

# FDD FAQ

FDD Frequently  
Asked Questions

## The Middle Kingdom Meets Higher Education: How U.S. Universities Support China's Military-Industrial Complex

By Craig Singleton | December 9, 2021

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### SECTION I: How Confucius Institutes Operate

Q. \_\_\_\_\_

#### What are Confucius Institutes? How many are there in the United States?

A. \_\_\_\_\_

Confucius Institutes (CIs) are Chinese government-sponsored organizations that provide Chinese-language and cultural programming at the primary, secondary, and university levels worldwide. CIs serve as soft-power platforms that propagate Beijing's preferred political narratives and deepen China's influence. FBI Director Christopher Wray has [noted](#) that CIs "encourage censorship" and "restrict academic freedom" on U.S. college campuses. A new FDD [report](#), titled "The Middle Kingdom Meets Higher Education: How U.S. Universities Support China's Military-Industrial Complex," reveals that CIs also advance the work of China's military-industrial complex. Between 2018 and 2021, the number of active CIs across the United States fell from 113 to 34. They can be still found in 20 states, however, with seven institutes in New York alone. These CIs are primarily hosted by U.S. universities, although five are co-located in K-12 school districts, and one is hosted by a private educational organization.

Q. \_\_\_\_\_

#### How are CIs established? Who chooses a CI's Chinese sister university?

A. \_\_\_\_\_

When establishing a CI, U.S. universities enter into separate, multi-year contracts with two entities: the Chinese Communist Party (CCP) and a Chinese sister university selected by the CCP to support the CI's programming. The contract between the U.S. university and the CCP dictates the terms of the CI's operations. The CCP [retains](#) final approval over the separate contract between the U.S. university hosting the CI and the Chinese sister university. That contract typically promotes extensive collaboration in areas well beyond language instruction, including the establishment of academic and research partnerships. A U.S. university's decision to shutter a CI does not invalidate the university's contractual agreement with its Chinese sister university, which can persist for years after the CI's closure.

Q

**Does the CCP supervise or fund American-hosted CIs?**

A

Yes. CI contracts provide the CCP with broad control over CI operations, curricula, and manner of instruction. They also specify how much funding each U.S. university will receive from the CCP to support the CI's operations. CI programming is **funded** by the CCP's Propaganda Department, which is formally affiliated with China's United Front Work Department (UFWD). A [study](#) by Georgetown University's Ryan Fedusiak estimated that the CCP allocated \$2.6 billion to support UFWD operations in 2019 alone, with nearly \$600 million allocated to "influenc[ing] foreigners and overseas Chinese communities." These figures underscore UFWD's centrality in enabling the CCP's access to and influence over foreign audiences, which increasingly include academia.

Q

**Why have so many CIs closed down over the past three years?**

A

CI closures began in earnest only after Congress passed legislation barring U.S. universities that host CIs from receiving certain types of funding from the U.S. Department of Defense (DoD). There has never been an outright prohibition, either state or federal, on hosting CIs. Some universities attributed their CI closures to low student interest or a lack of university funding, although many universities shuttered their CIs without providing a specific explanation. Only four universities attributed their CI closures to national security concerns, even though Beijing has openly exploited the expertise of Chinese students and scholars studying in the United States to accelerate China's economic and military modernization.

**Section II: How Academic Partnerships With Chinese Universities Work**

Q

**What do academic and research partnerships entail?**

A

Academic and research partnerships between U.S. and Chinese universities take many forms. Typically, they allow Chinese students and scholars to study in the United States. In the case of joint- or dual-degree programs, Chinese students spend an extended portion of their university career studying in the United States and spend their remaining years at a Chinese university. Research partnerships focus on collaboration that may include cooperation on cutting-edge initiatives involving both applied and basic research. Even if this unclassified research has no direct application to national security, Chinese students and scholars acquire skills and knowledge they can later employ to meet the CCP's expectation that civilian institutions support the country's military modernization.

Q

**Are U.S. universities required to conduct due diligence on their foreign partners prior to entering into academic or research partnerships?**

A

At present, U.S. universities are not required to coordinate their activities with federal or local authorities, nor are they required to conduct any formal due diligence on their foreign partners. U.S. universities are also 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.

Q

**Do U.S. universities have to disclose their foreign partnerships or foreign funding?**

A

U.S. universities are not required by law to disclose either their foreign partnerships or copies of their CI contracts. However, the greatest governance challenge to monitoring China's influence in U.S. higher education stems from weak financial disclosure requirements. The reporting system to document foreign donations to U.S. universities, codified in Section 117 of the Higher Education Act of 1965, does apply to CCP-provided donations to U.S. universities. But while several U.S. universities have disclosed receiving millions of dollars from the CCP to fund CI operations, other U.S. universities that either previously hosted or currently host a CI have inadequately disclosed, or in some cases failed entirely to disclose, these funds [as required by law](#). Moreover, the U.S. Department of Education currently lacks the statutory authority to police universities' entanglements with foreign sources.

Q

**Can U.S. universities still conduct classified research for the U.S. government if they enter into academic or research partnerships with Chinese universities?**

A

Yes. Dozens of America's top research universities, referred to as "R1" and "R2" research institutes, receive millions of taxpayer dollars to conduct classified U.S. government research. These universities are vetted by DoD's National Industrial Security Program (NISP). However, this certification process does not include vetting each U.S. university's academic or research partnerships with problematic Chinese entities, nor are such partnerships grounds for expulsion from the NISP program — a glaring due-diligence deficiency. For example, Texas A&M University, an R1 research institute and NISP partner, maintains active partnerships with at least six Chinese universities that support China's military-industrial complex. They include the Chinese sister university for Texas A&M's now-shuttered CI, Ocean University, which collaborates with the People's Liberation Army Navy to develop China's submarine fleet.

## Section III: China's Military-Academic Complex

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### How do Confucius Institutes facilitate China's military modernization?

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The CCP did not randomly select the U.S. and Chinese universities associated with its CI program. Instead, the CCP established CIs at America's top research and development (R&D) centers. Of the 113 CIs active in 2018, 71 (or 63 percent) were located at America's top research institutes, including NISP-vetted universities. As a result of CI-enabled academic and research partnerships, Chinese civilian universities under the control of the Chinese party-state maintain direct access to U.S. college campuses. This access often persists even after a CI closure. The CCP leverages these partnerships by sponsoring promising Chinese students in science, technology, engineering, and math (STEM) fields to study at U.S. universities, with the understanding that they will return home to China to provide the technology and talent Beijing needs to compete with the United States.

Q \_\_\_\_\_

### What is "military-civil fusion," and why does it matter?

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Leveraging China's growing economic, technological, and military capabilities, the CCP is expanding its power and influence internationally. Beijing's military-civil fusion (MCF) strategy (军民融合) plays a central role in this global campaign. At its core, MCF is a national strategy aimed at acquiring the world's cutting-edge technologies — including through theft — to achieve Chinese military dominance. It [entails](#) the fusion of military, civilian, and commercial investments, actors, and positioning to increase China's comprehensive national power. MCF leverages the international ties of Chinese entities — both private and state-owned — to advance China's interests.

Q \_\_\_\_\_

### What role does China's civilian university system play in supporting the country's defense modernization?

A \_\_\_\_\_

China's civilian university system play a major role in China's military-industrial complex, including its nuclear and cyber-espionage programs. The CCP has [ordered](#) civilian universities and their students to integrate into "the military-civil fusion system" and to "advance the two-way transfer and transformation of military and civilian technological achievements." The Chinese government has also designated approximately 280 fields of academic study as "disciplines with national defense characteristics" (国防特色学科) to support MCF. Chinese civilian universities are awarded security clearances from the Chinese government to conduct classified military research. These clearances enable China's universities to support MCF-related research in the aerospace, aviation, armaments, watercraft, and electronics industries, among others.

Q

**How many Chinese universities support MCF or other national security programs?**

A

Current estimates put the number at 60 to 100, or about 2 to 3 percent of China's roughly 3,500 institutions of higher education. Starting in 2016, the CCP tasked dozens of civilian universities with supporting MCF. Alongside its civilian schools, China also relies on the "Seven Sons of National Defense" (国防七子), a group of defense universities with deep connections to China's defense industry. These universities are [subordinate](#) to China's Ministry of Industry and Information Technology (工业和信息化部), which oversees China's defense industry.

Q

**Has there been a clear-cut case in which Beijing exploited an academic or research partnership to steal military secrets or other intellectual property?**

A

Chinese national Bo Mao was arrested by the FBI in August 2019 and later pleaded guilty to [federal charges](#) stemming from his exploitation of an academic partnership agreement to steal sensitive intellectual property from a California-based semiconductor company, CNEX Labs. Bo committed these crimes at the direction of [Huawei Technologies and Xiamen University](#), an MCF-enabling entity where he was a professor. Bo specifically leveraged an academic partnership agreement between Xiamen and The University of Texas at Arlington (UT Arlington). He enlisted the help of an American professor at UT Arlington to support his research and later requested access to the American professor's Texas-based server to support his illegal activities. Bo subsequently began working as a visiting professor at UT Arlington, where he [participated](#) in cutting-edge research. Bo, who accepted [legal assistance](#) from Huawei's U.S. subsidiary, ultimately expressed no remorse for his crimes.

**Section IV: A Scalpel, Not a Sledgehammer, To Address the Threat**

Q

**If a new law shuttered all CIs, would that be sufficient to cut off China's access to sensitive R&D activities on U.S. college campuses?**

A

No. 79 CIs were shuttered between 2018 and 2021; however, a CI's closure often does not result in the severance of ties between its American host and the Chinese sister university that supported the CI's programming. In dozens of cases, America's top research universities closed their CIs but maintained, and in some cases expanded, their academic and research partnerships with their Chinese sister universities, many of which actively support China's military-industrial complex. These partnerships typically persist for years after a CI closure.

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**Why should U.S. universities sever all ties with a given Chinese university simply because some of its faculty and students support China's defense industry?**

A \_\_\_\_\_

The Chinese government has not been transparent about its defense build-up. Specifically, the CCP has not published the full list of its 280 official "defense research areas," thereby making it very difficult to determine which kinds of cooperation pose a national security risk. Nevertheless, [some information](#) about these disciplines has been revealed. It shows that these disciplines vary widely, from specialties such as artificial intelligence and armaments technology to fields not typically associated with the defense industry, including geology. As a result, U.S. universities should strongly consider severing any links to Chinese universities actively supporting China's MCF pursuits, to avoid unwittingly aiding China's military modernization.

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**How do you propose U.S. universities evaluate which academic partnerships to terminate and which ones to maintain?**

A \_\_\_\_\_

Information regarding the dozens of Chinese universities supporting China's military-industrial complex is publicly available on the internet, although much of it is written in Chinese. As a first step, U.S. universities should conduct a full accounting of any research and academic partnerships with Chinese partners. Then, they should perform open-source due diligence on those Chinese entities to determine whether they are linked in any way to China's defense industry. In some cases, this work can be performed in-house. In other cases, however, universities may want to contract outside due diligence firms or other research entities to oversee this work. Over time, universities can and should establish formal frameworks to vet new university partners.

**Section V: How To Fix the Problem**

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**What specific steps can Congress take to increase transparency surrounding CIs and CI-enabled partnership agreements?**

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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.

Congress should also require U.S. universities to file annual disclosures of all activities conducted under the auspices of their CI contracts or under any partnership agreement with a Chinese university or Chinese government-affiliated entity. These disclosures should clearly account for any joint research or academic exchanges.

Finally, Congress should enhance Department of Education disclosure requirements pertaining to funds received from the Chinese government, from Chinese government-affiliated entities, or from 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.

Q

**Should the United States impose sanctions or other restrictions on Chinese universities that support MCF or related efforts?**

A

As appropriate, the Commerce Department should consider adding to its Entity List Chinese universities that directly support China's military-industrial complex. The Department of Education, in concert with DoD and the National Counterintelligence and Security Center, should proactively engage U.S. universities and recommend that they strongly reconsider their relationships with any Chinese universities included on the Entity list.

Q

**Does the U.S. government regularly publish a list of Chinese schools it believes are supporting the Chinese military or China's defense sector?**

A

No. Moving forward, Congress should mandate that DoD, in collaboration with the Department of Education and the Intelligence Community, publicly release an annual threat matrix of Chinese universities that support China's military-industrial complex. This new statutory requirement should be modeled on Section 1260H of the National Defense Authorization Act for Fiscal Year 2021, which requires DoD to publish an annual list of Chinese military companies. If necessary, Congress should allocate additional funding to support this effort.

Q

**What role can state and local officials play in addressing malign Chinese influence on U.S. college campuses?**

A

Public pressure from state and local officials, as well as from non-governmental organizations, has led some U.S. universities to sever their problematic Chinese partnerships. At the state level, legislation should be passed that requires U.S. universities to publicly disclose details about their CI contracts and their academic partnership agreements with foreign universities. If feasible, state officials should also consider passing legislation that bars U.S. universities from receiving certain types of state funding so long as they continue hosting a CI.

Q

**Are there any safe, viable alternatives to CIs that would allow U.S. universities to continue offering their students free Chinese-language instruction?**

A

Rather than relying on the CCP to provide Chinese-language training, efforts should be made to bolster the Taiwan Centers for Mandarin Learning (TCML) program. Unlike CIs, TCMLs offer a low-cost, democratic, and diverse learning environment for Chinese-language training. To help offset the costs associated with increasing the number of TCMLs on college campuses, Congress should make funding available to U.S. universities to support TCML operations. To qualify for that funding, U.S. universities should have to shutter their CIs and terminate academic and research partnership agreements with Chinese universities with links to China's defense establishment (as established by the proposed DoD threat matrix and the Commerce Department's Entity List)