

U.S. Must Recognize Importance of Intellectual Property to National Security China is Poised to “Fill the Void” Left by Weakened IP Protections in the U.S.

The National Security Commission on Artificial Intelligence (NSCAI) was established in 2018 to make recommendations to the President and Congress to “advance the development of artificial intelligence (AI), machine learning, and associated technologies to comprehensively address the national security and defense needs of the United States.”

The independent Commission was co-chaired by former Google CEO Eric Schmidt and former Deputy Defense Secretary Robert Work.

In its final report, issued in March 2021, the Commission found that the U.S. is not sufficiently prepared to defend or compete against China in the AI era. It notably called on policymakers to recognize the importance of strong intellectual property rights, particularly patent rights, in advancing the development of AI and other emerging technologies critical to U.S. national security. And it found that China is poised to “fill the void” left by weakened IP protections in the U.S.

Key findings of the Commission include:



NATIONAL
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The Final Report

“The **United States must recognize IP policy as a national security priority** critical for preserving America’s leadership in AI and emerging technologies. This is especially important in light of China’s efforts to leverage and exploit IP policies.”

“The U.S. has not developed comprehensive IP policies to incentivize investments in and protect the creation of AI and other emerging technologies. **The consequence of this policy void — which includes legal uncertainties**

created by current U.S. patent eligibility and patentability doctrine... is that the U.S. could lose its prime position in IP global leadership.”

“China is both leveraging and exploiting intellectual property (IP) policies as a critical tool within its national strategies for emerging technologies... The **United States has failed to similarly recognize the importance of IP** in securing its own national security, economic interests, and technology competitiveness.”

“**China is poised to ‘fill the void’ left by weakened U.S. IP protections, particularly for patents**, as the U.S. has lost its comparative advantage in securing stable and effective property rights in new technological innovation.”