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Silicon Valley and Capitol Hill Build an Anti-China Alliance

Group to meet ahead of TikTok's testimony before Congress

By *Georgia Wells* [Follow](#)

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A group of Silicon Valley executives, including investor Peter Thiel, and Washington lawmakers are quietly mobilizing against China's involvement in the U.S. tech industry ahead of TikTok CEO Shou Zi Chew's Capitol Hill testimony next week.

They plan to meet for a private dinner on Wednesday to discuss China, national security and the intensifying competition between the tech sectors of the U.S. and China. Mr. Chew is scheduled to testify the following day.

Momentum against TikTok is building. The U.S. government and a succession of other Western countries have blocked TikTok on government-issued devices. The Biden administration has demanded that TikTok's Chinese owners sell their stakes in the video-sharing app or face a possible U.S. ban, The Wall Street Journal reported Wednesday.

Mr. Chew said in an interview with the Journal that divesting TikTok from its Chinese owners doesn't offer any more protection than the plans TikTok has already proposed.

Spearheading the effort to create the bipartisan, bicoastal alliance of China hawks is Jacob Helberg, a former Google policy adviser who is the newest member of the U.S.-China Economic and Security Review Commission, a congressional research and advisory panel. Mr. Helberg also serves as an adjunct senior fellow at the Center for a New American Security, a think tank that specializes in national-security issues, and a senior adviser at the Stanford University Center on Geopolitics and Technology, which is dedicated to research on global competition. One of Mr. Helberg's priorities has been to meet with lawmakers in Congress every couple of weeks to urge them to ban TikTok.

The group is calling itself the Hill & Valley Forum, and plans to speak about its concerns about China at the coming dinner, which is expected to draw approximately 200 attendees. The dinner was paid for by venture-capital firms 137 Ventures and Founders Fund, as well as Mr. Helberg.



Jacob Helberg, a member of the U.S.-China Economic and Security Review Commission, is leading a group aimed at countering Chinese involvement in U.S. tech.

PHOTO: ELIZABETH FRANTZ FOR THE WALL STREET JOURNAL

Expected speakers include Mr. Thiel, head of Founders Fund and an early backer of Facebook, as well as fellow tech investor Vinod Khosla and a range of other financiers, executives and founders, according to people who have seen the event's RSVP list.

"We're priming Congress to be ready for this testimony," Mr. Helberg. He and others at the dinner have been encouraging lines of questioning about TikTok. He said he views TikTok as "the most potent espionage operation that China has ever carried out against the U.S."

A spokeswoman for TikTok didn't comment on the group, but said TikTok has never shared U.S. user data with Beijing. "The Chinese government has never asked us to share U.S. user data, nor would we, if asked," she said.

The call for TikTok's Chinese owners to sell their stakes represents the most forceful demand of the app yet from the Biden administration. The U.S. government, the European Commission, Canada, Belgium and more than 30 U.S. states have banned TikTok on government-issued devices. Federal Bureau of Investigation director Christopher Wray said in early March that TikTok "screams out with national security concerns."



Peter Thiel and other tech investors are set to convene on Wednesday.

PHOTO: MICKEY PIERRE-LOUIS FOR THE WALL STREET JOURNAL

Sen. Marco Rubio (R., Fla.), Sen. Mark Warner (D., Va.), Rep. Michael McCaul (R., Texas) and Rep. Mike Gallagher (R., Wis.) have all introduced legislation aimed at TikTok or foreign technology more broadly. They also all plan to attend the dinner, according to the people who have seen the RSVP list.

Representatives for Messrs. Rubio and Warner declined to comment.

“The younger generation loves TikTok, but I don’t think they appreciate the dangers. I call it the spy balloon in your phone,” said Mr. McCaul. He nominated Mr. Helberg to the U.S.-China Economic and Security Review Commission.

U.S. officials have said they are concerned the Chinese government could force TikTok’s owner, Beijing-based ByteDance Ltd., to spy on American users or to influence which videos they see. TikTok executives have said they wouldn’t give in to such demands, and have been touting a plan to reorganize the company’s U.S. operations in a new unit that would be charged with safeguarding the app in an attempt to appease lawmakers’ concerns.

As a part of TikTok’s plan, Oracle and other third-party monitors would review the code related to how TikTok selects which videos to serve to users, as well as access to users’ data.

TikTok has also been trying to organize its own show of support. The app invited creators to join company executives at the U.S. Capitol later this month. TikTok’s outreach to creators was reported earlier by the Information.

Additionally, TikTok earlier in March added a 60-minute screen-time limit for users under the age of 18, in an effort to show industry observers that the company plans to be proactive about safety measures on its app. Users can bypass the limit by entering a password.

This growing alliance between U.S. tech and government leaders demonstrates the hurdles TikTok’s executives face in trying to convince policy makers that their app is safe for U.S. users.

Mr. Helberg said he would need to see TikTok’s Chinese owners sell their stakes, and the company shut down its engineering operations in China, for him to consider any potential threat from the app abated.



Sens. Mark Warner (D, Va.), left, and Marco Rubio (R, Fla.) have introduced legislation to address perceived threats from foreign technology.

PHOTO: DREW ANGERER/GETTY IMAGES

“The one thing that almost everyone coming to this dinner has in common is the basic belief that China represents one of the biggest political, geopolitical threats to American democracy,” Mr. Helberg said.

Many tech companies have also grown frustrated with what they view as an asymmetry in Chinese companies’ access to U.S. consumers that U.S. companies haven’t been able to replicate in China. Most of the biggest American tech services, including Google, Facebook, Instagram and Twitter, aren’t accessible in

China, though people in the country can use them with tools that disguise their locations.

China has repeatedly said it is taking steps to improve the conditions for foreign companies.

“Tech companies are now realizing that if you believe the U.S. plays a positive role in the world, that it’s our duty to help,” said Kevin Weil, a former vice president at Facebook who now is president of product and business at Earth-imaging startup Planet. Mr. Weil says he plans to attend the dinner.

The dinner slated for next week is the group’s second event. Mr. Thiel, who is scheduled to speak at it, didn’t respond to requests for comment.

Mr. Gallagher said Mr. Helberg’s efforts to bring together disparate groups, including the tech sector and policy folks, are critical for the U.S. to win the tech race with China.



Kevin Weil, president of product and business at Earth-imaging startup Planet, says he will attend the dinner.

PHOTO: JOSE SARMENTO MATOS/BLOOMBERG NEWS

Mr. Helberg began forming many of his views about China in 2016 at Google, where he helped lead the company’s efforts to combat foreign interference on its platforms. At the time, Russia’s attempts to sow chaos in the U.S. ahead of the 2016 presidential election were the most overt foreign campaigns he observed, but he noted China’s attempts quickly followed suit, he said.

His husband, Keith Rabois, is a general partner at Founders Fund. A representative for Mr. Helberg said his China efforts are self-funded.

When Mr. Helberg wrote a book about his time at Google and his views of a coming cyberwar between the U.S. and China, his message resonated in the offices of Capitol Hill lawmakers. Mr. McCaul passed a copy of the book, titled “The Wires of War,” to House Speaker Kevin McCarthy (R., Calif.), who displayed the book in his office and appointed Mr. Helberg to the commission. From there, Mr. Helberg’s connections with lawmakers continued.

Early last summer, Mr. Helberg started forming the coalition of those concerned about China and national security. He messaged two friends in venture capital about the elected officials he had met, and suggested they try to get those officials in a room with their contacts from the tech world.

Venture capitalist Mr. Khosla, who plans to speak at the gathering, said he has long feared a “techno-economic” war with China that will remake the world order.

“Twenty years from now, the race for technological superiority is wide open. Whoever wins this race will win economic power, and hence political power,” Mr. Khosla said. “This is much broader than national security.”

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