

Testimony of:

**Dr. Peter Wood
President
National Association of Scholars**

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**“Transparency and Trust:
Exposing Malign Foreign Influence in Higher Education”**

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1. Introduction

Chairman Cassidy M.D., Ranking Member Sanders and Members of the Committee: My name is Peter Wood. I am the President of the National Association of Scholars (NAS), a nonprofit, nonpartisan membership organization dedicated to promoting intellectual freedom, academic integrity, and accountability in U.S. higher education. NAS has long examined issues related to transparency, foreign funding and institutional governance in U.S. universities. Thank you for the opportunity to come before you today to discuss this key issue and what policymakers need to do to ensure the protection of U.S. national interests and security.

I am an anthropologist and served as a tenured professor of anthropology at Boston University where I also served as associate provost and the president's chief of staff. From 2005 to 2007, I served as the provost of King's College in New York before joining the National Association of Scholars as its executive director, and then as its president in 2009. The testimony I present today reflects the NAS's research and policy work on this issue over the past decade.

2. The Strategic Importance of U.S. Universities

Universities occupy a unique strategic position in the economy and in American society. They are primarily institutions of education but also have central nodes in the nation's research infrastructure, technological innovation system and policy development. Universities train future leaders in government, science, engineering and the military, while producing fundamental research that underpins advances in fields ranging from artificial intelligence and semiconductors to biotechnology and national defense technologies. This role means that higher education institutions are deeply intertwined with U.S. economic competitiveness and national security.

Federal agencies, including the Department of War (formerly Defense, DoD) and its research arms such as the Defense Advanced Research Projects Agency (DARPA), the Intelligence Advanced Research Projects Activity, the Army Research Office, the Office of Naval Research, and the Air Force Office of Scientific Research, regularly fund university research and educational programs that support dual-use technologies research. Universities also play an important role in the development of national security expertise. For decades, the DoD has sponsored graduate education for military officers

at civilian universities as part of their professional development. These programs have historically fostered the exchange of ideas between the military and academic communities while strengthening technical, strategic and policy expertise within the U.S. armed forces.

American universities sit at the intersection of education, scientific research and public policy, they represent valuable targets for foreign governments seeking influence, access to U.S. advanced technology, innovation, know-how, or the ability to shape intellectual and political debates within the U.S. Understanding the strategic importance of universities is therefore essential to understanding why malign foreign influence in higher education poses serious risks to both academic integrity and national security.

An accurate assessment of this situation requires attention to the particular vulnerabilities of the American university. First, our institutions of higher education put a high value on intellectual openness and trust freely extended to all interested parties. They are seldom primed to pay close attention to information security and they tend to be naive about the motives of actors from nations that may not have our best interests in mind. Second, our colleges and universities are strongly swayed by a self-image as “global institutions” that have little concern for national boundaries or the American national interest, but instead seek to demonstrate their earnestness as “citizens of the world.”

Third, that eagerness to embrace global citizenship dovetails with the international character of scientific publishing, conferencing, and collaboration, and the parallels in other scholarly areas of the learned professionals, the social sciences, and the humanities. The American professoriate is highly resistant to the idea that American research funding and general support ought to entail vigilance over American interests. Fourth, the American university is an intellectual community without strict departmental or bureaucratic boundaries. In fact, faculty members often complain about the few boundaries that do exist. In practice, someone who gains access to the university in one area faces no great difficulty in developing relationships in many other areas.

3. The Problem of Malign Foreign Influence in Higher Education

Since 2015, the National Association of Scholars has made tracking, exposing, and neutralizing malign foreign influence from authoritarian regimes and hostile powers within academia a central focus of its work.

3.1. Confucius Institutes and Chinese Soft Power

The NAS’s work on foreign influence in higher education began with documenting the role of Confucius Institutes on American college campuses. These programs were

established by the Chinese government to promote Chinese language and culture abroad, but in practice they functioned as instruments of Chinese “soft power” designed to influence perceptions of the Chinese Communist Party (CCP) within American universities.

Senior Chinese officials openly acknowledged this purpose. In 2009, Li Changchun, the then-head of propaganda for the CCP, described Confucius Institutes as “an important part of China’s overseas propaganda setup.” The NAS subsequently used Freedom of Information Act (FOIA) requests across higher education to understand these programs at American universities. Our research revealed several structural features that created opportunities for foreign influence.

First, Confucius Institutes were often established through agreements that placed elements of the program under Chinese legal authority, meaning that contracts and activities were subject to political and legal restrictions defined by the Chinese government.

Second, the Chinese government frequently exercised influence over curriculum, teaching materials, and instructor selection. In many cases, teachers were selected and approved by Chinese authorities, and course materials avoided topics considered politically sensitive by the CCP.

Third, these institutional arrangements created pressure to avoid discussion of topics such as Taiwan, Tibet, Falun Gong, and the treatment of Uyghurs, effectively introducing political constraints into academic environments that traditionally operate under principles of free inquiry.

Fourth, Confucius Institutes sometimes served as points of entree for other CCP efforts to cultivate relationships with university scientists and other faculty in sensitive positions.

Fifth, Confucius Institutes are integrated into a larger CCP effort to create a web of dependency between the host institution and the Chinese authorities. This dependency is partly financial and partly professional. The financial side included direct payments to the host university, material benefits to university officials, and most importantly the enrollment of large numbers of tuition-paying students from China. The professional side included enticing American faculty members into working relationships with partners at Chinese universities. Sometimes these relationships were formalized as part of the CCP’s “Thousand Talent Program.”

While NAS’s research focused primarily on the Confucius Institutes, we discovered that the Confucius Institutes were a closely integrated part of an all-university effort by the CCP to gain pervasive influence on American campus. The broader effort included the activities of the Chinese Students and Scholars Organization, the Thousand Talents Program, surveillance of overseas Chinese students, the appropriation of American intellectual property, and efforts to compromise leading American researchers.

Over time, NAS documented how Confucius Institutes in universities and their K-12 counterparts, known as Confucius Classrooms, were used to shape narratives about China and limit open discussion of politically sensitive issues. Public attention to these practices contributed to growing scrutiny from policymakers and ultimately led many American universities to rebrand or close their Confucius Institute programs entirely.

3.2. Foreign Gifts and Section 117 Transparency Failures

NAS's experience in exposing China's influence led us to examine other issues of foreign influence. One of the primary federal tools intended to provide transparency in this area is Section 117 of the Higher Education Act of 1965 (HEA), which requires colleges and universities to report foreign gifts, contracts and funding valued at \$250,000 or more to the Department of Education (DoE). According to the DoE's Foreign Fund Tracker, American universities have reported more than \$72.1 billion in foreign funding to date. While this reporting requirement is an important transparency mechanism, it suffers from several structural weaknesses.

First, universities largely self-report the data, and the system captures only transactions above the \$250,000 threshold. As a result, foreign entities can avoid disclosure by wiring payments in smaller increments or routing funds through multiple transactions. NAS has examined these patterns closely and provided recommendations, for example to lower the threshold to \$50,000. In addition to that, we built our own database of foreign gifts to American universities. Through this database, we found that colleges and universities often receive gifts of \$50,000 or \$100,000, which fall below the mandatory reporting threshold. When payments are fragmented or routed through intermediaries, they accumulate into substantial funding that could buy influence, and still remain outside federal disclosure requirements.

Second, the current reporting framework provides little information about how foreign funding is used. Section 117 disclosures list the amount of money and the country of origin, but typically do not reveal whether funds support sensitive research, technology development, academic programs, or access to data and facilities. The NAS has documented cases where Chinese-linked partnerships involved sensitive research areas. For example, Georgia Tech and Alfred University had concerning ties to Chinese entities while working on hypersonic missile technology research, and the University of Michigan has faced scrutiny over biological materials and access by Chinese nationals. Yet the tracker cannot show whether foreign funding supported these sensitive activities or something entirely unrelated. Without this information, policymakers and the public cannot easily distinguish between routine academic cooperation and funding that may create strategic vulnerabilities for the United States.

Third, the current reporting system often fails to reveal the "true origin" of foreign funding because donations are frequently routed through intermediary entities, offshore jurisdictions. For instance, Bermuda appears as the source of more than \$752 million to Carnegie Mellon University and \$87 million to Columbia University, while Guernsey is listed as the source of \$446 million to Yale. These seem to be obvious evasions of U.S. law. Guernsey, with a population of about 67,000, and Bermuda, with a population of

roughly 64,000—two jurisdictions of similar size—appear in disclosure data as the source of substantial funding flows to U.S. universities, raising the question of whether the funds originate elsewhere and are routed through these intermediaries. Who is the real source of these funds, and why? The NAS has previously reported that universities frequently fail to disclose the full extent of the foreign funding they receive.

3.3. Research Security and Technology Transfer Risks

Foreign influence in higher education also raises significant research security concerns, particularly when foreign entities gain access to scientific work with dual-use civilian and military applications. American universities conduct a large share of the nation's fundamental research, including work funded by federal agencies that contributes directly to technological innovation and national defense capabilities.

NAS has documented cases in which Chinese-linked partnerships intersected with sensitive research environments. In 2023, NAS reported on the proximity of a Confucius Institute at Alfred University to a university ceramics program involved in research related to hypersonic missile technology. The presence of Chinese government-linked programming alongside sensitive research activities raised concerns about potential avenues for access to advanced materials research.

In 2024, NAS also exposed a long-standing partnership between the Georgia Institute of Technology and Tianjin University, a Chinese institution designated by the U.S. Department of Commerce's Bureau of Industry and Security (BIS) for its involvement in economic espionage. The collaboration involved research on graphene-based semiconductor technologies, an emerging class of semiconductors with significant potential military applications. Because graphene semiconductors represent a relatively new technological frontier, they were not covered by existing export restrictions.

NAS discovered that Tianjin includes among its stated partners universities Harvard, Caltech, UC Berkeley, MIT, Princeton, and other prominent American universities. These examples illustrate how partnerships between American universities and foreign institutions can create pathways through which adversarial states gain exposure to emerging technologies developed with U.S. public funding. As NAS investigations and congressional inquiries have shown, such collaborations can occur even when foreign partner institutions have known links to military or intelligence activities.

Our work on the ways in which foreign governments exploit academic partnerships to access advanced technologies continues through ongoing investigations, whistleblower reports, and policy analysis.

3.4. Foreign Funding and Ideological Influence: Qatar

Foreign influence in higher education can also operate through large-scale financial contributions tied to institutional partnerships and academic programs. In recent years, NAS has examined the role of Qatari funding in American universities and its potential implications for academic independence and ideological influence. NAS found that between 2001 and 2021, Qatar provided approximately \$4.7 billion in funding to U.S.

universities, making it one of the largest foreign donors to American higher education. Much of this funding has been connected to the establishment of branch campuses in Qatar, often facilitated through the Qatar Foundation, a state-backed organization created in 1995 to recruit Western universities to operate educational programs in the country. Many of these institutions operate in Education City, a campus complex in Doha designed to host branch campuses of leading Western universities.

These arrangements frequently involve partnerships that extend beyond classroom instruction into media, policy, and research collaborations. For example, Northwestern University's branch campus in Qatar entered into an agreement in 2013 with the Qatari state-owned media network Al Jazeera to train journalists and support the network's expansion into international media markets. Through this partnership, Northwestern's Qatar campus contributed to the development of media programming associated with Al Jazeera America, the network's short-lived U.S. television channel. Although Al Jazeera America ceased operations in 2016, Al Jazeera continues to maintain an active presence through digital media platforms.

3.5. Ideological Capture through Middle East Studies Centers

Foreign influence in higher education may also operate through the academic programs and research centers that shape how regions and political issues are studied and taught. Middle East Studies Centers (MESCs) were originally established in the 1950s as part of Cold War efforts to improve American national security by training experts in the languages, politics, and cultures of the Middle East.

In its 2022 report *Hijacked: The Capture of America's Middle East Studies Centers*, NAS found that MESCs frequently receive funding from both the U.S. federal government and foreign donors while operating in environments increasingly shaped by ideological activism. The report identifies more than fifty such centers operating across American universities, several of which receive federal support through Title VI of the Higher Education Act.

NAS's analysis found that many of these centers have shifted away from their original mission of producing policy-relevant scholarship and instead promote political frameworks influenced by critical theory and post-colonial narratives. For example, this approach often frames regional conflicts through themes of colonialism and Western oppression while portraying the United States and its allies—particularly Israel—as primary sources of injustice.

These developments illustrate how academic programs originally designed to strengthen U.S. foreign policy expertise can evolve into institutional platforms for ideological activism, particularly when combined with complex funding streams that include both federal subsidies and foreign donations.

3.6. The “Boycott, Divestment, and Sanctions” (BDS) Movement and Campus Networks

Foreign influence in higher education can also operate through activist networks that shape campus discourse and political mobilization. In our 2023 report titled “*The Company They Keep*”, we examined the organizational and funding structures behind the Boycott, Divestment, and Sanctions (BDS) movement on American campuses.

The report found that many pro-BDS initiatives are supported primarily by Western nonprofit foundations rather than direct funding from Middle Eastern governments. These philanthropic networks provide financial resources, organizational infrastructure, and training that sustain campus activism targeting Israel and U.S. foreign policy in the region. NAS research also found that campus antisemitism connected to BDS activism is embedded within broader activist ecosystems on the political Left that mobilize student organizations and identity-based advocacy groups.

NAS research also documented that several organizations connected to the international BDS network maintain affiliations with groups linked to terrorism. Of roughly 300 pro-BDS organizations worldwide, NAS identified 42 with demonstrated ties to terrorist groups. For example, the BDS National Committee (BNC), which coordinates global boycott efforts, includes organizational members associated with the Council of National and Islamic Forces in Palestine, which itself includes groups such as the Popular Front for the Liberation of Palestine, the Popular Front–General Command, the Palestinian Liberation Front, and Palestinian Islamic Jihad. Moreover, the BNC is funded in part by the US nonprofit “US Campaign for Palestinian Rights.” NAS also found that at the time of the report’s publication, PACBI was fundraising through ActBlue, a prominent fundraising platform used by members of the Democratic Party.

At the campus level, the report identified Students for Justice in Palestine (SJP) as one of the most prominent organizations promoting BDS activism in American universities. NAS research found that SJP emerged from earlier Palestinian student networks such as the General Union of Palestinian Students (GUPS), including chapters active at universities such as San Francisco State University and UC Berkeley. The modern organization developed in part through the activism of figures such as Hatem Bazian, a lecturer at UC Berkeley and professor at Zaytuna College. Today, SJP operates through national umbrella networks connected to organizations such as American Muslims for Palestine (AMP), whose conferences have featured political activists and public officials, including Linda Sarsour and Representative Rashida Tlaib at AMP’s 2019 annual conference. On campus, our investigations discovered that while Palestinian students are prominent in antisemitic campus activism, the BDS movement itself is funded largely by Western nonprofit foundations such as the Tides Foundation, and empowered by student identity groups with little to no connection with the Middle East.

3.7. Iranian Government Connections in Academia

Foreign influence in higher education can also arise when individuals with direct ties to foreign governments hold academic positions in American universities, particularly in fields related to foreign policy and national security. Such cases raise concerns about potential channels of influence, access to policymakers, and the shaping of academic discourse on sensitive geopolitical issues.

NAS examined one such case involving Seyed Hossein Mousavian, a former Iranian diplomat who served as a research scholar at Princeton University's School of Public and International Affairs. Mousavian previously held senior roles in the Iranian government, including serving as Iran's ambassador to Germany and as a nuclear negotiator for the Iranian regime prior to 2009 as an official within the country's Supreme National Security Council. In 2016, Iran's foreign minister at the time, Javad Zarif, publicly suggested that Mousavian remained connected to the Iranian government. His position at Princeton therefore raised concerns about the presence of individuals with prior government affiliations from adversarial states working within American policy and academic institutions. Following public scrutiny and calls for accountability, Mousavian departed from his position at Princeton in 2024.

Iran-related influence can also intersect with broader ideological and activist networks on American campuses. NAS analysis has noted that campus organizations and advocacy groups sometimes mobilize around foreign policy debates involving Iran, including protests and campaigns coordinated through activist coalitions already active in Middle East political advocacy. For example, recent campus protests related to U.S. policy toward Iran and regional conflicts have involved participation from organizations such as Students for Justice in Palestine and other activist networks that regularly coordinate demonstrations across universities.

4. How Should the United States Respond?

Before turning to specific policy recommendations, it is important to recognize that the cases described above are not isolated incidents. They reflect broader structural vulnerabilities in how the United States oversees foreign funding, academic partnerships, and influence within its higher education system.

American universities remain open institutions, and international collaboration has long been one of the strengths of the U.S. research and education system. But openness without transparency can also create opportunities for adversarial governments to exploit academic partnerships, funding streams and institutional networks for strategic advantage.

Addressing these vulnerabilities does not require restricting legitimate academic exchange. However, it does require targeted policy reforms that strengthen transparency, improve oversight, and ensure that the governance of American universities reflects the national interests and security of the United States.

4.1. Restrict Foreign Government-Directed Academic Programs

Congress should ensure that universities receiving foreign funding do not enter into agreements that place academic programs under the authority or jurisdiction of foreign governments.

First, universities should be required to disclose the full terms of any agreements with foreign government–sponsored educational programs, including provisions related to hiring, curriculum control, and legal jurisdiction. These disclosures and contracts should be made available to public viewing.

Second, federal funding eligibility should be conditioned on maintaining institutional control over academic content and governance.

Third, Congress should adopt the Securing American Funding and Expertise from Adversarial Research Exploitation (SAFE) Research Act, that restricts access to federal funding for universities or researchers affiliated with hostile foreign entities.

Fourth, research-security frameworks such as the SAFE Research Act should extend beyond elite research universities and address a broader ecosystem of technically sensitive institutions, applied-degree programs, and collaborative networks that operate within strategically important fields.

4.2. Reform Section 117 Foreign Funding Disclosure Requirements

Congress should reform Section 117 of the Higher Education Act and also should assign an agency to police it.

First, the NAS recommends lowering the current reporting threshold from \$250,000 to \$50,000, which would capture a significantly larger share of foreign gifts and contracts that currently fall below disclosure requirements. Congress should also adopt aggregation rules requiring universities to report related payments together rather than treating them as separate transactions.

Second, disclosure requirements should be expanded to include the purpose and use of foreign funding. Current reports typically list only the amount of money received and the country of origin, but do not reveal whether funds support research, technical training, academic programs, data access, or other activities. Universities should therefore be required to disclose whether foreign funding supports research, teaching, training programs, technology development or access to sensitive data and facilities.

Third, Congress should also require universities to disclose the ultimate source and controlling entity of foreign funding when money is routed through intermediaries such as offshore jurisdictions.

Fourth, Congress should assign a financial enforcement authority, specifically the Internal Revenue Service (IRS), working with the Treasury Department. For example, mandating biannual audits of universities by the IRS, and subjecting colleges and universities to the same reporting and due diligence standards that require banks and financial institutions to know their customers. This should be part of broader due diligence mandates to reform higher education.

4.3. Strengthen Research Security and Technology Protection

First, Congress should strengthen research security requirements for universities receiving federal funding. Federal agencies supporting academic research, such as the Department of War, should require enhanced vetting of foreign collaborators and institutional partners.

Second, research security policies should account for informal academic collaboration, e.g. coauthored research, graduate advising relationships and technical working groups that facilitate knowledge and technology transfer outside formal institutional arrangements.

Third, Congress should ensure that emerging technologies are incorporated into export control and research security frameworks.

4.4. Improve Transparency of Foreign Institutional Partnerships

First, universities operating foreign branch campuses or joint institutions should disclose full terms governing those arrangements. The disclosure should include funding, governance issues, curriculum oversight clauses, jurisdictional issues and dispute resolution schemes under which the program operates.

Second, institutions should publicly disclose every partnership between foreign university programs and media organizations, research institutes and think tanks and state-supported foundations.

Third, Congress should ensure that universities receiving foreign funding maintain governance control over academic content regardless of the location of the program.

4.5. Increase Oversight of Federally Funded Area Studies Programs

First, Congress should review the administration of Title VI funding for area studies programs, including Middle East Studies Centers. Many of these programs emerged to strengthen American expertise in strategically important regions through language training, regional research and policy-relevant scholarship. Oversight mechanisms should ensure that federally funded centers continue to fulfill this mission.

Second, Congress should strengthen financial transparency requirements for foreign funding connected to area studies programs. Foreign donations to universities are frequently routed through affiliated university foundations that operate outside FOIA requirements. As a condition for receiving federal funding, foundations affiliated with public universities should be subject to FOIA requests.

Third, universities should be required to publish the terms of contracts, memoranda of understanding, and other agreements with foreign governments or foreign institutions in publicly accessible locations on their websites.

Fourth, advisory boards overseeing Middle East Studies Centers should not include members who represent the interests of foreign governments or foreign political organizations.

Fifth, Congress should evaluate whether continued federal funding for National Resource Centers remains appropriate in cases where programs fail to meet the original mission of strengthening American understanding of strategically important regions.

4.6. Increase Transparency of Political Activism and Advocacy Networks on Campus

First, Congress should examine how nonprofit funding networks support political activism on university campuses.

Second, policymakers should require greater transparency regarding the financial and organizational structures behind campus advocacy networks.

Third, universities should ensure that their relationships with external organizations, whether advocacy groups, research institutes, or foreign-affiliated nonprofits, are publicly disclosed.

Fourth, universities that receive federal funding should reaffirm their civic mission by ensuring that academic programs serve the educational and broader interests of the United States.

4.7. Close Loopholes in the Foreign Agents Registration Act

First, Congress should review whether existing Foreign Agents Registration Act (FARA) provisions adequately apply to individuals operating within universities who engage in activities benefiting foreign governments or foreign state-linked institutions. The Deterrent Act is a step in the right direction, but it does not go far enough.

Second, Congress should clarify whether certain academic activities, particularly those involving policy advising, research collaboration with state-linked institutions, or participation in foreign government initiatives, require disclosure when conducted on behalf of foreign governments or their affiliated organizations.

5. NAS's Future Contribution to Protecting American Higher Education from Foreign Influence

The National Association of Scholars will continue its work documenting and exposing foreign influence in American higher education. In the coming months, we will expand this work with new research projects examining the growth of campus antisemitism and

the ways in which Chinese government influence can shape policy debates in areas such as climate regulation through partnerships with American universities.

Protecting academic freedom and international collaboration does not require closing American universities to the world. It does, however, require transparency, accountability, and clear safeguards to ensure that foreign funding and partnerships do not undermine the national interests of the United States. NAS stands ready to continue assisting Congress and federal agencies by providing research, analysis, and policy recommendations that strengthen the integrity of American higher education.

Thank you for the opportunity to testify, and I look forward to any questions you may have.