



PROTECTING UNIVERSITIES AND RESEARCH FROM FOREIGN INTERFERENCE AND ILLICIT TECHNOLOGY TRANSFER

A COMPARISON OF EXISTING POLICIES AND
LESSONS LEARNED FROM EUROPE, JAPAN,
AND TAIWAN FOR LEGISLATIVE AND POLICY
UPDATES

DAVID TOMAN, JAN FAMFOLLET

2022

REPORT

EUROPEAN VALUES CENTER FOR SECURITY POLICY _____

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We envision a free, safe, and prosperous Czechia within a vibrant Central Europe that is an integral part of the transatlantic community and is a firm ally of the USA.

Authors:

David Toman, Jan Famfollet

Notice on Funding and Disclaimer:

This paper has been issued following a closed-door discussion between experts held in September 2022. It includes several facts stated and ideas expressed during the discussion. However, due to the Chatham House regime of the discussion, the particular authors' names are not mentioned.



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EXECUTIVE SUMMARY

- The People’s Republic of China (PRC) aims to become leading global superpower by 2050. To achieve this, the PRC is acquiring cutting-edge technology and attract talented, tech-savvy individuals if it is to win the technological race against Transatlantic and Pacific Rim democracies.
- Especially vulnerable is academia in open societies. Inherently, this is where some of the brightest minds gather to conduct research. Moreover, many academics tend towards collaboration and the at time unguarded transfer of knowledge. The cooperative culture of many educational institutions in open societies, can regrettably, lead to two security risks.
- The first is illicit technology transfer. This can occur through either legal and overt means such as joint research programs or through illegal and covert actions including theft and espionage. Worth mentioning is also **the Thousand Talents program**, through which the PRC tries to recruit the best and the brightest from the technologically advanced countries, bringing their know-how to the PRC.
- The second is interference, often associated with **the United Front Work Department**, which expands the PRC’s influence abroad as “Great External Propaganda.” It primarily relies on Chinese diaspora communities - including Chinese students and scholars. The Chinese Communist Party (CCP) feeds them propaganda, which they are expected to proliferate in turn. This way, the PRC labors to ensure that its state-crafted, pre-approved messaging is what’s heard abroad.
- **Confucius Institutes** (CIs) are a source of concern. They are supposed to teach Chinese language and introduce Chinese culture to foreign audiences, but critics point out that they are confined to solely presenting the PRC’s version of history and political events. Many universities around the world have started closing their CIs after accusations of espionage or coercive efforts to censor discussion or speakers around issues unflattering to Beijing.
- The growing number of cases related to issues of foreign interference and illicit technology transfer have at last motivated countries around the world to act. Examples include the Australian **Foreign Influence Transparency Scheme**, or the most recent **Defence of Democracy package** of the European Union.
- The final section of this report gives some possible recommendations on how to shield universities and research centers from the challenges the CCP presents, for example, through strengthening national security laws and clearly identifying research to be isolated from foreign interaction and funds.



INTRODUCTION

Following the Cold War, there was an idea in the democratic world that the People's Republic of China (PRC) could be reformed through deeper cooperation and integration, including academic exchanges. This was meant to be an academic equivalent of the "change through trade" philosophy prevalent in certain parts of (then) Western Europe, mostly associated with German foreign policy ("Wandel durch Handel"). Over the years, however, the relationship became one-sided. Europe opened its markets and institutions to China while the CCP took advantage of the situation to steal know-how and exclusively color its perception among Europe's elite.

The CCP controls the PRC's academic institutions through the **Seven Don't Mentions directive**, which is believed to be distilled from the "Communiqué on the Current State of the Ideological Sphere (aka **Document Number 9**). The directive identifies subjects prohibited to be discussed with students, specifically, universal values, freedom of press, civil society, civil rights, the CCP's historical mistakes, elite cronyism, and an independent judiciary (China Digital Space, n. d.). The CCP has also launched the "**civil-military fusion**" (CMF) initiative as personally overseen by PRC President Xi Jinping. This initiative has significantly blurred the line between the civilian and the military spheres drawing Chinese academia closely into the PRC's military agenda.

When it comes to the export of values, the PRC takes advantage of the fact that some Western and other universities have become quite dependent on Chinese funding. Common avenues for Chinese funding include Chinese students' tuition fees, donations to university foundations, or by covert means. These dependencies render these universities prone to meeting Chinese political demands, including requests for censorship while Chinese students themselves are often used to supporting such requests through organized protests (Corbin, 2021). For example, the PRC stymies academic discourse by protesting against or preventing contrarian academics from lecturing, banning counter-narrative books from being published, and prohibited public discourse diverging from CCP doctrine and propaganda. An important role is also played by **Confucius Institutes** (CIs) operating abroad to teach the Chinese language but also to spread Chinese values and influence (Singleton, 2021). Through the CCP's worldwide network of CIs, the PRC injects money into universities and research centers in democracies everywhere.

European Commission President, Ursula von der Leyen, recently addressed Chinese influence in academia in her annual speech: *"Earlier this year, a university in Amsterdam shut down an allegedly independent research center, that was actually funded by Chinese entities. This center was publishing so-called research on human rights, dismissing the evidence of forced labor camps for Uyghurs as 'rumors'. These lies are toxic for our democracies. [...] We will not allow any autocracy's Trojan horses to attack our democracies from within"* (European Commission, 2022).



The great presence of Chinese students and scholars in academia in democratic countries combined with the CMF also increases the risk of illicit technology transfer. The PRC uses foreign universities to acquire knowledge and technology, either through legal and overt means such as joint research programs, or through illegal and covert actions including theft and espionage. The PRC's efforts are bolstered by initiatives such as **the Thousand Talents program**, through which the PRC tries to recruit talented people in the most advanced countries to bring their know-how to the PRC (Singleton, 2021; Corbin, 2021).

FOREIGN INTERFERENCE IN UNIVERSITIES

When it comes to expanding the PRC's influence abroad, a crucial role is played by **the United Front Work Department** (aka United Front), which operates with a budget of nearly \$3 billion and whose work is commonly referred to as "Great External Propaganda." To fulfill its mission, it relies on Chinese communities because Chinese people living abroad - from exchange students to people of Chinese descent who have lived outside of the PRC for generations - are expected to operate on behalf of the CCP (Corbin, 2021). The United Front hence seeks to control Chinese student and scholar associations abroad to use them to ideologically infiltrate academia in democratic countries.

Furthermore, the CCP is involved in education through more than 500 CIs located worldwide (Jakhar, 2019). CIs offer Chinese-language courses as well as afford programs depicting the CCP-approved version of China's history, culture, and contemporary developments. Critics point out that this system enables Beijing to counter its gross violation of human rights in Tibet and Xinjiang, false narratives around Taiwan, attempt to erase the events on Tiananmen Square in 1989 (Singleton, 2021; Jakhar, 2019). CIs are also involved in the establishment of partnerships between the Chinese universities and partner institutions abroad (Singleton, 2021).

Initially welcome, controversies surrounding CI activities have been growing. For example, there have been accusations that CIs spied on students or that they pressured host universities to silence or censor talks on topics considered controversial by Beijing (Jakhar, 2019). Based on these and other allegations, many universities around the world have closed their CIs. However, even when a university decides to shut its CI down, it often does not automatically end already established agreements with Chinese sister universities (Singleton, 2021).

One of the United Front's objectives is also to ensure that the CCP's interpretation of contemporary developments in the PRC is sole version of events. There have been a growing number of incidents where free speech on Western campuses has been curtailed as a result angry protests by pro-CCP Chinese students, often coordinated with the local Chinese consulate or Chinese embassy; however, it should be noted that many students



do not intentionally serve the United Front but protest out of a sense of patriotism (Corbin, 2021). For example: a Chinese researcher Yingliang Liu who was employed from 2017 to 2022 at the European laser center ELI Beamlines within the Czech Academy of Sciences assaulted fellow researchers from the Oriental Institute and later sent hundreds of e-mails to other colleagues accusing them of being “Nazis”. His outrage and attacks were provoked by a knowledge quiz for children about non-European cultures prepared by high school students with whom the Academy of Sciences cooperates, showing pictures of the Tibetan spiritual leader Dalai Lama, which Liu tried to destroy when presented at the Prague Science Fair (Valášek, 2022).

ILLCIT TECHNOLOGY TRANSFERS

One of the PRC's key objectives is to become the leading global superpower by 2050, as stated by Xi Jinping himself (Shi, 2017). **The Made in China 2025 Plan** lists ten domestic Chinese industries from which the government of the PRC seeks to eliminate any foreign-produced technology, thereby making PRC independent of other countries. To this end, the PRC woe to acquire cutting-edge technology, attract talented people, and win the technological race with other countries, the U.S. in particular (Corbin, 2021). The Plan concentrates on academia, where some of the brightest minds come convene to jointly research. PRC thus achieves access to sensitive information because many academics see scientific research benefitting from collaboration and the open sharing of knowledge and information. These communities do so often without realizing the consequences of sharing without caution or restriction. This allows foreign predators with policies aimed at acquiring sensitive research outputs to exploit the one-sided openness of academic institutions in democratic countries. Singleton (2021) points out that *“many U.S. universities have unwittingly advanced China's military and technological modernization under the guise of academic and cultural collaboration.”*

The PRC also seeks to establish collaborative relations with Western scholars that exchange research findings for financial reward. One infamous case was that of Charles Lieber, the former chair of Harvard University's Chemistry and Chemical Biology Department. Lieber was secretly cooperating with the Chinese government by wittingly sharing on advanced technological research. He was consequently found guilty of concealing his affiliation with the Wuhan University of Technology and his participation in China's Thousand Talents Program (U.S. Attorney's Office, 2021).

Globally – but especially in the U.S. – there have been hundreds of cases in which visiting scholars from the PRC or scientists of Chinese descent were suspected of collaborating with the Chinese government. Institutes of higher learning in China commonly ran laboratories that covertly copied American research (Chaloupská, 2020).



The European Values Center for Security Policy (EVC) based in Prague recently conducted a study on Chinese influence in academia in Central and Eastern Europe. Its investigations found that the majority of 26 Czech universities had some links to Chinese universities. Moreover, approximately one-quarter of the nearly 200 agreements between Czech and Chinese universities were identified by EVC as risky (Plášek, 2022).¹ To prevent foreign interference, the Czech Ministry of Interior published in 2021 the **Counter Foreign Interference Manual for the Czech Academic Sector**, which describes general resilience-building measures, presents the most common interference techniques and helps the recipient understand the necessity of mitigating foreign interference risks (CZ Ministry of Interior, 2021).

POLICY RESPONSES IN THE WORLD

It is important to stress that not all academic cooperation with the PRC is inherently harmful, and therefore, it may not be desirable nor even feasible to exclude the PRC entirely from international cooperation. However, the risks must be identified and appropriate safeguards must be put in place in the name of national security and property rights. The following section considers selected cases of various countries approaches towards protection of the academic space. This is not an exhaustive list of all relevant policies implemented around the world; rather, it aims to showcase examples of the significance of the matter and tailored responses to it.

Australia

Australia was one of the first countries to take countermeasures with its **Foreign Influence Transparency Scheme**. This law seeks “to provide the public with visibility of the nature, level and extent of foreign influence on Australia’s government and politics” (Attorney-General’s Department, 2018). To protect critical technologies’ research and development (R&D) on campus, Australia is further considering imposing restrictions on domestic universities conducting joint research with foreign institutions in certain fields (Packham, 2021).

Canada

In 2021, the Canadian government has imposed mandatory comprehensive national security risk assessments on funding requests submitted by university researchers. This requirement helps to avoid the transference of sensitive data and technology via research partnerships with Chinese institutions and entities, especially those involving Canada’s

¹ The Czech Republic was one of 11 Central and Eastern European countries that participated in research focused on monitoring Chinese influence in European academia. The research was based on the Freedom of Information Act, the Central Register of Contracts and open-source intelligence, particularly the China Defence University Tracker (ASPI, 2019) which allows users to check if a university officially presented as civilian has a history of espionage or cooperation with the People’s Liberation Army (Plášek, 2022).



military and security apparatus (Chase & Fife, 2021). This obligation was imposed on the national grant agency in response to repeated warnings from the Canadian Security Intelligence Service that Canada is being targeted by sophisticated state-sponsored actors attempting to steal information and intelligence from researchers and companies (Chase & Fife, 2021).

Japan

Investigative reporting pursued by the Japanese newspaper Yomiuri Shimbun (*Visualizing the Unseen Chinese Invasion*) successfully alerted its public of the breadth of state-sponsored Chinese influence in its higher educational institutions. Reporters found that at least 44 Japanese researchers had been involved in the Thousand Talents Program by the end of 2020 (Yomiuri Shimbun, 2021).

One countermeasure introduced in response is that applicants for **KAKENHI grants** (the largest research fund for basic research, for which Japanese professors and researchers apply every autumn) are requested to state and describe the source of all research-related funds, foreign and domestic.

In 2022, the Japanese Ministry of Economy, Trade, and Industry (METI) published its **Guidance for the Control of Sensitive Technologies for Security Export for Academic and Research Institutions**. Its purpose is to “*encourage the establishment of an effective compliance framework and enhance the control standards over sensitive technology information*” (METI, 2022). These guidelines describe the verification procedures for the transfer of technologies and the export of goods, as well as the administration of international students and overseas trips.

In addition, Japanese universities are reacting to prevent malign foreign interference. Kyoto University has introduced its own set of regulations (Kyoto University, 2020), laws (Kyoto University, 2016), and guidelines (Kyoto University, 2012) related to the “*proper implementation of security export control and prevention of transactions that may impede the preservation of international peace and security, while paying due consideration to sound development of academic research*” (Kyoto University, 2020).

Taiwan

In Taiwan, the PRC’s interference in university research receives much less attention than elsewhere because both its government and society believe that the government should not interfere in the educational realm; meanwhile Taiwan’s professors and researchers often endeavor to avoid public scrutiny. In response, the Taiwanese Ministry of Education has asked universities to conduct self-reviews of whether their exchanges with Chinese counterparts violate national security laws.



Upcoming Legislation

Various legislative initiatives currently on the table include a US bill titled the **Stop Higher Education Espionage and Theft Act** under which every financial gift from abroad over a certain threshold must be reported. In the EU, the European Commission has presented a **Defence of Democracy package**, which is supposed to shield European countries from malign interference and expose covert foreign influence as well as shady funding (European Commission, 2022).

RECOMMENDATIONS

The following general recommendations can help better protect academia from foreign interference:

- When establishing cooperation with universities from the PRC, universities and academics should check the security status of their potential research partner for example with the **China Defence Universities Tracker** (ASPI, 2019).
- Inspiration should be taken from already existing and proposed legislation.
- Universities should pay attention to the manuals already published by competent authorities. At the same time, relevant ministries and state agencies should provide universities with sufficient guidance.
- Sufficient funding for training scholars with expertise on China should be provided from non-Chinese sources. Promoting closer cooperation and student exchanges with Taiwan instead of the PRC is one possible way.
- A rather radical countermeasure may be to forbid Chinese students to enroll in certain degree programs, such as those related to national security. However, it would be difficult to identify all the academic areas where such restrictions should be applied because many seemingly civilian fields, such as genetics, could be misused for military purposes. This applies to so-called dual-use technologies as well as other strategic sectors each country must define (Famfollet, 2022).
- The danger of malign Chinese foreign influence in democracies' academia should be addressed on a systematic level, including engagement on the side of policymakers, NGOs, the media, and academics themselves.



CONCLUSION

One of the main issues in democratic countries is that universities have a mandate to create and disseminate knowledge but no mandate to protect national security. Even when security agencies visit universities and highlight potential national security issues, universities may choose to ignore their advice because they may already have professional, personal, and financial ties with their Chinese counterparts. Moreover, some academics perceive national security agencies as overly alarmist. In addition, numerous scholars only care about academic relationships and do not consider the risk of information leakage; some are even paid directly and so instructed by the PRC. Solutions lie in strengthening national security laws and extending them to academic institutions and identifying areas of research unacceptable for foreign interaction and funding. Laws and regulations are needed to make universities and scholars disclose their contracts with foreign counterparts and foreign research funding. This should be accompanied with systematic awareness-raising to strengthen prevention and improve understanding of the situation in academia as well as in society as a whole. Universities have an indispensable role in our societies, and they should be keen to ensure their independence, to protect themselves, and to be resilient against foreign interference by implementing their own internal rules and guidelines.



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