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The TikTok Debate Should Start With Reciprocity; Everything Else Is Secondary

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Defending Digital Series, No. 16: The recent congressional hearing about TikTok was a missed opportunity to insist that U.S. and Chinese companies be treated equally in both nations.

During the March 23 Energy and Commerce Committee hearing on TikTok, I kept waiting for someone to ask the most important and basic question: Why should the United States allow China to have open access to America's vast social media market when U.S.-based firms can't do the same within China?



This is where the hearing should have started, and possibly ended. China has at various times banned, limited, and censored Google search, YouTube, Facebook, Twitter, Netflix, and others. From a Chinese perspective, this has been a spectacularly successful strategy as it helped firms such as Baidu, Alibaba, and Tencent dominate today's huge Chinese market and gain share around the world.[1] But from a U.S. perspective, allowing a Chinese firm to become a U.S. social media giant, even as U.S. firms have no such opportunity in China has made America look more like chumps than champions of open markets.

China used to argue that it needed time to nurture its local firms, but most of its bans have remained in place even as Chinese firms have become more than strong enough to compete globally. Clearly, China's social media policies are no longer about national development; they are about information censorship. Over the years, America hasn't seriously responded because there hasn't been an easy way to do so in kind. But that has changed. Although banning TikTok might hurt American content creators—at least until they find homes on new platforms—it would hurt China more, especially as there are now no U.S. social media companies in China to retaliate against. How should this newfound leverage be utilized?

VEERING OFF TRACK

Sadly, there was not a single mention of this issue during the recent TikTok hearing.[2] For some five hours, the questions were almost entirely about privacy, child safety, and potential manipulation by the Chinese state. While these are certainly serious concerns, they shouldn't even come into play until the reciprocity issue has been adequately addressed.

Regrettably, the hearing also failed to take us anywhere new. TikTok's CEO, Shou Zi Chew, countered privacy and safety concerns by saying, correctly, that TikTok faces the same consumer and child protection challenges as U.S. social media firms and takes them just as seriously. It countered concerns about Chinese government intervention by arguing, less convincingly, that many American firms do advanced projects in China and thus are subject to the same government oversight. He also stressed the importance of "Project Texas," TikTok's effort to keep U.S. data on U.S. soil, a massive and complex task. Whether one agrees with these defenses or not, they were all well known before the hearing and could have been recapped in just a few minutes.

Instead, the same privacy, safety, and national security concerns were raised over and over again, with the repetitiveness made worse by Mr. Chew's frequent use of the time-honored response, "I'll have to get back to you on that." The performances of the committee members were equally uninspiring, not just because of the usual lack of technical and market understanding, but also because of bad manners. Mr. Chew was presumably there to answer questions, but time and again, committee members mostly gave speeches and made accusations, and I lost count of how often Mr. Chew's request to respond was denied. Surely, many Singaporeans took offense at seeing their countryman treated this way.

Overall, the hearing had a depressing, show-trial feel. The committee members' minds seemed already made-up, and they remained in lockstep as the session ended with an overwhelming sense of exhaustion. It was a bad day for TikTok, international relations, Big Tech, and congressional deliberations. It didn't need to be this way.

RESHAPING THE DEBATE

China has always insisted that companies doing business in China follow Chinese law, and in theory just about every country agrees with this local-law principle. But in this case, the principle has also been used as a decisive competitive weapon. By not allowing their citizens to speak, connect, or share information freely with people around the world, China has taken away the biggest advantage that American social media firms have. Since China has the right to implement whatever censorship policies it wishes within its borders, the only question is what America should do in response.

The big mistake both the Trump and Biden administrations have made has been to call for banning TikTok on national security grounds instead of economic ones. But that's a mistake that can be fixed. The Biden administration should announce that TikTok won't be allowed to operate in the United States unless and until American social media firms can operate in similar ways in China. Of course, China will object, but this will put it in the preposterous position of arguing that its social media firms should be free to operate in the United States, but that American firms should have no such rights in China. (As China gets stronger and more confident on the world stage, there's always the chance that at some point in the future it will feel less need to continue its heavy-handed information controls.)

Unlike the complex safety and security concerns discussed during the hearing, reciprocity is a simple argument that can prevail both in the United States and around the world. Teenage TikTok users might roll their eyes when they hear about the personal and national security risks of their favorite app, but they can easily see the unfairness of China's position. Adults will too, as

many Americans remain unaware of the way U.S. firms are blocked within China. Overall, stressing the need for reciprocity is a much more enviable task than trying to prove that TikTok is dangerous and not to be trusted. Fairness is something that Americans, global citizens, and even the Chinese people might agree upon.

It would be a great thing if China was to agree on reciprocal social media policies. It would ease the global flow of information and reduce the tensions that decoupling inevitably brings while strengthening the U.S. and global tech economies. The ability to reach and engage freely with Chinese citizens would be worth whatever downsides TikTok presents in the United States, and give the world more hope going forward. Should such a chain of events come to pass, the Project Texas model could potentially be used to reduce the security and privacy concerns of U.S. and Chinese citizens, alike.

However, should China reject this policy—as it would almost certainly do—then America at least could say, "We didn't want to ban TikTok; we tried to be fair, but now we have no choice but to shift to the two less desirable back-up options: ByteDance must either sell TikTok to a non-Chinese entity, or it will be banned from operating in the United States." Mostly likely, China would choose the former, and this should be an acceptable outcome for both sides, even though China currently insists that it's not.

RECIPROCITY AS STRATEGY

Some might argue that TikTok is not a fight worth having, as there are already enough tensions between the United States and China regarding technology, trade, Taiwan, Russia, climate change, and more. Other critics point to the millions of young voters who would be disappointed, and the loss of jobs and livelihoods that TikTok's closure would cause. But these latter concerns assume TikTok wouldn't be sold and would have to be shut down, which is the least likely and least appealing scenario.

Concerns about creating more unwanted U.S./China tensions fail to take account of how the TikTok challenge could easily worsen in the future. Should the company continue to expand its reach, tools, commerce, and influence, as now seems likely, its success would increasingly be seen in symbolic terms, as China's social media presence in America and around the world rises, and the U.S. position in China remains minimal. Given the current likelihood of this scenario, America should make its social media policies clear now, while its leverage is still high, and the downside risks are still manageable. Looking ahead, as the United States searches for a simple and compelling way to describe its overall China strategy to itself and to the world, *the pursuit of reciprocity* is a good place to start.

About This Series

ITIF's "Defending Digital" series examines popular criticisms, complaints, and policy indictments against the tech industry to assess their validity, correct factual errors, and debunk outright myths. Our goal in this series is not to defend tech reflexively or categorically, but to scrutinize widely echoed claims that are driving the most consequential debates in tech policy. Before enacting new laws and regulations, it's important to ask: Do these claims hold water?

About the Author

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ENDNOTES

1. Caleb Foote and Robert D. Atkinson, "Chinese Competitiveness in the International Digital Economy" (ITIF, November 2020), https://itif.org/publications/2020/11/23/chinese-competitiveness-international-digital-economy/.
2. *TikTok: How Congress Can Safeguard American Data Privacy and Protect Children from Online Harms*, 118th Cong. (2023), https://energycommerce.house.gov/events/full-committee-hearing-tik-tok-how-congress-can-safeguard-american-data-privacy-and-protect-children-from-online-harms.