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Google Sidesteps China Censorship Via Hong Kong Site Search Queries Redirected But company, analysts concede government could block latest move

Pete Barlas and Doug Tsuruoka
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In the great China-Google censorship issue, the next move is China's.

Google (GOOG) on Monday started redirecting all search queries from its China search site — Google.cn — to its Hong Kong search site — Google.com.hk.

In a posting on the company blog, Google said the .hk site is offering "uncensored search in simplified Chinese, specifically designed for users in mainland China."

Two months ago, Google publicly threatened to exit China over that nation's censorship of search results and other actions.

For now, it appears the Google .hk site continues to provide uncensored search results, even on incendiary topics such as the 1989 Tiananmen Square crackdown.

But observers say the latest action is more a beginning than an end to an issue that could become even more heated and protracted.

This isn't a long-term solution, because Hong Kong is akin to a unit of China, says **George Haley**, a professor of marketing and international business for the University of New Haven (Conn.) and author of "The Chinese Tao of Business," a guide for offshore companies setting up business in China.

Technically, Hong Kong isn't part of mainland China. The former British colony returned to Chinese sovereignty in 1997 as a special administrative region. But in the end, it is China's.

"China can shut it (Google Hong Kong) down," Haley said. "Or they can fine the hell out of Google in Hong Kong."

"What you find is that when it comes down to something that the Chinese government considers a matter of interest, the Hong Kong government obeys."

China will watch Google just as closely in Hong Kong as in China, Haley predicts.

"China has 10 times the number of agents scouring the Internet for violations than the U.S. has in its entire intelligence services," he said.

Google said it would keep its research and development and sales presence in mainland China.

The issue came to a head on Jan. 12. That's when David Drummond, Google's chief legal officer, wrote on the company's official blog that Google would no longer continue to censor its search results in China, after it had detected sophisticated cyberattacks on account holders of its Gmail e-mail service. The attacks clearly originated in China, the search engine said. At the time, Drummond said Google might shutter all its China operations. It has been in talks with China's government.

It isn't clear if Chinese officials knew of Google's Hong Kong move beforehand, says Ming-Jer Chen, a professor of business administration at the University of Virginia.

But redirecting traffic to Hong Kong "is a very creative move on the part of Google," said Chen, author of "Inside Chinese Business: A Guide for Managers Worldwide." He says Google can say it has left mainland China, while still retaining a beachhead in the world's most populous country.

Chen says China's government almost surely is happy that Google is retaining its R&D and sales unit in China. "The government has its rules and regulations, but they also would like to continue working with companies like Google," Chen said.

In Google's statement Monday, also posted on the company blog by Drummond, Google said it didn't know how China would respond.

"We very much hope that the Chinese government respects our decision, though we are well aware that it could at any time block access to our services," he wrote.

To monitor access issues, Google created a Web site at google.com/prc/report.html#hl=en.

Wrote Drummond: "Figuring out how to make good on our promise to stop censoring search on Google.cn has been hard. ... The Chinese government has been crystal clear throughout our discussions that self-censorship is a non-negotiable legal requirement."

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