

Briefing Note on Chinese Issues

Chinese Students and Scholars Association (CSSA)

1.The CSSA was disbanded by LSESU as a student society for one year at the end of the 2017-18 academic year, following numerous complaints about the running of the society. A specific recommendation of the original suspension was that any reinstatement in 2019-20 was made dependent upon compliance with the full acceptance of the sanction imposed in 2018-19.

2.In February and March 2019, four complaints were received by the SU from students about the continued operation of the society. These complaints focused upon the running of events and the appointment of the society's new committee, where the candidates were allegedly selected by the Chinese Embassy. The society's members were told that they had to vote for these candidates.

3.Separately, the School Secretary received two further complaints from an alumnus and an external supplier about the operation of the CSSA as a company which used the School's name and address.

4.SU investigations revealed that the society had continued to run events during the period of suspension despite being unauthorised to do so. It had also made room bookings via the Taiwanese Society.

5.There was subsequently a SU disciplinary panel held on 25 March 2019 for the five leaders of the CSSA society. This formally rejected the request to re-form the CSSA society and proposed the establishment of a new Chinese Students Society in 2019-20 with the support of the SU. This would enhance social community, academic advancement and support of Chinese students at the School, but without any formal links to external CSSA organisations or CSSA groups at other institutions. The panel confirmed that any breaches of these sanctions or of other SU policies would be addressed by further disciplinary actions and more severe sanctions.

6.The key factors underpinning the decision of the panel were:

- There was an apparent lack of understanding on the part of the students of the seriousness of the allegations or acceptance of responsibility for what had happened;
- Previous attempts to enforce sanctions and penalties to ensure the CSSA's compliance with SU procedures had been unsuccessful for at least the last four or five years and the panel was not satisfied the CSSA could operate independently from external influence if it continued in its previous form;
- Ongoing concern that the CSSA group would be unable to run democratic functions and follow SU finance and event procedures;
- There was no wish to penalise the School's large current and future community of Chinese students for the failures of the group leaders to adhere to SU policy and procedures.

Confucius Institute

7.The agreement was reviewed by the Legal Team earlier this year and amendments to the draft agreed at SMC on 7 May 2019. These were:

- To place CIBL operations within core School frameworks and values, primarily the Ethics Code and academic freedom
- To place UK operations in the context of English law
- To clarify that the Chinese Ministry of Education funding will be used to cover both direct and indirect costs

8.The termination arrangements do make provision for the agreement to be mutually ended if one party gives at least six months notice, there is no wish to collaborate further, it becomes impossible to deliver the agreement (with no fault implied for either party), the image and reputation of one party is harmed by the other, or force majeure occurs.

9.The agreement runs for five years from the date it is signed or it is assumed to have been renewed if no indication is given 90 days before the expiry date. We are in an interesting position as the agreement was technically automatically renewed earlier this year, but the Institute then agreed to our requested amendments. They have since dragged their feet and there is now a request to sign the agreement. If/when it is signed, under the agreement, the five year clock would start ticking at that point. This would effectively extend the arrangement for another c6 months beyond the five years due to the time the agreement has taken to resolve. However, with the provision in place allowing us to give six months notice prior to termination, maybe this matters rather less.

Huawei Funding

10.A proposed three-year consultancy project donation of £105k from Huawei was approved by the Ethics (Gifts and Donations) Panel on 12 September.

11.The project is to provide a comprehensive study on how Huawei has internally supported innovation and product development in the past twenty years, focusing upon the transition from 2G infrastructure to technology leadership in 5G and governance, incentive and innovation at Huawei. It builds upon over two years of research that Jonathan Liebenau has been doing with the company so far. There is a possibility that the project could be extended to five years.

12.In discussion, two kinds of reputational risk were identified – commercial and geopolitical. The Panel noted that the proposal was for a relatively low value and the funds were to support a distinct piece of consulting research where the relationship would be clear in terms of the service being provided. It was agreed that the contract should include clauses to protect academic freedom and the use of the research for academic purposes, to mitigate the risk that the research could be used publicly by Huawei to validate the company and for the LSE to be able to control any media coverage, and to protect the use of the LSE brand and logo.