STATEMENT FOR THE RECORD FOR JOSEPH MOROSCO, ASSISTANT DIRECTOR, OFFICE OF THE NATIONAL INTELLIGENCE MANAGER FOR COUNTERINTELLIGENCE, NATIONAL COUNTERINTELLIGENCE

AND SECURITY CENTER (NCSC):

SENATE COMMITTEE ON THE JUDICIARY SUBCOMMITTEE ON BORDER SECURITY AND IMMIGRATION HEARING ON STUDENT VISA INTEGRITY: PROTECTING EDUCATIONAL OPPORTUNITY AND NATIONAL SECURITY

Wednesday, 6 June 2018; 2:30 p.m. Room 226, Dirksen Senate Office Building

Chairman Cornyn, Ranking Member Durbin, and Members of the Subcommittee on Border Security and Immigration, thank you for the opportunity to appear before you to discuss national security concerns related to the exploitation of U.S. academic institutions by global adversaries.

As an Assistant Director in the Office of the Director of National Intelligence's National Counterintelligence and Security Center (NCSC), I am responsible for supporting NCSC Director William Evanina and the Director of National Intelligence on a broad range of national counterintelligence issues. These responsibilities include enhancing strategic awareness and outreach regarding the activities of foreign academics and researchers at U.S. academic and research institutions to acquire sensitive information and technology.

Protecting our national security while maintaining a free and open academic environment that benefits from reciprocal exchanges with global experts remains a difficult challenge. There are many benefits that international students bring to the United States. Along with increasing diversity and bringing new ideas to the classroom, international students make a significant contribution to the U.S. economy.

But we must be clear-eyed about the potential risks. There are many foreign academics and researchers currently attending U.S. institutions from nations that are strategic competitors, including Iran, Russia, and the People's Republic of China. We are particularly concerned about the People's Republic of China because it is among the United States' most formidable economic competitors.

For some time, Beijing has articulated industrial policies and long-term objectives contained in a number of comprehensive national development plans, such as its well-known Five Year Plans and its Made in China 2025 initiative. In these plans, Beijing has shown that it is interested in acquiring technology and expertise that is of critical economic or national security importance to the United States. In its recent Five Year Plan, Beijing identified its most critical technology priorities, including clean energy, aerospace and deep-sea research, information technology, and manufacturing.

Foreign governments often use every means at their disposal to secure an advantage in technological areas, and their exploitation of academics and researchers at U.S. colleges, National Laboratories, and other institutions is one of those means. For example, Beijing acquires and transfers critical U.S. technology through their intelligence services, foreign direct investments, joint ventures, open-source science and technology acquisition programs, front companies, and scientific and business collaborations.

Beijing also runs a talent recruitment program focused on recruiting global experts, particularly from the United States, who facilitate the transfer of foreign technology, intellectual property, and know-how to further China's science, technology, and military modernization goals.

Comparing the advantages associated with the presence of foreign academics in the United States with the attendant risks to our national security poses a significant challenge for the U.S. Government. While there are many foreign students in the United States, most do not have access to sensitive information or technology.

We are particularly concerned about foreign academics and researchers in advanced programs at U.S. academic institutions and National Laboratories who have access to, and are seeking to acquire,

sensitive information and technology that could be important to U.S. national and economic security now and in the future.

To address these concerns, NCSC has informed and advised decision makers about the risks to our security posed by foreign academics and researchers in the United States. NCSC has issued strategic guidance to our federal government partners to focus analysis, collection, and counterintelligence activities. The objective of this guidance is to enhance our understanding of the nature and extent of the threat posed by foreign academics and researchers seeking to collect sensitive information to the detriment of U.S. national and economic security. NCSC continues to engage with a variety of organizations including the Department of Homeland Security, the Federal Bureau of Investigation, the Defense Security Service, other federal and state partners, the National Laboratories, and the private sector to enhance the exchange of information on threats posed by global adversaries.

As we go forward, we will also take into account the work previously done by the National Security Higher Education Advisory Board and apply lessons learned on how to best structure the relationship between academia and the federal government.

In considering ways to expand our partnership with academia, NCSC—as part of the Office of the Director of National Intelligence—is committed to upholding academic freedom and openness, and preserving the civil liberties of our citizens while fulfilling our obligation to protect our nation's sensitive information and technology.

Some opportunities we are exploring to strengthen engagement with U.S. academic and research institutions to help mitigate the risks to our national security include:

• Continuing a robust partnership with U.S. Government research-funding agencies, including, for example, the Department of Health and Human Services and the Department of Energy, and academic institutions, to help them strengthen their counterintelligence and security programs;

- Identifying research and development and technological areas that need to be protected from technology transfer;
- Enhancing collaboration between technical experts within the U.S. Government and academia to identify sensitive research and technologies of interest to foreign adversaries; and
- Confirming that U.S. Government research-funding agencies know "who to call" if they have concerns or if counterintelligence or security risks are identified.

I believe these initiatives can go a long way toward helping us address this important national security concern at the national and strategic level. As the Director of NCSC has recently stated, we believe our economic security is our national security.

Mr. Chairman, thank you for the opportunity to appear before the Subcommittee. I welcome the opportunity to address any questions.