How American Taxpayers and Universities Fund the CCP's Advanced

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CCP on the Quad: How American Taxpayers and Universities Fund the CCP's Advanced Military and Technological Research

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Following a year-long investigation, Chairman John Moolenaar (R-MI) of the House Select Committee on the Chinese Communist Party and Chairwoman Virginia Foxx (R-NC) of the House Education and Workforce Committee uncovered that **hundreds of millions of dollars** in U.S. federal research funding over the last decade has contributed to China's technological advancements and military modernization. Through nearly 9,000 joint research publications, funded by the Department of Defense or the Intelligence Community, the lawmakers discovered that Americans worked with Chinese researchers on strategic technology research, much of which has military applications. These papers covered topics like high-performance explosives, tracking of targets, and drone operation networks, nuclear and high-energy physics, artificial intelligence, quantum technology, and hypersonics – the kind of technology that the Chinese military could use against the U.S. military in the event of a conflict.

In six case studies, covering research institutions including UCLA and U.C. Berkeley, the lawmakers illustrate how the People's Republic of China defense and security establishment benefits from technological advances developed by federally funded researchers. Those six researchers leveraged expertise, applied knowledge, and practical capabilities developed through and during years of receiving federal funding to the PRC's advantage, helping the PRC achieve advancements in fourth- generation nuclear weapons technology, artificial intelligence, advanced lasers, graphene semiconductors, and robotics.

The lawmakers also uncovered that US-Chinese joint education institutes like **U.C.** Berkeley's partnership with Tsinghua University, and the University of Pittsburgh's partnership with Sichuan University, serve as conduits for transferring critical U.S. technologies and expertise to China, including to entities linked to China's defense machine and the security apparatus it uses to facilitate human rights abuses.

"The results of our joint investigation are alarming. The Chinese Communist Party is driving its military advancements through US taxpayer-funded research and through joint US-PRC institutes in China. Georgia Tech did

the right thing for US national security by shutting down its PRC-based joint institute, and UC Berkeley and other universities should follow suit. We also must ban research collaboration with blacklisted entities, enact stricter guardrails on emerging technology research, and hold American universities accountable through passing the Deterrent Act," said Chairman Moolenaar.

"For years, the Committee on Education and the Workforce has pushed for greater transparency regarding foreign investment in American universities, and this investigation just further proved why it's necessary. Our research universities have a responsibility to avoid any complicity in the CCP's atrocious human rights abuses or attempts to undermine our national security. It's time for any school with this type of partnership to cut all ties, it's time to make the DETERRENT Act law, and it's time to get serious about countering China," said Chairwoman Foxx.

"To win the future and beat the Chinese Communist Party in developing next generation technology, we must stop government research that bolsters our adversaries' military and intelligence-gathering capabilities. I'm grateful Chairman Moolenaar and Chairwoman Foxx for their investigative work," said Chair Cathy McMorris-Rodgers of the House Energy and Commerce Committee.

Click **HERE** to read the report or read the executive summary below.

(Read <u>Appendix A</u> and <u>Appendix B</u> to the report)

The Chinese Communist Party (CCP) exploits federally funded research and partnerships between U.S. universities and People's Republic of China (PRC) defense-linked universities to achieve technological breakthroughs, both in technologies with military applications and in critical and emerging technologies where the PRC lags behind the U.S. and its allies.

Our investigation found that due to a lack of legal guardrails around federally funded research, hundreds of millions of dollars in U.S. federal research funding over the last decade have contributed to the PRC's strategic goals by helping the PRC achieve advancements in dual-use, critical, and emerging technologies like hypersonic weapons, artificial intelligence, fourth-generation nuclear weapons technology, and semiconductor technology.

Specifically, we examined research publications that disclose funding from the Department of Defense (DOD) or the U.S. intelligence community (IC) and included a collaboration between a federally funded researcher(s) and researcher(s) affiliated with PRC institutions, most frequently PRC universities. We focused on DOD- and IC-funded research because the purpose of that research funding is to generate advancements that will eventually become applied warfighting and intelligence capabilities to protect America against adversary nations. Yet the research funded by the DOD and the IC is providing back-door access to the very foreign adversary nation whose aggression these capabilities are necessary to protect against.

In short:

- We identified 8,800+ publications supported by DOD funding published with coauthors affiliated with PRC institutions, and an additional 185 such publications supported by IC funding.
- The vast majority of these DOD-funded publications constitute advanced research related to dual-use, critical, and emerging technologies.
- These papers covered topics including hypersonics, directed energy, nuclear and high-energy physics, and artificial intelligence and autonomy.
- More than 2,000 papers DOD-funded papers included PRC coauthors who were directly affiliated with the PRC's defense research and industrial base.

Some topics have **direct military applications** – such as high-performance explosives, tracking of targets, and drone operation networks – that the PLA would use against the U.S. military in the event of a conflict.

Additionally, in **six case studies,** we illustrate how the PRC's defense and security establishment benefits from

technological advances developed by federally funded researchers. Those six researchers leveraged expertise, applied knowledge, and practical capabilities developed through and during years of receiving federal funding to the PRC's advantage, helping the PRC achieve advancements in fourth-generation nuclear weapons technology, artificial intelligence, advanced lasers, graphene semiconductors, and robotics. In each case study, the advancement was made in conjunction or shared with entities that are deeply intertwined with the PRC's defense and security establishment.

We also illustrate the PRC's strategy to acquire U.S. technology and expertise through joint institutes between U.S. research universities and universities and other entities in the PRC. These institutes pair prestigious U.S. universities with PRC counterparts under the guise of academic cooperation, but in practice, they conceal a sophisticated system for transferring critical U.S. technologies and expertise to the PRC, including to blacklisted entities linked to China's defense and security apparatus. We illustrate this issue by examining three joint U.S.-PRC research institutes—Tsinghua-Berkeley Shenzhen Institute (TBSI), Georgia Tech Shenzhen Institute (GTSI), and Sichuan University-Pittsburgh Institute (SCUPI). These joint institutes facilitate the transfer of expertise, applied research, and technologies related to dual-use, critical, and emerging technologies to the PRC. Through these institutes, participating American academics, many of whom conduct U.S. federally funded research, travel to the PRC to collaborate on research, advise PRC scholars, teach and train PRC graduate students, and collaborate with PRC companies on their areas of expertise—frequently, critical and emerging technologies with national security implications. While doing so, academics typically maintain affiliations with their U.S. institutions, and many continue to lead U.S. federally funded R&D projects. This creates a direct pipeline for the transfer of the benefit of their research expertise to the PRC.

After months of productive engagement with the Committees in this investigation, Georgia Tech decided to terminate GTSI and curtail its partnership with Tianjin University. This is an important step for national security, and we encourage other universities to follow suit. In addition, shortly before the publication of this report, UC Berkeley informed the Committees that it "has started the process of relinquishing all ownership" in TBSI, and is "in the early stages of unwinding the joint legal entity." This also represents a step in the right direction, and the Committees look forward to continuing to engage with Berkeley regarding the unwinding of the joint institute and the national security risks identified below.

We uncovered significant failures in the reporting of foreign funding by UC Berkeley and Georgia Tech under section 117 of the Higher Education Act (HEA), despite section 117 being law for over 30 years. Enforcement of foreign gift and contract reporting requirements by the Biden-Harris Department of Education has been an abject failure. And the Biden-Harris Department of Education has failed to open a single enforcement action under Section 117 of the Higher Education Act in the last four years, despite widespread evidence of lack of reporting. These undisclosed foreign gifts—likely hundreds of millions, if not billions in total—gives PRC entities troubling influence without transparency and contribute to building the research relationships that pose risks to U.S. national security.

American taxpayer-funded researchers are collaborating with PRC research and academic institutions involved in military and defense research and development on critical and emerging technologies. The case studies in this report illustrate this troubling pattern, facilitated by lack of guardrails and enforcement of existing law. Joint institutes facilitate expertise transfer, foster connections with blacklisted and other defense-tied institutions, to the PRC's strategic benefit. Universities underreport—and the government has failed to enforce reporting mandates on —foreign funding from the PRC. Stronger safeguards and more robust enforcement are urgently required.

The Committees therefore recommend:

- Strengthening the guardrails around research collaboration on dual-use, critical, and emerging technologies with foreign entities of concern.
- Implementing post-award restrictions on collaborations with blacklisted entities from a foreign country of concern.
- Adopting the DETERRENT Act to require enhanced transparency from universities and researchers of foreign gifts and contracts.
- Strengthening oversight and enforcement of postsecondary institutions' failure to disclose foreign gifts and contracts.

Research Security

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