



www.amchamchina.org

Dear Policy+ Subscribers,

Last Friday, we had a breakfast meeting with a delegation from the US-China Economic and Security Review Commission (USCC). For those of you who could not make it to the meeting, here is what you should know:

Attendees from the delegation included:

- **Carolyn Bartholomew** (USCC Chairman until December 2019);
- **Robin Cleveland** (USCC Vice Chairman until December 2020);
- **Thea Mei Lee** (USCC Commissioner until December 2020);
- **Larry Wortzel** (USCC Commissioner until December 2020);
- **Roy Kamphausen** (Senior Vice President for Research of the National Bureau of Asian Research).

What is the USCC and why did it send a delegation here?

- Established in 2000, the USCC is a bipartisan congressional commission that tracks bilateral national security and trade issues and makes China-related legislative recommendations to the US Congress. Our DC Outreach delegates met with Chairman Bartholomew and Vice Chairman Cleveland earlier this month.
- In the past, the USCC's hawkish stance on China made the commission an "outlier" among US elite opinion, as Bartholomew **admitted** in an interview with the South Morning China Post last



This email contains information exclusively for the internal use of AmCham China Policy+ subscribing companies. No part of the information provided may be reproduced or distributed in any form or by many means without the prior written permission of AmCham China, except for the internal use of Policy+ subscribing companies. AmCham China makes no representation or warranty, express or implied, or the accuracy, currency, reliability, suitability or completeness of the facts or opinions contained in the email. AmCham China will not have or accept any liability, obligation or responsibility whatsoever for any loss, destruction or damage however arising from or in respect of any use or misuse of or reliance on the information provided by AmCham China. No confidentiality can be maintained regarding the available information gathered through research, meeting notes, speakers' comments or company statements.

November. However, the USCC's positions align with the Trump Administration's approach towards China. As a result, the USCC has recently garnered more public attention, as well as support from like-minded believers of the "China containment theory."

- The delegation visited Hong Kong and Taiwan before making its final stop in Beijing. In Beijing, it met with Ministry of Defense (MOD), MOFA and NDRC. Their purpose for the breakfast meeting with AmCham China was to understand better how American businesses in China are performing in light of the rising tensions in the bilateral relationship.

To engage or to decouple

- All attendees from the breakfast acknowledged that the bilateral relationship is at one of its lowest points, and that China must make efforts to address the structural problems that confront foreign businesses operating in China. However, there were disagreements in the room about how the bilateral relationship should move forward.
- One member of the USCC delegation expressed his support of "decoupling." Another contended that "decoupling" might be unfeasible, but in order to resolve long-standing grievances such as IP theft, some "dramatic tension" or at least a "reset" is necessary.
- According to the delegation, MOD "assured" them that Beijing will not initiate military escalation, but they implied that they are prepared to respond to escalation from Washington. This point underscores that trade tensions are only the tip of the iceberg in the broader trajectory of US-China relations.

Why does the USCC deserve attention from P+ members?

- Growing bilateral tensions are paving way for the USCC to have a larger role in US foreign policymaking.
- Here are two USCC reports P+ members should read: [Hong Kong's Proposed Extradition Bill Could Extend Beijing's Coercive Reach: Risks for the United States](#); [How Chinese Companies Facilitate Technology Transfer From the United States](#).



This email contains information exclusively for the internal use of AmCham China Policy+ subscribing companies. No part of the information provided may be reproduced or distributed in any form or by many means without the prior written permission of AmCham China, except for the internal use of Policy+ subscribing companies. AmCham China makes no representation or warranty, express or implied, or the accuracy, currency, reliability, suitability or completeness of the facts or opinions contained in the email. AmCham China will not have or accept any liability, obligation or responsibility whatsoever for any loss, destruction or damage however arising from or in respect of any use or misuse of or reliance on the information provided by AmCham China. No confidentiality can be maintained regarding the available information gathered through research, meeting notes, speakers' comments or company statements.

If you have not signed up for the P+ exclusive briefing on our 2019 DC Outreach, you can do so [here](#). You can register for our general member briefing [here](#). More P+ events and reports are on the way, so stay tuned! As always, please let us know if you have any comments or questions.

Best,

AmCham China Government Affairs and Policy Team



This email contains information exclusively for the internal use of AmCham China Policy+ subscribing companies. No part of the information provided may be reproduced or distributed in any form or by many means without the prior written permission of AmCham China, except for the internal use of Policy+ subscribing companies. AmCham China makes no representation or warranty, express or implied, or the accuracy, currency, reliability, suitability or completeness of the facts or opinions contained in the email. AmCham China will not have or accept any liability, obligation or responsibility whatsoever for any loss, destruction or damage however arising from or in respect of any use or misuse of or reliance on the information provided by AmCham China. No confidentiality can be maintained regarding the available information gathered through research, meeting notes, speakers' comments or company statements.