

June 14, 2022

The Honorable Mitch McConnell
Republican Leader
United States Senate
317 Russell Senate Office Building
Washington, DC 20510

The Honorable Kevin McCarthy
Republican Leader
United States House of Representatives
2468 Rayburn House Office Building
Washington, DC 20515

Re: Maintaining America's Technology Edge Over China

Dear Leader McConnell and Leader McCarthy,

We write you today at a critical moment in our history – it has become evident that all instruments of national power are required to protect the American people and maintain the United States' position as a world leader. Our great power competition with China has intensified significantly over the past several years. Further, Russia's brutal invasion of Ukraine threatens that nation's freedom and sovereignty. The parallel war for truth in the information space as a result of the war has highlighted the ways in which our tech industry can be deployed as an instrument of national power by the United States.

You and your colleagues have heard the legitimate and sincere concerns of the American people regarding big tech's censorship of conservative voices as well as the calls for tech platforms to exert a tighter grip on misinformation. There also is real concern about the extent to which the U.S. tech companies have become entangled with China – this, of course, is far from just a tech sector issue. Fortunately, recent changes in the social media landscape demonstrate that the market (e.g., Elon Musk's offer to purchase Twitter) and targeted government action may already be curing some of the worse overreach on the censorship and values front.

We note with certainty that our adversaries – especially China – will welcome any federal government actions that diminish the strength of the U.S. tech industry, not just in terms of our ability to compete in the information space, but also with respect to research and development in the critical fields of artificial intelligence, quantum computing, machine learning, 5G telecommunications, chipmaking and space exploration.

As you likely are aware, Chinese President Xi Jinping and the Chinese Communist Party (CCP) – through their “Made in China 2025” policy initiative – have committed to invest 1.4 trillion dollars by 2025 to achieve global dominance over the West both economically and in the tech space. It is only the innovation and ingenuity of the American private sector that will stop Chairman Xi and the CCP from achieving this goal.

Unfortunately, certain legislation some of your colleagues have proposed to address Americans’ concerns about big tech – specifically, bills like the Open App Markets Act and the American Innovation and Choice Online Act (AICOA), including the revised version that Senator Klobuchar has just released – if enacted, will place U.S. companies at a structural disadvantage vis-à-vis China, leaving our tech industry weakened and vulnerable to the CCP. We have studied the revised version of the AICOA and find that it does not ameliorate our concerns. Under such circumstances, China would quickly surpass and displace us in the tech sector, which will have very dangerous consequences for the United States and our allies and partners around the world. We cannot afford to cede this important ground to Beijing.

We all support and welcome robust competition in the marketplace. But government mandates that open our tech platforms to foreign rivals without sufficient safeguards will lead to more malign activity by Russia, China, Iran and North Korea not to mention cyber mercenaries or non-state criminal actors.

Indeed, the European Union’s adoption of highly prescriptive regulations targeting a handful of U.S. tech companies without seriously assessing the security risks beforehand should be a cautionary sign for us. Europe is now more exposed than ever to malign cyber activity by state and non-state actors.

To compete at scale with our great power rivals, we must be thoughtful and leverage our current strengths. For the sake of our security and our long-term economic competitiveness with friends and foes alike, the United States should

forge its own path based on a robust tech private sector.

Our primary message today is that weaker U.S. tech companies are a boon to China, Russia, and America's other adversaries.

Again, we agree with you and your caucuses that big tech must correct its problems and reform or there will be a very small constituency supporting them even on the critical national security issues that prompt our letter. Without reform, big tech will face backlash legislation and regulation antitrust law and other grounds.

Accordingly, we offer the following recommendations as you consider the national security implications of the big tech issue:

- Congress should conduct a thorough examination of the challenges arising from U.S. tech companies and design tailored legislation to deal with issues.
- Congress should scrutinize Chinese companies that compete with our tech companies – ByteDance, Baidu, Tencent, etc. – and develop legislation that would limit or, if justified, even ban these players, as the U.S. has already done with telecom companies such as Huawei. India, for example, has banned many of these companies from operating because of their links to the CCP.
- Congress should ensure that new laws and regulations are examined not only to assess their impact on competition, but also their impact on Americans' cyber security and data privacy.
- Congress should expand funding for research and development in cutting edge technologies and secure such advances from CCP intellectual property theft. America's strength is rooted in our ability to innovate and create – we must tap back into this heritage to secure our leadership in the future.
- Congress should invest in the next generation of American entrepreneurs and scientists through the expansion of STEM programs at all educational levels.
- Congress should shore up protection of our intellectual property and trade secrets, especially the research conducted at American universities and at our tech companies.
- Congress should create serious incentives for re-shoring our manufacturing plants, particularly in the tech sector, to ensure supply chain continuity and resilience.

- Congress should also create incentives and a more stable investment environment for future technology advancement by minimizing tax and regulatory burdens. Private investment is crucial to tech invention, innovation, and creativity in our free market system.

We stand ready to discuss these issues with you or your staff should you have questions or concerns.

Thank you for your continued service to the American people.

Sincerely,

Robert C. O'Brien,
former Assistant to the President for National Security Affairs

Larry Kudlow,
former Assistant to the President and Director of the National Economic Council

John Ratcliffe,
former Director of National Intelligence

Christopher Miller,
former Acting U.S. Secretary of Defense

Ambassador (ret.) Paula Dobriansky,
former Under Secretary of State for Global Affairs

Rear Admiral (ret.) Greg Slavonic,
former Acting Under Secretary of the Navy

Ambassador (ret.) Ed McMullen,
former Ambassador to Switzerland

Bonnie Glick,
former Deputy Administrator of the U.S. Agency for International Development

Allison Hooker,
former Deputy Assistant to the President and Senior Director for Asian Affairs

Brian Cavanaugh,
former Special Assistant to the President and Senior Director for Resilience

William Evanina,
former Director of the National Counterintelligence and Security Center

Ricky Gill,
former Director for Russia and European Energy Security, National Security
Council

Russell Berman,
former Senior Advisor, Policy Planning Staff, Department of State