

The Ban on TikTok: The US Struggle against China Spreads to Apps

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In August 2020 President Trump signed an order banning US companies from conducting transactions with the companies ByteDance and Tencent, the owners of the popular apps TikTok and WeChat, respectively. This is a further step in the deepening struggle between the United States and China, which for the first time is spilling into the field of apps; until now the US administration has refrained from intervening in this area. Israel must review its stance in light of the Clean Network program, launched by the US as part of a Western technology coalition that avoids using Chinese technologies. It must form a clear picture of the risks of various apps used in Israel, in order to allow professional risk management and the formulation of clear policy in this context.

On August 6, 2020 US President Donald Trump signed two executive orders banning US companies from conducting transactions with the companies ByteDance and Tencent, the owners of the popular apps TikTok and WeChat, respectively. The move would take effect in 45 days (for TikTok it was subsequently extended to 90 days) unless their US activity was sold by their Chinese parent companies to US-based companies. The move was ostensibly taken "to deal with the national emergency with respect to the information and communications technology and services supply chain," in other words, based on national security considerations. The orders did not define which "transactions" were banned, but it is clear that this is an additional escalation in the struggle between the US and China and a signal to American companies of the risk entailed in doing business with China. US Secretary of State Mike Pompeo subsequently announced that the executive order might be expanded to cover additional apps, and was intended to prevent leakage of American data to the Chinese Communist Party. In response to this move, a Chinese Foreign Ministry spokesperson stated that the US is targeting Chinese companies under the pretext of national security justifications. ByteDance announced that it was considering a countersuit; meantime, American companies Oracle, Microsoft, and Twitter expressed interest in buying its US activity.

TikTok is a video-sharing application launched in China in September 2016 under the name Douyin. Alongside the instant messaging application WeChat, which has over one billion downloads, and the action game PUBG, which has some 600 million downloads,

TikTok is part of the wave of popular Chinese apps that show China's expanding foothold on the global app market. TikTok is owned by Chinese businessman Zhang Yiming's company ByteDance, which is headquartered in Beijing. In November 2017 it merged with another popular Chinese app, Musical.ly, at a cost of approximately \$1 billion. TikTok currently has some 800 million users, and according to 2019 Global Web Index statistics, some 40 percent of its users are young people aged 16-24.

TikTok spread quickly in the US among young people and set off warning lights in the US administration over fears that it might be used to collect data about users and transmit this data to Chinese authorities. This concern stems from several laws passed in China in recent years, including the National Intelligence Law (2017), which obliges Chinese companies to cooperate with Chinese authorities for reasons of national security. The US struggle against TikTok began in late 2019, when all arms of the United States Armed Forces and the Pentagon barred their personnel from using the app. In addition, after a fatal border confrontation with the Chinese army, the Indian government banned TikTok and 58 other Chinese apps, claiming that they endangered Indian national security.

The fear of TikTok does not stem only from government statements, but also from reports of security issues. For example, in December 2019 the Israeli information security company Check Point published a report naming security weaknesses discovered in the Chinese app. These weaknesses allowed an attacker to carry out various activities in user accounts, including adding or deleting videos, changing privacy settings, and stealing personal information entered by users when registering with the app. In addition, after the order against it was signed, the *Wall Street Journal* published an investigation claiming that TikTok collected the individual Media Access Control addresses of app users on Google Android phones, while evading existing security mechanisms in the operating system and in violation of Google policy. An additional claim against TikTok regarded censorship and the removal of anti-Chinese content.

On August 5, the US State Department issued a document about [the expansion](#) of the Clean Network program, which was launched in April. This program is part of an attempt to create a coalition of countries that agree on the need to secure their communications infrastructure, including future technologies: "The Clean Network program is the Trump Administration's comprehensive approach to guarding our citizens' privacy and our companies' most sensitive information from aggressive intrusions by malign actors, such as the Chinese Communist Party (CCP)." The expanded initiative includes five additional fields beyond communication networks: communications providers, app stores, apps, cloud storage, and underwater cables. Chinese companies are banned from participating in these areas. The expanded initiative includes the instruction to remove from American app stores Chinese apps that "threaten...privacy, proliferate viruses, and spread

propaganda and disinformation.” The document ends with a call to United States allies to join the initiative, which as of an [update](#) published by the State Department on August 11 includes over 30 countries, including Israel, with “clean” communication networks.

The meaning of the executive order is an overall ban on presenting and spreading Chinese apps or advertising via such apps. This step is thus likely to harm activity by American companies in China, including Walmart and Starbucks, which market products and accept payment via WeChat. Apple and Google will be obligated to remove them from their app stores, and American companies will be forbidden to publish on their platforms. In response, an op-ed published by the Chinese news service Xinhua claimed that this US move aims to harm Chinese tech companies, but companies in countries that join the move are also likely to lose.

As in many other countries, TikTok is very popular in Israel, especially among young people, and its use expanded during the Covid-19 outbreak. In March 2020 ByteDance opened a marketing office in Israel, with the aim of partnering with Israeli brands and local companies. In spite of American claims against TikTok, Israel has not defined an official and unified stance about TikTok or other Chinese apps. Thus, for example, in January 2020 the IDF announced that it was opening an official TikTok account; at the same time, the Border Police, which is subject to the Israel Police, instructed its officers not to download the app for reasons of national security.

In July 2019 it was announced that WeChat’s payment service would work in Israel in partnership with the Israeli credit company Cal and with GateHub – the China-Israel Business and Innovation Center. According to the press release, any business that accepts Cal credit cards and joins the program will be able to process payments made by WeChat’s payment app. This is the second Chinese payment app operating in Israel, after Cal announced in 2017 that it had agreed on a collaboration with the AliPay service, which belongs to the Chinese retail corporation Alibaba. The admission of Chinese apps was meant to encourage Chinese tourism to Israel, which according to Ministry of Tourism statistics for 2019 included more than 156,000 tourists.

Although the Israeli government has not yet taken a stance on this issue, and may not do so publicly, it will necessarily have to confront this matter, whether as a direct challenge to national security or as a reflection of US security concerns. Over the last few years the US administration has demanded that Israel limit Chinese involvement in Israel in three fields: 5G internet networks, investments, and the participation in strategic infrastructure. To date the Clean Network list includes Israel regarding communication networks, but not the additional areas mentioned in the newly expanded initiative. Thus far no American demand of Israel regarding apps has been made public, but it is likely that as

part of its intensifying struggle against China and its move toward technology decoupling in certain sectors, especially in communications and information technology, the US Clean Network program will be translated to a demand from allies, including Israel, to limit or block their use.

Israel should follow the evolving US policy concerning Chinese apps, as well as that of other Western countries, and examine different ways of dealing with this issue. It should also explore the expanded Clean Network program and consider whether to join the additional areas, and if so, how. At the same time, it is recommended that the National Cyber Directorate – without regard to US demands – compile an overall analysis of the activity in Israel of apps defined as posing a high risk to national security, including Chinese apps, in order to enable professional risk management. Finally, a unified policy should be formulated for various authorities regarding Chinese apps, without unnecessarily or publicly harming the relationship with China, Israel's second most important trading partner.