

## Huawei's ambitions unbowed despite US pressure

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Huawei's growing 'European village' in houses 25,000 staff and has several train stations named after European cities such as Paris and Bologna

Construction cranes at Huawei's headquarters busily expand an already massive faux-European campus that Walt Disney would envy, as well as



an in-house "university" that trains the Chinese telecom giant's growing global workforce.

If the United States hoped to stop the company in its tracks, it hasn't yet.

An escalating US effort to block supplies of vital semiconductors to a company it views as a <u>security risk</u> has Huawei officials and staff speaking anew of a sense of "crisis" on its huge campuses in and around the southern Chinese city of Shenzhen.

But despite Washington's now 18-month campaign—and the current coronavirus pandemic—staffing and the company's big ambitions continue to grow.

The new US pressure "has naturally led to some concerns", said Huawei University's deputy director, Ryan Liu.

"But I've worked for Huawei many years and we are confident the company will guide us on the correct path."

The US Commerce Department said Friday it was tightening efforts to deny Huawei access to global semiconductor supplies.

Huawei on Monday said the move will disrupt world supply chains and threaten the company's "survival".

"If the spirit of the ruling is followed, it would have a major impact on Huawei," said Kelsey Broderick, analyst with Eurasia Group consultancy.

Huawei's ability to find homegrown replacement chips is "low" at best, she said.



## European village

But Washington has repeatedly granted reprieves for earlier sanctions on Huawei, and the US may face opposition from American and foreign chipmakers who would suddenly lose orders from Huawei.

"There are questions remaining over how strict the ruling will be, in both implementation and enforcement," Broderick said.

Huawei—a dominant presence in Shenzhen, headquarters for a number of huge Chinese tech titans — projects a business-as-usual front.

Since Washington singled out the firm as a proxy target in the wider US-China trade struggle beginning in late 2018, its global staff has grown from 180,000 to 194,000 now, company officials say.

It announced 19 percent growth in its global businesses in 2019 despite the pressure.

The expanding "European village" complex, housing 25,000 staff, sprawls around a lake, linked by red and orange trains that stop at stations including "Paris", "Bologna", and "Heidelberg", each with plazas and architecture recalling those cities.





The complex's thousands of employees can take subjects including dealing with mental stress caused by the US pressure, while there is also a two-week 'boot camp' on corporate culture

Eleven such themed zones are finished and another is being built.

Huawei University, meanwhile, will be moving in August to newer and bigger European-style facilities.

Washington fears China could use Huawei's telecom networking systems worldwide for espionage or cyber-sabotage.

The company is expected to become a global leader in coming fifthgeneration, or 5G, <u>wireless networks</u>, and Washington has lobbied other



countries to shun its equipment over potential security risks.

But current chairman Guo Ping said this week the US is driven by fear of losing the technological edge to Chinese companies, and Huawei officials have continuously said Washington's threats merely make it stronger.

Staff echo that, telling AFP that US moves to deny access to Google services on its Android smartphones led Huawei to accelerate production of its proprietary HarmonyOS operating system, unveiled last year.

## 'I fell more proud'

Semiconductor disruptions will likewise fuel Huawei chip unit HiSilicon's efforts to develop its own supplies.

"This challenge will create a more acute sense of crisis, but our answer is to do our jobs right, and have confidence that hard work will pay off," said Liu.

Huawei University shut down its 40 physical classrooms after the coronavirus erupted in late January.

But after turning to online courses for staff in China, Africa, Europe and elsewhere, in-person classes resumed in May, Liu said.

Courses include high-tech subjects, management, and a two-week new-employee "boot camp"—complete with morning calisthenics—on corporate culture and handling work pressures.

Classes are now busier than ever handling pent-up demand from the shutdown, said Liu.



New course content includes understanding and dealing with the mental stress of US pressure.

"The world is now full of uncertainty and we need to adjust our mindset," Liu said.

Zhu Anran, 36, newly hired for a construction and infrastructure division, said the US pressure is on the lips of his fellow inductees.

But he had no worries about joining Huawei.

"As a Chinese, I feel more proud at being able to join such an enterprise as Huawei."

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