



Insider Threat: Jiaqiang Xu – Economic Espionage

Who could become an insider threat? Anyone with authorized access to U.S. government resources, who uses that access (either wittingly or unwittingly) to harm national security. Insider threats can have far reaching consequences and impacts on national security.

Jiaqiang Xu



- 32-year-old system software developer at International Business Machines Corp (IBM) from November 2010 to May 2014
- Naturalized Chinese citizen
- 2009 Master of Science, University of Delaware; 2007 Bachelor in Computer Science from Huazhong University of Science and Technology in China
- January 18, 2018: Sentenced to 5 years in federal prison for attempting to commit economic espionage and theft of a trade secret with the intent to benefit the National Health and Family Planning Commission, a government agency within the People's Republic of China

Insider Indicators

- User Activity Monitoring identified anomalies
- Limited access to source codes
- Stolen proprietary information made available shortly following employment self-termination
- Anonymous report to FBI of someone in China claiming to have access to source code and using it for business ventures



What Happened

- While employed by IBM, Xu stole proprietary software and source code information for his own profit
- May 2014: Xu resigned from IBM and initiated attempts to market stolen software
- December 7, 2015: Xu demonstrated to FBI undercover agents that he had developed a copy of the proprietary software using his former company's source code and could write computer scripts modifying the proprietary source code to conceal its origins

Impacts

- Those who steal America's trade secrets for the benefit of foreign nations pose a threat to our economic and national security interests
- China continues to target information systems software used in clustered cloud and supercomputers



This case study examined a real-life insider threat. Your awareness is key to protecting our national security from insider threats like this one. Visit the Center for Development of Security Excellence's website (<https://www.cdse.edu/catalog/insider-threat.html>) for additional case studies, information, materials, and training or go directly to the Insider Threat Toolkit at (<https://www.cdse.edu/toolkits/insider/index.php>)

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