



THE WHITE HOUSE
WASHINGTON

September 9, 2024

The Honorable James Comer
Chairman
Committee on Oversight and Accountability
United States House of Representatives
Washington, D.C. 20515

Dear Chairman Comer:

This letter responds to your August 20, 2024, letter regarding America's strategy with respect to the People's Republic of China (PRC) and the Chinese Communist Party (CCP). The Biden Administration is clear-eyed regarding the nature of the threat posed by authoritarian regimes, including the PRC, to the American public—and is countering those challenges thanks to the strong leadership of the President and our allies around the world. We appreciate the Committee's interest in the federal government's strategy to detect, deter, and defeat the PRC and CCP's efforts to undermine American national security, and hope that the information below is helpful to the Committee.

Since the earliest days of the Administration, informed by the latest intelligence, the President's national security team determined the PRC was the only state with both the intent to reshape the international order and the economic, diplomatic, military, and technological power to do it. The PRC seeks to "catch up and surpass" the United States in technology and to make the world more dependent on the PRC economically while reducing the PRC's economic dependence on the world. The PRC also is pursuing the largest peacetime military buildup in history and is more aggressively asserting itself in the South and East China Seas as well as the Taiwan Strait. More broadly, the PRC is increasingly repressive at home while taking steps to exploit the international system to accommodate its own political system and preferences. In addition, the PRC has harbored the misguided belief that the United States faces terminal decline, that our economic vitality is in doubt, that the U.S. industrial base has been hollowed out, and that the U.S. commitment to its allies and partners is frail.

This dynamic required a new approach, reflected in the Biden Administration's three-pillar strategy: (1) investing in the foundations of our strength at home—our competitiveness, our innovation, our resilience, and our democracy; (2) aligning our efforts with our allies and partners abroad, acting with common purpose and common cause; and (3) competing with the PRC to defend our interests, including across key domains—economic, technological, military, and global governance.¹ Over the past four years, the Administration has steadfastly implemented this strategy, with concrete results.

¹ In October 2022, the Biden-Harris Administration issued its National Security Strategy (NSS), outlining a 360-degree strategy to protect the security of the American people; to expand economic prosperity and opportunity; and

Investing in Our Strength

With respect to the first pillar, the United States has made far-reaching investments in the foundation of American strength at home with historic legislation on infrastructure, chips and science, and clean energy. This approach has generated large-scale investments in semiconductor and clean-energy production, which are up 20-fold since 2019.² Over the next decade, estimates are that the United States may see \$3.5 trillion in new public and private investment.³

At the same time, the United States has taken critical steps to maintain our nation's leadership in strategic technologies and to prevent our cutting-edge technologies from being used by the PRC to undermine national security. This has included tightening export restrictions to the PRC on advanced semiconductor manufacturing tools, supercomputing capabilities, and the most advanced chips critical for artificial intelligence and military modernization. The Administration has also taken unprecedented steps to regulate specific outbound investments of concern in technology, and to strengthen the Committee on Foreign Investment in the United States to make sure our inbound investment screening regime addresses evolving national security challenges. In August 2023, the President issued an Executive Order addressing United States investments in national security technologies and products in countries of concern, including the PRC.⁴ In February 2024, the President issued an Executive Order to prevent the PRC and other countries of concern from accessing bulk sensitive American data.⁵

to realize and defend the democratic values at the heart of the American way of life. The NSS outlines, among many elements, the Administration's strategy with respect to China. *See* National Security Strategy (Oct. 2022), <https://www.whitehouse.gov/wp-content/uploads/2022/10/Biden-Harris-Administrations-National-Security-Strategy-10.2022.pdf>.

² *See, e.g.*, Fact Sheet: One Year after the CHIPS and Science Act, Biden-Harris Administration Marks Historic Progress in Bringing Semiconductor Supply Chains Home, Supporting Innovation, and Protecting National Security (Aug. 9, 2023), <https://www.whitehouse.gov/briefing-room/statements-releases/2023/08/09/fact-sheet-one-year-after-the-chips-and-science-act-biden-harris-administration-marks-historic-progress-in-bringing-semiconductor-supply-chains-home-supporting-innovation-and-protecting-national-s/>; Fact Sheet: CHIPS and Science Act Will Lower Costs, Create Jobs, Strengthen Supply Chains, and Counter China (Aug. 9, 2022), <https://www.whitehouse.gov/briefing-room/statements-releases/2022/08/09/fact-sheet-chips-and-science-act-will-lower-costs-create-jobs-strengthen-supply-chains-and-counter-china/>.

³ Remarks on Executing a Modern American Industrial Strategy by NEC Director Brian Deese (Oct. 13, 2022), <https://www.whitehouse.gov/briefing-room/speeches-remarks/2022/10/13/remarks-on-executing-a-modern-american-industrial-strategy-by-nec-director-brian-deese/>.

⁴ Executive Order on Addressing United States Investments in Certain National Security Technologies and Products in Countries of Concern (Aug. 9, 2023), <https://www.whitehouse.gov/briefing-room/presidential-actions/2023/08/09/executive-order-on-addressing-united-states-investments-in-certain-national-security-technologies-and-products-in-countries-of-concern/>.

⁵ Executive Order on Preventing Access to Americans' Bulk Sensitive Personal Data and United States Government-Related Data by Countries of Concern (Feb. 28, 2024), <https://www.whitehouse.gov/briefing-room/presidential-actions/2024/02/28/executive-order-on-preventing-access-to-americans-bulk-sensitive-personal-data-and-united-states-government-related-data-by-countries-of-concern/>.

The United States also continues to take direct actions to address China's unfair trade policies and non-market economic practices, including the illicit and coerced acquisition of U.S. intellectual property. For example, in April 2024, the Administration announced new actions to protect U.S. steel and shipbuilding industries from China's unfair practices.⁶ In May 2024, the President directed an increase in tariffs under Section 301 of Trade Act of 1974 on \$18 billion of imports from China to protect American workers and businesses.⁷ Also in May 2024, the Administration announced new actions to strengthen American solar manufacturing and protect manufacturers and workers from China's unfair trade practices.⁸

Aligning with Partners and Allies

With respect to the second pillar, the United States has strengthened its ties with Indo-Pacific allies and partners, launching the Australia-United Kingdom-United States Security Partnership known as AUKUS⁹; elevating the Quadrilateral Security Dialogue (or Quad) between Australia, India, Japan, and the United States; and improving relationships with Vietnam, the Philippines, India, and Indonesia, among others. In August 2023, President Biden hosted a historic summit at Camp David with Japan and the Republic of Korea.¹⁰ This approach has enhanced the United States' competitive position with respect to the PRC, while also reducing instability in one of the world's most consequential relationships.

Managing Competition

U.S. investments at home and deepening ties with allies and partners abroad have created conditions for more effective diplomacy with the PRC.

⁶ Fact Sheet: Biden-Harris Administration Announces New Actions to Protect U.S. Steel and Shipbuilding Industry from China's Unfair Practices (April 17, 2024), <https://www.whitehouse.gov/briefing-room/statements-releases/2024/04/17/fact-sheet-biden-harris-administration-announces-new-actions-to-protect-u-s-steel-and-shipbuilding-industry-from-chinas-unfair-practices/>.

⁷ Memorandum on Actions by the United States Related to the Statutory 4-Year Review of the Section 301 Investigation of China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation (May 14, 2024), <https://www.whitehouse.gov/briefing-room/presidential-actions/2024/05/14/memorandum-on-actions-by-the-united-states-related-to-the-statutory-4-year-review-of-the-section-301-investigation-of-chinas-acts-policies-and-practices-related-to-technology-transfer-intellectua/>; Fact Sheet: President Biden Takes Action to Protect American Workers and Businesses from China's Unfair Trade Practices (May 14, 2024), <https://www.whitehouse.gov/briefing-room/statements-releases/2024/05/14/fact-sheet-president-biden-takes-action-to-protect-american-workers-and-businesses-from-chinas-unfair-trade-practices/>.

⁸ Fact Sheet: Biden-Harris Administration Announces New Actions to Strengthen American Solar Manufacturing and Protect Manufacturers and Workers from China's Unfair Trade Practices (May 16, 2024), <https://www.whitehouse.gov/briefing-room/statements-releases/2024/05/16/fact-sheet-biden-harris-administration-takes-action-to-strengthen-american-solar-manufacturing-and-protect-manufacturers-and-workers-from-chinas-unfair-trade-practices/>.

⁹ See Joint Leaders Statement on AUKUS (Sept. 15, 2021), <https://www.whitehouse.gov/briefing-room/statements-releases/2021/09/15/joint-leaders-statement-on-aukus/>; Joint Leaders Statement on AUKUS (March 13, 2023), <https://www.whitehouse.gov/briefing-room/statements-releases/2023/03/13/joint-leaders-statement-on-aukus-2/>.

¹⁰ See The Spirit of Camp David: Joint Statement of Japan, the Republic of Korea, and the United States (Aug. 18, 2023), <https://www.whitehouse.gov/briefing-room/statements-releases/2023/08/18/the-spirit-of-camp-david-joint-statement-of-japan-the-republic-of-korea-and-the-united-states/>.

Diplomatic efforts across the U.S. government have been critical in raising the Administration's deep concerns on areas of clear friction between the United States and PRC. This includes diplomatic engagement regarding the PRC's support for Russia's defense industrial base and its impact on both European and transatlantic security. The United States has stressed the importance of maintaining peace and stability across the Taiwan Strait; emphasized the United States' commitment to complete denuclearization of the Korean Peninsula; and reaffirmed the United States' commitment to our Indo-Pacific allies, including emphasizing concerns about destabilizing actions against lawful Philippine maritime operations in the South China Sea. It is also a top priority for the Biden Administration to resolve the cases of American citizens who are wrongfully detained or subject to exit bans in China, and to continue to advance the longstanding U.S. commitment to universal human rights and fundamental freedoms.

Diplomatic engagements, such as the summit between President Biden and President Xi in Woodside at the end of last year, have not inhibited critical competitive actions. The United States has coupled diplomacy with related national security-focused measures, such as restrictions on outbound investments, updates to export controls, or imposing sanctions on PRC entities supporting Russia's defense base and its brutal aggression against Ukraine.¹¹ Further, the Biden Administration has made significant investments in deterrence, with bipartisan Congressional support, including continued security assistance to Taiwan and major investments in a diversified regional force posture. At the same time, the Woodside commitments have led to new efforts to reduce the flow of illicit synthetic drugs into the United States¹²; to re-open certain military-to-military communications to reduce the risk of unintended conflict; and to support important bilateral discussions on artificial intelligence safety and risk.

Protecting Democratic Values and Institutions

The Biden Administration has been clear on its PRC strategy—one that works to strengthen America's competitive position and secure our interests and values while carefully managing this complex relationship. In implementing this strategy, the Administration is clear-eyed about the coercive and anti-democratic influences that PRC activities can have on other countries, including the United States. Robust law enforcement response is key to counter attempts to interfere in our democracy and its institutions. The Department of Justice has undertaken such actions under its Countering Nation-State Threats Strategy, which has included charging PRC officials engaged in transnational repression on U.S. soil, enforcing the Foreign Agents Registration Act, and prosecuting espionage.

At the same time, the Administration believes protecting and strengthening democratic institutions must be at the center of our efforts to confront PRC malign influence. Keeping democratic governance resilient and bolstering its key attributes—free speech, independent

¹¹ See, e.g., U.S. Department of State, *Fact Sheet: Taking Additional Measures to Degrade Russia's Wartime Economy* (June 12, 2024), <https://www.state.gov/taking-additional-measures-to-degrade-russias-wartime-economy/>.

¹² Fact Sheet: Biden-Harris Administration Continues Progress on Fight Against Global Illicit Drug Trafficking (Nov. 16, 2023), <https://www.whitehouse.gov/briefing-room/statements-releases/2023/11/16/fact-sheet-biden-harris-administration-continues-progress-on-fight-against-global-illicit-drug-trafficking/>.

media, and robust institutions—is our most effective defense against the corrosive influence of PRC practices. The Administration has been clear that it does not tolerate PRC attempts at election interference. The United States has also pushed back on authoritarian abuses of digital tools within and across borders to surveil, censor, or harass human-rights defenders, civil society activists, journalists, and diaspora groups who are on the front lines in defense of democratic values. In June 2021, the President issued an Executive Order to address securities investments that finance PRC companies that support the PRC’s military-industrial complex, as well as PRC technologies being used to facilitate repression and human rights abuses.¹³ In March 2023, the President issued an Executive Order to counter and prevent the proliferation of commercial spyware, which can be used for similar purposes.¹⁴ In April 2024, the President signed into law the Protecting Americans from Foreign Adversary Controlled Applications Act to protect the national security of the United States and the American people from the threat posed by applications controlled by countries of concern, including the PRC.

In response to the Administration’s decisive actions, the PRC is doubling down on investments in science, technology, and global infrastructure development, in an effort to gain a competitive edge over the United States. The Administration urges Congress to support the authorities and resources that will rebuild and extend our critical national advantages in strategic technologies and basic science, and that ensure America is the partner of choice for global infrastructure and economic development in emerging economies.

The Administration has been committed to keeping Congress and the American people informed of its approach to the PRC and the Administration’s continued efforts to advance United States interests and values. To that end, the Administration has conducted dozens of engagements with Congress related to the PRC, at both classified and unclassified levels, including hearings before committees in the House and Senate and numerous policy briefings, among them many briefings by departments and agencies in response to your inquiries.¹⁵ Senior

¹³ Fact Sheet: Executive Order Addressing the Threat of Securities Investments that Finance Certain Companies of the People’s Republic of China (June 3, 2021), <https://www.whitehouse.gov/briefing-room/statements-releases/2021/06/03/fact-sheet-executive-order-addressing-the-threat-from-securities-investments-that-finance-certain-companies-of-the-peoples-republic-of-china/>.

¹⁴ Executive Order on Prohibition on Use by the United States Government of Commercial Spyware that Poses Risks to National Security (March 27, 2023), <https://www.whitehouse.gov/briefing-room/presidential-actions/2023/03/27/executive-order-on-prohibition-on-use-by-the-united-states-government-of-commercial-spyware-that-poses-risks-to-national-security/>.

¹⁵ Public hearings on this topic have included the following: *Strategic Competition with the PRC: Assessing U.S. Competitiveness Beyond the Indo-Pacific*: Hearing Before the S. Committee on Foreign Relations 118th Cong. (July 30, 2024) (testimony of Deputy Secretary Kurt Campbell); *Countering China on the World Stage: Empowering American Businesses and Denying Chinese Military Our Technology*: Hearing Before the H. Committee on Foreign Affairs 118th Cong. (Mar. 21, 2024) (testimony of Under Secretary for Economic Growth, Energy, and the Environment Jose W. Fernandez and Under Secretary of the Bureau of Industry and Security Alan Estevez); *The CCP Cyber Threat to the American Homeland and National Security*: Hearing Before the H. Select Committee on the CCP 118th Cong. (Jan. 24, 2024) (testimony of General Paul Nakasone, Commander, United States Cyber Command, Director of Cybersecurity and Infrastructure Security Agency Jen Easterly, Director of Federal Bureau of Investigation Christopher Wray, Director of Office of the National Cyber Harry Coker, Jr.); *Opportunities to Counter the People’s Republic of China’s Control of Critical Mineral Supply Chains*: Hearing Before the S. Committee on Energy & Natural Resources 118th Cong. (Sept. 28, 2023) (testimony of Deputy Secretary of the Interior Tommy Beaudreau); *Countering China: Advancing U.S. National Security, Economic Security, and Foreign*

officials have also publicly addressed the Administration's approach to the PRC, including Mr. Sullivan following his recent diplomatic visit to the PRC.¹⁶ Additional enclosures are provided to assist the Committee in understanding the Administration's implementation of this strategy across a broad array of areas, including many of those referenced in this letter.

We hope you find this information helpful. Should you have additional questions regarding the federal government's strategy with respect to the PRC, please contact the White House Counsel's Office.

Respectfully,



Rachel F. Cotton
Deputy Counsel to the President

cc: The Honorable Jamie B. Raskin
Ranking Member
Committee on Oversight and Accountability

Enclosure

Policy: Hearing Before the S. Committee on Banking, Housing, and Urban Affairs 118th Cong. (May 31, 2023) (testimony of Assistant Secretary for Terrorist Financing and Financial Crimes Elizabeth Rosenberg, Assistant Secretary for Investment Security Paul Rosen, Assistant Secretary for Export Administration Rozman Kendler, Assistant Secretary for Export Enforcement Matthew Axelrod); *Worldwide Threats*: Hearing before the S. Select Committee on Intelligence 118th Cong. (March 8, 2023) (testimony of Director of National Intelligence Avril Haines, Central Intelligence Agency Director William Burns, Defense Intelligence Agency Director Lieutenant General Scott D. Berrier, National Security Agency Director General Paul Nakasone, Federal Bureau of Investigation Director Christopher Wray); *Evaluating U.S.-China Policy in the Era of Strategic Competition*: Hearing before the S. Committee on Foreign Relations 118th Cong. (Feb. 9, 2023) (testimony by Deputy Secretary of State Wendy Sherman and Assistant Secretary of Defense for Indo-Pacific Security Affairs Ely Ratner); *The Threat of Transnational Repression from China and the U.S. Response*: Hearing before the Congressional Executive Commission on China 117th Cong. (June 15, 2022) (testimony of Under Secretary of State for Civilian Security, Democracy and Human Rights Uzra Zeya and Assistant Secretary of Homeland Security for International Affairs Serena Hoy).

¹⁶ Remarks by APNSA Jake Sullivan (Aug. 29, 2024), <https://www.whitehouse.gov/briefing-room/speeches-remarks/2024/08/29/remarks-by-apnsa-jake-sullivan-in-press-conference-beijing-peoples-republic-of-china/>; Remarks and Q&A by National Security Advisor Jake Sullivan on the Future of U.S.-China Relations (Jan. 30, 2024), <https://www.whitehouse.gov/briefing-room/speeches-remarks/2024/01/30/remarks-and-qa-by-national-security-advisor-jake-sullivan-on-the-future-of-u-s-china-relations/>.