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

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