

Testimony before the U.S.-China Economic and Security Review Commission Hearing on "Made in China 2025 – Who is Winning?" Tim Khang Director, Global Intelligence Strider Technologies<sup>1</sup> February 6, 2025

Co-chairs Schriver and Kuiken, commissioners and staff, thank you very much for the opportunity to participate in today's hearing.

The People's Republic of China (PRC) has employed a whole-of-government-and-society approach to implement its Made in China 2025 initiative. Through direct subsidies, cheap credit, forced technology transfer, talent acquisition, and outright theft, many sectors have made undeniable gains in the past 10 years. The PRC is now the world's leading exporter of automobiles and drones, boasts the largest network of high-speed railways, and dominates the shipbuilding and renewable energy sectors. But China still faces challenges in critical sectors such as semiconductors and agriculture, and international pushback against its unfair practices is coalescing.<sup>2 3 4</sup>

This testimony will focus on the PRC's talent acquisition mechanisms, which have not only powered the successes of Made in China 2025 but also lie at the heart of Xi Jinping's stated strategy for global technological dominance in the future.

The PRC government has taken a coordinated and systematic approach to talent acquisition since at least the 1990s. Since the promulgation of MIC2025, the PRC has greatly expanded its foreign talent acquisition apparatus, deployed new tactics in the face of external shocks, and appears to have succeeded in creating an indigenous ecosystem of innovation in some sectors that rivals that of the United States. The PRC has succeeded in creating a

<sup>&</sup>lt;sup>1</sup> Strider is a strategic intelligence company empowering organizations to secure and advance their technology and innovation. By leveraging cutting-edge AI technology alongside proprietary methodologies, Strider transforms publicly available data into actionable intelligence. This intelligence enables organizations to proactively address and respond to risks associated with state-sponsored intellectual property theft, targeted talent acquisition, and supply chain vulnerabilities.

<sup>&</sup>lt;sup>2</sup> https://automobility.io/2024/09/the-path-to-globalization-of-chinas-automotive-industry-2024/

<sup>&</sup>lt;sup>3</sup> "An Initiative So Feared that China Has Stopped Saying its Name," The Economist, 2025.

https://www.economist.com/china/2025/01/16/an-initiative-so-feared-that-china-has-stopped-saying-its-name <sup>4</sup> "The World China Made," Office of Senator Marco Rubio, 2024.

https://www.americanrhetoric.com/speeches/PDFFiles/Marco-Rubio-The-World-China-Made.pdf



flywheel effect of talent spotting and absorption which shows no sign of slowing even though it now possesses more capacity for domestic innovation than ever before.

#### The Order Comes Down from the Very Top

The speeches given by Xi at the 18<sup>th</sup>, 19<sup>th</sup>, and 20<sup>th</sup> National Congress of the Chinese Communist Party (CCP) prominently features the global competition for talent. In the body of enshrined text known as "Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era," the word "talent" appears 34 times. <sup>5</sup> Xi calls on the CCP to "more clearly emphasize that...talent is the primary resource to support development," and to "accelerate the construction of the world's important talent center...and strive to form a comparative advantage of international competition for talents."<sup>6</sup>

National priorities laid out in "Xi Jinping Thought" are interpreted and executed by subordinate Communist Party, governmental, industrial, and academic organizations. These organizations provide additional input to national talent acquisition plans, devise tactics and procedures for talent attraction, and allocate resources to implement those plans.

#### PRC Talent Policy Mechanisms Were Ready for MIC2025

The National Manufacturing Power Construction Strategic Advisory Committee, the decision-making body responsible for implementing MIC2025, specified in great detail the "key technology areas" to be targeted in MIC2025 in a 190-page document called the "Technology Roadmap for Key Areas of Made in China 2025."<sup>7</sup> The document's purpose was to "guide market and social resources" and to "serve as a reference" for all levels of government and industry to focus their efforts on the absorption and development of specified targeted technologies. The Technology Roadmap details almost 1,800 technologies in ten broad industry sectors targeted for systematic acquisition through large-scale technology and talent transfer.

Even with the most conservative matching parameters, Strider's analysis of open-source data shows that these technologies matched with the technical expertise of at least 1.1 million people across the top 1000 non-PRC private enterprises around the world.<sup>8</sup> My own experience in China's HR industry in the 2010s, coupled with countless examples of outreach to talent at Strider's client organizations have taught me that high visibility of expertise that align with the MIC2025 Technology Roadmap greatly increases an individual's chances of being approached by PRC recruiters. The clarity with which MIC2025 defines the PRC's targeted technologies allowed government authorities and industry players to focus their recruitment efforts on talent that fit the descriptions laid out in the Technology Roadmap.

<sup>&</sup>lt;sup>5</sup> https://www.airuniversity.af.edu/Portals/10/CASI/documents/Translations/2023-10-

<sup>30%20</sup>ITOW%20Xi%20Jinping%20Thought%20on%20Socialism%20with%20Chinese%20Characteristics%20for%20a %20New%20Era.pdf

<sup>&</sup>lt;sup>6</sup> https://www.reuters.com/world/china/key-xi-quotes-chinas-20th-communist-party-congress-2022-10-16/

<sup>&</sup>lt;sup>7</sup> Technology Roadmap for Key Areas of Made in China 2025, National Manufacturing Power Construction Strategic Advisory Committee, 2015. https://www.cae.cn/cae/html/files/2015-10/29/20151029105822561730637.pdf

<sup>&</sup>lt;sup>8</sup> The criteria for determining the "top 1000" private enterprises included annual revenue, market capitalization, employee count, and other factors.



By the time MIC2025 launched in 2015, major talent acquisition efforts which began in the 1990s and 2000s had already established the incentives and infrastructure needed to make MIC2025 a success. For example, the Ministry of Human Resources and Social Security (MOHRSS) reported that the Thousand Talent Program alone had attracted 5,208 overseas talents by 2015.<sup>9</sup> MOHRSS stopped the publication of aggregate talent program statistics around 2017, but the most recent figures show that between 2008 and 2016, various national and local talent programs had recruited at least 60,000 talents from overseas.<sup>10</sup> Following the promulgation of MIC2025, the PRC central government called on organizations and individuals to align their talent recruitment and technology development priorities to implement the goals laid out in MIC2025.<sup>11</sup>

# The CCP Controls PRC Talent Policy Development and Evaluation

The Chinese Communist Party does not rely on markets or organic forces alone to achieve its goal of attaining the status of a "talent superpower." Strategy conception and evaluation is centralized, which allows the PRC to mobilize all government and societal resources to make necessary adjustments and continuously improve incentives.

The CCP has designated an entity called the Chinese Academy of Personnel Sciences (CAPS) as the national center for the study, development, and evaluation of talent policies.<sup>12</sup> As the so-called "Talent Theory Research Base" of the CCP, CAPS has contributed to the development of national programs such as the Thousand Talents Program, published studies on the efficacy of various talent acquisition strategies, and formulated countermeasures to U.S. legislation such as the CHIPS Act.<sup>13</sup> Here are a few illustrative examples of the research conducted by CAPS:

"Overseas Talents' Entrepreneurial Competency and Personality Research"<sup>14</sup>

https://qikan.cqvip.com/Qikan/Article/Detail?id=7110947606

<sup>&</sup>lt;sup>9</sup> "Thousand Talents Program Introduced 5,208 High-Level Overseas Talents." Overseas Chinese Affairs Office, 2016. https://www.gqb.gov.cn/news/2016/0107/37723.shtml

<sup>&</sup>lt;sup>10</sup> Alex Joske, *Hunting the Phoenix*, Australian Strategic Policy Institute, 2020.

https://www.aspi.org.au/report/hunting-phoenix

<sup>&</sup>lt;sup>11</sup> Li Jinhua, "Building a Strong Manufacturing Nation Requires a Complex Path of Action" (建设制造强国需要复合 行动路径), 2017. http://paper.people.com.cn/rmrbhwb/html/2017-05/30/content\_1778360.htm

https://baike.baidu.com/item/%E4%B8%AD%E5%9B%BD%E4%BA%BA%E4%BA%8B%E7%A7%91%E5%AD%A6%E7 %A0%94%E7%A9%B6%E9%99%A2/10655430

<sup>&</sup>lt;sup>13</sup> Li Yuhan, Long Yunfeng, Chen Jie, "Influences of US "Chips Act" on Talent Mobility in Chip Industry and the Countermeasures" (美国"芯片法案"对芯片领域人才流动的影响与应对), 2023.

<sup>14</sup> 

https://citeseerx.ist.psu.edu/document?repid=rep1&type=pdf&doi=6c0c9f2c85d5d06039ced01626bcfa61fbc83ad e



- "Third Party Assessment on Chinese Returned Oversea Talent Introduction Projects: A Research based on Pearl River Talent Project"<sup>15</sup>
- "Influences of US "Chips Act" on Talent Mobility in the Chip Industry and the Countermeasures"
- "Research on the Restrictive Factors and Countermeasures of Overseas Talent Introduction by Headhunting Agencies — Taking Shanghai as an Example"<sup>16</sup>

Over the past two decades, CAPS has been studying the art and science of talent absorption and cultivation. It has helped implement new ideas, collected data, tested the efficacy of policies, and driven the constant evolution of tactics, techniques, and procedures (TTPs) of talent attraction. The findings from research conducted by CAPS are channeled to government policymakers, Communist Party officials, and relevant industry partners to create new talent policies and make necessary adjustments to old ones. CAPS research has been influential in several notable TTP evolutions:

- From 2012 to 2017, preferential policies for visa and residence permit processing was gradually expanded to include local and ministerial-level talent programs, resulting in a constellation of programs which offered lower barriers for relocation to various regions of the PRC.<sup>17</sup>
- Starting in 2015, the incubation system for young overseas talent relocating to the PRC was improved, resulting in the construction of more than 300 "entrepreneurial parks" with subsidized housing and other benefits that created a more ideal environment for innovation.<sup>18</sup>
- In 2016, a series of public policy discussions led by the head of CAPS transformed talent spotting techniques to leverage Big Data and cloud computing technologies.<sup>19</sup>

<sup>18</sup> Ibid.

<sup>&</sup>lt;sup>15</sup> Information on this research publication has been taken down from the open source and is only available in Strider's internal data holdings.

<sup>&</sup>lt;sup>16</sup> https://qikan.cqvip.com/Qikan/Article/Detail?id=7111085374

<sup>&</sup>lt;sup>17</sup> "Deepening the Reform of the Talent Development System and Mechanism, Forming a National Talent Strategy with Clear Logic, Clear Levels, Complete System and Mutual Support, So that the Vitality of Talents Will Surge, Which Will Surely Promote China's "Position " in the Global Economic Development and Scientific and Technological Innovation Race" (深化人才发展体制机制改革,形成逻辑清晰、层次分明、体系完整、互为支撑的国家人才战略有机体系,让人才活力澎湃奔涌,必将推动我国在全球经济发展和科技创新赛跑中"身位"不断向前), 2017. The primary source for this research publication has been taken down from the open source and is only available in Strider's internal data holdings.

<sup>&</sup>lt;sup>19</sup> "Wang Tongxun: Talent Introduction: How to Make Good Use of Big Data as a Powerful Tool" (王通讯:人才引进,怎么用好大数据这个利器), Center for China and Globalization, 2016. http://www.ccg.org.cn/archives/29380



• In 2019, a policy adjustment enabled selectees of national-level talent programs (such as the Thousand Talent Program) to obtain permanent residence for family members. The policy also simplified entry and exit procedures for talent program selectees, reducing the burden of relocation to the PRC.<sup>20</sup>

The current maturity of the PRC's talent acquisition machine is the result of decades of organized effort to create the most effective system to achieve the goal of gaining a "comparative advantage of international competition for talents."

It is important to note that CAPS maintains an intimate connection to the United Front Work System ("United Front")<sup>21</sup>, which coordinates the CCP's policymaking and international operations to identify and attract talent from foreign countries. Thought leaders on the topic of talent acquisition simultaneously hold positions in institutions like CAPS and the United Front Work System; this deliberate overlap allows the United Front to play a central role in the PRC's competition for global talent.

## The CCP Leverages Private Talent Recruitment Companies

In 2021, the CCP created the Human Resources Service Industry Committee of the All-China Federation of Industry and Commerce (ACFIC), a "national umbrella organization of private entrepreneurs" directly-run by the United Front Work Department.<sup>22</sup> <sup>23</sup> ACFIC's HR Service Industry Committee is composed of around 150 leaders from both public organizations and private companies in the PRC's HR service industry, and is "guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era" with the stated purpose of "strengthening the country through talent [introduction]."<sup>24</sup> The Committee "actively implements the spirit of the Central Talent Work Conference," a seminal meeting of top CCP leaders where Xi Jinping stressed the importance of "building a strong country with talents" for the "basic realization of socialist modernization by 2035."<sup>25</sup> <sup>26</sup>

The ACFIC HR Committee is an example of how the United Front coordinates the actions of private companies to advance the CCP's goals. There is nothing inherently nefarious about companies competing for the best talent, so this gives a sheen of legitimacy to the efforts of PRC talent recruitment firms and plausible deniability for the CCP.

- <sup>24</sup> Official webpage of the ACFIC HR Service Industry Committee.
- https://www.acfic.org.cn/bhjj/zzjg/hywyh/2021\_rlzyfwywyh/
- <sup>25</sup> Ibid.

<sup>&</sup>lt;sup>20</sup> "Zhongguancun Releases 20 New Policies for International Talents," Beijing Daily, 2019.

http://www.yxjcrc.com/m/view.php?aid=1092

<sup>&</sup>lt;sup>21</sup> The United Front Work *System* is a blend of influence activities and intelligence operations that the CCP uses to shape its political environment and gain access to advanced foreign technology. The United Front Work *Department* is the lead working organ of the CCP's Central Committee which coordinates the work of the United Front Work of the United PDC.

Front Work System both inside and outside of the PRC.

<sup>&</sup>lt;sup>22</sup> Sebastian Heilmann, *China's Political System*, 2017, p270.

<sup>&</sup>lt;sup>23</sup> Alex Joske, *The Party Speaks for You*, 2020. https://www.aspi.org.au/report/party-speaks-you

<sup>&</sup>lt;sup>26</sup> "Xi Jinping attended the Central Talent Work Conference and Delivered an Important Speech," Xinhua News Agency, 2021. https://www.gov.cn/xinwen/2021-09/28/content\_5639868.htm



On the ground, this means that U.S. enterprises feel the brunt of this effort manifested in the constant onslaught of recruitment efforts targeting their employees. During my time at Strider, I have seen hundreds of examples of outreach from recruiters employed by many of the member companies of the ACFIC HR Committee. Here are a few prominent examples:

- BOSS Zhipin (also known as BOSS App or BOSS Direct Hire): claims to be the largest hiring and recruitment
  platform in China by count of monthly active users. In June 2021, BOSS Zhipin went public on the NASDAQ
  stock exchange, raising USD \$912 million. <sup>27</sup> BOSS Zhipin's CEO is the chairman of the ACFIC HR
  Committee.
- Liepin (also known as Wise Talent Information Technology): bills itself as "the largest and most professional high-end talent community-based recruitment site."<sup>28</sup> Liepin's CEO is a member of the ACFIC HR Committee.
- Zhaopin.com: known as "one of the largest online recruitment platforms in China." Listed on the New York Stock Exchange in 2014, raising over USD \$170 million in its IPO.<sup>29</sup> Zhaopin's chairman and president is a member of the ACFIC HR Committee.

# The United Front Has Established Talent and Tech Absorption Infrastructure Abroad

In addition to leveraging domestic assets, the PRC government has enacted a series of programs which use organizations in the United States, Europe, and other offshore geographies to gather intelligence on new technologies, recruit talent, and leverage foreign IP to advance the PRC's S&T goals. I would like to highlight two types of organizations currently active in the United States that demonstrate the methods and effectiveness of their operations.

#### Overseas Innovation and Entrepreneurial Bases<sup>30</sup>

The HOME program, short for "Help Our Motherland through Elite Intellectual Resources from Overseas Program," is a talent and technology transfer program established under the leadership of the China Association for Science and Technology (CAST). CAST is an official component of the Chinese People's Political Consultative Conference (CPPCC), part of the United Front Work System.<sup>31</sup> The program's aim is to build platforms to recruit talent to "serve the motherland" while they remain working overseas.

https://teamedupchina.com/boss-zhipin/

https://teamedupchina.com/zhilian-zhaopin/

<sup>&</sup>lt;sup>27</sup> Beau Parrish, "BOSS Zhipin (BOSS 直聘): The Most Active Job Portal in China," 2024.

<sup>&</sup>lt;sup>28</sup> https://www.crunchbase.com/organization/liepin-com

<sup>&</sup>lt;sup>29</sup> Beau Parrish, "Zhilian Zhaopin (智联招聘): An Overview of the Cinese Job Platform," 2024.

<sup>&</sup>lt;sup>30</sup> Willian Hannas and Didi Kirsten Tatlow, *China's Quest for Foreign Technology*, Routledge, 2021.

<sup>&</sup>lt;sup>31</sup> Alex Joske, *Hunting the Phoenix*, Australian Strategic Policy Institute, 2020.



CAST-USA is one of the U.S.-based S&T organizations listed as an overseas S&T group liaising with the HOME Program, and is registered as a tax-exempt 501(c)(3) non-profit organization with the IRS. CAST-USA is organized into at least 16 chapters around the country and claims more than 10,000 members, "working in universities, industries, government agencies and other sectors, many in the world's top 500 multinational corporations."<sup>32</sup> <sup>33</sup> The HOME Program, along with overseas S&T groups like CAST-USA, employs various forms of activities, such as international academic exchanges, research cooperation, technical consulting, and technology introduction to contribute to the PRC's S&T advancement.<sup>34</sup> The HOME program is designed to direct the flow of foreign technology to the dozens of HOME program centers located across the PRC, and to direct the flow of people to programs such as the Thousand Talents Program.

Since 2014, CAST began the establishment of so-called Overseas Innovation and Entrepreneurial Bases. Located near innovation hubs such as Silicon Valley and Boston, these Bases better enable recruited talents to feed intellectual property back to the PRC for commercialization without physically relocating to the PRC. For example, overseas talents who take part in the HOME program can monetize research conducted in their host country via a stake in a commercial enterprise in the PRC by "technology for equity" exchange.<sup>35</sup> This model allows a more flexible connection of overseas innovation resources with incubation teams in China that commercialize their innovative ideas.

As with other national-level talent programs, PRC authorities stopped publicizing aggregate statistics about the HOME program around 2017. However, according to the latest reporting by CAST, the HOME program has received no less than 8,651 overseas science and technology personnel at HOME Program work bases in China, and held 1,012 "recruitment docking activities"<sup>36</sup> which yielded 1,099 signed cooperation agreements and negotiations on 5,928 start-up projects, of which 1,267 have relocated to China. The HOME program has also resulted in at least 145 people being selected for the Thousand Talents Program.<sup>37</sup>

Although the PRC no longer publishes national-level data on the HOME program, there is ample evidence that the program continues to direct talent and technology to the PRC. For example, in January 2025, the Guangdong Provincial branch of CAST publicized the results of its 2024 HOME program. In 2024, the HOME program centers

http://docs.wixstatic.com/ugd/ad4f2f\_6bc56210a1254944a88810695d15d5f5.pdf

<sup>&</sup>lt;sup>32</sup> Invitation Letter for Yale Summit 2018 on Science and Technology Innovation and Economic Leadership and The 26th Annual Conference of Chinese Association for Science and Technology, USA

<sup>&</sup>lt;sup>33</sup> About CAST-USA. https://GNY, castgny.org/en/index.php/about-us-3/

<sup>&</sup>lt;sup>34</sup> Official webpage of CAST. http://hzb.cast.org.cn/col/col264/index.html

<sup>&</sup>lt;sup>35</sup> "Zhi Gong Party Central Committee: Proposal on building a new model of offshore innovation and entrepreneurship to attract overseas talents to serve the country"(致公党中央:关于构建离岸创新创业新模式 吸引海外人才为国服务的提案) http://tyzx.people.cn/n1/2018/0227/c417761-29837415.html

<sup>&</sup>lt;sup>36</sup> "Docking" is a PRC term of art that refers to forums connecting overseas entrepreneurial talents possessing technology, intellectual property, and know-how with PRC investors, enterprises, industrial parks, and/or government entities in order to relocate innovative projects to the PRC.

<sup>37</sup> http://www.xunmv.com/news/show-4311.html



managed by Guangdong CAST "carried out 717 technology matchmaking activities, introduced 569 projects, introduced 200 high-quality teams from overseas, introduced 762 outstanding talents...and carried out 117 overseas intelligence activities." <sup>38</sup> Other provincial branches of CAST such as Gansu and Sichuan have already announced plans and application procedures for the 2025 HOME program.<sup>39 40</sup>

#### **Overseas Talent Workstations**

Overseas Talent Workstations are paid by PRC authorities to facilitate the identification and recruitment of highlevel talents abroad for introduction into the PRC. Besides a base payment, these Workstations qualify for performance-based bonuses.<sup>41</sup> The China-US Technology Innovation Center (CUTIC) is a 501(c)(3) non-profit professional organization founded in 2015 and headquartered in the suburbs of Atlanta, Georgia.<sup>42</sup> CUTIC serves as an official North America Overseas Talent Workstation for around a dozen PRC municipal governments. The organization offers a range of services such as exchanging information on talent and technology projects, connecting U.S. tech companies with advanced manufacturers in the PRC, and connecting would-be entrepreneurs in the United States with PRC government-backed venture capital funds. CUTIC organizes recruitment events and implements PRC talent recruitment programs, representing an increased risk of talent recruitment, technology transfer, and intellectual property theft. The organization has branch offices in the PRC provinces of Jiangsu and Zhejiang, the Chongqing Municipality, as well as Florida, California, and Oregon.<sup>43</sup>

CUTIC's leadership consists of individuals who have been recruiting talent from the U.S. since at least 2005. The current director runs a for-profit "management consulting" business from the same address as the non-profit CUTIC, that is advertised as a consulting firm that cooperates with local PRC governments and introducing U.S. high-tech talents to the PRC. Another board member has organized several events which hosted PRC government officials accused of talent theft and espionage, such as the U.S. Representative of the Zhongguancun High-Tech Park and officials from the now-defunct PRC Consulate General in Houston. Finally, CUTIC has an advisory committee member who is a Thousand Talents Program selectee and a Foreign Academician of the Chinese Academy of Sciences – this individual was honored with an International Science and Technology Cooperation Award in 2014 by top PRC leaders (including Xi Jinping and Li Keqiang) for "using the Georgia Institute of Technology in the United States as a platform to train more than 110 graduate students and visiting scholars for China."<sup>44</sup>

<sup>&</sup>lt;sup>38</sup> http://www.jiangmen.gov.cn/home/bmdt/content/post\_3229929.html

 <sup>&</sup>lt;sup>39</sup> "Notice on the Application for the 2025 Gansu HOME program" https://kjc.gipc.edu.cn/info/1045/2227.htm
 <sup>40</sup> "2023-2025 Sichuan Association for Science and Technology HOME Program Special Expert Invitation"
 http://www.funresearch.cn/experted/browse/MDc0YjE2YTAtNjM4ZS00YzU2LWI4OWItYjIzNDdjYWM3MzMx
 <sup>41</sup> Notice on Issuing the "Management Measures for Overseas Talent Workstation in Nantong, China (Trial)," 2017.
 Primary source document for this information has been taken down from the open source and is only available in Strider's internal data holdings.

<sup>&</sup>lt;sup>42</sup> https://www.linkedin.com/company/cutic

 <sup>&</sup>lt;sup>43</sup> Official webpage of CUTIC. Primary source documents for this information have been taken down from the open source and is only available in Strider's internal data holdings.
 <sup>44</sup> Ibid.



Strider's internal data shows that CUTIC has stepped up its talent recruitment efforts in recent years, expanding its operations to several U.S. states and targeting engineers and scientists of U.S. enterprises and universities with access to sensitive technologies. CUTIC regularly solicits responses from these employees via email and social media campaigns, inviting them to join their recruitment events, mailing lists, and WeChat group.

CUTIC is just one example of hundreds of Overseas Talent Workstations operating outside of the PRC. Like Overseas Innovation and Entrepreneurial Bases, these Workstations are under the umbrella of the United Front Work System and take advantage of the laws and infrastructure of the host country to carry out the talent and technology agenda of the CCP.

#### **PRC Talent Acquisition Strategies Adapt to External Forces**

Several major events outside the control of the PRC government have changed the way it conducts talent and technology acquisition operations. When the COVID-19 pandemic shut down international travel, foreign talent recruitment activities went virtual, and talent program selectees were offered greater flexibility to remain employed abroad to "serve the motherland through various methods" as laid out by an earlier policy.<sup>45 46</sup> When LinkedIn shut down its services in the PRC in August of 2023, Strider's Global Intelligence team noticed a spike in email campaigns from PRC recruitment firms. But perhaps the most important macro-level shift is the rising number of academic collaborations between PRC research institutions and their overseas counterparts. As governments and enterprises around the world placed greater scrutiny on the PRC's talent and technology transfer activities, the PRC government has increasingly called on local authorities and research institutes to "expand international academic exchanges…and scientific research cooperation."<sup>47</sup> Of particular concern is the increase in the number of collaborations with organizations affiliated with the PRC military. Strider's analysis of research publication data has revealed the following:<sup>48</sup>

Since 2017, more than 250 U.S. organizations have collaborated with at least 50 PRC military-affiliated research institutes on STEM-related topics on thousands of publications. This amounts to more than 20,000 instances<sup>49</sup> of collaboration between U.S. researchers and PRC military R&D organizations.<sup>50</sup>

<sup>&</sup>lt;sup>45</sup> "Job Recruitment in China Goes Online Amid COVID-19 Epidemic," PRC State Council, 2020.

https://english.www.gov.cn/news/videos/202003/15/content\_WS5e6dcec9c6d0c201c2cbe5bc.html <sup>46</sup> "Some Opinions on Encouraging Overseas Scholars to Serve Their Country" (关于鼓励海外留学人员以多种形 式为国服务的若干意见), 2001, Preamble.

http://www.moe.gov.cn/jyb\_xxgk/gk\_gbgg/moe\_0/moe\_7/moe\_16/tnull\_167.html

<sup>&</sup>lt;sup>47</sup> "China Calls for Overseas Education Ventures in Push for Tech Advancement," South China Morning Post, 2025. https://www.scmp.com/economy/policy/article/3295487/china-calls-overseas-education-ventures-push-techadvancement

<sup>&</sup>lt;sup>48</sup> These figures are based on Strider's analysis of open-source data.

<sup>&</sup>lt;sup>49</sup> One publication may contain multiple "instances" of collaboration depending on the number of co-authors.

<sup>&</sup>lt;sup>50</sup> "PRC military R&D organizations" include Seven Sons universities, research laboratories and universities run by the PLA, military training academies, and PRC defense conglomerates.



- Strider identified more than 3,000 instances of U.S. researchers publishing STEM research with a concurrent affiliation to a PRC military-affiliated research institute since 2017.
- Strider identified hundreds of publications featuring U.S. researchers that received funding from PRC military and other strategic PRC funding programs. Strider identified thousands of instances of the U.S. government funding research that features an author from a high-risk PRC military research institute.

## The PRC Has Succeeded in Creating a More Independent Indigenous Innovation Ecosystem

For decades, the PRC government has strategically cultivated a culture of innovation through a robust framework of financial, political, and social incentives. This approach has fostered a new generation of domestic pioneers while celebrating figures such as Pan Jianwei, the scientist trained in Austria and Germany known as China's "father of quantum computing," and Huang Boyun, one of the earliest overseas returnees who brought back critical aviation technology expertise from the United States. By leveraging both returning talent and homegrown innovation, China has steadily advanced toward technological self-sufficiency.<sup>51,52</sup>

Thirty years ago, the PRC's lack of economic prowess and innovation capacity meant that its only path to advancement was learning from more developed nations. However, after three decades of aggressive talent and technology acquisition, the PRC has achieved near parity in sectors such as quantum computing and AI and has even surpassed leading economies in areas like electric vehicles, high-speed rail, and renewable energy. While China still lags in critical industries like semiconductors and has yet to meet its MIC2025 goals in agriculture, its domestic innovation ecosystem is now robust enough to foster groundbreaking companies. A prime example is DeepSeek, whose founder, Liang Wenfeng, has claimed that the company's core team is composed entirely of talent from domestic universities, with no reliance on overseas returnees.<sup>53</sup> This shift underscores China's broader strategic move toward technological self-reliance, reducing dependence on foreign expertise while leveraging homegrown innovation.

Using a sprawling cultural and organizational infrastructure built over decades, and by adapting to new challenges with innovative strategies, the PRC continues to find ways through our fences. To maintain its competitive edge and prevent strategic dependencies, the United States must invest in domestic research and development, strengthen information sharing with allies, and adopt proactive measures to counter the PRC's evolving talent and technology acquisition strategies.

#### **Policy recommendations**

To effectively counter the PRC's talent and technology acquisition policies while upholding the values of the free world, I would like to close my testimony with some policy recommendations:

<sup>53</sup> https://www.pressreader.com/china/south-china-morning-post-

6150/20250128/281913073790983?srsltid=AfmBOoo8eWdbPoyBKQLHYDhTWZ3SfRLvE91Q7rF\_KAcFTrmr48tXlMif

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<sup>&</sup>lt;sup>51</sup> "Quantum Dragon Report," Strider Technologies. https://www.striderintel.com/resources/quantum-dragon-report/

<sup>&</sup>lt;sup>52</sup> "Huang Boyun, Refused an Offer 80 Times the Salary from the US and Broke the Foreign Technology Blockade after returning to China," https://m.163.com/dy/article/HAFPS25A0543L395.html



## Mandate Transparency and Disclosure for Research Institutions

Congress should require all national laboratories, research institutes, and universities to disclose collaborations with PRC military-affiliated entities, particularly in research involving dual-use technologies. These requirements should extend beyond the provisions outlined in National Security Presidential Memorandum 33, ensuring comprehensive research security measures across public U.S. institutions.

#### • Restrict United Front-Linked Companies from Accessing U.S. Capital Markets

Congress should enact legislation preventing PRC companies from raising capital through U.S. stock markets if their leadership holds positions in CCP United Front organizations. These committees actively direct companies to recruit U.S. talent and undermine U.S. national security interests. Strengthening investment restrictions would ensure that American financial markets do not inadvertently fund entities working against U.S. strategic objectives.

## • Enhance Transparency in Corporate Procurement and Research

Publicly traded U.S. companies should be mandated to disclose procurement and research relationships with organizations which supply and collaborate with the People's Liberation Army or other PRC government entities. Promoting such transparency would reduce dependencies on entities tied to militaries and governments of adversarial nations.

## • Review Certain 501(c)(3) Organizations

The U.S. government should conduct a review of nonprofit organizations (i.e., 501(c)(3)) whose primary funding comes from adversarial governments, especially if their purpose aligns with advancing the technological capabilities of such nations. This review would help ensure these organizations operate in alignment with U.S. national security interests.

# Establish a National Talent Research Center

Congress should pass legislation to create and fund a national-level research center dedicated to studying global talent dynamics. This center would monitor talent policies of adversarial nations and develop a cohesive national strategy to strengthen the U.S. position in the global competition for talent.

# • Reform H-1B and Permanent Residency Policies

Congress should overhaul H-1B immigration policies by increasing the annual cap and transitioning from a lottery-based system to a merit-based one. Additionally, eligibility criteria for EB-1, EB-2, and EB-3 pathways to permanent residency should be streamlined to allow workers in STEM fields to qualify more easily.