with a potentially problematic research nexus, remains almost entirely unknown on account of glaring transparency and due diligence gaps.

Soft Power, Censorship and Capital Transfers

Of course, adversarial exploitation of American academia extends well beyond technology transfer, theft of intellectual property, and troubling research dependencies. Adversarial countries also leverage ties to U.S. academia to further their soft power goals. These efforts center around shaping public narratives, influencing academic curricula, sowing social division, and undermining faith in public institutions — all in a bid to bolster their composite strength and international influence. China's Confucius Institute program is emblematic of these malign narrative-shaping efforts.¹⁹ These programs receive funding and direction from the Chinese Communist Party's Propaganda Department and United Front Work Departments, which spend hundreds of millions of dollars annually to influence foreigners and overseas Chinese communities.²⁰

Increasingly, authoritarian regimes also view U.S. college campuses as safe spaces to silence critics and monitor their citizens. On this front, the Chinese government has no equal, and its known activities go well beyond operating Confucius Institutes (or their re-branded successors). Indeed, they also extend to operating more than 150 Chinese Students and Scholars Associations (CSSAs) across the United States.

These Chinese government-funded organizations are active participants in China's United Front, a political warfare strategy borrowed from the former Soviet Union.²¹ CSSAs report directly to China's diplomatic missions in the United States and thus serve as extensions of China's party-state. Among other things, CSSAs are responsible for alerting Chinese diplomats about on-campus events that have the potential to conflict with China's preferred political narratives.

¹⁸ Select Committee on the CCP, Press Release, "Gallagher Opens Investigation into University with DOD-Funded Weapons Research, Partnership with Chinese Military-linked University," June 1, 2023. ([https://selectcommitteeontheccp.house.gov/media/press-releases/gallagher-opens-investigation-university-dod-funded-weapons-research#:~:text=Mike%20Gallagher%20\(R%2DWI\),ties%20with%20a%20Chinese%20research\);](https://selectcommitteeontheccp.house.gov/media/press-releases/gallagher-opens-investigation-university-dod-funded-weapons-research#:~:text=Mike%20Gallagher%20(R%2DWI),ties%20with%20a%20Chinese%20research);) Craig Singleton, "The Middle Kingdom Meets Higher Education," *Foundation for Defense of Democracies*, December 9, 2021. (<https://www.fdd.org/analysis/2021/12/09/the-middle-kingdom-meets-higher-education/#easy-footnote-bottom-58-124712>)

¹⁹ Alex Joske, "The Party Speaks for You," *Australian Strategic Policy Institute*, June 9, 2020. (<https://www.aspi.org.au/report/party-speaks-you>)

²⁰ Ryan Fedusiak, "Putting Money in the Party's Mouth: How China Mobilizes Funding for United Front Work," *Jamestown Foundation: China Brief*, September 16, 2020. (<https://jamestown.org/program/putting-money-in-the-partys-mouth-how-china-mobilizes-funding-for-united-front-work>)

²¹ Bethany Allen-Ebrahimian, "China's Long Arm Reaches Into American Campuses," March 7, 2018. (<https://foreignpolicy.com/2018/03/07/chinas-long-arm-reaches-into-american-campuses-chinese-students-scholars-association-university-communist-party>)

Journalists and activists have exposed how CSSAs routinely coordinate with the Chinese government to suppress free speech, including disrupting speeches and discussions on sensitive issues such as Tibet, Taiwan, the Uyghur genocide in Xinjiang, human rights, and even Chinese elite politics.²²

More troubling, however, is that CSSAs have been channeled by the Chinese government to harass and monitor Chinese students living and studying in the United States. These moves are clearly aimed at constraining academic freedom and undermining core principles of free speech and academic integrity. By engaging in such activities, CSSAs, acting at Beijing's behest, serve to exacerbate, and in some cases have themselves directly contributed to, an alarming and unacceptable rise in anti-Asian sentiment across the United States. Such activities include intimidating and even threatening Chinese students studying in the United States, as well as their families back in China, after they attended speeches critical of the Chinese government or raised concerns about China's persecution of Uyghur Muslims.²³

Beyond advancing adversarial hard and soft power, some adversarial nations, like China, have succeeded in leveraging U.S. university endowments to advance their national and commercial interests in ways that are antithetical to America's values and interests. Today, U.S. university endowments [manage](#) more than \$800 billion, which is larger than the annual gross domestic product of countries like Switzerland and Saudi Arabia.²⁴ These U.S. university endowments are not currently banned from investing, either directly or indirectly, in foreign firms listed on U.S. government sanctions lists. That includes the Commerce Department's Entity List, which targets individuals and companies implicated in activities contrary to U.S. national security and/or foreign policy interests.

In the case of China, U.S. university endowments have helped capitalize Chinese companies directly contributing to China's defense industrial base and military-civil fusion strategy. Investments from U.S. university endowments have also flowed to Chinese companies responsible for developing dual-use technologies used by Chinese authorities and increasingly other autocratic regimes to censor, surveil, and control their populations.

For instance, the endowments of Princeton, Duke University, and MIT committed money to Qiming Venture Partners, a China-based venture capital firm, which was part of a \$100 million round of investment in Megvii, a Chinese facial recognition company complicit in aiding the

²² Alexander Bowe, "China's Overseas United Front Work," *U.S.-China Economic and Security Review Commission*, August 24, 2018. (<https://www.uscc.gov/research/chinas-overseas-united-front-work-background-and-implications-united-states>)

²³ Sebastian Rotella, "Even on U.S. Campuses, China Cracks Down on Students Who Speak Out," *ProPublica*, November 30, 2021. (<https://www.propublica.org/article/even-on-us-campuses-china-cracks-down-on-students-who-speak-out>); Gerry Shih and Emily Rauhala, "Angry over campus speech by Uighur activist, Chinese students in Canada contact their consulate, film presentation," *The Washington Post*, February 14, 2019. (https://www.washingtonpost.com/world/angry-over-campus-speech-by-ughur-activist-students-in-canada-contact-chinese-consulate-film-presentation/2019/02/14/a442fbe4-306d-11e9-ac6c-14eea99d5e24_story.html)

²⁴ Josh Moody, "College Endowment Returns Fall After Soaring High," *Inside Higher Ed*, February 16, 2023. (<https://www.insidehighered.com/news/2023/02/17/college-endowments-dropped-fiscal-year-2022#:~:text=The%20survey%2C%20conducted%20by%20NACUBO,of%20%24807%20billion%20in%20assets>)

Chinese Communist Party's Uyghur genocide.²⁵ MIT and other universities similarly served as limited partners in private equity funds that invested heavily in another Chinese facial recognition company, SenseTime, which has also been blacklisted by the U.S. government for its role in tracking and surveilling Uyghur Muslims in China's Xinjiang province.²⁶ Owing to major transparency gaps, the true extent of these and other endowment investment flows to other similar Chinese companies or entities remains unclear.

Case Study: 'Confucius' Whac-A-Mole

Between 2018 and 2021, the number of Confucius Institutes (CIs) operating in the United States fell from 113 to 34. Today, that number stands at 10. At first blush, this dramatic decline in the number of active CIs, occurring in such a short period, would appear a net positive in terms of combating Chinese influence on U.S. college campuses. Unfortunately, CI closure figures alone do not tell the whole story.

CIs are Chinese government-sponsored organizations that ostensibly offer Chinese-language, cultural, and historical programming at the primary, secondary, and university levels worldwide. However, China's CI program is hardly a benign component in China's broader soft power apparatus. The Chinese Communist Party uses CI programs to propagate its own version of China's political history, blur Beijing's record of human rights abuses, and portray Taiwan and Tibet as undisputed Chinese possessions. What's more, CIs provide Chinese civilian universities under the control of the Chinese party-state — and, by extension, the Chinese Communist Party itself — with access to U.S. college campuses and academic elites. Such access has been used by Chinese interlocutors to build relationships with and exert influence over university officials responsible for managing international or global partnerships, not to mention U.S. academics, researchers, and students.

Troubling, too, is that CI programs greatly aid China's military pursuits in ways that are both active and passive. For instance, CI-enabled academic partnership agreements typically allow Chinese students and scholars from military-civil-fusion-related universities to study in the United States.²⁷ Such unregulated exchanges are particularly worrisome given that China's civilian university system and its students play a key role in supporting China's broader military-industrial complex. Granted, not all academic collaboration with Chinese entities entails risk, and not all Chinese students are spies, but in many documented cases, the foundational knowledge gleaned from these types of exchanges has been channeled to support military-civil-fusion-related innovation.

Interestingly, very few of the 103 CI closures between 2018 and 2023 were attributed to national security concerns. Indeed, CI closures began in earnest only after Congress passed legislation in the FY19 NDAA that barred universities hosting CIs from receiving certain types of funding

²⁵ Ryan Mac, Rosalind Adams, and Megha Rajagopalan, "US Universities And Retirees Are Funding The Technology Behind China's Surveillance State," *Buzzfeed News*, June 5, 2019.

(<https://www.buzzfeednews.com/article/ryanmac/us-money-funding-facial-recognition-sensetime-megvii>)

²⁶ Ibid.

²⁷ Craig Singleton, "The Middle Kingdom Meets Higher Education," *Foundation for Defense of Democracies*, December 9, 2021. (<https://www.fdd.org/analysis/2021/12/09/the-middle-kingdom-meets-higher-education/#easy-footnote-bottom-58-124712>)

from the U.S. Defense Department. More concerning, however, is evidence that CI closures often do not result in the severance of ties between the U.S. universities that once hosted these institutes and the Chinese Communist Party-selected sister universities tapped with supporting each CI's programming.

In dozens of documented cases, U.S. universities that shuttered their CIs chose to maintain, and in some cases expand, academic and sensitive research relationships with their Chinese sister universities. Many of these sister schools overtly support China's military-industrial complex, including Beijing's intelligence apparatus, in addition to underwriting China's nuclear weapons sector and cyber-espionage platforms. In other cases, U.S. universities shuttered their brick-and-mortar CIs while embracing rebranded CI-like programs operating under other names. These ostensibly "new" centers appear closely modeled on China's CI model and, in some cases, even continue to receive funding from the same Chinese government agencies that funded their now-defunct CIs, according to a report by the non-partisan National Association of Scholars.²⁸

Regrettably, tracking these replacement programs has proven incredibly difficult. There is no uniform name for these programs, and information regarding their funding sources is generally not public. Moreover, U.S. universities are under no obligation to publicly disclose information about these collaborations, nor are they required to publish copies of their partnership agreements with Chinese universities or the Chinese Communist Party. U.S. universities are also not required to document Chinese grants or other gifts for these programs unless they exceed \$250,000 annually. The net effect of this rebranding strategy is that CIs have effectively regenerated across the United States in a blatant effort to sidestep the very federal crackdown that targeted them in the first place.

POLICY CHALLENGES AND OPPORTUNITIES

In an increasingly interconnected and globalized world, the United States must recognize the urgent need to expose and counter adversarial foreign influence on its college campuses. This multifaceted threat encompasses a range of concerns, including the theft of intellectual property, censorship, coercion, malign influence and narrative shaping, the misappropriation of dual-use technology for military purposes, and the imperative to maintain the integrity of the U.S. research system. Enhanced vigilance and new, robust countermeasures are thus necessary to mitigate and monitor the many risks posed by adversarial exploitation of academic openness. The challenge is to find creative ways to build and continue important successful relationships with foreign scientists around the world while simultaneously protecting U.S. national security.

The gravity of this issue is underscored by the threat posed by China, as senior U.S. government officials from current and prior administrations have explicitly highlighted. China's aggressive, overt plan to dominate the U.S. is predicated upon using whatever means necessary, legal or not, to realize its great-power ambitions. More troubling is that, in an unprecedented development, China has the resources and resolve to override existing academic firewalls to support its technological and military development. But beyond the mere resources Beijing can bring to bear

²⁸ Rachelle Peterson, Ian Oxnevad, and Flora Yan, "After Confucius Institutes: China's Enduring Influence on American Higher Education," *National Association of Scholars*, June 15, 2022. (<https://www.nas.org/reports/after-confucius-institutes/full-report>)

to obtain cutting-edge research and technology, its influence campaigns on campus are, too, becoming more sophisticated, complex, and harder to track. These censorship and coercive activities aim to stifle intellectual discourse and represent a major threat to the free exchange of ideas on U.S. college campuses today.

There is no one-size-fits-all solution to addressing this complicated and evolving threat, nor is it necessary to embrace maximalist positions in a bid to achieve equilibrium between U.S. national security interests and maintaining open academic exchange. For instance, of China's more than 3,000 universities, roughly 90 (less than 3 percent) have direct ties to the country's military and security establishment. Moreover, striking a balance between countering China's malign influence on campus and avoiding inflaming anti-Asian rhetoric or the unjust labeling of Chinese students as spies is of paramount importance. It is essential to recognize that addressing legitimate, national security concerns regarding China's actions should not, in any way, be conflated with targeting individuals based on their ethnicity or nationality.

Singling out Chinese students as potential threats or spies can create a hostile atmosphere and stigmatize an entire community. This not only undermines the principles of fairness and equality but also hampers the free flow of ideas and knowledge exchange. In encouraging dialogue and respectful engagement, while at the same time instituting common-sense legislative and regulatory guardrails, both campuses and Congress can create opportunities for students to gain a nuanced understanding of complex geopolitical issues while respecting diverse perspectives.

Enhanced transparency and oversight, along with stricter, mandatory due diligence requirements, is crucial in countering malign Chinese influence in U.S. higher education. These measures promote healthy and responsible vigilance among American governmental and nongovernmental actors. By increasing transparency, legislators can ensure that information about collaborations, funding, and partnerships with Chinese universities is readily available. This allows stakeholders to make informed decisions and identify potential risks associated with such engagements.

Similarly, stricter due diligence requirements serve as a safeguard against undue influence and intellectual property theft. By thoroughly vetting collaborations and research projects, legislators can mitigate the risk of unauthorized technology transfers and the exploitation of American research for Chinese military or economic gains. Additionally, restrictions or prohibitions on funding from Chinese universities can protect academic freedom and integrity. By scrutinizing financial ties, legislators can prevent undue influence and ensure that research and educational activities remain independent and free from external pressures.

Working with international partners will be crucial in preventing China from using other nations as conduits for Chinese agents infiltrating U.S. colleges and universities. By sharing intelligence, coordinating efforts, and implementing stricter visa and screening processes, democratic nations can collectively counter these threats. Furthermore, the recent passage of state-level legislation can and should serve as a guide for broader federal legislation aimed at safeguarding American educational institutions from undue foreign influence and espionage. Some states, like Florida, have pioneered measures such as enhanced transparency requirements, foreign influence disclosure rules, strengthened cybersecurity protocols, and targeted foreign funding bans that can and should inform the development of comprehensive federal laws.

Addressing foreign adversary influence throughout U.S. higher education presents myriad cross-jurisdictional challenges in Congress, too. Nevertheless, legislators must work together, leveraging their diverse experiences across congressional committees, to effectively tackle this issue. Cooperation across the aisle is crucial in producing lasting legislative outcomes. By transcending partisan boundaries, lawmakers can develop comprehensive approaches that withstand the test of time. Collaboration enables the pooling of expertise and resources, facilitating the identification of vulnerabilities and implementation of safeguards. In uniting together against this common threat, lawmakers can demonstrate their commitment to protecting American educational institutions and ensuring the integrity of research, intellectual property, and national security.

POLICY RECOMMENDATIONS

Countering adversarial malign foreign influence in higher education necessitates an increase in transparency, as it enables the detection and mitigation of such activities. By establishing legal and regulatory guardrails, authorities can also provide a framework to safeguard against malicious foreign influence. Additionally, educating universities about the risks and tactics employed by adversarial actors can empower them to recognize and respond effectively. Last, establishing alternative partnerships and collaborations can reduce dependency on potentially problematic foreign entities, fostering a more secure academic environment. Some possible remedies and recommendations include:

Increasing Transparency

- Congress should pass legislation mandating that U.S. universities make publicly available both active and inactive CI contracts as well as any academic partnership agreements, including associated memoranda of understanding, with any Chinese university or Chinese government-affiliated entity. This legislation should account for any contracts and/or partnership agreements concerning the myriad rebranded CI-like programs that have proliferated across U.S. college campuses in the last five years.
- Congress should require universities to file annual, detailed disclosures of all activities conducted under the auspices of their CI contracts or under any partnership agreement with a Chinese university. These disclosures should clearly account for any joint research or academic exchanges, their dual-use implications, and what specific safeguards universities have employed to ensure research and academic security screening and vigilance for each of these liaisons.
- Congress should immediately enhance Department of Education disclosure requirements pertaining to funds received from the Chinese government, Chinese government-affiliated entities, and Chinese universities. New disclosure rules should mandate that all funds be attributed to named donors. As part of this initiative, the threshold for the reporting requirement under Section 117 of the Higher Education Act of 1965 should be lowered from \$250,000 to \$5,000. Full details of those transactions should be made public except under defined circumstances.

- Congress should require the U.S. Department of Education to put necessary information-sharing arrangements in place with law enforcement and intelligence agencies to provide those agencies with all Section 117 data U.S. universities shared to date with the U.S. government.
- Universities should be required to vet with a competent organ of the U.S. federal government incoming contracts and gifts for which they have a reasonable basis to believe could be coming from sources in or affiliated with the People's Republic of China.

Establishing Legal and Regulatory Guardrails

- Congress should pass legislation to withhold certain types of federal funding from any U.S. university or other institute of higher education that maintains a contractual or formal relationship with any Chinese university contained in the Defense Department's annual published list of Chinese, Russian, and other countries' research institutes that support their respective defense industrial base, as outlined in Section 1286 of the FY19 NDAA.
- As appropriate, the Commerce Department should consider adding to the Entity List the Chinese universities included on the DoD's university threat matrix.
- Congress should consider passing targeted legislation to bar U.S. universities from accepting grants or participating in partnerships or agreements with certain academic institutions in "countries of concern" unless specific conditions are met. Similar legislation recently enacted in Florida (SB 846), passed unanimously in the Florida House and Senate, should serve as a model for similar federal-level legislation.
- The State Department should expand the grounds for denying undergraduate and graduate visas to Chinese students and researchers from Chinese universities that are designated on the DoD's university matrix or the U.S. Entity List or who have otherwise been determined by the U.S. government to maintain ties to China's military-industrial complex. Such moves would institutionalize Presidential Proclamation 10043, which sought to limit the ability of graduate students affiliated with MCF-related universities to study in the United States.
- Federal legislators should re-introduce legislation that bans all CI operations. This legislation should account for Chinese government efforts to rename and rebrand its CI programming to evade enhanced legal and regulatory scrutiny.
- Congress should evaluate opportunities to empower the U.S. Department of Education to better investigate and enforce Section 117 non-compliance. At present, Section 117 imposes no penalty on institutions that fail to comply with its reporting requirements, making the threat of a potential investigation the only deterrent to non-compliance.

- Congress should evaluate opportunities to enhance “administrative hygiene” at U.S. universities. Reconsideration should be given to certain provisions stripped from the U.S. Innovation and Competition Act that required certain contracting records be kept and certain administrative standards to be met with respect to foreign contracts and gifts.
- Congress should evaluate new legislation that requires U.S. institutes of higher education to maintain policies regarding conflicts of interests and to track foreign gifts and contracts involving their staff. Such legislation should also mandate implemented practices to identify and manage potential information gathering by foreign sources connected to gifts or contracts. Such moves would mandate processes that some, but certainly not all, U.S. universities presently perform.
- Congress should consider legislation aimed at pressuring large university endowments to remove from their portfolios Chinese entities deemed a threat to U.S. national security. Such measures could impose excise taxes on such investments when they are acquired and a 100 percent tax on gains realized from such investments. These new measures could, as an initial step, be tailored to apply to university endowments worth more than \$1 billion, of which there are only a few dozen.
- Congress should consider legislation that aims to crack down on the proliferation of CSSAs across the United States, including potential funding restrictions for U.S. universities that elect to maintain CSSA branches or permit them to operate on their campuses.

Better Educating Universities and Establishing Alternatives

- Consideration should be given to establishing a federal government office that U.S. state and local governments and nongovernmental institutions could approach for advice on how best to manage Chinese requests for engagement and partnership. This office could also provide confidential background on the affiliations of Chinese individuals and organizations to party and state institutions.
- Consideration should be given to establishing formal mechanisms for the U.S. Department of Education, in coordination with other relevant U.S. agencies, to share relevant intelligence, insight, best practices, and trends with select foreign partners similarly working to confront malign adversarial influence throughout their higher education systems.
- Congress should allocate greater programmatic resourcing to the National Counterintelligence and Security Center to bolster its existing efforts to conduct outreach to U.S. academic communities to arm them with information about foreign intelligence threats to their organizations and ways to mitigate risk.
- The departments of State and Education should establish a working group to facilitate the opening of additional Taiwan Centers for Mandarin Learning (TCMLs) on U.S. college

campuses. Unlike CIs, TCMLs, are overseen by Taiwan's Overseas Community Affairs Council and offer a free, democratic, and diverse learning environment for language training.

- To help offset the potential costs associated with increased TCMLs, Congress should make funding available to U.S. institutions of higher education to support TCML operations. Such funding should be contingent upon the U.S. universities shuttering their CIs and/or terminating all partnerships with Chinese universities with documented links to China's defense establishment (as established by the proposed DoD university threat matrix and the Commerce Department's Entity List).