



ACADEMIC SECURITY AND COUNTER EXPLOITATION PROGRAM

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# THE OPEN SOURCE MEDIA SUMMARY

**September 2, 2020**

## **MILITARY AND SECURITY DEVELOPMENTS INVOLVING THE PEOPLE'S REPUBLIC OF CHINA: 2020**

*U.S. Department of Defense Annual Report to Congress*

Section 1260, "Modifications to Annual Report on Military and Security Developments Involving the People's Republic of China," of the National Defense Authorization Act for Fiscal Year 2020, Public Law 116-92, which amends the National Defense Authorization Act for Fiscal Year 2000, Section 1202, Public Law 106-65, provides that the Secretary of Defense shall submit a report "in both classified and unclassified form, on military and security developments involving the People's Republic of China. The report shall address the current and probable future course of military-technological development of the People's Liberation Army and the tenets and probable development of Chinese security strategy and military strategy, and of the military organizations and operational concepts supporting such development over the next 20 years. The report shall also address United States-China engagement and cooperation on security matters during the period covered by the report, including through United States-China military to-military contacts, and the United States strategy for such engagement and cooperation in the future."

Read the full report [here](#).

## **WHAT HAPPENS IF CHINA GETS THE COVID-19 VACCINE FIRST?**

*Elizabeth Ralph | Politico | August 31, 2020*

David Fidler has a nightmare scenario: In three months, China announces one of its Covid-19 vaccines has successfully completed Phase III trials. The World Health Organization is enthusiastic. Beijing doles out doses to countries in Latin America and Africa and those with claims to the South China Sea. The United States is nowhere to be found. "If China wins the race, exploits that advantage and we don't have anything equivalent yet, what do we do?" he asks. "That to me is what concerns me the most." Fidler, an expert on global health and national security who has consulted for the WHO and the Centers for Disease Control and Prevention, isn't the only one pondering what could go wrong in the next few months, as great powers race to be first to get their hands on the Covid-19 vaccine.

Read the full article [here](#).



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## **DOD RELEASES LIST OF ADDITIONAL COMPANIES, IN ACCORDANCE WITH SECTION 1237 OF FY19 NDAA**

*U.S. Department of Defense | August 28, 2020*

Today, the Department of Defense released the names of additional “Communist Chinese military companies” operating directly or indirectly in the United States in accordance with the statutory requirement of Section 1237 of the National Defense Authorization Act for Fiscal Year 1999, as amended. The Department is determined to highlight and counter the People’s Republic of China’s (PRC) Military-Civil Fusion development strategy, which supports the modernization goals of the People’s Liberation Army (PLA) by ensuring its access to advanced technologies and expertise acquired and developed by even those PRC companies, universities, and research programs that appear to be civilian entities. The Department released its initial list of companies to Congress in June 2020 and will continue to update the list with additional entities as appropriate.

Read the full article [here](#).

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## **FBI: CHINESE RESEARCHER CAUGHT TRYING TO FLY TO CHINA WITH STOLEN BIO-INSPIRED COMPUTER CODE**

*David Schwartz | Tech Transfer Central | September 1, 2020*

A University of Virginia researcher linked to the Chinese military was nabbed by U.S. authorities at the airport attempting to flee to China with computer code, stolen from a university lab, that could be used for underwater robots and aircraft engines, according to the FBI. U.S. Customs and Border Protection stopped Hu Haizhou, a researcher in UVA’s Department of Mechanical and Aerospace Engineering, after discovering his work for a Chinese military-linked university, before he could board a flight to Qingdao, China, from Chicago’s O’Hare International Airport. The FBI released those details and allegations in an 11-page affidavit filed in federal court in Virginia. According FBI agent Matthew Rader, CBP investigators questioned Hu and searched his electronic devices, which revealed files with UVA research data stored on his laptop, including “bio-inspired research simulation software code.” Bio-inspired research relates to studying the complexities of flying and swimming creatures in nature and applying that to manned flight or submersibles — often with military applications.

Read the full article [here](#).

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## **CHINA TIGHTENS TECH EXPORT CONTROLS POTENTIALLY JEOPARDIZING TIKTOK DEAL, REPORTS SAY**

*Noah Higgins-Dunn | CNBC | August 29, 2020*

An updated export rule from China could jeopardize the sale of TikTok’s U.S. operations, according to reports published Saturday in The Wall Street Journal and The New York Times. According to the reports, China updated its export control rules to incorporate technology that could include TikTok, a claim later reasserted by commentary published in China’s state-controlled Xinhua news agency on Saturday. Cui Fan, a professor of international trade in Beijing, told Xinhua that ByteDance would probably have to get approval from the Chinese government and suggested the company may have to suspend negotiations on TikTok’s sale.

Read the full article [here](#).



## **AUSTRALIA TO TIGHTEN RULES ON STATES' AND UNIVERSITIES' FOREIGN DEALS**

*BBC News | August 26, 2020*

The Australian government is planning to introduce legislation which would enable it to veto agreements made by local governments and public organisations with foreign governments. The foreign relations bill would require any deals with foreign countries to get final approval from the foreign affairs minister. PM Scott Morrison said it was vital that Australia "speak with one voice". The move may threaten a controversial deal Victoria state agreed with China. The state's decision to sign up to China's Belt and Road initiative - a global infrastructure project that aims to expand global trade links - drew criticism from the federal government, as well as US Secretary of State Mike Pompeo. Chinese-government run Confucius Institutes operating at Australian universities could also be affected by the new laws, amid growing alarm at what Canberra has called unprecedented levels of foreign interference on campuses.

Read the full article [here](#).

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## **BILLION-DOLLAR SECRETS STOLEN SCIENTIST SENTENCED FOR THEFT OF TRADE SECRETS**

*U.S. Department of Justice Federal Bureau of Investigation | May 27, 2020*

When scientist Hongjin Tan resigned from the Oklahoma petroleum company he'd worked at for 18 months, he told his superiors that he planned to return to China to care for his aging parents. He also reported that he hadn't arranged his next job, so the company agreed to let him to stay in his role until his departure date in December 2018. But Tan told a colleague a different story over dinner. That conversation prompted Tan's employer to ask him to leave the firm immediately—and then his employer made a call to the FBI tip line to report a possible crime. The resulting investigation led to Tan's guilty plea and 24-month prison sentence for stealing proprietary information that belonged to his company. Tan's theft of a trade secret—one worth an estimated \$1 billion—is an example of what the FBI says is a systematic campaign by the Chinese government to gain economic advantage by stealing the innovative work of U.S. companies and facilities.

Read the full article [here](#).

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## **RUSSIAN ARRESTED FOR TRYING TO RECRUIT AN INSIDER AND HACK A NEVADA COMPANY**

*Catalin Cimpanu | ZD Net | August 26, 2020*

The US Department of Justice announced charges today against a Russian citizen who traveled to the US to recruit and convince an employee of a Nevada company to install malware on their employer's network in exchange for \$1,000,000. According to court documents unsealed today, Egor Igorevich Kriuchkov, a 27-year-old Russian, was identified as a member of a larger criminal gang who planned to use the malware to gain access to the company's network, steal sensitive documents, and then extort the victim company for a large ransom payment. To mask the theft of corporate data, Kriuchkov told the employee that other members of his gang would launch DDoS attacks to keep the company's security team distracted. Kriuchkov and his co-conspirators' plans were, however, upended, when the employee they wanted to recruit reported the incident to the FBI.

Read the full article [here](#).



## INSIDE THE CHINESE MILITARY ATTACK ON NORTEL

Sam Cooper | Global News | August 25, 2020

It was a mind-blowing clue. In 2004 Nortel cyber-security advisor Brian Shields investigated a serious breach in the telecom giant's network. At the time Nortel's fibre optics equipment was the world's envy, with 70 per cent of all internet traffic running on Canadian technology. And someone wanted Nortel's secrets. Shields found that a computer in Shanghai had hacked into the email account of an Ottawa-based Nortel executive. Using passwords stolen from the executive the intruder downloaded more than 450 documents from "Live Link" — a Nortel server used to warehouse sensitive intellectual property. Shields soon found the hacker controlled the accounts of at least seven Nortel executives. This was no random cybercriminal. But who was it?

Read the full article [here](#).

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## CHINA 2050: HOW THE U.S. SHOULD PREPARE FOR AN ASCENDANT CHINA

Edmund J. Burke, Cortez A. Cooper III, Sale Lilly, Chad J. R. Ohlandt, Eric Warner, and J.D. Williams | RAND Corporation | July 24, 2020

The United States should prepare for a triumphant or ascending People's Republic of China (PRC)—scenarios that not only align with current PRC national development trends but also represent the most challenging future scenarios for the U.S. military, according to a new RAND Corporation report that examines China's grand strategy out to 2050. The authors make the case that the kind of country China becomes, and the way that its military evolves, is neither foreordained nor completely beyond the influence of the United States or U.S. military.

Read the full article [here](#).

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## AUSTRALIAN GOVERNMENT RELEASES NEW NATIONAL SECURITY SCIENCE AND TECHNOLOGY POLICY AGENDA

Priyankar Bhunia | Open Gov | May 3, 2018

On May 1, the Australian Government released its new National security science and technology policy agenda aimed at strengthening Australia's national security. Defence Science and Technology (DST) coordinates the government's science and technology program for national security. This policy delivers on commitments in the 2016 Defence White Paper. The science and technology policy and priorities were developed in consultation with the various national security agencies under a high-level inter departmental steering committee. The paper outlines the national security science and technology priorities, governance arrangements and engagement mechanisms as they exist now, these will need to co-evolve as arrangements are re-defined under the new national security architecture, with the establishment of the Home Affairs portfolio and the Office of National Intelligence.

Read the full article [here](#).

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