SHAPING U.S. DOMESTIC NARRATIVES

China-related technology controls can be used to shape American public discourse and political narratives. There are both legitimate and dubious reasons for doing so.

First, U.S. leaders sometimes use announcements of new technology restrictions to raise domestic awareness about tech threats from China and thereby shock complacent private actors into more careful behavior. For context, the government does not directly control most of the U.S.-China technology relationship. On a day-to-day basis, American businesses and academic institutions choose when and where to cooperate with Chinese counterparts, weighing risks and benefits according to their own tolerances. When private stakeholders do not seem to fully appreciate the risks of technological cooperation with China, U.S. government restrictions can be a powerful messaging tool. Of course, the government should first try to communicate directly with these stakeholders and share appropriate evidence about specific threats.

Second, and more questionably, U.S. leaders sometimes institute China-related technology controls as part of domestic political gamesmanship. Anti-China measures are often popular. U.S. politicians may see them as opportunities to burnish national security and populist credentials, especially during election season. Even the most enlightened U.S. leaders will sometimes have mixed motives. From a policy perspective, this is worrisome. Parochial political concerns should never motivate something as serious as technological decoupling. The government should institute guardrails to minimize this behavior.
RECOMMENDED POLICIES AND PROCESSES

Executive branch agencies should adhere to regularized procedures for evaluating technology controls wherever possible. In many cases, regulatory agencies have long-standing internal processes and statutory constraints, such as the Administrative Procedure Act, overseen by the courts. In other cases, broad presidential powers (like IEEPA) can be wielded quite freely, including as a way to circumvent normal decisionmaking by agencies. These shortcuts should be reserved for exceptional situations, such as when the government must act immediately. And when the government creates new decisionmaking processes, such as the new ICTS supply chain security review regime, it should anticipate and account for potential abuse.

At the same time, oversight elements across the federal government should give special attention to China-related technology controls, given the high policy stakes and the substantial risk of politicization or mismanagement. Congressional committees of jurisdiction and inspectors general at key agencies—particularly the Departments of Commerce, Defense, Treasury, and State and the Intelligence Community—should identify technology controls as a top oversight priority. To rally the oversight community, the Government Accountability Office should add technology controls to its High Risk List of federal activities “with vulnerabilities to fraud, waste, abuse, and mismanagement, or in need of transformation.” The list already includes entries for “Ensuring the Effective Protection of Technologies Critical to U.S. National Security Interests” and “Ensuring the Cybersecurity of the Nation,” but those categories do not capture the full scope of government activities and policy objectives at issue.

CASE STUDIES

Huawei and ZTE. The Trump administration’s early actions against Huawei and ZTE helped to correct what had been relatively lax attitudes toward Chinese technology threats at leading U.S. universities. During Trump’s first two years in office, U.S. officials struggled to persuade American universities to impose heightened scrutiny on technology collaboration with China. This changed in 2019, when Huawei was indicted on multiple federal charges and ZTE remained under several high-profile investigations. In response to these developments, prominent universities—including the Massachusetts Institute of Technology (MIT), Stanford, and the University of California, Berkeley—froze new collaboration with both Chinese companies. MIT went further, instituting a “new review process for ‘elevated-risk’ international proposals” involving China (as well as Russia and...
Saudi Arabia). These university actions were responsible, well-tailored, and long overdue. They might not have happened without government pressure.

**TikTok.** In contrast, Trump’s actions against TikTok were badly tainted by the appearance of improper motives and methods. Trump sought to ban the app during a hard-fought presidential election campaign in which he sought to frame Joe Biden as weak on China. There is reasonable speculation that Trump’s ban was prompted in part by personal conversations with Facebook CEO Mark Zuckerberg, whose platform not only competes with TikTok but also served as a critical component of Trump’s electioneering infrastructure.\(^{448}\) Trump then ordered TikTok’s owners to sell the company to an American firm based on the recommendation of CFIUS.\(^{449}\) Rejecting the bids seen by outside observers as most viable, he instead chose Oracle, whose leaders were political supporters.\(^{450}\)

These red flags might have been dismissible if Trump’s TikTok actions were otherwise well-grounded in a legitimate policymaking process. But the executive orders lacked meaningful detail, and their implementation had to be repeatedly delayed. A federal court later found the ban to be legally questionable and prevented it from coming into effect, before Biden eventually reversed it.\(^{451}\)

**KEY OFFENSIVE POLICIES**

If U.S. leaders want to look strong on China, they should support some of the many nonrestrictive policies highlighted throughout this report, each of which would help protect U.S. national security, economic prosperity, and values in the face of serious challenges from Beijing. Meanwhile, U.S. officials should focus on sharing factual, responsible assessments of Chinese technology threats with American businesses, universities, and the public. Many private stakeholders are clear-eyed about these threats and want detailed, actionable information from the government.

At the same time, Washington must be careful not to exaggerate China tech threats. The overheated rhetoric of the Trump administration did much to damage the U.S. government’s credibility on this issue and inflame public opinion. To reverse these trends, the Biden administration must be prepared to listen as much as talk—to hear directly from private stakeholders about what they see as the costs and benefits of U.S.-China technological decoupling and governmental technology controls.
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