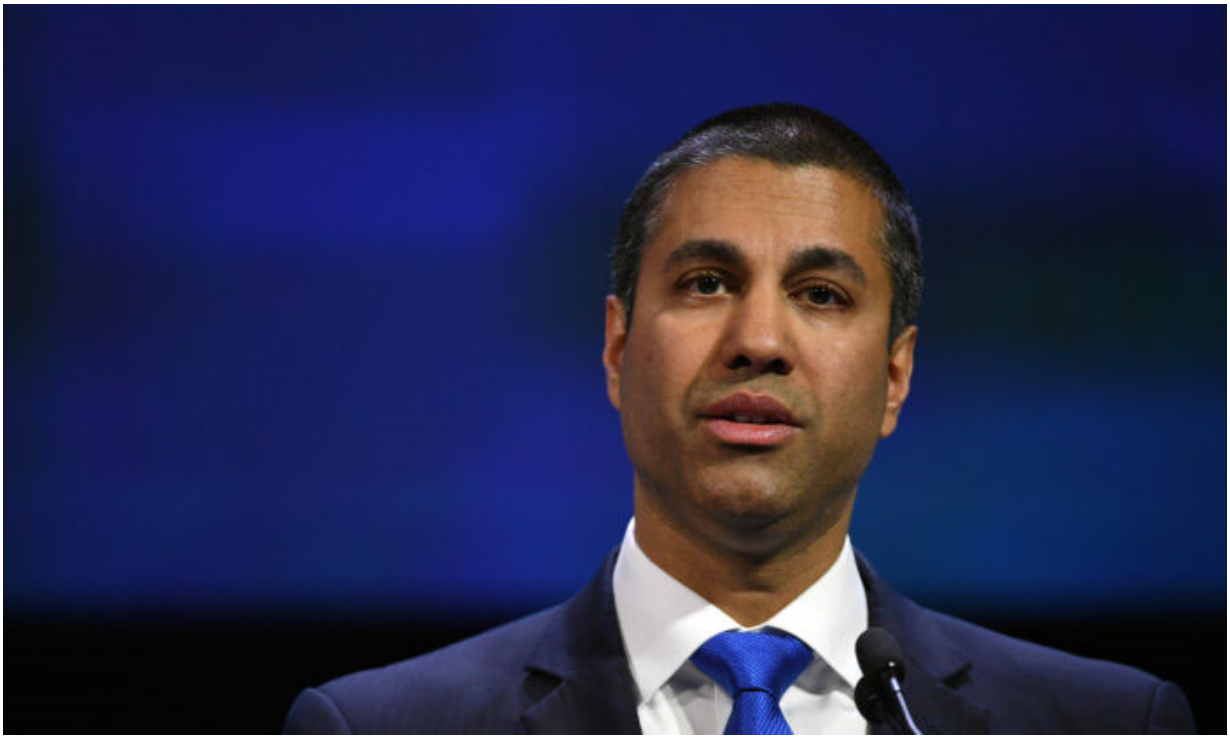
FCC Chairman Warns of Surveillance, Espionage Concerns Over China's 5G

By Bowen Xiao - November 7, 2019



Federal Communications Commission Chairman Ajit Pai speaks during NAB show's We are Broadcasters Celebration at the Las Vegas Convention Center on April 10, 2018 in Las Vegas, Nevada. (Ethan Miller/Getty Images)

WASHINGTON—The majority of the equipment at the heart of 5G networks come from just a small number of global suppliers, with the largest being Chinese company Huawei. Ajit Pai, Chairman of the United States Federal Communications Commission (FCC) said this was a "major concern" for the United States that could open the door to surveillance, espionage, and other dangers.

U.S. officials have long conveyed concerns of national security threats posed by certain foreign communications equipment providers, and of hidden “backdoors” to networks in routers or other equipment that could allow foreign powers to inject malware or steal private U.S. data, Pai said earlier this week at the Council on Foreign Relations, a non-profit think-tank.

Pai dedicated a portion of his Nov. 5. remarks to warning about the threat posed by Huawei and its links to China’s communist regime. He said that although Huawei positioned itself as a private company, it has “significant ties” to the Chinese Communist Party and China’s military, noting that under the law in China, all companies must comply with requests from the country’s intelligence services.

“These requests cannot be disclosed to any third parties, such as Huawei’s customers in China or abroad,” Pai said. “That means China could compel Huawei to spy on foreign individuals and businesses and prevent Huawei from disclosing such surveillance requests.”

“You don’t have to look hard to find evidence that the Chinese government is willing and able to use its growing influence over global commerce to advance its own interests,” he said.

Early this year the Justice Department charged Huawei officials for stealing trade secrets from U.S. mobile carrier T-Mobile. Pai also referenced a report from cybersecurity firm Finite State that found a majority of the Huawei firmware images they analysed “had at least one potential backdoor.”

And in May, the Commerce department added Huawei and 70 affiliates to it’s “Entity List” which essentially bans the company from gaining tech from U.S. firms without government approval, and places the company on a U.S. trade blacklist.

Huawei did not respond to a request for comment for this article.

John Boyd, founder of The Boyd Co., a firm providing location and management counsel to IT corporations globally, told The Epoch Times in phone call that the focus between China and the United States when it comes to Huawei would be one of “heightened security standards to protect the [U.S.] government from this idea of backdoor channels accessing information.”

Boyd believes the emphasis would not be on a permanent blacklist but rather “security assessments and mandating special heightened security standards.” Boyd also noted that other U.S. companies are catching up in select U.S. markets on 5G, adding that he attended the Verizon commercial 5G launch in Manhattan in September.

In May, Trump signed an executive order that would allow the government to block the purchase of foreign-made telecommunications equipment deemed a national security risk in the United States.

The Trump administration has previously lobbied other countries to not use Huawei's 5G equipment. And last month, five U.S. senators wrote to Microsoft concerning the "real and urgent" threats posed by Huawei, listing examples of the company's cyberespionage and technology theft. The letter was in response to Microsoft President Brad Smith, also the U.S. software developer's chief legal officer, who said in a Bloomberg Businessweek interview that U.S. regulators should provide more evidence to back up its rationale for blacklisting Huawei.

"We appreciate Microsoft's communications with our offices and your understanding of the threats posed by Huawei. We also understand that many American companies have conducted business in good faith with Huawei and other Chinese telecommunications companies," the letter stated.

Dr. Robert J. Bunker, adjunct research professor at the Strategic Studies Institute, U.S. Army War College, told The Epoch Times that a de facto split of the internet has already begun, with an alternate version implemented by the Chinese Communist Party (CCP) that is heavily censored and authoritarian-based and "tracks, monitors, and shapes the behavior of its users for political 'thought' control purposes."

"Given this context, allowing China prominence in 5G, AI, and [giving] CCP-controlled high tech corporations such as Huawei access to Western—read liberal democratic—internet infrastructures is like inviting a serial killer in for dinner with your family and then handing them a large steak knife," he said via email.

"In a sense the social credit score being utilized along with such internet censorship and thought control—derived from CCP criteria—is the digital equivalent of tattooing serial codes on the forewords of Chinese citizens and those peoples unfortunate enough to live in foreign authoritarian regimes who are now importing this technology of surveillance, control, and brutal repression," Bunker continued.

In his remarks Pai framed the discussion, when it comes to 5G and America's security, as one in which the nation "cannot afford to take a risk and hope for the best. The stakes are too high."

"For too many years, some have dismissed this concern as hypothetical, or as a smokescreen for protectionism," he said. "But if there is a silver lining to the episodes of the past month, it is that millions of Americans have now come to understand that the threats posed by the Chinese Communist Party are comprehensive and all too real."

Meanwhile, Commerce Secretary Wilbur Ross said in an interview with Bloomberg on Nov. 3 that licenses would be coming "very shortly" for American companies to sell components to Huawei amid hopes of reaching the "Phase One" trade deal with China.