

Review - Huidu: Inside Huawei

Written by Lily McElwee

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LILY MCELWEE, FEB 28 2019

Huidu: Inside Huawei
by William B. Plummer
William B. Plummer, 2018

"I am no apologist for Huawei," reads the latest blog post of William B. Plummer, Huawei's veteran President of External Affairs who separated from the company in April of 2018. By May, he had put together a 351-page opus entitled *Huidu: Inside Huawei* recounting musings and memories, annoyances and accomplishments, torturous times and takeaways from his tenure at the Chinese telecom giant. Too off-the-cuff to offer a balanced perspective, *Huidu* provides a unique, unapologetic, and – in this geopolitical climate – helpful glimpse into the inner workings of a Chinese tech firm American political elites love to hate. The book is self-published, and not a scholarly work *per se*, but would be of interest to anyone following recent US pushback to Chinese foreign direct investment and the ongoing US-China trade war, in which Huawei has been dubbed a pawn, sanction-violator, and doorway to China's police state.

Indeed, *Huidu* is worth reading in the current climate simply given the author's pedigree. The book is not the first offering insight into Huawei's operations; accounts abound in the business literature, many delving into the firm's founder or internationalization story in search of managerial or operational takeaways. But by and large, these are written by American outsiders (Anderson, 2013), or Chinese academics (Tian and Yin, 2018; Yang, 2016; De Cremer, Wu, Tian, 2014; Tian and Wu, 2014). *Huidu's* author is American, worked for just shy of a decade at the most controversial Chinese company in America, and during that time represented his Chinese employer on countless occasions to a US political elite he paints as inherently skeptical. And, he is willing to write about it.

The author's attitude toward Huawei can be summarized by the book's title: 'huidu' means shades of grey, or greyscale. For Plummer, what Huawei is guilty of is not what the US government attests. On the one hand, though he does not offer evidence, Plummer believes that Huawei is innocent of accusations regarding sanction violation, government control and subsidization, and IP theft. On the other, he holds the telecom giant accountable for its "steamroller" (p.350) approach to cultural differences between China and other countries, which may be partially responsible for its current predicament. To Plummer, different ways of doing business manifest themselves in Huawei's long-standing refusal to engage local stakeholders in foreign markets, whether employees or political figures.

Plummer reports stark division along national lines at the firm's DC office, where he worked for eight years. At times, Plummer makes Huawei seem like the Roman Republic, split between voting urban citizens and provincial citizens without voting rights. Indeed, "within Huawei, there were two classes of employees – Chinese, and non-Chinese, the latter which were generally expected to defer to the former, regardless of which actually had the relevant expertise and experience" (p.85). Plummer sees increasing evidence (especially in 2015-18) of "disdain...disrespect...and disregard" (p.344) for American colleagues during meetings in the DC office through hour-long Mandarin detours, despite the presence of non-Mandarin speaking employees. Plummer also claims he was repeatedly denied promotion because he was not Chinese, despite being supported at least partially by his direct boss.

Indeed, Plummer posits that though Huawei hires foreigners, they are allowed limited influence on its decision-

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making in the US market, a conclusion corroborated by Huawei's senior local staff in other foreign markets. Plummer reports Chinese management's steadfast unwillingness, out of arrogance or willing ignorance, to invest in and manage the company's image with non-commercial stakeholders. Echoing many in the US business and public relations communities who lament Chinese firms' naivety regarding outreach to media and political stakeholders in target markets, Plummer shares that throughout his tenure, with several exceptions, "Huawei seemed to be utterly lacking in any strategic approach to the non-commercial American influencers that had direct impact on the company's business prospects in the US" (p.23). Rather, his Chinese colleagues seemed to feel that if Huawei "engaged in good will and good faith...[it] could somehow contribute to a fact-based and impartial process that could be influenced to produce a truly-balanced and constructive outcome" (p.115).

Told by Plummer, the story of Huawei's unfortunate fate in the US is one of mismatched expectations between Huawei and US governmental actors, creating small skirmishes early on, and then crisis in the past two years. This is most clearly illustrated in his analysis of the now-famous hearing by the House Permanent Select Committee on Intelligence (HPSCI) in 2012, which resulted in a negative report published in October bashing Huawei's "evasive answers" to congressional questioning (p.10). Shedding new evidence on the hearing, Plummer illuminates Huawei's reversal of its initial promise to provide the names, functions, and bios of every former and current member of Huawei's Communist Party Committee (p.180) – a decision responsible for flaming fires of skepticism among the HPSCI. Plummer sees a culture clash in the US government's very request for this information: "American politicians [were] trying to force a China-based company into an American value system before said company was prepared to take such steps" (p.190). This mismatch fueled perceptions of evasiveness by Huawei among US policymakers, and their fear, uncertainty, and doubt have haunted the company ever since.

In the introduction, Plummer acknowledges his book is one of overly-pointed opinions and heartfelt sentiments. Indeed, though highly entertaining and enlightening, *Huidu* could be improved in numerous ways. First, there is insufficient contextualization of Huawei's history of reception in the US among broader geopolitical relations between the US and China. The book is set up as an inductive one, in which generalizations about Chinese firms in the US may be made out of the Huawei case, but in fact no such generalizations feature. Plummer's focus is firm-level. While this may be fair given the outsized US attention on Huawei over other large ICT firms from China, it leaves the reader questioning the book's overall takeaway.

Second, the author clearly has built up years of frustration with the US policymaking establishment, mainly for its preconceptions regarding Huawei. Roughly 30% of the book critiques the US government, with various agencies and individuals painted as villains out to get China. In vivid and sometimes crude terms, Plummer bashes various government agencies for an obsession to find fault in Huawei. He calls the HPSCI's former Staff Director "impish" and "downright spooky" (p. 178). He shares rumors that the Committee on Foreign Investment in the US (CFIUS) learned about Huawei's failure to file its acquisition of 3Leaf in 2011 when a US Defense Department employee scrolling LinkedIn for all things Huawei found a 3Leaf employee had recently updated his employer to Huawei. This dismissal of US government concern as obsessive and groundless is indeed rare in a Washington united by desire to get tougher on China, but must be contextualized in Plummer's long history of advocating for Huawei to US policymakers.

Third, *Huidu* reads like a series of journal entries, and indeed, in some cases does include several of Plummer's blog posts from his days at Huawei linked back to back. In this way, rants about treatment of non-Chinese employees are plopped directly into a wider description of the Huawei DC office's preparations for a congressional briefing with the House Energy and Commerce Committee staff in April 2011, without being explored in great detail.

Overall, if readers can accept these limitations, *Huidu* promises a page-turner not dissimilar to the saga of Huawei's incremental shut out from markets across the Western world in recent weeks. The Huawei painted by Plummer is slow to understand the potential for geopolitics to impact a China-based multinational operating in the sensitive telecommunications sector. One would bet that the firm has now caught on.

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About the author:

Lily McElwee is a doctoral candidate in Contemporary China Studies at the University of Oxford. Her research examines the evolution of political debate regarding Chinese direct investment in the US information and communication technology sector from 2012 to 2017. Her work has been published in both academic and popular publications, including *The Diplomat* and *St. Antony's International Review*.