# Why America Is Afraid of TikTok

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Zhang Yiming embodies what the United States wanted China to be. He is the founder and chief executive of a company, ByteDance, that owns a wildly popular social-media platform, TikTok. He is a serial entrepreneur, having built multiple apps and search engines. Zhang's story is one not of a copycat or a cost-cutter—the tired stereotypes of the Chinese business owner—but of an innovator.

For most of the past half century, one of Washington's primary foreign-policy goals was to create more Zhangs. The United States believed that it could transform Communist China into a society more like its own—wealthy, free, inventive, and open, a place where a nobody like Zhang, with little more than smarts and the tools of capitalism, could build the businesses and think of the ideas that would change the world.

To a degree, Zhang is proof that the U.S. succeeded. TikTok may be Chinese, but it has been embraced by Americans as their own. While Facebook is for sharing baby pictures, Twitter is for political ranting, and Instagram is for showing off how popular you are, TikTok has a certain silly simplicity—a forum where you can dance in your living room, lip-synch bad jokes, capture animal antics, and share other slivers of your personal life.

The United States has long prided itself on being open to anyone and anything, from anywhere, which improves our lives and livelihoods. In the American telling, the entrepreneurial, their grit and genius, have always been welcome, even cherished, no matter where they were born.

You'd think, then, that Zhang would be feted from Washington to Wall Street as an avatar of the best of China and America, and of what their partnership can accomplish. With a presidential election approaching, both Donald Trump and Joe Biden should be tapping TikTok to woo young voters. New York bankers should be competing to list ByteDance's shares on U.S. stock exchanges.

A few years ago, all that might have happened. But not now. Most Americans, inside and outside the Beltway, no longer perceive China as a potential partner, but as a strategic enemy. Trump rails against Beijing on Twitter and at news conferences. The old policy of patient engagement is derided as a naive liberal fantasy that did nothing more than hand wealth and power to an authoritarian adversary. Seen through this prism, Zhang and TikTok embody not what's gone right with China, but what's gone wrong. TikTok—an app largely devoted to viral dance crazes and teenagers pranking their cats—is part of the China threat: the sharp high-tech edge of the Communist regime, penetrating deep into American society, stealing its secrets, monitoring its citizens, and aiding Beijing's nefarious aims.

And so, egged on by a growing consensus against Beijing in Washington, as well as by hawks in the Republican Party, the Treasury Department is poised this week to recommend action to be taken against the app, Treasury Secretary Steven Mnuchin has said.

Americans on TikTok "need to worry about it, because it is a surveillance apparatus for Beijing," Senator Josh Hawley, a Missouri Republican, told me. "It is a Trojan horse on people's phones."

At first glance, such alarm might sound like paranoia. How can videos of kids dancing to hip-hop music possibly be a dire threat to anything? But in Washington, the perceived national-security risks of TikTok are very real, and in recent weeks, attitudes toward the company have hardened. TikTok has become a symbol of the new challenge a rising, tech-enabled China presents not simply to a free society, but to American dominance in the technology sector. The internet today is largely run—for better or worse—by American corporations such as Alphabet, Amazon, and Facebook, and TikTok is the first Chinese company to truly break through to the American, and global, consciousness, something its compatriots, including Alibaba, Baidu, and Tencent, have yet to do.

Fears are percolating in the U.S. that Beijing, thanks to its growing technological might, may be amassing an immense storehouse of information that could be used to identify or blackmail American

citizens—or for purposes we haven't yet thought of. The worry is that TikTok could be a powerful vacuum, sucking up images of and details on unsuspecting Americans to feed Beijing's voracious appetite. China's widespread collection of data on its own people—whether through the surveillance state it has built in Xinjiang, the social-credit system that is being implemented, or its intrusive tracking of movements and meetings to combat the spread of the coronavirus—has further driven fears of its willingness to gather such information from abroad for its own ends. TikTok thus finds itself not simply the symbol of China's ascendance and penetration into America, but on the front lines of a new battle between the U.S. and China.

Zhang insists that ByteDance has never turned over information on Americans to Chinese authorities, and that it never would. "We have never received such a request ... from the Chinese government, and we don't think there will be such a request," Zhang told me. "Even if we get such a request, it is impossible" to comply.

He is probably being perfectly sincere. There's no hard evidence that he's working for the Communist Party, at least none that has become public. (Zhang told me that he isn't a party member.) But amid the escalating distrust of China, Zhang's promises and pledges mean little. The regime has fostered an impression that all of its 1.4 billion citizens are loyal, or can be made loyal, to the party. In theory, then, that means anyone with a Chinese passport could be a spy, or could be compelled to be a spy. What would stop a government that tortures dissidents and locks up hundreds of thousands of Muslims in gulags from one day pressuring Zhang into doing its bidding?

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What Zhang could, would, or might do in the future is a rabbit hole of what-ifs and unanswerable questions. The fact that we're asking them is an indication of just how bad things are between the U.S. and China. Bizarrely, what happens to this goofy video-sharing app targeted at teens is an indication of whether the two countries are headed toward renewed, if uneasy, cooperation or into a superpower standoff with potentially disastrous consequences for world peace and prosperity. TikTok's fate also tells us if China can continue its historic rise and challenge American political and economic primacy: Chinese leaders know that they must transform their country into a technological powerhouse to reach new heights of economic success and diplomatic clout. If geopolitical headwinds stymie Zhang's ambitions, they could also destroy China's.

But most of all, the controversy over TikTok offers a window into American and Chinese societies at this crucial moment, and where they might be going. TikTok shows the best and worst of modern China—both its boundless potential to generate wealth and ideas that can benefit everybody and the fear and conflict caused by its expansive and expanding authoritarianism. No other Chinese company has woven itself so intimately into American life. In an age of intrusive technologies, Big Data, and heightened foreign threats, our ideals are being put to the test by how we deal with this one app.

"We're at this inflection point," Samm Sacks, an expert in China and cybersecurity at the think tank New America told me. "Can we maintain the openness that has been one of our greatest strengths but protect ourselves with technology in everything? Right now the rules are being written in real time."

#### (Arsh Raziuddin / The Atlantic)

Like most journalists, I prefer to conduct major interviews in person: You get a glimpse into someone's character—how they dress, their body language, how others interact with them. That was the idea when I first started discussing meeting with Zhang. But then the pandemic intruded on any hope of a face-to-face conversation. I ended up talking with him on Zoom, which significantly narrows the window into someone's personality.

Still, there are always clues. When planning the interviews (I spoke with him twice), I referred to him in emails as "Mr. Zhang." I didn't know him, and in China, businesspeople tend to lean toward the formal side in such matters. But TikTok's communications chief chuckled and told me, "You're the only one who calls him Mr. Zhang." Within ByteDance, he goes by his first name, so he's just plain Yiming. Informality seems to be his hallmark. At the start of our first interview, Zhang talked about how, amid the outbreak, he was managing ByteDance virtually. "They don't need me so much," he quipped, exhibiting a lack of imperial air rare among Chinese business leaders, which I have seen only a handful of times in my 18 years covering China.

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In Zhang's telling, he's just an ordinary guy, born in the little-known town of Longyan, in China's southeastern Fujian province. His father was a librarian for a local science association, his mother a

nurse. He spent much of his childhood reading—everything from novels to music magazines—a habit encouraged by a small allowance from his parents. Zhang, 37, was fortunate to have been a child of China's capitalist revolution, when exploring new ideas was in vogue. Deng Xiaoping had launched his economic reforms shortly before Zhang's birth, and, by chance, Fujian was one of the first provinces to open to the world, and thus among the reforms' earliest beneficiaries. By the time Zhang was in middle school, his parents had enough money to invest in a computer (his father wished to try his luck at stock trading on the reopened Shanghai bourse). Zhang learned how to use Windows 3.1 and some basic programming. "You can do many things by yourself. You have freedom to create things," he said. "I think that's the fascination of computers."

Still, he didn't become committed to technology as a career until he was in university. A year after graduating, he joined with a group of businessmen to develop a travel search engine that was eventually purchased by Tripadvisor. He then left for Microsoft, but lasted only six months there, convinced he was unsuited for big corporations. After a short stint at another start-up, he set up a real-estate search engine with backing from the Susquehanna International Group (SIG), a finance firm based near Philadelphia.

By 2011, Zhang was again ready for something new. He began musing on the future of technology, and found it in the cellphone. "The tipping point for mobile [was] very close," he recalled. Again with the help of SIG, Zhang said, he raised \$2 million, including his own small contribution, and used the funds to found ByteDance in 2012, poaching six former employees of his and turning a Beijing apartment into a makeshift office where they would develop mobile apps. (Today, ByteDance has a bevy of high-profile investors, including SoftBank, KKR, Hillhouse Capital Group, and Sequoia. SIG, which remains a shareholder, would not comment on its business dealings with Zhang.) Among the first apps ByteDance debuted was a news-aggregation platform, Toutiao, which literally translates to "Headlines." It was a smash hit, and remains popular in China today.

Several years later, in 2017, TikTok was developed. "We shifted more attention to video," Zhang explained. "Then we realized it is hard for ordinary users to create videos. Then we were thinking how to solve it." The idea was to help the average person express themselves by making technology more accessible.

Initially, TikTok's popularity was largely limited to Asian markets such as Japan and the Philippines. Months after it was released, ByteDance acquired the Chinese lip-synching app Musical.ly for \$1 billion. Musical.ly already had a sizable user base in the U.S., and ByteDance combined both the app and its user base with TikTok.

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Even with that entry into the American market, no one could have predicted the craze that TikTok would become. The app has been downloaded 165 million times in the U.S. alone, according to the research firm Sensor Tower, and globally tops 2 billion downloads, placing it among the most popular apps in the world. Americans—and users elsewhere—record and share videos of themselves lip-synching, dancing, telling jokes, or any number of other zany, creative, surprisingly personal (and potentially embarrassing) things. The fact that users can borrow and remix each other's audio is a key differentiator on the app, and further lowers the barrier to entry.

"We want it to become a window," Zhang said. "It is a window to look into a bigger world. We want the platform to become a window into a bigger and bigger world."

(I must confess at this point that until I began reporting this story, I had no experience with, and scant knowledge of, TikTok and how it worked. I downloaded it and, flipping through its bottomless supply of short videos, quickly discovered that I didn't get it. I'm much too private to show the world that I can't dance, and the time and effort apparently required to manufacture a good video were intimidating. But it doesn't take much scrolling to see that Generation Z dominates on TikTok, and let's just say that I'm a couple of letters older.)

Americans are normally suckers for this sort of entrepreneurial tale, and in the past, Chinese business leaders have won them over. In 2014, Jack Ma, the founder of Alibaba, was treated like royalty when he listed his e-commerce giant on the New York Stock Exchange. Wang Jianlin, the founder of the property developer Wanda Group, snapped up the theater chain AMC and the production house Legendary Entertainment, corralling an Oscar in 2016 for the film *Spotlight*, which was backed by another of his studios.

As it turned out, however, that period marked the swan song of peaceful cooperation with China. The ascent of Trump and his fiery bombast have completely changed Beijing from a partner (albeit a

troublesome one) to a secret-stealing enemy of American jobs, technology, and democracy. Just as important is the dramatic shift in China's policy that has made the country appear like much more of a threat to U.S. global dominance and domestic security. Chinese President Xi Jinping has assertively flexed his country's muscles in foreign affairs, while at home he has intensified state control with new technologies, from data harvesting to facial recognition, as well as crackdowns in Xinjiang and Hong Kong.

Xi's agenda has dealt a serious blow to Chinese companies striving to go global, such as ByteDance. Previously, American and Chinese businesses could happily trade and invest in an almost separate sphere from China's litany of human-rights abuses. But Xi has kicked down the wall that tenuously protected commerce from authoritarianism. His new high-tech surveillance state and the horrific ways he's used it have dragged unsuspecting chief executives—as well as professional athletes, video-game players, and artists—on both sides of the Pacific into political turmoil.

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Zhang is much too smart not to have spotted the potential pitfalls of running an app inside and outside of China when he launched TikTok. From its inception, he envisioned it as an international platform. TikTok has never operated in China. (ByteDance has a near-identical app, called Douyin, that does.)

This separation between TikTok and China has been a big part of Zhang's campaign to ease concerns in Washington about him and his company. As U.S. politicians turned up the heat, Zhang tried putting as much distance as possible between the app and Beijing. TikTok's U.S. management team was moved out of China and into various American offices, and Vanessa Pappas, the app's U.S. general manager, insisted that Zhang handed the executive team almost complete autonomy to run the U.S. business as they saw fit. She said that although she had conversations with ByteDance about overall strategy and ideas, "all the day-to-day decisions are mine independently." Since joining the company in 2019, she continued, "people often ask me how many times I've gotten to China, and I've only been once."

Zhang also enlisted a host of impressive new hires to bolster confidence. In March, TikTok brought on the well-connected Washington lobbyist Michael Beckerman to handle the likes of Hawley, and formed an advisory council, composed of academics and other experts, to guide the app's decisions on content. But the most prominent addition came in May, when the top Disney executive Kevin Mayer was named TikTok's new chief executive and ByteDance's chief operating officer. "The reason why we hired Kevin is because our business in the non-China market is going very well and we need someone who knows the market," Zhang said. "We are a young company. I am always thinking of bringing some experienced executives into the management."

Within the industry, the addition of Mayer and others was perceived as an attempt to put trustworthy American faces in front of the Chinese company. "I can't think of anything else they can do," Lisa Sotto, who heads the cybersecurity practice at the law firm Hunton Andrews Kurth in New York, told me.

Yet evidently, none of it has appeased the swarm of hawks in Washington. When I spoke with Hawley, he mocked Zhang's makeover attempt as "ridiculous," adding: "They are a China-based company." That, it seems, is all that matters.

Zhang Yiming poses for a photograph at ByteDance's headquarters in Beijing. (Giulia Marchi / Bloomberg via Getty Images)

In certain respects, TikTok is more of a headache for Washington than any other Chinese company is—even one routinely in the political crosshairs, Huawei. The national-security case against Huawei is much more direct. The firm supplies what is known as critical infrastructure, the nuts and bolts of wireless systems. Any government would, and should, be wary that such vital communications networks could be vulnerable to potential foreign adversaries. But the equipment Huawei makes can readily be supplied by other companies from friendlier nations, such as Sweden's Ericsson, and its gear can simply be torn out and replaced, as Britain is seeking to do.

TikTok presents a very different conundrum. For one, the app is already on millions of American smartphones. Washington's concerns about data security in regards to China have been heightened by two recent hacks: of the credit-reporting firm Equifax in 2017, and of the federal government's Office of Personnel Management in 2015. In both cases, security experts blame Beijing. The assumption is that Chinese authorities are compiling dossiers on U.S. citizens for unknown, but probably compromising, purposes. TikTok could be a handy device for stuffing the files with juicy new details. Even more, TikTok is in the business of content. It can just as readily act as a conduit for spreading information as collecting it—and therefore could be a propaganda tool for the Chinese state.

But that's all in theory. There doesn't seem to be any indisputable evidence that TikTok has shared private data on Americans with China. The platform says it stores its data on Americans in the U.S. and Singapore, and is thus out of the Chinese government's reach. A lawsuit filed in California last year alleges that TikTok lifted private data and shipped them off to servers in China, though what proof the plaintiff has is unclear. (TikTok wouldn't comment on an ongoing legal case.) When I pressed Hawley's office on whether it had any hard evidence against ByteDance or TikTok, its case was based mainly on conjecture: The law in China requires that Chinese companies hand data over to the government, the senator stressed in a comment sent to me. From there, they reach the conclusion that TikTok is, at the very least, a potential threat.

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It isn't exactly clear, though, whether ByteDance, as a Chinese company, is obligated to share American data with Beijing. Hawley's argument reflects a widely held belief that Chinese law gives the government carte blanche over data held by Chinese companies, but some experts believe the matter isn't that simple, especially with data held outside of China. There are also instances in which Chinese tech companies have pushed back against government demands for data.

The fact that there is no agreement on what should be a rather simple legal point illustrates the real problem: Chinese laws are written in a loosey-goosey fashion to allow officials the wiggle room to more or less do as they please. More than that, the Communist Party doesn't always abide by the niceties of legal processes. China has no independent judiciary, and companies and individuals have little power to stand up to their own government. So if the authorities want something—like data on Americans, for instance—you can bet they will find a way of getting it.

By this reckoning, TikTok, or for that matter any Chinese company, can't be trusted, because China can't be trusted. "There are probably many people at TikTok who just want to run a profitable company. But they can't," said Dan Harris, a founder of the law firm Harris Bricken, which specializes in business in China. "If you know how China works, you cannot claim that TikTok is secure."

Zhang has had his run-ins with Beijing in the past, too. In 2019, one of his apps got into hot water for supposedly generating search results that defamed a Communist hero. A year earlier, he shut down a joke-swapping platform when prickly government censors blasted its content as "vulgar." Zhang had to write a "self-criticism," a common form of apology to the authorities in China.

To some extent, there is nothing particularly unusual about these incidents. Companies that operate in China, both local and foreign, repeatedly get into such scuffles with thin-skinned officials over perceived political incorrectness. But this type of interference has heightened scrutiny of TikTok's decisions about content. All social-media outfits have challenges with content moderation, but with TikTok, critics make the assumption that choices about what should and should not be on the app are made to please Chinese censors. TikTok, of course, denies this, and insists that decisions are made by the U.S. team.

The inevitable controversies have ensued anyway. Critics accused TikTok of scrubbing videos supportive of prodemocracy protesters in Hong Kong, whom Beijing considers "terrorists," and of locking the account of a teen who shared a video critical of the Chinese government's ill-treatment of the country's minority Uighur community. (The company has denied both accusations. In the former case, an investigation by <code>BuzzFeed News</code> backed up TikTok's assertion, and in the latter one, TikTok said the video was not the reason the account was frozen, and it apologized and reinstated the user's access.) In the U.S., following the death of George Floyd, TikTok came under fire for allegedly suppressing videos related to Black Lives Matter and the protests against police brutality and racism. The company has said that this was a temporary technical glitch.

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Facing perceived threats from China, Congress and the White House have tended to confront them with measures American officials previously preferred to avoid—restrictions on businesses and people. Visas for Chinese researchers have been curtailed. The Committee on Foreign Investment in the United States (CFIUS), the government body that scrutinizes acquisitions of American companies from abroad, was granted enhanced powers, with China squarely in mind. Congress is working to inhibit Chinese firms' access to U.S. stock markets. Zhang is far from the only major Chinese business leader to get ensnared in this new web of controls. Even the once-beloved Jack Ma got blocked in 2018, when CFIUS refused to allow his fintech firm, Ant Financial, to purchase the Dallas-based payment service MoneyGram. Rather than listing in New York, as Alibaba did, Ant decided this month to offer shares in Shanghai and Hong Kong.

Washington is dealing with TikTok in a similar fashion. Hawley introduced a bill in March that would bar government employees from using TikTok, and has also proposed legislation that would erect a stouter firewall between China and the U.S. by explicitly prohibiting companies like TikTok from sending data to China and limiting the types of information they can collect from their users. The Pentagon has already told military personnel to delete the app from their phones. At the urging of the likes of Senator Marco Rubio, CFIUS has opened a retroactive investigation into ByteDance's acquisition of Muscial.ly, which could force its disinvestment. "The best thing would be for ByteDance to sell TikTok and for it to be American-owned and based here," Hawley told me. (TikTok wouldn't comment on the possibility of it being spun off from ByteDance.) Others have gone further: India—previously TikTok's largest market—banned TikTok in June, and politicians in Australia are debating doing the same.

How TikTok fares "will largely depend on issues beyond TikTok itself," says Claude Barfield, a scholar at the American Enterprise Institute who specializes in cybersecurity.

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The fact is, no matter where he located his servers, how many American hotshots he recruited, or how he organized his managers, Zhang couldn't single-handedly rebuild America's trust in China, and that, in the end, was his real problem. Standing firm against a rising China is probably the only thing the right and the left in the U.S. can agree on at the moment. What other issue could possibly bring together the odd couple of Senate Democratic leader Chuck Schumer and Senator Tom Cotton, the conservative firebrand, who jointly called on the government's intelligence experts to investigate the security risks posed by TikTok.

As doors close on Zhang in America, the implications could swell beyond his fortune and his company. He would probably survive quite nicely off of ByteDance's enormous following in China. The real damage would be inflicted on China's aspirations and economic future. TikTok remains China's only global tech success story, based entirely on ingenuity, able to endear itself to people around the world. A sad ending would signal that Beijing's expanding authoritarianism and penchant for international confrontation are undercutting its entrepreneurs and, more broadly, its hopes of being a technology leader, capable of competing with American rivals and influencing the technology the world uses. Without becoming a dominant global technology player, China, burdened with rising costs and an aging population, may get stuck, unable to progress its economy into the ranks of the world's richest.

But if Washington takes the drastic step of banning TikTok, the U.S. would suffer as well. It would mean Americans failed to find a middle path between preserving their values and protecting their security in the face of ever-changing technology. That's why Sacks, of New America, recently called shutting down TikTok "a terrible idea" that "means taking a page from Beijing's playbook" by invoking blanket national-security concerns to control what Americans can do on the internet.

That raises the ugly prospect of destroying one of the main purposes of the internet—to knit the world together and strengthen contact with other societies. If we begin banning apps or restricting access, we will end up with many separate internets, more likely to divide than unite. That's not the kind of internet many people want. Despite all the scary headlines and dire warnings, TikTok was downloaded 300 million times around the globe—20 million in the U.S. alone—in the first three months of the year, far more times than in any other quarter, according to Sensor Tower.

Perhaps TikTok (and for that matter, all data-collecting technology firms) does present a threat to our privacy and security. But what I've come to fear is that we will confront authoritarianism by copying its methods.

The Chinese dictatorship blocks Facebook, Twitter, and other foreign social media because its leadership doesn't have the guts to allow its people to decide what they want to say, post, or watch.

The motivation for blocking TikTok in the U.S. is much different, of course, but takes us to the same place—where the state determines what we can and cannot do on the internet. That puts the American government in the impossible position of defending our values by undermining them. That can't be the best way to confront our fears.

Michael Schuman is the author of Superpower Interrupted: The Chinese History of the World and The Miracle: The Epic Story of Asia's Quest for Wealth.

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