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Brin Drove Google to Pull Back in China

By JESSICA E. VASCELLARO



Reuters

Google co-founder Sergey Brin participates in a panel discussion in February.

Google Inc. co-founder Sergey Brin pushed the Internet giant to take the risky step of abandoning its China-based search engine as that country's efforts to censor the Web and suppress dissidents smacked of the "totalitarianism" of his youth in the Soviet Union.

In an interview with The Wall Street Journal, Mr. Brin, who came to the U.S. from Russia at the age of 6 in 1979, said the compromises to do business in the world's largest Internet market had become too great. Finally, a cyberattack that the company traced to Chinese hackers, which stole some of Google's proprietary computer code and attempted to spy on Chinese activists' emails, was the "straw that broke the camel's back."

China has "made great strides against poverty and whatnot," Mr. Brin said. "But nevertheless, in some aspects of their policy, particularly with respect to censorship, with respect to surveillance of dissidents, I see the same earmarks of totalitarianism, and I find that personally quite troubling."

Mr. Brin reluctantly agreed four years ago to launch a search engine in China that the company would censor to satisfy the government. But he said he began to have a change of heart after the 2008 Summer Olympics in Beijing.

Digits: Sergev Brin's Change of Heart on China As the glow of the Olympics faded, he said, the Chinese government began ratcheting up its Web censoring and interfering more with Google's operations. Around that WSJ's Jessica Vascellaro joins Stacey Delo on Digits to discuss her conversation with Google co-Founder



Sergey Brin on Google's dramatic decision to shutter its China-based search engine.

time, he said, the murky rules of doing business in China grew even murkier. Executives throughout the company grew more anxious about the policy, he said.

"China was ever-present," he said. "One out of five meetings that I attended, there was some component specifically applied to China in a different way than

other countries."

On Jan. 12, Google said it would stop self-censoring its search engine in China, citing a major cyberattack that appeared to target the email of human rights activists. On Monday, Google began routing mainland Chinese users of its search engine to a site in Hong Kong that the company isn't censoring.

After the cyberattack a heated debate ensued in the company about whether to cease censoring, say people familiar with the matter. Mr. Brin and other executives prevailed over Chief Executive Eric Schmidt and others who felt Google ought to stay the course in China, say people familiar with the discussions. Mr. Brin said by the end, there was "pretty good consensus."

Google Goes Uncensored in China



With Google no longer censoring searches in mainland China, WSJ's

Loretta Chao and Dow Jones tech reporter Aaron Back discuss what the move means and how Chinese authorities might respond.

Podcast

Google and China: WSJ's Jessica Vascellero discusses her interview with Google co-founder Sergey Brin, who says he believes firmly in Internet freedom and wants to take a stand against censorship in China.

Mr. Brin said that after that, his role was "somewhat tangential" as Google began drafting its plan to send Chinese users to its Hong Kong site. He also said the idea to reroute users was "actually relayed to us indirectly from the Chinese government," although he declined to elaborate.

When asked if Mr. Schmidt and co-founder Larry Page were available for comment, a Google spokeswoman said Mr. Brin was speaking for the company.

The move appears to have left Google's China business in jeopardy. On Wednesday, China Unicom Ltd., the country's No. 2 mobile-phone operator, said it wouldn't

install Google's search functions into new handsets given its decision to stop censoring. Google employees in China are contemplating defecting to rivals such as <u>Microsoft</u> Corp., according to recruiters.

Beijing has called Google's move "totally wrong" and warned the company must obey China's laws. Internet experts are skeptical that China will let Google continue to direct Web users to Hong Kong. While Google isn't censoring that site, China's Internet filters are blocking many politically sensitive results for users in China.

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While many Internet freedom proponents are cheering the move, few large companies have come out pledging their support. Privately, some Silicon Valley executives say they are confused by the reversal based on moral arguments alone.

One person familiar with the situation said the hacking —not just the attempted surveillance of activists—was also a major factor behind the decision. "They stole Google property. That was not insignificant," the

person said. A spokeswoman declined to comment on the attack.

Mitch Kapor, a Silicon Valley venture capitalist, said Google's moral stand made sense long term, because China will eventually get more open. "More businesses ought to follow 'gut principles' and shareholders and customers ought to support and encourage them to do so," he said Wednesday.

Whether others will follow Google remains unclear. On Wednesday, Go Daddy Group Inc., a provider of Internet addresses, told members of Congress it would cut back its business in China, following new Chinese requirements for information about registrants. Google executive, Alan Davidson, spoke at the same hearing, urging the U.S. to prioritize Internet openness in trade discussions.

Mr. Brin sees Google's China stance as a signal to other countries. For example, Google is concerned about a proposed filtering system in Australia, he said. The proposal would require Internet providers to filter out

content that could be objectionable to children.

Google says the plan goes too far, threatening Australians' freedom to use the Internet. An Australian minister has defended it as carrying over safety guidelines in place for other media, such as movies, to the Internet.

"One of the reasons I am glad we are making this move in China is that the China situation was really emboldening other countries to try and implement their own firewalls," Mr. Brin said.

The 36-year-old co-founder said he was moved by growing evidence in China of repressive behavior reminiscent of what he remembered from the Soviet Union. Mr. Brin said memories of that time—having his home visited by Russian police, witnessing anti-Semitic discrimination against his father—bolstered his view that it was time to abandon Google's policy.

To this day, Mr. Brin said, he and his family often reflect on the significance of their move. His father, he said, wanted to be an astrophysicist, but because of discrimination became a mathematician. Mr. Brin, by growing up in the U.S., had the freedom to pursue "his own entrepreneurial dreams," he said. His father later became a professor of mathematics at the University of Maryland.

What drives Google more?

In the U.S., Mr. Brin focused on his studies. As a graduate student at Stanford University, he was on the student council, but he said he doesn't recall getting involved in Internet-freedom issues. Instead, he spent most of his time at his computer, working with Mr. Page on the beginnings of Google.

As Google expanded beyond the U.S., China was a big test. Google set up a Beijing research-and-development

center in 2005, and executives began to debate whether they should open up a search engine on Chinese soil—a move that would require them to filter out content they thought the Chinese government would deem objectionable.

Sergey Brin | On China Before Google launched a censored Chinese search engine 2004 'There are difficult questions, difficult challenges,' he said in an interview with Playboy magazine. 'One thing we know is that people can make better decisions with better information.' After Google launched the censored Chinese search engine 2006 'We felt that perhaps we could compromise our principles but provide ultimately more information for the Chinese and be a more effective service and perhaps make more of a difference,' he said speaking to reporters during a Capitol Hill press conference. After Google stopped censoring its search engine in China 2010 'I think at some point it is appropriate to stand up for

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'I think at some point it is appropriate to stand up for your principles, and if more companies, governments, organizations, individuals did that, I do think the world would be a better place,' he said in an interview with the Wall Street Journal.

Mr. Brin and Google's chief legal officer, David Drummond, had the strongest reservations, said people familiar with the discussions, while Messrs. Page and Schmidt were more supportive of appeasing the Chinese government, arguing they could increase Chinese users' access to information from within.

Around that time, Mr. Brin traveled to China to meet with other companies and see conditions first-hand. He recalls being particularly concerned that university students were having trouble accessing the Internet.

Mr. Brin said in the interview that launching a self-censored Chinese search engine was the right decision at the time. "We generally advanced the

bar," he said, adding that he continued to question the decision.

Mr. Brin said Google was still evaluating its options in China when it discovered it was struck by the cyberattack in late 2009. After Google found evidence the motivation was to peek at the emails of Chinese activists, Mr. Brin said, he had had enough.

"Ultimately, I guess it is where your threshold of discomfort is," Mr. Brin said. "So we obviously as a company crossed that threshold of discomfort."

—Scott Morrison contributed to this article.

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