



US Officials Suggest Backing Huawei Competitors, Providing Alternatives

By Bowen Xiao
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At least two U.S. administration officials have publicly talked about the importance of finding an alternative to China's Huawei company and of potentially developing partnerships with the telecoms industry as one of the actions.

Experts told The Epoch Times it would largely be a good move by the United States to boost competitors to Huawei. China currently dominates the global 5G infrastructure market, capturing 40 percent through companies Huawei and ZTE.

A partnership between the United States and the telecoms industry would be "very different from buying shares with taxpayers' money" Robert Blair, White House special representative for international telecommunications policy, said at the Munich Security Conference in Germany.

Blair, at the Feb. 14 conference, also said that the United Kingdom needed to take a "hard look" at its decision to use equipment made by Huawei. Washington has repeatedly stated that Huawei—founded in 1987 by a former People's Liberation Army engineer—is an extension of the Chinese state and that it helps Chinese intelligence steal secrets. Huawei denies the allegations.

U.S. Attorney General William Barr made a similar proposal last week. The United States and its allies have a five-year window—the time within which global 5G dominance will be determined—to launch a viable competitor. Barr said that the United States and its allies should "actively consider" the possibility of backing Huawei's two main overseas competitors: Nokia and Ericsson.

"The time is very short, and we and our allies must act quickly," Barr said at a Washington conference on Feb. 4 on the Department of Justice's efforts to combat Chinese threats.

But just days after Barr's comments, the White House appeared to dismiss the suggestion.

“Great respect to Attorney General Barr, but we believe the best way forward is what Ajit Pai announced just over the last several days,” Vice President Mike Pence said, referring to the Federal Communications Commission chairman’s efforts to free up more spectrum for 5G wireless use.

The United States, however, is working closely with Nokia and Ericsson, White House economic adviser Larry Kudlow said, adding that the companies’ equipment was essential to building 5G infrastructure. But he said that the “U.S. government is not in the business of buying companies, whether they’re domestic or foreign,” adding that “there’s nothing to prohibit American tech companies from acquiring” them.

John Boyd, principal of The Boyd Co., a firm providing location and management counsel to IT corporations globally, said that U.S. officials are “well aware” of the consequences if Huawei dominates the 5G and artificial intelligence market.

Boyd told The Epoch Times that Barr’s suggestion of boosting 5G alternative providers like Finland’s Nokia and Sweden’s Ericsson “would be a wise and timely investment in my judgement.”

“The U.S. Senate recently proposed spending \$1 billion for enhancing our 5G capabilities,” he added. “This suggests to me that Barr’s trial balloon may have some ready followers in Congress.”

5G is the next generation of mobile network technology that will offer internet connectivity at speeds 10 to 100 times faster than 4G. The fast connection is set to revolutionize many industries, including transportation, healthcare, and manufacturing.

The pace of 5G’s innovation and deployment worldwide is only quickening, according to Tyler Cooper, editor-in-chief of BroadbandNow, which tracks U.S. broadband serviceability data, including 5G.

“In terms of alternatives [to Huawei], three major players are already operating infrastructure at-scale in the United States: Nokia, Ericsson, and Samsung Networks,” Cooper told The Epoch Times via email. “I’m confident that these and other companies can rise to the demand and ensure that 5G is rolled out uniformly and on-pace, especially with assistance from the FCC’s proposed funds.”

In December last year, Ajit Pai, the chairman of the Federal Communications Commission (FCC) announced a plan to launch a \$9 billion fund to bring services to rural areas in the country.

Meanwhile on Feb. 13 federal prosecutors from the Department of Justice charged Huawei and several subsidiaries with conspiracy to steal trade secrets and violate anti-racketeering laws. These charges are in addition to previous charges on Huawei relating to violations of U.S. sanctions on Iran.

The latest charge of trade secrets theft relates to alleged “decades-long efforts” by the company and its U.S.- and China-based affiliates to misappropriate intellectual property (IP) from other companies—including six U.S. technology companies—and use it to grow Huawei’s own business, the department stated. Such practices also amounted to a conspiracy to violate the Racketeer Influenced and Corrupt Organizations Act (RICO), it added.

Weeks ago, Secretary of State Mike Pompeo urged Britain to rethink its decision to allow China’s Huawei a role in the country’s 5G networks. The United States has previously asked countries around the world not to include the communist regime’s telecoms giant in their communications systems.

UK Prime Minister Boris Johnson granted Huawei a limited role in Britain’s 5G mobile network on Jan. 28.

“Our view is that we should have Western systems with Western rules, and American information only should pass through trusted networks, and we’ll make sure we do that,” Pompeo told reporters.

U.S. officials this year have increasingly spoken out about countries “opening their arms” to Chinese companies.