Congress of the United States

Washington, DC 20515

September 21, 2015

President Barack Obama
The White House
1600 Pennsylvania Ave, NW
Washington, DC 20500

Dear Mr. President,

Xi Jinping's first official state visit to the United States as the leader of the People's Republic of China presents an important opportunity to address some of the difficult issues in the U.S.-China relationship. These include China's state-sponsored campaign of economic cyber espionage against the United States, China's restrictions and limitations on U.S. businesses in its borders, its illegal and militarized takeover of the maritime commons, and the Xi administration's egregious and ongoing human rights violations.

One of the most pressing issues in our bilateral relationship is China's flagrant use of government-sponsored cyber-enabled espionage for the benefit of Chinese owned corporations. Talks between our two nations should include a frank discussion of China's state-sponsored economic espionage and the consequences of these provocations. The United States should take proportionate countermeasures against China's inappropriate cyber activity. Sanctions are one step in that direction, but more should be done to incentivize China to change its behavior in this area, especially given that Chinese theft of U.S. commercial trade secrets has long been a concern among American businesses.

We hear from the U.S. private sector that the business environment in China is worsening. Pending, so-called "national security" legislation would impose new requirements on U.S. high-tech firms or force them to turn over sensitive technologies and intellectual property to the Chinese government. China's draft law on non-government organizations will similarly restrict space—not only for foreign charitable entities—but also U.S. academic institutions and trade associations. China has not fully implemented its WTO obligations, and as a result, U.S. firms continue to face trade and investment restrictions. We urge you to press China to implement the economic reforms outlined at the Third Plenum of China's 18th Central Committee, including China's pledge to let the market play a "decisive" role in the economy. We urge you to encourage China to use market-determined exchange rates at all times, not just when doing so comports with other objectives.

We also have grave concerns about China's construction and militarization of artificial islands in disputed maritime territory to bolster its own territorial claims, and believe that this should also be discussed frankly between our two governments. We must reject China's "might makes right" approach in which China takes over territory hundreds of miles from its shore and constructs

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islands, builds military infrastructure, and enforces these claims with volumes of "civilian" coast guard ships. We understand that peaceful settlement of the South China Sea dispute is a priority for the Administration, and are confident that you will raise concerns about China's flagrant violation of international law and conventions and its rejection of a peaceful and rules-based international order.

Finally, it is imperative that senior Administration officials use Xi's visit as an opportunity to raise the Chinese government's persistent and egregious human rights violations. In light of the serious problems in this area, particularly those identified in prior letters from Members of the House and Senate, we believe this should be a clear and visible priority of your Administration's engagement with China. The U.S.-China Human Rights Dialogue has resumed after a lengthy hiatus, and while we appreciate the importance of this interaction, we ask your Administration to continue raising human rights concerns at all levels of engagement, and not confine this fundamental issue to a single dialogue.

Mr. President, we urge you to take advantage of President Xi's visit by directly addressing the pressing issues of disagreement in our bilateral relationship. We hope to see progress on China's cyber-attacks on our country, the economically damaging restrictions on U.S. companies in China, its maritime belligerence, and the Chinese government's disregard for human rights. Today, the two countries are poised to shape critical world developments. Steering our bilateral relationship in the right direction is vital to furthering the safety and protection of our private citizens and businesses, world security and peaceful dispute resolution, and the fundamental principles we espouse as a nation.

Sincerely,

Matt Salmon
Chairman
Subcommittee on Asia and the Pacific

Brad Sherman
Ranking Member
Subcommittee on Asia and the Pacific

Ed Royce
Edward R. Royce
Chairman
Committee on Foreign Affairs

Eliot L. Engel
Ranking Member
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Dana Rohrabacher
Dana Rohrabacher
Member of Congress

Jeff Duncan
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Scott Perry
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Scott DesJarlais
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Steve Chabot
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Randy K. Weber
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Ted S. Yoho
Member of Congress

Darrell Issa
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William R. Keating
Member of Congress

Dave Trott
Member of Congress

Ileana Ros-Lehtinen
Member of Congress

David N. Cicilline
Member of Congress

Gerald E. Connolly
Member of Congress

Lee Zeldin
Member of Congress

Joseph R. Pitts
Member of Congress

Michael T. McCaul
Member of Congress

cc: The Honorable Susan Rice, National Security Advisor
The Honorable John Kerry, Secretary of State