

A U.S. Company Buying TikTok is a Viable Solution, But Beware of Far Reaching Executive Orders

COVID-19 is accelerating the digital transformation of the global economy as businesses increasingly move online. This week, the biggest data story centers on two Executive Orders (EOs) from the U.S. administration, which would effectively [lock TikTok and WeChat out](#) of the U.S. market. TikTok's prognosis in the United States is arguably better if it is purchased by a U.S. company in the next 40 days.

With Microsoft in acquisition talks, the Chamber has [endorsed](#) the sale of TikTok to a U.S. company as a viable solution to concerns around TikTok's collection of user data. The sale would provide compensation to parent company Bytedance, preserve Americans' access to a popular platform, and address many of the U.S. government's security concerns. At the same time, we have urged the government to recognize that far-reaching actions like the EOs taken to protect U.S. security—even in relation to a country like China, which has long pursued digital mercantilism to strengthen its military capacity, state control, and economic competitiveness—conflict with decades of U.S. Internet policy focused on promoting an open digital economy.

As the U.S. government moves to address security concerns, it's critical that it appropriately scopes its EOs to avoid damaging U.S. businesses, jobs, and economic growth. In particular, the government must recognize the centrality of the [WeChat platform](#) for doing business in China. Any viable regulation should avoid massive disruptions to the China-based operations and sales of U.S. companies, as well as the U.S. exports to China that are a critical component of the U.S.-China Phase 1 trade agreement.

While it's grabbed most of the headlines, the data governance conversation around TikTok and WeChat isn't happening in isolation. Next week, I'll discuss actions taken in Brussels and New Delhi, which have raised the stakes for engagement on global data governance.

In the meantime, you can reach out to [Charles Freeman](#) and [Jeremie Waterman](#) to learn more about the Chamber's advocacy and analysis on U.S.-China commercial policy issues and [Sean Heather](#) for more details on the Chamber's international data governance work.

—Myron Brilliant, Executive Vice President and Head of International Affairs, U.S. Chamber of Commerce

ICYMI: We [applauded](#) the historic peace agreement between Israel and the United Arab Emirates. It “will have a major impact on the Middle East in many ways, including unlocking tremendous business potential between two critical innovative economies and creating new opportunities for trade and investment in the Middle East. The Chamber has long-supported building American business ties across the Middle East to advance economic growth and innovation, create partnerships, and promote intra-regional trade.”