

TikTok files federal lawsuit against the Trump administration

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On Monday, the social media platform TikTok filed a federal lawsuit to block the Trump administration's xenophobic ban of the Chinese-owned company in the US if it is not sold within 45 days to an American-owned firm. The lawsuit was filed in the US District Court for the Central District of California.

In a blog post entitled, "Why we are suing the Administration," the company explains that President Trump's executive order on August 6 forcing TikTok to divest its US assets on the basis of national security emergency powers is a violation of Fifth Amendment due process rights.

The TikTok statement says, "the Administration failed to follow due process and act in good faith, neither providing evidence that TikTok was an actual threat, nor justification for its punitive actions." Trump's executive orders against TikTok and the Chinese-owned app WeChat were based on provisions of the International Emergency Economic Powers Act (IEEPA) that permit the president to regulate economic transactions during a national emergency.

The TikTok blog says, "Now is the time for us to act. We do not take suing the government lightly, however we feel we have no choice but to take action to protect our rights, and the rights of our community and employees." The short-form video sharing app, owned by Beijing-based ByteDance, has 1,500 employees and 100 million users in the US.

TikTok's lawsuit thoroughly exposes the anti-Chinese political purpose of Trump's executive order, "The executive order seeks to ban TikTok purportedly because of the speculative possibility that the application could be manipulated by the Chinese government. But, as the U.S. government is well aware, Plaintiffs have taken extraordinary measures to protect the privacy and security of TikTok's U.S. user data, including by having TikTok store such data outside of China (in the United States and

Singapore) and by erecting software barriers that help ensure that TikTok stores its U.S. user data separately from the user data of other ByteDance products."

These measures were well-known by the US government as they were part of the requirements imposed on ByteDance at the start-up of TikTok in the US following the company's acquisition of the Chinese company Musical.ly in 2017. At that time, ByteDance went through an extensive national security inspection which "provided voluminous documentation to the U.S. government documenting TikTok's security practices and made commitments that were more than sufficient to address any conceivable U.S. government privacy or national security concerns."

The lawsuit also says that "key personnel responsible for TikTok, including its CEO, Global Chief Security Officer, and General Counsel, are all Americans based in the United States—and therefore are not subject to Chinese law. U.S. content moderation is likewise led by a U.S.-based team and operates independently from China, and, as noted above, the TikTok application stores U.S. user data on servers located in the United States and Singapore."

Furthermore, since the onset of the anti-Chinese campaign of the Trump administration and the Democrats and Republicans in Congress, the company has cooperated for more than a year with a review by the Committee on Foreign Investment in the United States (CFIUS), headed by US Treasury Secretary Steven Mnuchin.

The TikTok brief explains, "During this period, and through the course of the CFIUS review, ByteDance provided voluminous documentation and information in response to CFIUS's questions. Among other evidence, ByteDance submitted detailed documentation to CFIUS demonstrating TikTok's security measures to help ensure U.S. user data is safeguarded in storage and in transit and

cannot be accessed by unauthorized persons—including any government—outside the United States.”

Despite the cooperation, acting under the direction of the Trump administration and its increasingly aggressive economic attacks and military threats against China, CFIUS issued a letter five minutes before the expiration of its review deadline—at 11:55 p.m. on July 30—that was “principally based on outdated news articles, failed to address the voluminous documentation that Plaintiffs had provided demonstrating the security of TikTok user data, and was flawed in numerous other respects.”

True to his US imperialist bullying form and with a real estate speculator’s mentality, President Trump not only demanded that the assets of TikTok be handed over to American corporate executives and Wall Street speculators, he also insisted that a “very substantial portion of that price is going to have to come into the treasury of the United States. ... It’s a little bit like the landlord-tenant. Without a lease, the tenant has nothing. So, they pay what’s called key money or they pay something.”

In response to this particularly criminal aspect of the entire project, the TikTok lawsuit says, “The President’s demands for payments have no relationship to any conceivable national security concern and serve only to underscore that Defendants failed [attempt] to provide Plaintiffs with the due process required by law.”

The US corporations Microsoft and Oracle were all too eager to jump on Trump’s anti-Chinese bandwagon. With dollar signs swirling around in their minds, corporate executives and investors for both software tech giants have gotten in line to make the purchase at a steep discount with the expectation of a massive post-purchase valuation on Wall Street.

A report in the *New York Times* on Wednesday said, “a deal with Microsoft could help propel the valuation of the app’s business outside China to as high as \$80 billion,” and would provide TikTok with “the endorsement of a blue-chip American company to mollify the Trump administration, which had called TikTok’s Chinese ties a national security threat.”

Additionally, the *Times* report went on, “Bankers and investors, some authorized and some simply trying to gin up a deal, have also called Netflix and Twitter about buying TikTok, they said, though it is unclear if those companies have a genuine interest in an acquisition. ... A deal price is unclear, though numbers have ranged from \$20 billion to \$50 billion depending on what parts of TikTok will be sold, the people said.”

In other words, the vultures of the American oligarchy are expecting the forced sale of TikTok to rapidly yield as much as a 4-to-1 return on investment.

That there is both bipartisan support within the US political establishment and unanimity with the corporate elite for an aggressive takedown of the enormously successful Chinese mobile app developers was exposed by the *Wall Street Journal* on August 23.

In an article entitled, “Facebook CEO Mark Zuckerberg Stoked Washington’s Fears About TikTok,” the *Journal* wrote, “In a private dinner at the White House in late October, Mr. Zuckerberg made the case to President Trump that the rise of Chinese internet companies threatens American business, and should be a bigger concern than reining in Facebook,” according to unnamed sources.

It was also after meetings that Zuckerberg held with Senator Tom Cotton (Republican-Arkansas) and Senator Chuck Schumer (Democrat-New York) that the two wrote a letter to intelligence officials demanding an inquiry into TikTok. A national-security review of the company began in November and the Trump administration began its offensive against TikTok in the spring.

Zuckerberg’s attempt to deflect government criticism of Facebook into a campaign against Chinese app developers is a particularly reactionary, but not surprising tactic for the American billionaire. In the end, the aggressive methods being deployed against TikTok will also be applied to the US-based social media platforms as part of the drive by the state to gain control of the information flow and to spy on the organization of the growing social unrest and class struggle against capitalism.



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