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Phone: +1 646 783 7100 | Fax: +1 646 783 7161 | customerservice@law360.com

China Floats Plan To Increase Internet Regulation

By **Allison Grande**

Law360, New York (June 07, 2012, 9:48 PM ET) -- The Chinese government on Thursday unveiled revisions to its Internet law that would eliminate bloggers' ability to post anonymously and impose penalties on companies that help spread illegal information, the latest step in its wider movement to tightly regulate online communication.

Under proposed revisions to the country's "Measures for the Administration of Internet Information Services" released by the State Council Information Office, all users of blogs, microblogs and online forums — which for the first time under the new law would be considered "Internet information service providers" — would be required to use real identification when registering accounts.

China began a pilot program in December requiring real name registration for many microblog services in five cities, but has yet to include this restriction in legislation.

The draft proposal, which will be open for public comment until July 6, also would subject companies to monetary fines and criminal liability for acting as intermediaries in the spread of information the country deems illegal — including postings that go against the basic principles of the constitution or state religion policies, would incite a social uprising or would promote obscenity or slander — or if they fail to cooperate with a governmental investigation.

"This is all part of a broad and distributing trend in China to control information more and more tightly, and this control over information is sweeping over various providers of information," Usha Haley, the chaired professor of International Business at Massey University in Auckland, New Zealand, told Law360 on Thursday. "It's getting more difficult to divulge information that the Chinese government sees in some way as affecting its interests."

The changes also are consistent with China's general approach to privacy, which focuses on regulating commercial interests rather than safeguarding against government intrusions, according to Axinn Veltrop & Harkrider LLP partner Behnam Dayanim.

"It's not surprising that the Chinese government would want to implement closer supervision on Internet activity," he said. "That's what you'd expect from an authoritative system."

The proposed revisions also could serve as a potential model, as more and more countries worldwide attempt to leverage technology to restrict access to information and monitor people's behavior on the Internet, according to Dayanim.

"Other countries are moving in that direction and looking at technology to restrict the Internet, and the Chinese example is one that other countries could follow, although

maybe not to the same extent," he said.

The U.S. recently imposed sanctions on Iran for employing methods similar to China's by using technology designed to intercept and monitor communications, Dayanim noted, although he predicted that the U.S. was unlikely to take similar action against China.

In an official statement, the Chinese government said the proposed revision to its Internet law — which was first introduced in 2000 to promote "the healthy and orderly development" of Internet services and safeguard national security and public interests — would help curb illegal activity online and develop trust among users.

But Haley predicted that this law would only further the divide between the government and its citizens.

"The problem with doing this is that resistance goes underground and it becomes more difficult for the Chinese government to negotiate with the resisters," she said. "It's not a healthy situation."

--Editing by Richard McVay.

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