

# THE ADVANCEMENT OF CHINA'S TECH INDUSTRY AND THEIR ATTITUDE OF SELF- RELIANCE

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For the past 33 years, the [Asia Pacific Roundtable](#) (APR) has been a primary convention for policy makers and opinion drivers to engage in meaningful discussions on strategic issues and challenges for the Asia Pacific region. As a first-time attendee, what was most enriching was to learn more from other countries on their perspectives on China in the region and from Chinese scholars on issues like Hong Kong, the trade dispute, and Huawei, China's top telecommunications equipment company.

China was a hot topic and one of the liveliest discussions from APR, came during the plenary session on The People Republic of China @ 70: Establishment, Evolution & Expectations. Professor Bates Gill, from the Macquarie University in Australia, set the context in which we view China, from the first phase of nation building 70 years ago, to Tiananmen Square, and now, with the constant leadership of Xi Jinping, China is a country that has defied traditional understanding. Moving forward, Professor Gill warned of the increasing tensions that exist within China, its system that the party views to be a real success and a doubling down of party state authority. We can already see this occurring through the Chinese Government's forced

detainment of the Uighur population in Xinjiang and the attention from leaders in the Politburo Standing Committee on the events in Hong Kong and their protests for freedoms they view as being eroded by the central Chinese government. As tensions, both domestically and internationally, build in China, their government seemingly struggles to learn and be accepted.

As Professor Aileen Baviera, President, Asia Pacific Pathways to Progress Foundation in the Philippines mentioned, China as great power is still undefined. As they try to define themselves on their own terms, it is unlikely that they will be successful or accepted because they are not understood. The lack of understanding, across cultures and between nations, was evident to myself, as an American listening to this discussion and throughout APR.

If there is one thing I gained from my APR experience, it is the increased understanding of the Chinese perspective, how the Chinese articulate their own narratives, and how to understand the dialogue in the greater context. Professor Gao Jian, from the Shanghai Academy of Global Governance and Area Studies, spoke extensively on the need that the international community understand China and talk about China in the "Chinese Way". That the country's unprecedented rise is viewed as a trail, similar to the Chinese proverb, "We must cross the river, but we still do not know how deep the river is."

During the concurrent session on Technological Rivalry and National Security, I reflected on these new insights, as speakers discussed the threat of the global 5G value chain due to the US turning Huawei into a ban entity and the impact on consumers, suppliers and giant telecommunication operators. For the Asia Pacific region, Huawei is a reliable company in telecommunications and technology, with almost half the market in China for mobile devices, and is the 3<sup>rd</sup> largest vendor in the global smartphone market. The company's expansive network of telecommunications in the region, along with the heavy reliance by countries on the services provided by Huawei, made me think about the

precarious situation that they must find themselves in. I felt very fortunate to be a part of the APR Young Leader Delegation, as my peers provided lively discussions on China, technology, and how commentary from the speakers could be interpreted from an American's perspective.

The theft of IP that has brought Huawei to where they are now, as the US contends, and the US's position that they pose a threat to security, are more wide-reaching than I initially gave credit. The current Administration's efforts to limit US company engagement with Huawei and restrict the sales of components have had cascading impacts on the market. When I visited China this past month, and had the opportunity to assess some of Huawei's hardware, was impressed by their capabilities and advancements in comparison to competitors like Samsung and Apple. The conflicts and legal actions that Huawei faces, also leaves the US companies that once supplied them with components for their devices at a great disadvantage. Huawei is building their own self-reliance. A message that resonated with me after hearing from Professor Gao at APR. The Chinese philosophy is one where they have nothing and no one to rely on. When faced with adversity, the Chinese will look internally for solutions. As Huawei works on developing their own operating systems for their mobile devices, I think the US needs to seriously consider the ramifications and Google executives should be concerned about the loss of market share should such ambitions to fruition.

In a recent [interview](#) with Huawei CEO Ren Zhengfei, he spoke extensively about the expansion of 5G and I cannot help but agree with his sentiments that by shutting out Huawei, US will be left behind. It reminded me of my recent visit with another Chinese tech giant, Tencent, at their Shenzhen headquarters. At their facility, one cannot help but feel the true power and influence that these companies hold in the country. The expansive reach to nearly every Chinese citizen and the increasing capabilities that go beyond traditional messaging apps or gaming platforms. What is truly ironic to me is that such companies were able to get to where

they are because they mimicked the actions of American tech companies like Apple, Microsoft, and Amazon. The Chinese admiration for Silicon Valley, technology advancement and innovations, seems to have left a bitter taste in everyone's mouth. As an American, I left China concerned that our technology industry could one day be too slow to keep pace globally, and our society too sluggish in their adoption of new systems and already lacks the technological literacy to stay toe-to-toe with the Chinese.

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