

FBI Reports Behind the Dismissal of Five Visa Fraud Cases under the "China Initiative"

Five visa fraud cases involving five researchers from China were abruptly dismissed by the Department of Justice (DOJ) in July 2021. They were all listed as "China Initiative" cases. The trial of Dr. Juan Tang was about to begin on Monday, July 26, 2021, when DOJ motioned to dismiss the case on July 22. A year earlier, the indictment of these scientists coincided with the closing of China's consulate in Houston, which was alleged to be a "spy center." FBI agents followed to conduct massive local interviews in search of "spies," creating intense fear and anxiety in the Asian American community.

DOJ did not provide an explanation for the dismissals. However, on July 22, 2021, Reuters [reported](#) that there was "recently disclosed evidence of a report by FBI analysts that questioned if the visa application question on 'military service' was clear enough for Chinese medical scientists at military universities and hospitals." In another [report](#) by the Washington Post, an unnamed official was quoted to say that "the punishment for visa fraud typically does not exceed a year. That fact, combined with the prospect of prolonged litigation in several instances, led officials to assess that the interests of justice were best served by dropping the cases."

Upon further research, we found the defense attorneys for Dr. Tang filed a [Defendant's Trial Brief and Memorandum Supporting Dismissal at Trial](#) on July 19, 2021. It included a section on "The FBI's Deliberate Failure to Disclose Critical Exculpatory Evidence to the Court and to the Defense Warrants a Dismissal of this Ill-Conceived Indictment."

"There is dissension in the FBI's own ranks," the section began. The government intentionally did not comply with the discovery order for the trial and highlighted that "... just days ago, a heavily redacted report dated for release four months ago, on April 1, 2021, which the government did not disclose to this Court when it ruled on Dr. Tang's Motion to Dismiss." [Exhibit A](#) shows a FBI Background Note, which includes a statement that investigations and expert interviews "suggest that the visa application form (DS-160) potentially lacks clarity when it comes to declaring one's military service or affiliation."

Q: Is this obfuscation indicative of nefarious intent?

A: [REDACTED] Investigations associated with these individuals as well as PLA experts interviewed in the cases cited above suggest that the visa application form (DS-160) potentially lacks clarity when it comes to declaring one's military service or affiliation. China's PLA is not a direct analog to how the US military services are set up, especially regarding the PLA's Civilian Cadre. CTTAU assesses that while some intentional obfuscation is almost certainly being used by the PLA to gain entry into the US, there are grey areas where it is difficult for the FBI and DOS to determine whether obfuscation is intentional or for nefarious tech transfer purposes. Among the Civilian Cadre are a significant number of doctors and nurses and other professionals that at times are required to wear a military type uniform, but who would not necessarily consider themselves soldiers despite being considered as active duty. There are also contract civilians who work for the PLA, but are not considered active duty military. Within investigations it may also appear as if students and scholars from particular MCF-designated and PLA-affiliated universities and institutions are obfuscating their respective affiliations by not declaring military service despite having academic advisors who are PLA officers, but the FBI has an incomplete understanding of the full nature of this student/scholar to academic advisor relationship. [REDACTED]

A draft FBI report also appeared as part of an exhibit in a non-motion response filed in the case of Lei Guan on July 12, 2021. It is titled Fourth Military Medical University Interviews and Arrests Likely Had Minimal Impact in Mitigating Technology Transfer Threats from PRC Students dated March 19, 2021. You can access the file on the APA Justice website here: <https://bit.ly/3zuhQR9>. Following is a partial screen shot of the FBI report:



[REDACTED] Fourth Military Medical University Interviews and Arrests Likely Had Minimal Impact in Mitigating Technology Transfer Threats from PRC Students 19 March 2021

[REDACTED] assesses the interviews and arrests conducted pursuant to the FBI Counterintelligence Division operation targeting Fourth Military Medical University (4MMU)^a researchers and students likely had minimal, short-term positive impact on the technology transfer threat from PRC students, scholars, and researchers.^b [REDACTED] makes this assessment with low confidence owing to simultaneous events—particularly the COVID-19 pandemic (i.e., public debate about the origins of the virus, infection/death rates, university closures, travel bans), passage of Presidential Proclamation 10043 on Chinese student visas, and closure of the PRC Consulate in Houston—and a lack of strategic messaging about the intent of the FBI's actions, which prevented a clear understanding of which PRC reflections were a response to the operation. As a result of the operation, the FBI arrested seven individuals for failing to disclose their affiliation with the People's Liberation Army (PLA) on their visa application. Only two of the arrests had a nexus to technology transfer violations, one of which resulted from an existing investigation, and none included charges related to other counterintelligence concerns.

The 28-page exhibit includes a heavily redacted draft white paper that provides assessments on seven cases under the "China Initiative," including the five that were dismissed. The draft paper states that targeting of the researcher and students "likely had minimal, short-term positive

impact on the technology transfer threat from PRC students, scholars, and researchers." In addition, "[o]nly two of the arrests has a nexus to technology transfer violations, ... and none included charges related to other counterintelligence concerns."

Outlook: It is too early for [REDACTED] to meaningfully assess the longer-term impact of the interviews and arrests conducted during the 4MMU operation. However, the egress of PRC students, scholars, and researchers in 2020, if permanent or long-lasting for a significant number, [REDACTED]

Furthermore, the operation likely contributed to the deterioration of the FBI's delicate yet valuable relationship with some US universities by not exercising more caution before approaching PRC students. Although [REDACTED] strongly advised against investigating and arresting students and researchers associated with 4MMU, several FBI field offices proceeded with visa fraud charges for individuals who met the criteria of [REDACTED] but did not meet [REDACTED] threshold for a high-priority technology transfer threat.

Operational Strategy: [REDACTED] draws a clear distinction between the 4MMU operation and the FBI's concerted two-year effort to inform USG policy and decision-makers on the extent of PLA collection activity at US universities, specifically China's Military-Civil Fusion (MCF) strategy to advance its military modernization and economic development. [REDACTED]

[REDACTED] generated a list of more than 27,000 students, both CONUS and OCONUS, who overtly disclosed their affiliation with an MCF institution and meet the criteria for visa denial [REDACTED]

It is in the best national security interest of the FBI to strategically identify, target, and mitigate PRC technology transfer threats while also preserving educational opportunities in the United States for PRC students who do not pose a threat.

Prepared by Counterintelligence Division, [REDACTED]

However, the FBI does not consider clinical medicine an area of concern for PRC technology transfer. [REDACTED]

The operation "likely contributed to the deterioration of the FBI's delicate yet valuable relationship with some US universities by not exercising more caution before approaching PRC students." Although there was strong advice against investigating and arresting students and researchers with the operation, "several FBI field offices proceeded with visa fraud charges for individuals who met the criteria but did not meet the threshold for a high-priority technology transfer threat."

"It is in the best national security interest of the FBI to strategically identify, target, and mitigate PRC technology transfer threats while also preserving educational opportunities in the United States for PRC students who do not pose a threat," said an unredacted portion of the FBI report. A footnote also stated that "the FBI does not consider clinical medicine an area of concern for PRC technology transfer."

According to the exhibit, a FBI Supervisory Intelligence Analyst drafted the report as a response to a February 2021 award nomination. She was originally included as part of the award nomination but disagreed about the "high impact" the award's nomination claimed to have made. She did not think the arrest of the PLA students met the threshold for high impact at that time, as she assessed at an early stage the impact was minimal. The draft was a way for her to dispute the information contained in the awards packet. She removed herself from the award nomination.

John Demers, former head of the "China Initiative" at DOJ, and William Evanina, former chief of the counterintelligence branch at ODNI, stated in December 2020 that [more than 1,000 Chinese researchers have left the United States](#) amid the U.S. crackdown on alleged technology theft from China.

Read more: <https://bit.ly/3kWIU7s>

Concerns about Knox News Journalist Jamie Satterfield

We learn with shock and dismay about Jamie Satterfield's recent abrupt departure from Knox News. As recently as August 1, 2021, Knox News featured Satterfield for her "fearless" reporting on toxic coal ash waste in a playground in Tennessee and the FBI's role in Professor Anming Hu's trial.

Satterfield is an award-winning journalist with 30 years of experience. Her comprehensive, continuing, in-depth coverage of the Hu trial was a breath of fresh air for many of us concerned about the "China Initiative" and related justice and fairness issues. Her reports have been cited widely not only by the Asian American and scientific communities, but also Congressional members. There are few investigative reporters today with her quality, knowledge, and passion. We have been looking forward to her continuing reports and now have deep concerns about her departure.

The screenshot shows the profile page for Jamie Satterfield on the Knox News website. The page includes a navigation bar at the top with links for Home, News, Sports, Knox.biz, Go Knoxville, Explore Tennessee, Shopper News, Opinion, Obituaries, E-Edition, Marketplace, Weather, About Us, and a user profile link for Hi, Jeremy. The profile section features a circular profile picture of Jamie Satterfield, her name, and her title as "Legal affairs correspondent". Below this is a bio: "Jamie Satterfield is an award-winning journalist specializing in legal issues, crime, police, environmental crime and investigative reporting. She has nearly 30 years of experience. Honors include a Scripps Howard Award for uncovering the poisoning of the workforce of the nation's largest coal ash spill and induction into the East Tennessee Writer's Hall of Fame." There are also social media icons for Twitter and Facebook. To the right of the profile is a "My Recent Work" section with three article thumbnails. The first thumbnail shows a playground with a sign that says "WELCOME TO Anderson County Conservation Board KIDS PALACE PLAYGR" and the headline "Anderson County playground stays open despite toxic coal ash waste" with a "Local" tag. The second thumbnail has the headline "Exclusive: TVA used toxic coal ash to construct youth sports field" with a "Crime" tag. The third thumbnail has the headline "Feds will pursue second fraud trial against former UT professor" with a "Crime" tag. Below this is another article thumbnail with the headline "How the FBI manipulated UT to find a Chinese spy who didn't exist" with a "Crime" tag.

On August 28, 2021, Tennessee Lookout published [Longtime reporter Jamie Satterfield and Knoxville News Sentinel part ways](#). According to the report, on the same day Satterfield picked up yet another first-place journalism award for her relentless, ongoing coverage of the devastating fallout of a coal ash spill at the Tennessee Valley Authority's Kingston plant more than a decade ago, she announced on Twitter that she had parted ways with her employer of 27 years.

"I love every person who ever allowed me the privilege of finding the truth of their circumstances and every reader who supported me," she said Sunday in a messaged response to questions about her departure. Satterfield's announcement came as a surprise to readers, her sources and fellow journalists. Satterfield worked as the News Sentinel's legal affairs reporter. She built a reputation as a prolific and hard-nosed crime and courts reporter, but in recent years added environmental reporting to her beat.

Read more: <https://bit.ly/3zuffHd>

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