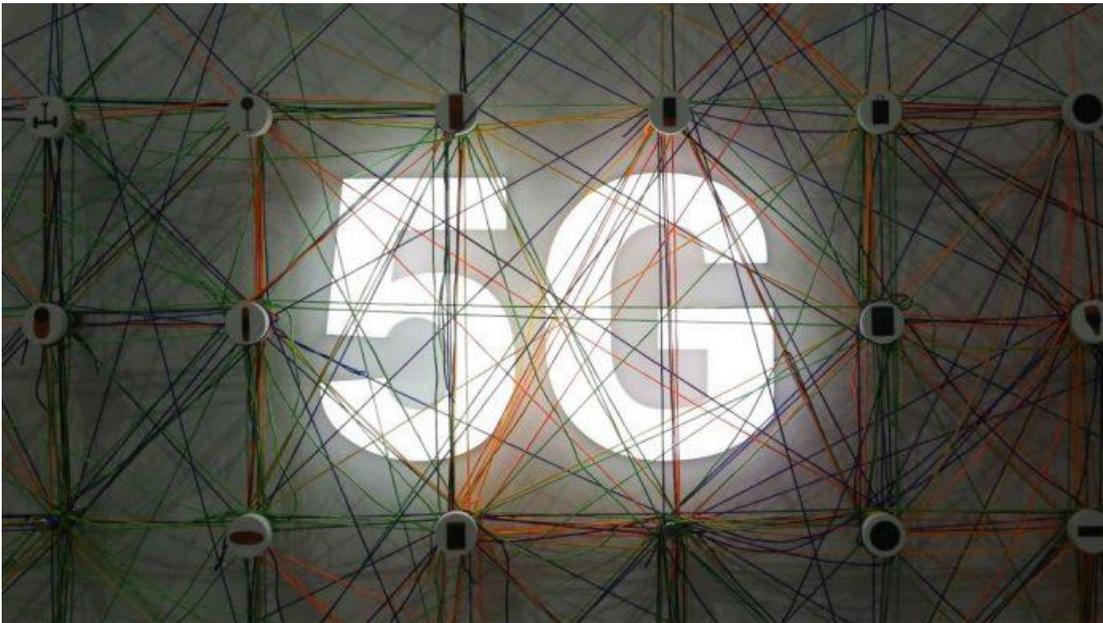


India can get its own Huawei. Demand for 5G and anger towards China has given us a chance

Demand for 5G is rising — schools to governments, all depend on internet and technology now. And India is uniquely placed to fill in network gap left by China's 5G wars.

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An illuminated 5G sign | (Representational image) | Bloomberg

In the Covid chaos, there is arguably one winner: technology. Healthcare, businesses, households, schools, governments — all rely on it now. Work from home to **G20 meet**, technology is helping a world in lockdown function.

This surge in the use of technology, especially in communications, reinforces more than ever the need for 5G network. An expected exponential **rise in data traffic**, increasing machine to machine connections across various industries, partnerships and alliances for 5G monetisation, and rising adoption of Internet of Things (IoT) devices will continue to drive the demand for 5G. And yet, this demand for 5G will not be without its fair share of geopolitical ramblings.

Even before Covid-19 had sparked a new war of words between the US and China, the trade dispute had been escalating between the two economic giants.

And at its centre was Huawei, a major 5G equipment manufacturer from China. Some in the West **suspect** Huawei to be the Chinese state's backdoor to global surveillance. This led to Huawei either being barred from 5G networks in countries such as the **US and Australia** or allowed limited participation in countries such as the **United Kingdom**. Now, as 63 countries, including India, again **confront** China—this time over the mishandling of COVID-19—Beijing may find itself even more isolated over global 5G investments.

So, what do these trends—the soaring need for 5G and geopolitical wrangling over equipment manufacturing—mean for India? A lot, actually.

India has the potential to offset any disruption to global supplies from Chinese companies in the 5G space.

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What India can do

One can argue that a loss for Huawei could potentially be **gains** for Ericsson and Nokia networks. Yet, this argument ignores the higher costs for buyers—Huawei competes fiercely on costs. For example, it is estimated that 5G deployment in Europe would **cost** \$62 billion more if Huawei is excluded. And in a post-Covid world, the role of costs could be even more given depleted finances of governments and businesses. So, in such a scenario, if countries like **Taiwan** are aggressively positioning to fill the network gap, then why shouldn't India? After all, it could be the biggest opportunity in decades. Yet, to achieve this, three key steps are required. After all, it could be the biggest opportunity in decades. Yet, to achieve this, three key steps are required.

First, the country needs to quickly ramp up manufacturing. India has existing electronic manufacturing facilities, several of which are near bankruptcy and can be diverted towards 5G equipment manufacturing. In March this year, the Narendra Modi government **approved** three schemes to enable large-scale electronics manufacturing and attract fresh investments worth at least Rs 50,000 crore in the electronics sector. With the recent 'Atmanirbhar Bharat **Abhiyan**' **package** from government, the MSMEs can be the catalyst for the industry to become self-reliant in emerging technologies. In a world leaning more

on geopolitical considerations than pure economic logic, access to markets in Europe and the US will open. It may as well turn out that small errors are tolerated and a learning curve for Indian manufacturers is accommodated.

Also read: [Huawei warns of 'terrible price' if US-China tensions escalate](#)

Second, veering towards a manufacturing hub of 5G equipment and technology will not be possible without a fair bit of innovation. One such example is some bit of re-engineering from e-waste. India produces about **two million tonne** of e-waste of which nearly 12 per cent is telecom equipment —nearly half of that is from discarded mobile phones and devices. Since 5G services require small receivers, it is possible that receivers and emitters in discarded mobile devices can likely be reengineered to make 5G equipment in a cost-effective manner.

Third, spectrum acquisition is perhaps unique to India. The proposed 26 Gigahertz **band** is too costly for existing operators. Using existing airwaves and short WiFi airwaves to address this could perhaps be a solution not only for India, but also for other parts of the world. And with standards in 5G still evolving, such innovations by India may well define the final requirements of global 5G service, thereby aligning it more to what Indian manufacturers have to offer.

Also read: [A unique SuperCloud is taking shape above coronavirus-hit India. It is unlike US and China](#)

The chance is now

For naysayers, such a possible transformation of India into a 5G equipment giant may seem a bit too far-fetched. Yet, it is not impossible.

Back in the early 1990s, the thought that India would emerge as a major information technology services exporter in two decades would have appeared improbable. As the situation around 5G evolves globally, exploiting a possible void in global supply not only makes sense economically for India, but is also key to 5G-related solutions for socio-economic goals at home. The use of telemedicine, remote learning, and IoT may just be the upliftment that India needs for improvements in healthcare, education, and agriculture. And now is the

time to make it possible. After all, rising acrimony towards China in the West is an opportunity too good to ignore for India. In this hour, the country may after all just heed the words of an old adversary: “Never let a good crisis go to waste.”

The author is Co-Founder & EVP, Chase India, a public policy consultancy firm. Views are personal.

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