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One Hundred Eighteenth Congress  
U.S. House of Representatives  
Committee on Foreign Affairs  
2170 Rayburn House Office Building  
Washington, DC 20515

May 19, 2023

The Honorable Antony Blinken  
Secretary of State  
U.S. Department of State  
2201 C Street NW  
Washington, DC 20520

Dear Secretary Blinken:

A recent *Reuters* report states that following the February 2023 breach of U.S. airspace by a People's Republic of China (PRC) spy balloon, the State Department "held back human rights-related sanctions, export controls and other sensitive actions to try to limit damage to the U.S.-China relationship."<sup>1</sup> The report cites sources that say the Department's "current policy hews too closely to an earlier strategy of engagement that enabled China to extract concessions in exchange for high-level dialogue that often yielded few tangible results."<sup>2</sup>

There is widespread, bipartisan recognition that the PRC poses a major strategic threat to U.S. global leadership. The Department's continued weakness and passivity in the face of PRC aggression is deeply troubling and raises serious doubts about Department leaders' willingness and ability to effectively respond to the PRC's growing aggression.

The *Reuters* report quotes Deputy Assistant Secretary for China and Taiwan Rick Waters, who leads the Department's Office of China Coordination, "e-mailing staff that "[g]uidance from S (Secretary of State) is to push non-balloon actions to the right so we can focus on symmetric and calibrated response."<sup>3</sup> The delayed actions reportedly included export controls aimed at Huawei

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<sup>1</sup> Michael Martina, *Why the US delayed China sanctions after shooting down a spy balloon*, REUTERS, May 11, 2023, <https://www.reuters.com/world/us/why-us-delayed-china-sanctions-after-shooting-down-spy-balloon-2023-05-11/>.

<sup>2</sup> *Id.*

<sup>3</sup> *Id.*

and sanctions on PRC officials for human rights abuses against Uyghurs, which have still yet to be pursued.<sup>4</sup>

Waters reportedly informed staff in late March 2023 that the Department would “move on” from the balloon incident at the guidance of Deputy Secretary of State Wendy Sherman, to whom you (Secretary Blinken) “largely delegated China policy duties.”<sup>5</sup> Deputy Secretary Sherman was reportedly “eager to reschedule” your planned trip to China, which was cancelled in the wake of the PRC’s incursion into U.S. airspace.<sup>6</sup> Mr. Waters himself visited the PRC in March 2023 just weeks after the balloon incursion.<sup>7</sup>

The report of the Department impeding “competitive actions” including sanctions and export controls toward PRC entities is consistent with information received by the Committee in recent months. Congress has empowered the executive branch with national security tools such as sanctions and export controls for the express purpose of protecting U.S. national security and foreign policy interests, but the Department apparently refuses to implement them. This undermines not only the basis for these tools but also diplomatic efforts to secure coordination among partners and allies.

In a February 28, 2023 hearing on “Combatting the Generational Challenge of CCP Aggression,” Assistant Secretary of State for East Asian and Pacific Affairs Daniel Kritenbrink repeatedly refused to answer questions by Rep. Bill Huizenga on whether the Department had delayed Uyghur Human Rights Policy Act sanctions, including specifically whether “Deputy Secretary Sherman refused to approve or requested any delay in implementation of congressionally-mandated Uyghur Human Rights Policy, or UHRPA, sanctions?”<sup>8</sup> When Assistant Secretary Kritenbrink was pointedly asked for a yes-or-no answer on whether he or Deputy Secretary Sherman had supported such delays, he would not provide one.<sup>9</sup>

At the same hearing, Bureau of Industry and Security (BIS) Under Secretary Estevez told the Committee that Huawei’s licensing policy was still “under assessment.”<sup>10</sup> On March 7, Chairman McCaul sent a letter to BIS requesting clarification from the Biden administration regarding its Huawei licensing policy.<sup>11</sup> BIS has yet to respond to the letter. The *Reuters* report may affirm that the Department is deliberately limiting BIS’s responsiveness to its sole authorizing committee.

The Department’s policy of weakness toward the PRC has apparently damaged morale at the

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<sup>4</sup> *Id.*

<sup>5</sup> *Id.*

<sup>6</sup> *Id.*

<sup>7</sup> See U.S. DEP’T OF STATE, DEPARTMENT PRESS BRIEFING – MARCH 28, 2023 (2023).

<sup>8</sup> *Combatting the Generational Challenge of CCP Aggression: Hearing Before the H. Comm. on Foreign Affs., 118th Cong. (2023)* (statement of Alan Estevez, Under Sec’y of Com. for Indus. and Sec.)

<sup>9</sup> *Id.*

<sup>10</sup> *Id.*

<sup>11</sup> Letter from Rep. Michael T. McCaul, Chairman, U.S. H.R. Comm. on Foreign Affs., to the Hon. Alan Estevez, Under Sec’y of Com. for Indus. and Sec., Dep’t of Com. (Mar. 6, 2023), <https://foreignaffairs.house.gov/wp-content/uploads/2023/03/Final-Huawei-Licensing-Letter-v738.pdf>.

Office of China Coordination (informally known as China House), the entity within the Department responsible for coordinating and implementing PRC policy globally. *Reuters* reported that “[r]esistance to [competitive] actions has contributed to staffing struggles at China House, with vacancy rates as high as 40%” and that some China House “staff recently have requested reassignment.”<sup>12</sup> Senior Department officials “acknowledged morale problems at China House, but denied they were linked to policy.”<sup>13</sup>

For the U.S. to succeed in its strategic competition with the PRC, it is essential that it be willing to unflinchingly hold the PRC accountable for its aggression and malfeasance, and that it be well-organized and effective in doing so. In order to inform Congress’ understanding of the Department’s response to the PRC’s strategic threat, please provide the following no later than June 2, 2023:

1. All iterations since October 1, 2022 of the competitive actions calendar prepared by the Bureau of East Asian and Pacific Affairs (EAP);
2. All documents and communications referring or relating to competitive actions (including, but not limited to, export controls and sanctions) pertaining to the PRC (including Hong Kong) and PRC entities since October 1, 2022 involving the following custodians:
  - a. Secretary Antony Blinken;
  - b. Deputy Secretary Wendy Sherman;
  - c. Assistant Secretary Daniel Kritenbrink;
  - d. Deputy Assistant Secretary and China Coordinator Rick Waters;
  - e. Anny Vu, Bureau of East Asian and Pacific Affairs;
  - f. Julian Gewirtz, Bureau of East Asian and Pacific Affairs; and
  - g. Any Bureau of East Asian and Pacific Affairs staff responsible for transmitting the Competitive Actions Calendar since October 1, 2022.
3. All documents and communications used in preparation for or resulting from National Security Council Tech Small Group meetings since October 1, 2022, including but not limited to: read aheads, talking points, briefing checklists (BCLs) and supporting documents such as BCL attachments (tabs), and readouts;
4. Documents sufficient to show staffing levels at China House and its predecessors, the Office of China Affairs and the Office of Chinese and Mongolian Affairs, since August 1, 2022;

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<sup>12</sup> See Martina, *supra* note 1.

<sup>13</sup> *Id.*

5. All documents and communications since August 1, 2022 referring or relating to curtailments, reassignments, pursuing opportunities outside of China House, and/or early departures of staff associated with China House. Please ensure all documents and communications relating to any briefing of Deputy Secretary Sherman on curtailments and/or early departures are included;
6. All documents or communications since January 1, 2023 referring or relating to engagements with PRC officials (whether in the PRC, U.S., or elsewhere) by Secretary Blinken, Deputy Secretary Sherman, Assistant Secretary Kritenbrink, and Deputy Assistant Secretary Waters, including but not limited to talking points, readouts (including formal readouts and informal readouts such as e-mails), and demarches delivered and received; and
7. All documents and communications related to State Department policy regarding the PRC following the spy balloon incident which took place from approximately January 28, 2023 to February 4, 2023.

We look forward to your prompt reply.

Sincerely,



Michael T. McCaul  
Chairman  
House Foreign Affairs Committee

CC:

Rep. Gregory W. Meeks, Ranking Member  
House Foreign Affairs Committee