Chapter 16
Huawei's ICT Investments in Africa:
Analysis of the Influence of the Company's Corporate Social Responsibility (CSR) Policies on the Emergence of the Continent's Knowledge Society

Olga Rataj
School of Oriental and African Studies, University of London, UK

ABSTRACT

Following a comprehensive description of the Corporate Social Responsibility (CSR) policies implemented by Huawei—the leading multinational Chinese information and telecommunications brand—within the framework of its business activities in Africa, this chapter reflects on the possible implications of the company's presence in Africa for the continent's development. Having recently undergone unprecedented socio-economic transformation, China is considered one of the forerunners in the evolution towards knowledge society. At the same time, it is often accused of pursuing a "new colonialism" in Africa. This chapter seeks to find out if there are possibly also any positive aspects of its intensified interest – in particular, if and to what extent Huawei shares with Africa China's experience of the emergence of advanced ICT (Information and Communications Technology) and transition towards the knowledge society.

INTRODUCTION

Huawei Technologies Co. Ltd is a Chinese multinational company providing world leading information and communications technology (ICT) solutions and services. Huawei's first of-fice on the African continent was established in 1998 in South Africa. Currently, Huwaei is present in over 50 countries there. In addition to 4 regional offices and 18 representative offices spread across the whole continent, the company runs in Africa one R&D center and seven training

centers (Huawei Website, 2013). Huawei defines as part of its vision the need "to bridge the digital divide and promote the harmonious and sustainable development of the economy, society, and the environment" (Huawei Website, 2013). In the framework of this chapter, the company's policy approaches for realizing this intention will be critically analyzed and assessed with regard to their implications for the development of the knowledge society in Africa, as well as for the continent's overall social and economic growth.

In recent times, China has undergone impressive economic and social development, including the emergence of its knowledge society. Due to having run this process, Chinese enterprises have valuable experience and strong expertise in both instigating and accommodating rapid changes in the social and business environment. It must be stated that concurrent with China's rapid growth, its business activities in Africa have been expanding dramatically. While there are strong concerns about the country's motivation behind its intensified engagement on this continent, in particular with regard to its rich natural resources endowment, the fact is that the Chinese presence in Africa spans many sectors, be it only a side effect of the interest in the African extractive sector or not (Idun-Arkhurst & Laing, 2007, p. 29). In particular, a very well developed area of Chinese business in Africa is the ICT domain. Huawei is currently one of the leaders on the information and communications technology market there (Marshall, 2011).

It seems worth investigating if and how the application of Chinese ICT development experience in Africa impacts the continent's knowledge revolution. To be sure, there are many facets of Huawei's presence in Africa. Firstly, there are advantages resulting purely from the kind of business conducted: it is obvious that a company providing ICT solutions must facilitate e-learning, use of mobile phones, widened Internet access, and other attributes of a knowledge society. Secondly, Huwaei's market entry in Africa broke Western

monopoly and resulted in a fierce competition, which led to lower prices and thus, to greater affordability of ICT products (Marshall, 2011). However, these two aspects of the emergence of the knowledge society are not intentional, as they should be seen only as spin-offs of the core interest of the company which is to make profit. Notwithstanding all that, Huawei plays a conscious role in the capacity building in Africa by engaging in CSR activities, some of which intentionally aim at human capital development. This article focuses on this third aspect.

Moreover, the approach proposed in this chapter is anchored on the assumption that there is no unidirectional cause and effect relationship between the development of knowledge society on the one hand and economic and social development on the other hand. These two processes are interconnected. They mutually reinforce each other rather than one results from the other. Thus, it is valuable to analyze not only how the development of knowledge society influences the economic and social growth in Africa, but also how does the latter influence the former.

BACKGROUND

Huawei's CSR Policy Framework

So far, Huawei has issued five annual CSR reports (since 2011 referred to as "Sustainability Reports"), the first of which was released in 2008 (Huawei Website, 2013). While the pillars of the company's CSR approach have remained unchanged over time, in 2012 there were amendments made with regard to the architecture of the CSR policy framework. Namely, eight thematic areas (bridging the digital divide, caring for employees, fair operations, environmental protection, social contribution, supply chain CSR management, stakeholder communication, safe operation) were consolidated into four: bridging the digital divide, supporting stable and secure network operations,

Related Content

Urban Green Innovation Ecosystem to Improve Environmental Sustainability

José G. Vargas-Hernándezand Jessica Dávalos-Aceves (2022). *International Journal of Circular Economy and Waste Management (pp. 1-9).*

www.irma-international.org/article/urban-green-innovation-ecosystem-to-improve-environmental-sustainability/288503

Australia's Bilateral and Multilateral Health Sector Partnership With South Asian Nations: Opportunities and Challenges

Anita Medhekar (2022). *Strategic Cooperation and Partnerships Between Australia and South Asia: Economic Development, Trade, and Investment Opportunities Post COVID-19 (pp. 1-22).*

www.irma-international.org/chapter/australias-bilateral-and-multilateral-health-sector-partnership-with-south-asian-nations/296773

Water Availability Challenges in Low-Income Areas of Agbowo Community, Ibadan, Nigeria

Tosin Kolajo Gbadegesinand Olawale Olayide (2021). *International Journal of Circular Economy and Waste Management (pp. 81-96).*

www.irma-international.org/article/water-availability-challenges-in-low-income-areas-of-agbowo-community-ibadan-nigeria/263504

Increasing Sustainability Through Reverse Logistics: A Study on Expired and Waste Medicines in the Pakistani Pharma Industry

Musawir Ali Soomro, Urooj Nazirand Arham Khan (2022). *International Journal of Circular Economy and Waste Management (pp. 1-17).*

www.irma-international.org/article/increasing-sustainability-through-reverse-logistics/292007

Impact of Socialized Uncertainty on Group Decision Making: An Experiment With Emerging Executives

Kenneth David Strangand Narasimha Rao Vajjhala (2019). *Gender Economics: Breakthroughs in Research and Practice (pp. 547-562).*

www.irma-international.org/chapter/impact-of-socialized-uncertainty-on-group-decision-making/218015