

US's Decision on Huawei - India's Approach

Why in news?

U.S. President Donald Trump recently said that America would not do any business with Chinese tech giant Huawei. Click [here](#) to know more on the Huawei issue.

What is the U.S.'s stance?

- U.S. considers securing the nation's telecommunications and critical infrastructure from foreign adversaries as a critical priority.
- So, Trump administration believes that giving access to the state-controlled Huawei (China's) on 5G would risk America's national security.
- The U.S., besides denying Huawei access inside the country, is also asking other countries to follow the suit.
- The new interim rule bans the U.S. government agencies from purchasing equipment from Huawei and other specified Chinese companies.
- The interim rule is pursuant to the Fiscal Year 2019 National Defense Authorization Act.
- It provides for prohibition against the federal government's procurement of telecommunications equipment, video surveillance equipment and services of 5 Chinese companies, including Huawei.

How does it affect India?

- China has warned that any move to block Huawei from upcoming 5G operations will have consequences for Indian firms doing business in China.
- Notably, Huawei is among the world's biggest telecom equipment manufacturers, in the 5G segment.
- India is yet to formalise its decision on whether or not to allow Huawei.

How are other countries responding?

- Many countries around the world, including those in Europe, are going ahead with Huawei in their 5G operations.
- Australia and Japan have blocked it.
- South Korea and Thailand have implemented Huawei technology for 5G networks in a limited way.
- In fact, the US itself has begun relaxing the limitations, allowing American

technology companies to sell their products to Huawei on a case-to-case basis.

- Significantly, a British Parliament committee recently rejected a proposed ban on British telecom carriers using Huawei gear.
- It said there were no technical grounds for excluding Huawei entirely from the UK's 5G or other telecommunications networks.
- However, UK telcos exclude Huawei's gear from "core" parts of wireless networks, as recommended by the committee.
- While the European Union refused to ban Huawei, it left the decision to member countries.

What should India's approach be?

- India should not get swayed by the US stand of blacklisting Huawei.
- This is because Huawei is caught in a geo-political battle, without evidence of security risk that the Trump administration has cited.
- Apart from overseas influences, India's decision should be free from internal politics too.
- In the backdrop of multiple levels of pressure, the government must take a well-informed decision.
- The ministries of home affairs and external affairs, along with the Department of Telecom (DoT) should play a key role here.
- Indeed, national security is the most important consideration, weighing much more than business and geopolitical factors.
- Huawei has repeatedly told the government that the security concerns raised against it have no foundation.
- In this context, Huawei has also reportedly offered to sign a "no backdoor" agreement with the Indian government.
- This is to allay the concerns that Huawei might use its telecom gear for surveillance.
- A high-level committee, headed by the government's principal scientific advisor, K Vijay Raghavan, is looking at security aspects in the Huawei issue.
- The committee should look into the feasibility of such an agreement.

Why is Huawei significant now?

- Huawei is believed to price its products lower than its competitors, but this should obviously not be the sole reason to allow the Chinese firm.
- The 5G trial guidelines are out and non-commercial pilots will begin soon.
- Six technology firms including Huawei, Ericsson, and Nokia have submitted their proposals for trials.
- As the guidelines state, Indian entities involved in this process will be given licences for up to 2 years.

- In the meantime, telcos have forged partnerships with equipment manufacturers, including Huawei, for the trials.
- As 5G spectrum auction terms are being finalised for bidding and commercial rollout, an objective and non-discriminatory decision on Huawei by India is highly significant.

Source: The Hindu, Business Standard