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Huawei Case Study

Introduction

The Chinese multinational information technology and consumer electronics company Huawei, which was founded in 1987 and surpassed Samsung and Apple to become the leading smartphone mobile brand in the world for the first time primarily due to a drop in Samsung's global sales in the second quarter of 2020 owing to the impact of the COVID-19 pandemic in July 2020, has faced numerous criticisms for various aspects of its operations, particularly in regards to cybersecurity, intellectual property, and human rights violations. This essay will have three in-depth discussions about the ethical and professional issues that Huawei has been involved in, in the aspects of privacy, intellectual property, and international sanctions.

Huawei ban and sanctions

Google had suspended business with Huawei that isn't covered under open-source licensing on May 15, 2019, following the Trump administration's decision to ban the Chinese company in the US, which means, in the meantime, Huawei is losing Android operating system updates and Huawei's upcoming phones outside China will no longer get access to apps and services like Gmail and Google Play. Google also will no longer offer technical support to Huawei. With the Huawei-US ban in effect, the company had to completely revamp how it creates and releases smartphones. It also faces mounting scrutiny from other nations, many of which rely on Huawei for wireless networking equipment. A major aspect of the US/China trade war is IP theft, something that has affected Huawei's reputation for decades, which will be discussed in the third part of this essay. This part is going to talk about the ethical issues of Huawei ban. The general ban behaviour can be expressed as forced market restrictions for Huawei, and the reason behind this, could not more clear than in fact, Huawei is possessing much more market space than other IT companies, which may be the cause of inappropriate market competitions such as the controversial "IP theft". This ban could be considered unethical because it made inconsiderate influences on social marketing between multiple international companies. On the other hand, Google's

behaviour on disabling its apps' future installation on Huawei, which will makes it more difficult to sell Huawei smartphones in the international market, as Google's applications great demand at this moment. The government should not play as the main factor in marketing, as fair competition does not require influence from outside. It is unethical for the government to force a local company to stop cooperating with the company from other countries. Besides Google stopped provided its service to Huawei, other companies were under the order of the US government or just changed their mind, stated that they will

not keep working with Huawei. Extremely bad cases had occurred, if the Huawei ban decision has been made not genuinely on security issue but as a trading game to push China, there is an obvious chance to lift such ban or at least to relax it. According to Sajjad Hosain, if however, the ban on Huawei will continue for a long time, there would be different consequences. Huawei will be urged to develop its operating system and use it on their mobile phone sets. The company has a price advantage and already a large consumer base. Different facts suggest that in the beginning, the company will face some trials as the consumers prefer the Android operating systems to be installed on the phone. Sales could be decreased during this time. But shortly the consumers will be used to the new operating system and the firm can win back its market. Another consequence will be corresponding actions taken by the Chinese government as a response to Huawei ban making the US firms suffer a lot in the long term. Furthermore, such a ban will reignite the present trade conflict between the US and China (Hosain & Hossain, 2019). These are the predictions made in 2019, and at the moment, part of the ideas has been proven by the fact, Huawei did lose some of its markets, but meanwhile, new technology has been developed to let users still install Google applications on their new Huawei smartphones by some eye-blinding software like Phone-Cloner which copies installed apps from old Android phones to new phones without being detected by Google service verification. Huawei has taken action when facing unethical treatment by Google, and it shows regulations and laws are not fit for every corner of ethics when it comes to real profits competitions – the market.

Surveillance on Xinjiang State

Regarding the exposure of the so-called China Cables, there is evidence showing that Huawei had been involved in deploying a regional surveillance system assisting the Chinese government in Xinjiang, to suppress the minority Uighur population. Technology from Huawei was linked to Xinjiang before, however, the company never stopped claiming that this is only through third-parties, indicating Huawei had never been implicated directly. The China Cables, published by the International Consortium of Investigative Journalists, had included manuals and reports for Xinjiang's surveillance ecosystem and detention camp for the minority population, presenting Huawei's cross-border activities including but not limited to AI-based surveillance, intrusive data collection, and smartphone and general communications monitoring. (Doffman, 2019). These reports were further claimed to be untrue by Huawei, sooner blocked by censorship from China mainland. Apart from the law-related issues and government actions, after the fact of surveillance being exposed, it is reasonable that Huawei will lose its public trust and fall deeper beyond this. However, due to its successful functioning public relations working, the side effect of the exposure had been decreased to its minimal. Thanks to the low consciousness of the public, such unethical conduct could even be completely ignored. If not, the direct consequence would be, Huawei's loss of its public trust, the sale dropped down and the users were fleeing. Besides this, human rights shall be preserved during any government or non-government operation, and Huawei was not obeying the code of conduct accordingly. Collecting data from the target without notifications and permissions, even secretly making surveillance of people would be frustrating, announcements declaring apology

and confirmation shall be carried immediately after the disclosure, instead of denying the potential fact and blocking contents. A Huawei spokesperson states that the company “reaffirms that its technology—which is a general-purpose and based on global standards, complies with all applicable laws where it is sold. Huawei does not operate safe city networks on behalf of any customers.”(Doffman,2020) But, violating human rights should not be simply paged as a “global standard”, in which company behaviour depends on the government’s will, especially in China. There is no way that freedom of speech should be contained in a safe box that keeps out all the unnecessary comments and judgments to just plainly avoid being criticized or discussed. In reverse, formal debates and conversations shall be carryout in front of the public to ensure the enforcement of public trust and increase the transparency of government and non-government companies. It is common sense that people should have the right to know whether they are under the government’s surveillance, even if the government has denied it or regarded it as community safety. Violating human rights in a moral aspect can never be righteous, no matter how it helps to build a “safer community’. Possible actions like first commit its unethical behaviour to the public and make apologies, then brings up step by step some new solutions to achieve the same result and discuss with the residents. It needs to withdraw from Xinjiang and the programs being deployed directly. It needs to stop selling its technologies into the highly profitable surveillance programs that are underway or envisaged.

Intellectual property issues

Huawei has since grown from a little-known interloper into China's global tech champion, the world's biggest maker of telecoms gear, a leader in next-generation 5G networks, and a significant source of friction between the world's biggest powers. The company, which hires 188,000 people in more than 170 countries, sells smartphones—more than Apple Inc. (Allen-Ebrahimian et al., 2020). However, such a company has been dogged by allegations that its gains came by copying and theft. As pointed by Allen-Ebrahimian, there was a review of 10 cases in U.S. federal courts, and even more people such as former employees, competitors, and co-workers implied that Huawei “had a corporate culture” that garble the boundary between ethical methods and competitive achievements. By the definition of the new Oxford Dictionary: Plagiarism is the practice of taking someone else’s work or ideas and passing them off as one’s own. According to IEEE, “plagiarism in any form is unacceptable and is considered a serious breach of professional conduct, with potentially severe ethical and legal consequences”. However, plagiarism is one of the most complex ethical issues scientists and engineers face in connection with publishing and publications. Despite some obvious cases, boundaries between referencing, quoting, adopting, and copying are not so clear. Apart from the technical details of whether there exists product copying, only ethical issues will be discussed in the following paragraph. Huawei has not claimed any charges of its breach of code of conduct in engineering procedures, which makes it difficult to identify the facts beyond this, I doubt that the definition of intellectual property protection is controversial and contradiction. For instance, one of the top hit games in 2018 was PUBG, which held many players from its unique basic concept of playing, battle royal. However, in the following year, dozens of games were developed and published in the concept of the same basic battle royal famed by PUBG, none of them were in charge of plagiarism. Cases like this are blurring the difference between plagiarism and reference, and it took forever to justify them. When it turns back on the Huawei cases, punishment should be taken immediately, as long as there are commencing proof and a reasonable statement showing the copy

truly exists. Judgment by court or company itself is the only way to commit its unethical and inappropriate action, however, it seems impossible for Huawei, the company which denied all its related charges to states its copying conduct. Song Liuping, Huawei's chief legal officer, said that IP is the cornerstone of innovation and its politicization threaten progress across the world. With the release of a white paper by Huawei, stating that aside from accumulating patents of its own, Huawei has also paid more than 6 billion U.S. dollars in royalties to legally implement the IP of other companies, with nearly 80% of that paid to American companies. (Huawei, 2019) As the result of being charged, Huawei encountered some public issues like loss of public trust and integrity. However, different ideas converge and it turns out to be similar that Huawei does not commit any IP copying charges it faces, also encouraging innovation. "If politicians use IP as a political tool, they will destroy confidence in the patent protection system. If some governments selectively strip companies of their IP, it will break the foundation of global innovation," said Song. Huawei overruled its accusation, meanwhile setting a new standard for innovation.

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