China’s Technology Development Strategy

Non-Traditional Collectors: China uses individuals for whom science or business is their primary profession to target and acquire US technology.

Joint Ventures (JV): China uses JVs to acquire technology and technical know-how.

Research Partnerships: China actively seeks partnerships with government laboratories—such as the Department of Energy labs—to learn about and acquire specific technology, and the soft skills necessary to run such facilities.

Academic Collaborations: China uses collaborations and relationships with universities to acquire specific research and gain access to high-end research equipment. Its policies state it should exploit the openness of academia to fill China’s strategic gaps.

S&T Investments: China has sustained, long-term state investments in its S&T infrastructure.

M&A: China seeks to buy companies that have technology, facilities and people. These sometimes end up as Committee on Foreign Investment in the United States (CFIUS) cases.

Front Companies: China uses front companies to obscure the hand of the Chinese government and acquire export controlled technology.

Talent Recruitment Programs: China uses its talent recruitment programs to find foreign experts to return to China and work on key strategic programs.

Intelligence Services: The Ministry of State Security (MSS), and military intelligence offices used in China’s technology acquisition efforts.

Legal and Regulatory Environment: China uses its laws and regulations to disadvantage foreign companies and advantage its own companies.