

In broadside against China, White House levels criminal charges against Huawei

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US officials announced Monday a series of trumped-up criminal charges against Huawei, the world's largest telecommunications company and second-largest smartphone maker, and its chief financial officer, Meng Wanzhou, who is currently under house arrest in Canada.

Despite American officials' invocations of "justice" and the "rule of law," the charges are pretexts to launch a new economic broadside against China, the world's most populous country and its second-largest economy, aimed at giving an edge to Huawei's American and European competitors in the telecommunications infrastructure sector.

The move comes just two days before the US and China are set to begin a new round of trade talks, approximately halfway through a "cooling-off" period before the Trump administration is set to launch a new round of tariffs targeting Chinese goods.

Despite US officials' claims that the charges against Huawei and the trade negotiations are unrelated, the timing of the announcement makes it clear that the US will enter the negotiations demanding maximal concessions not just on trade, but on military and "national security" issues as well.

While economic growth in the US remains relatively robust, China is facing a protracted economic slowdown that has been intensified by the Trump administration's economic sanctions.

The Trump administration and American state apparatus have made it clear that their targeting of Huawei, one of China's most important companies, is the leading edge of a military and economic escalation that the White House has called "strategic competition."

In a lead article in Sunday's edition, the *New York Times* reported: "Over the past year, the United States

has embarked on a stealthy, occasionally threatening, global campaign to prevent Huawei and other Chinese firms from participating in the most dramatic remaking of the plumbing that controls the internet since it sputtered into being, in pieces, 35 years ago."

The article added: "The administration contends that the world is engaged in a new arms race—one that involves technology, rather than conventional weaponry, but poses just as much danger to America's national security. In an age when the most powerful weapons, short of nuclear arms, are cyber-controlled, whichever country dominates 5G will gain an economic, intelligence and military edge for much of this century."

It concluded: "In interviews with current and former senior American government officials, intelligence officers and top telecommunications executives, it is clear that the potential of 5G has created a zero-sum calculus in the Trump White House—a conviction that there must be a single winner in this arms race, and the loser must be banished."

The article unequivocally spelled out the mercenary economic, military, and geostrategic considerations behind the trumped-up charges against Huawei and Meng.

The first set of charges revolves around US accusations that the company violated unilateral US sanctions against doing business with Iran. Secretary of Homeland Security Kirstjen Nielsen accused "Huawei and its chief financial officer" of breaking "US law" and engaging "in a fraudulent financial scheme that is detrimental to the security of the United States."

The US, she said, would "not tolerate a regime that supports terrorism," apparently in reference to China.

On the grounds of these flimsy charges, Meng was effectively kidnapped last month in Canada. US

officials formally announced Tuesday that the Justice Department planned to file an extradition request against her.

In a second set of charges, US officials announced 10 counts against Huawei for attempting to steal plans in 2012 for a robot called “Tappy” from US cellular carrier T-Mobile.

Commenting on the charges, FBI Director Christopher Wray stated that Huawei’s actions “threaten the free and fair global marketplace.” He declared that giving Huawei access to US telecommunications markets “could give a foreign government the capacity to maliciously modify or steal information, conduct undetected espionage, or exert pressure or control.” In fact, it is the US that is using its geopolitical leverage on the world stage to extract economic concessions from China.

The entire campaign against Huawei is part of an effort to secure the economic dominance of companies controlled by the United States and its European allies, including the US-based Qualcomm, the Finnish Nokia and the Swedish Ericsson.

According to media reports, the White House is on the verge of issuing an executive order that would ban US telecommunications companies from buying key infrastructure from Chinese companies such as Huawei and ZTE. Currently, only US government entities are banned from purchasing such products.

The United States is lobbying its allies, including Britain, Canada, Germany, Japan, Australia and New Zealand, to restrict purchases of telecommunications equipment from Chinese manufacturers.

The *Financial Times* warned of “the dramatic deterioration in relations between China and the US” since the arrest of Meng. The newspaper observed: “Officials across the US government have become significantly more hawkish towards China—over everything from human rights, politics and business to national security.”

The broad and bipartisan shift against engagement with China was summed up in the remarks last week by financier and leading Democratic donor George Soros, who called Chinese President Xi Jinping “the most dangerous opponent of those who believe in the concept of open society.”

He criticized President Trump for being insufficiently aggressive against China. Soros asserted: “Instead of

letting ZTE and Huawei off lightly, [the United States] needs to crack down on them. If these companies came to dominate the 5G market, they would present an unacceptable security risk for the rest of the world. Regrettably, President Trump seems to be following a different course: make concessions to China and declare victory while renewing his attacks on US allies. This is liable to undermine the US policy objective of curbing China’s abuses and excesses.”

Other commentators have pointed to the domestic considerations involved in escalating tensions with China, a nuclear-armed power. In an article titled “A common enemy could heal the US partisan divide,” *Financial Times* columnist Janan Ganesh argued: “For the first time since at least the 1980s, Americans face the kind of economic, ideological and military challenge that can make domestic antagonism seem beside the point, if not unconscionable.”

Like Japan’s attack on Pearl Harbor and the 9/11 attacks, Ganesh asserted, a conflict with China would serve to unify the country and preserve “internal cohesion.” In other words, a confrontation that could lead to nuclear war would be beneficial for the American ruling elite, from the standpoint of suppressing internal political and class tensions.

Ganesh marveled at the “speed with which Mr. Trump’s confrontation with China, so shocking in 2017, has found general acceptance, even enthusiasm, not just in Washington but in business.”



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