

May 14, 2009

The Honorable Barack H. Obama
President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

We write to urge you to take determined steps to ensure that liberalizing markets, enforcing agreements, and promoting rule of law and market-based commerce remain high priorities in our economic relations with China.

Over the past several years, two Cabinet-level efforts have been indispensable to improving our relations with China. First, to advance geopolitical and broad-based economic policy goals, the Strategic Economic Dialogue (SED) has been a productive vehicle. We applaud your decision to build upon this initiative through the newly announced Strategic and Economic Dialogue (S&ED), co-chaired by Secretary of State Clinton and Treasury Secretary Geithner.

Second, to advance the United States' commercial interests and address particular trade issues, the Commerce Department and the Office of the United States Trade Representative have led U.S. efforts in the bilateral Joint Commission on Commerce and Trade (JCCT). The JCCT has proven to be an effective mechanism for promoting access to the Chinese market and ensuring that U.S. companies have a fair and meaningful opportunity to compete.

The JCCT's success in achieving concrete gains for U.S. industry on a variety of trade and investment issues has been critical to strengthening U.S.-China trade relations and preventing discrete trade irritants from escalating into major disputes. We believe this view of the JCCT is shared by many Members of Congress as well. That said, many of the commercial and enforcement commitments made by China to date need ongoing follow-up at the highest levels of government and numerous additional issues are in need of urgent attention. This forum is even more essential in the current economic climate where we see increasing efforts by the Chinese government to adopt policies that discriminate against foreign firms.

Trade and access to international markets are critically important to our member companies and their varied industries. For many, exports of goods and services account for 50 per cent or more of their revenues. China is now the United States' third largest export market with potential for enormous future growth, and is a critical part of the global supply chain for U.S. companies across a variety of sectors. As we work to revitalize our economy, expanding access for U.S. companies to growing markets like China is an indispensable element. To achieve this, it is vital that the S&ED and JCCT remain vibrant, high-level fora for preventing or resolving industry-level commercial concerns between the countries. In addition, we urge

your Administration to partner with like-minded governments to actively engage China on economic issues, and to pursue such issues in multilateral organizations such as the World Trade Organization and the Asia-Pacific Economic Cooperation forum.

We understand that you emphasized the importance of the JCCT to President Hu during your recent meeting with him at the G-20 in London. We appreciate your attention to the critically important role of the JCCT and look forward to working with you and your Cabinet to further strengthen our commercial relations with China.

Sincerely,

Advanced Medical Technology Association
American Council of Life Insurers
American Chamber of Commerce in the People's Republic of China
American Chamber of Commerce in Shanghai
American Chamber of Commerce in South China
American Insurance Association
Association of American Publishers
Business Roundtable
Business Software Alliance
Coalition for Employment Through Exports
Coalition of Service Industries
Computing Technology Industry Association
Direct Selling Association
Emergency Committee for American Trade
Entertainment Software Association
Independent Film & Television Alliance
Information Technology Industry Council
Intellectual Property Owners Association
International Intellectual Property Alliance
Motion Picture Association of America
National Association of Manufacturers
National Cattlemen's Beef Association
National Electrical Manufacturers Association
National Foreign Trade Council
National Pork Producers Council
National Retail Federation
Recording Industry Association of America
Retail Industry Leaders Association
US Chamber of Commerce
United States Council for International Business

Cc: The Honorable Gary Locke, Secretary of Commerce
The Honorable Ron Kirk, United States Trade Representative