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### **Google, Citing Attack, Threatens to Exit China**

By Andrew Jacobs and Miguel Helft

This article was reported by Andrew Jacobs, Miguel Helft and John Markoff and written by Mr. Jacobs.

BEIJING — [Google](#) said Tuesday that it would stop cooperating with Chinese Internet censorship and consider shutting down its operations in the country altogether, citing assaults from hackers on its computer systems and [China](#)'s attempts to "limit free speech on the Web."

The move, if followed through, would be a highly unusual rebuke of China by one of the largest and most admired technology companies, which had for years coveted China's 300 million Web users.

Since arriving here in 2006 under an arrangement with the government that purged its Chinese search results of banned topics, Google has come under fire for abetting a system that increasingly restricts what citizens can read online.

Google linked its decision to sophisticated cyberattacks on its computer systems that it suspected originated in China and that were aimed, at least in part, at the Gmail user accounts of Chinese human rights activists.

Those attacks, which Google said took place last week, were directed at some 34 companies or entities, most of them in Silicon Valley, California, according to people with knowledge of Google's investigation into the matter. The attackers may have succeeded in penetrating elaborate computer security systems and obtaining crucial corporate data and software source codes, though Google said it did not itself suffer losses of that kind.

While the scope of the hacking and the motivations and identities of the hackers remained uncertain, Google's response amounted to an unambiguous repudiation of its own five-year courtship of the vast China market, which most major multinational companies consider crucial to their growth prospects. It is also likely to enrage the Chinese authorities, who deny that they censor the Internet and are accustomed to having major foreign companies adapt their practices to Chinese norms.

The company said it would try to negotiate a new arrangement to provide uncensored results on its search site, google.cn. But that is a highly unlikely prospect in a country that has the most sweeping Web filtering system in the world. Google said it would otherwise cease to run google.cn and would consider shutting its offices in China, where it employs some 700 people, many of them highly compensated software engineers, and has an estimated \$300 million in annual revenue.

Google executives declined to discuss in detail their reasons for overturning their China strategy. But despite a costly investment, the company has a much smaller share of the search market here than it does in other major markets, commanding only about one in three searches by Chinese. The leader in searches, [Baidu](#), is a Chinese-run company that enjoys a close relationship with the government.

Google executives have privately fretted for years that the company's decision to censor the search results on google.cn, to filter out topics banned by Chinese censors, was out of sync with the company's official motto, "Don't be evil."

"We have decided we are no longer willing to continue censoring our results on google.cn, and so over the next few weeks we will be discussing with the Chinese government the basis on which we could operate an unfiltered search engine within the law, if at all," [David Drummond](#), senior vice president for corporate development and the chief legal officer, said in a [statement](#).

Wenqi Gao, a spokesman for the Chinese Consulate in New York, said he did not see any problems with google.cn. “I want to reaffirm that China is committed to protecting the legitimate rights and interests of foreign companies in our country,” he said in a phone interview.

In China, search requests that include words like “Tiananmen Square massacre” or “[Dalai Lama](#)” come up blank. In recent months, the government has also blocked YouTube, Google’s video-sharing service.

While Google’s business in China is now small, analysts say that the country could soon become one of the most lucrative Internet and mobile markets, and a withdrawal would significantly reduce Google’s long-term growth.

“The consequences of not playing the China market could be very big for any company, but particularly for an Internet company that makes its money from advertising,” said David B. Yoffie, a Harvard Business School professor. Mr. Yoffie said advertising played an even bigger role in the Internet in China than it did in the United States. At the time of its arrival, the company said that it believed that the benefits of its presence in China outweighed the downside of being forced to censor some search results here, as it would provide more information and openness to Chinese citizens. The company, however, has repeatedly said that it would monitor restrictions in China.

Google’s announcement Tuesday drew praise from free speech and human rights advocates, many of whom had criticized the company in the past over its decision to enter the Chinese market despite censorship requirements.

“I think it’s both the right move and a brilliant one,” said Jonathan Zittrain, a legal scholar at Harvard’s Berkman Center for Internet and Society.

Rebecca MacKinnon, a fellow at the Open Society Institute and an expert on the Chinese Internet, said that Google had endured repeated harassment in recent months and that by having operations in China it

potentially risked the security of its users in China. She said many Chinese dissidents used Gmail because its servers are hosted overseas and that it offered extra encryption.

“Unless they turn themselves into a Chinese company, Google could not win,” she said. “The company has clearly put its foot down and said enough is enough.”

In the past year, Google has been increasingly constricted by the Chinese government. In June, after briefly blocking access nationwide to its main search engine and other services like Gmail, the government forced the company to disable a function that lets the search engine suggest terms. At the time, the government said it was simply seeking to remove pornographic material from the company’s search engine results.

Some company executives suggested then that the campaign was a concerted effort to stain Google’s image. Since its entry into China, the company has steadily lost market share to Baidu.

Google called the attacks highly sophisticated. In the past, such electronic intrusions have either exploited the practice of “phishing,” to persuade unsuspecting users to allow their computers to be compromised, or exploited vulnerabilities in software programs permitting the attacks to gain control of systems remotely. Once they have taken over a target computer, it is possible to search for specific documents.

People familiar with the investigation into the attacks said they were aimed at source code repositories at high-tech companies. Source code is the original programmer’s instructions used to develop software programs and can provide both economic advantages as well as insight into potential security vulnerabilities.

In its public statement Google pointed to a United States government report prepared by the United States-China Economic and Security Review Commission in October and an investigation by Canadian researchers that revealed a vast electronic spying operation last March.

The Canadian researchers discovered that digital documents had been stolen via the Internet from hundreds of government and private organizations around the world from computer systems based in China.

Andrew Jacobs reported from Beijing, and Miguel Helft and John Markoff from San Francisco. David Barboza contributed reporting from Shanghai, and Jonathan Ansfield from Beijing.

This article has been revised to reflect the following correction:

Correction: January 16, 2010

An article on Wednesday about Google's threat to leave China because of what the company called hacker assaults and efforts to limit free speech on the Web misidentified, in some copies, the organizational affiliation of Rebecca MacKinnon, an expert on the Chinese Internet. She is a fellow at the Open Society Institute, a New York-based democracy advocacy group; she is not with the Open Space Institute, a New York-based environmental group.

Financial Times, January 15, 2010

### **China and the west: Full circle**

By James Kynge

Just as cicadas thrum more urgently at the start of autumn, sensing that the end is nigh, internet users in China have been seizing in animated fashion on what one called "the last crazy days of Google.cn". With the US technology giant allowing uncensored searches in Chinese for the first time, citizens of the People's Republic are this week indulging their curiosity ahead of a widely expected crackdown.

"I've been doing all sorts of crazy searches, really distracting myself from my work," says one. "I've done Tiananmen Square, the love affairs of national leaders, the corruption of leaders' children."

Another internet user says the buzz of illicit abandon is reminiscent of the mood in Tiananmen Square itself, shortly before the People's Liberation Army crushed the protests there in 1989. "There is no way that Google will get away with this. They will have to leave China for sure," he adds.

The surreptitious joys of "netizens" may not be alone in existing on borrowed time. Google's defiance of China's censorship regime is indicative of much more than a single company's decision to reassert its open-society principles over the pragmatism by which it originally entered the Chinese market, agreeing then to self-censor in return for business licences. Google's move may suggest that the accommodations made by western companies in China can extend only so far before contorted values snap back into place.

More broadly, though, Google's actions present at least a symbolic challenge to a broad swath of assumptions that has underpinned the west's engagement with China over the past 30 years. In particular, they raise the question as to whether missionary capitalism – the prevalent but fuzzy belief that the west's commercial engagement may somehow bring about a Chinese political liberalisation – has ever been more than a naive hope. In Google's experience, for example, the longer it operated in China, the more search words it was forced to ban and the greater the number of cyberattacks it fielded from Chinese sources.

In fact, in the opinion of several Chinese officials, the process of engagement in which successive US and other western governments have invested so much time and effort, may not have enamoured the Chinese public to the west at all. One senior Communist party official, speaking on condition of anonymity several weeks prior to Google's move, said he saw a general regression in public disposition to the west.

“Even though Chinese, and especially Chinese youth, know the west better than ever before and there are many more exchanges and contacts between China and your countries than in the past, the west is less popular now among Chinese people than at any time since ‘reform and opening’ began [in 1978],” the official said. Indeed, anyone who regularly reads the postings of Chinese netizens will notice that comments critical of the west frequently far outnumber those that are positive.

Against this backdrop, Google’s decision prompts one of the simplest but furthest-reaching questions of all: how should the west deal with China? Or, to put a finer point on it, how can an international system created under Pax Americana to serve the interests of the west accommodate a rising giant that is set to remain different in almost every aspect – politics, values, history, natural endowments and per capita wealth – from the incumbent ruling order?

Even posing the question can elicit shock. James Mann, a former Beijing bureau chief for the Los Angeles Times, notes in his 2007 book, *The China Fantasy*, that although it is still theoretically possible that the country may yet morph into a democracy that promotes civil liberties and fosters an independent judiciary, the belief that this is a likely outcome is sheer self-delusion.

“America hasn’t thought much about what it might mean for the United States and the rest of the world to have a repressive, one-party state in China three decades from now because it is widely assumed that China is destined for a political liberalisation, leading eventually to democracy,” Mr Mann writes.

Multinational corporations are particularly susceptible to this type of China delusion, partly because the job of the person appointed to run China operations depends on being able to persuade his or her board

that, although there may be difficulties, things are headed in a broadly benign direction. But if the definition of benign deployed by such China boosters includes assurances that the rule of law, protection for intellectual property, civil liberties and democracy will soon take root, the board may be in for a long wait.

As Kellee Tsai makes clear in her 2007 book, *Capitalism Without Democracy*, Beijing expends considerable effort to neutralise mechanisms by which its capitalist economy might create pressures for the formation of democratic checks and balances. One main strategy has been to keep the private sector loyal to the ruling Communist party. In 2003, for example, some 34 per cent of private entrepreneurs were party members, up from just 7 per cent in 1991.

If China therefore remains resolutely different from other countries that have prospered under Pax Americana even as it joins the world, how should the west react? One school of thought sees acceptance as key. “To think that commercial engagement by the west would change China misunderstands the nature of how change is likely to occur in China,” says Rana Mitter, professor of the history and politics of modern China at Oxford University. “Change has to come from within.”

According to Prof Mitter, China and the west should drop any pretence at harmony in their relationship and seek not to accentuate their similarities but to understand the context of their manifold differences. His position is echoed by some Chinese academics, who see Beijing’s inclination towards characterising its bilateral relationships in officially positive terms as unhelpful.

“China is a huge, independent and successful country that doesn’t want to be dictated to by the west,” says Shi Yinhong, professor of international relations at Renmin University. “Both sides need to learn to accommodate each other.”

One thing that westerners often misunderstand about China, says Prof Mitter, is that the relationship between state and society is different from that in western democracies. “It is fair to say that [in China] the broad norm is that the state and society have obligations to each other and that society acquiesces in the state’s project,” he says. “The assumption is that state and society are part of the same enterprise.” In western democracies, by contrast, society tends to have a more oppositional relationship with the governing elite.

This insight may go some way towards explaining the ease with which China’s propaganda authorities are able to channel western criticisms of China into outpourings of anti-western cyber-rage or patriotic fealty. In the case of Google, just hours after the news broke of its change of mind on censorship, party-affiliated newspapers began to play on the widespread sensitivity to a history of humiliations by the west to construct a great wall of patriotic fervour.

The Global Times, a subsidiary of the People’s Daily, asked thousands of its readers if they thought the Chinese government should submit to Google’s conditions. The survey generated an overwhelming response to the effect that Beijing should stand up to Google. Other official media followed similar lines. In a commentary called “Google, who do you want to scare?” published by Shanghai’s Wenhui Daily, a writer characterised Google’s strategy as a “mixture of typical American naivety and western self-centrism”

For many a policymaker in the west, however, there is a world of difference between trying to understand China’s unique national character and dealing with a projection of Chinese power beyond its borders, especially when that power is tilted against western interests. In this respect, last month’s multilateral negotiations on climate change in Copenhagen were a shrill wake-up call.

“Copenhagen showed us the new normal,” wrote Leslie H. Gelb in the online Daily Beast. “The US has lost influence, China plays spoiler and tiny nations veto anything they don’t like.” During the Copenhagen negotiations, China allied itself with some 77 developing countries to resist a legally binding treaty on climate change and opposed a mechanism of independent inspections that was intended to confirm emission control targets were being met. Frustration with China’s role was clear both during the summit and in comments by western participants afterwards. As a senior official from one developed country put it: “China cannot be allowed to appropriate the developing world like this again.”

But if the west wants to enter a beauty contest as China’s rival for the affections of the developing world, it may find it tough going. In Africa, for instance, China’s trade volume is likely last year to have overtaken that of the US, while in many African capitals Beijing’s brand of quick, no-nonsense investment assistance has won it a keen following. But no matter how frustrated the west becomes with China, its interests are so intertwined that “doing a Google” on any large scale may not be an option. The developed world may simply have to resign itself to an adversarial symbiosis with China that grows ever more rancorous with time.

**Banned in Beijing! (Op-Ed Column)**By [NICHOLAS D. KRISTOF](#)

BEIJING

Psst. Don't tell the Chinese government, but I started a Chinese-language blog here in China, and it contains counterrevolutionary praise of dissidents. It's at <http://blog.sina.com.cn/jisidao>.

Now let's count — 1, 2, 3 ... — and see how long my blog stays up. My hunch is that State Security will “harmonize” it quickly. In Chinese, Web sites are mockingly referred to as “harmonized” when the government vaporizes them so as to nurture a “harmonious society.”

China now has about 450 million Internet users, far more than any other country, and perhaps 100 million bloggers. The imprisoned writer Liu Xiaobo, winner of the Nobel Peace Prize, has said, “The Internet is God's gift to the Chinese people.” I tend to agree, but it's also true that Chinese cyberspace remains a proletarian dictatorship. In November, the government sent a young woman, [Cheng Jianping](#), to labor camp for a year for posting a single mocking sentence.

My teenage kids accompanied me on this trip, and they're used to being dragged around to witness one injustice or another. But my daughter has rarely been more indignant than when she discovered that Facebook, YouTube and Twitter are blocked in China.

So I decided to conduct my latest experiment in Chinese Internet freedom. I began this series of experiments [in 2003](#) by seeing what I could get away with in Chinese Internet chat rooms.

On this visit, I started with blogging and with microblogging, the Chinese version of Twitter. But, in an ominous sign, I discovered that the Chinese authorities had tightened the rules since my last

experiments. These days, anyone starting an online account must supply an ID card number and cellphone number. That means that the authorities can quickly track down nettlesome commentators.

Once I got started, though, the censors were less aggressive than I had expected, apparently relying more on intimidation than on actual censorship. Even my microblog posts about Mr. Liu, the imprisoned dissident, went up. A similar post mentioning the banned Falun Gong movement triggered an automatic review, but then a moderator approved it.

(A Chinese moderator once explained to me that grunt-level censors are mostly young computer geeks who believe in Internet freedom and try to sabotage their responsibilities without getting fired.)

Still, there are limits. I posted a reference to the June 4, 1989, [Tiananmen massacre](#). It went up automatically, and then was removed by a moderator 20 minutes later.

The challenge for the authorities is that there is just too much to police by moderators, and automatic filters don't work terribly well. Chinese routinely use well-known code phrases for terms that will be censored (June 4 might become June 2+2, or May 35). Likewise, Chinese can usually get around the “great firewall of China” by using widely available software, like Freetag, or by tunneling through a virtual private network.

Most Chinese aren't overtly political — seeking out banned pornography is typically regarded as more rewarding than chasing down tracts about multiparty democracy. Still, Internet controls are widely resented. My bet is that more young Chinese are vexed by their government's censorship than by its rejection of multiparty democracy.

[Michael Anti](#), a prominent Chinese blogger, says that the central government may increasingly allow Chinese netizens to criticize abuses by local governments, even as it blocks disparagement of the

central leadership. Since the worst human rights abuses are often by local authorities, that would be a modest step forward.

A recent book by Evgeny Morozov, "[The Net Delusion](#)," argues that Westerners get carried away by the potential of the Internet to democratize societies, failing to appreciate that dictators can also use the Web to buttress their regimes. A fair point. But like Mr. Liu, I see the Internet as a powerful force to help remold China.

Frankly, my own experiments had mixed results. My microblog quickly attracted notice, partly because a Chinese friend with more than one million followers directed readers to it. An hour later, it had been harmonized.

Meanwhile, I published my separate Chinese blog (at the web address mentioned above). It was just as edgy and included a slightly veiled birthday greeting to Mr. Liu in prison. But I didn't promote it, so the authorities didn't care, or didn't notice. It has remained up for several weeks — but now that I've mentioned it in this column, it's presumably doomed.

To me, the lesson of my experiments is that the Chinese Internet is too vast for the government to monitor fully. It can toss individuals in prison. But it can't block the information revolution itself.

Mr. Liu may be in prison, but my hunch is that his judgment will be vindicated: the Internet will one day be remembered as helping to transform China, byte by byte. Let a billion blogs bloom.

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Update | 10:00 AM ET: My blog has indeed been "harmonized." There is now a curt message in Chinese saying that this blog has already been closed. Once again the lesson seems to be that the Chinese authorities are relatively lenient about provocative postings — until they get attention.