

Beijing likely to torpedo TikTok sale

Article

The news: Chances are high that any potential sale of **TikTok** to a US company will be opposed by the Chinese government, per [The Information](#).

TikTok's complicated situation: Popular video-sharing app TikTok is [facing a potential ban](#) in the US unless its Chinese owner, **ByteDance**, sells it.

- The Biden administration's ultimatum comes after two years of negotiations that have failed to convince US regulators that TikTok isn't sharing user information with Beijing.

- **The US Department of Justice launched an inquiry last week on possible ByteDance surveillance of American citizens**, including technology journalists, per [The New York Times](#).
- The US, Canada, Belgium, the UK, and the European Commission are among those that have already banned the app from government devices, and [France is next](#) on the growing list.

The ball is in Beijing's court: The Chinese government would need to approve of a split, which could be problematic given the [current geopolitical tension](#) between Washington and Beijing.

China, which can rule on any deal involving TikTok, said it wouldn't tolerate any [coercion or bullying by foreign powers](#).

Our take: Beijing might block any potential sale of TikTok or detachment from ByteDance by imposing export restrictions on the app's core technology, such as its recommendation algorithms, gamification features, and stickiness.

It's unlikely any app or service could survive continued bans and amplifying scrutiny. A stalemate resulting from Beijing blocking TikTok's sale could imperil the app's global growth.

TikTok Users, by Country

2023, millions

Asia-Pacific

257.5

Central & Eastern Europe

87.0

Latin America

162.5

Middle East & Africa

195.0

North America

111.4

Western Europe

95.3

Note: internet users of any age who access their TikTok account via any device at least once per month

Source: eMarketer, December 2022

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