In Search of a Perfect Answer

Figuring out how to deal with China has been a difficult exercise for Google.

Elliot Schrage, vice president, global communications and public affairs, Google Inc.¹

Perhaps the clearest, or most extreme, example of the problems for foreign companies entering China is the case of Google. Certainly, it is the one that has generated most press coverage and heated debate. Business and politics clashed head on.

Google owns me. Sad, but true. Not just web searches—googling—but everything. My e-mail is Googlemail. My calendar is Google Calendar, half of my work is done in Google Docs and, if I’m lost, I’ll invariably turn to Google Maps. I research on Google News, and I read blogs on Google Reader. On my laptop, my browser is Google Chrome.²

Hugo Rifkind, Edinburgh-born columnist for The Times

Few companies have as much influence over our lives as Google does—it is now difficult to imagine life without it. Yet, in China, the story is a little different. At one point, Google had to decide whether to stay there or leave. On March 22, 2010, just two months after it publicly announced it was contemplating leaving China, Google shut down its China site and redirected its traffic to Google.com.hk, its Hong Kong-based website, after an intense dispute over censorship with the Chinese government.

Google had thus failed to find an answer to its own question: How could it enter China without being “perceived as evil”?

Don’t be evil

Larry Page and Sergey Brin, two Ph.D. students at Stanford University, launched Google as a research project in 1996. They went onto incorporate formally as Google Inc. on September 7, 1998.

The name Google originated from “Googol,” which is a mathematical term for the number 1 followed by 100 zeros. It reflected Google’s mission “to organize the world’s information and make it universally accessible and
useful.” Google was able to win its audience because of the quality of its search results and its do-no-evil, make-money-honestly philosophy.

As a young company experiencing hypergrowth, Google began to come up against the typical problems companies face as they transition out of the start-up phase. The early employees (mostly engineers) were resistant when staff with business skills began joining the technically driven company. They feared that they would be pressured into moving towards a more profit-driven mentality, which would ultimately affect the purity of the company’s products. Page and Brin were also becoming concerned about the identity of the organization.

In 2001, some senior employees, under the guidance of the founders, gathered for a corporate soul-searching meeting to address the issue. Few would have imagined at the time that the three words that emerged from the meeting—“Don’t be evil” would one day become three of the most important words in Google’s history—the informal company motto.

“Don’t be evil” not only sets the ethical boundaries of Google’s internal company dealings but also directs its every business decision. To stick with and live up to it, however, has become increasingly tricky, especially since Google is in the business of being “a global arbiter of human knowledge and commerce.” Surprisingly, the more successful Google has become, the more it has found itself pondering its role as “the morality police for the global economy”—a role that is too big for any company.

Battling with the “Great Firewall of China”

The first problem with the “Don’t be evil” philosophy is how Google defines evil and what it meant for Google in China.

They [Google] can’t afford to not be in China … They are facing a hard choice. They really don’t want to be seen as doing something that is evil, but no one goes into China on their own terms.

Self-censorship is one of the requirements of doing business in China for internet companies. Like many of its rivals, Google had wanted to prosper and grow in China, but it could not reconcile the regulatory requirement for censorship with its core value—“Don’t be evil.”

Ever since its formation, Google had been available, uncensored, to internet users worldwide, including China. In 2000, it launched a Chinese version of Google.com, news of which spread quickly by word of mouth among Chinese internet users. It worked well until 2002, when Google started to notice that its service was sporadically unavailable in China.

Then in September 2002, the “Great Firewall of China” blocked Google.* At that point, Google faced two choices: (1) stay out of China, or (2) establish

* Also referred to as the “Golden Shield Project,” a censorship and surveillance project operated by the Ministry of Public Security of China.