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## Ministry urges U.S. to ensure level playing field for firms

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A report that U.S. lawmakers urged AT&T Inc to cut commercial ties with Chinese telecom equipment giant Huawei Technologies Co Ltd and to reject plans by operator China Mobile to enter the U.S. market, has sparked serious concerns in both countries.

Reuters reported on Tuesday that some lawmakers advised U.S. companies that if they have ties with Huawei or China Mobile, it could hamper their ability to do business with the U.S. government.

Senators and representatives have demanded that AT&T, the world's largest telecom firm, cuts its collaboration with Huawei over standards for the high-speed fifth-generation network, as well as the use of Huawei handsets by AT&T's discount subsidiary Cricket, Reuters quoted two unnamed Congressional aides as saying.

Speaking in Beijing on Tuesday, Foreign Ministry spokesman Lu Kang said the Chinese government always encourages Chinese enterprises to carry out foreign investment and cooperation in accordance with market principles, international rules, and local laws and regulations.

"Meanwhile, we hope that relevant countries will level the playing field and create a favorable environment for Chinese enterprises," Lu added.

Last week, U.S. Congressman Mike Conaway from Texas and several other members co-sponsored the Defending U.S. Government Communications Act. The proposed bill prohibits the U.S. government from purchasing or leasing telecom equipment and/or services from Huawei, ZTE or their subsidiaries and affiliates.

In a statement, Conaway said, "Allowing Huawei, ZTE, and other related entities access to U.S. government communications would be inviting Chinese surveillance into all aspects of our lives."

Daniel Ikenson, director of the Cato Institute's Herbert A. Stiefel Center for Trade Policy Studies, said banning Huawei and ZTE products from U.S. carriers, consumers, and government offices provides, at best, a false sense of cybersecurity, because those measures presume unique threats from those companies.

"That fact is that there are many bad actors out there and there so many vulnerabilities in all ICT equipment, regardless of where or by whom these products are assembled," he told China Daily on Tuesday.

"We need a smarter way to approach the cybersecurity problem", he added.

Gary Hufbauer, a senior fellow at the Washington-based Peterson Institute for International Economics, said on Tuesday that he is worried that the U.S. and China are determined to erect digital barriers to each other's firms.