China censorship damaged us, Google founders admit

Jane Martinson in Davos
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Google's decision to censor its search engine in China was bad for the company, its founders admitted yesterday.

Google, launched in 1998 by two Stanford University dropouts, Sergey Brin and Larry Page, was accused of selling out and reneging on its "Don't be evil" motto when it launched in China in 2005. The company modified the version of its search engine in China to exclude controversial topics such as the Tiananmen Square massacre or the Falun Gong movement, provoking a backlash in its core western markets.
Asked whether he regretted the decision, Mr Brin admitted yesterday: "On a business level, that decision to censor... was a net negative."

The company has only once expressed any regret and never in as strong terms as yesterday. Mr Brin said the company had suffered because of the damage to its reputation in the US and Europe.

Last year in a speech in Washington Mr Brin admitted the company had been forced to compromise its principles to operate in China. At the time, he also hinted at a potential reversal of its stance in the country, saying "perhaps now the principled approach makes more sense".

From what was said yesterday a policy change seemed unlikely in the near future. Co-founder Larry Page said: "We always consider what to do. But I don't think we as a company should be making decisions based on too much perception."

Much of the harm had come from newspaper headlines, he said, which affected perception for most people, who then did not read the actual articles.

Since moving into China, Google has been compared to Microsoft because of its dominant position and power. "We are very sensitive to people talking about us in that way," said Mr Brin. Mr Page described the differences between the two technology companies by saying "we have very open partnerships, we are very clear about being fair with revenues."

Speaking about one of the hot topics of this year's meeting in Davos, Mr Brin said he had decided to offset
his carbon emissions after growing concerned about his own use of private jets, despite not really being sure about the efficacy of such programmes. "I was concerned about my private jet travel and whatnot ... I wanted to offset it so I did."

Mr Brin said yesterday that he would feel a "bit better about it" by doing something "more specific" but declined to outline what that might be. The company's charitable arm, Google.org, takes an interest in the environment, they said. Both men are known to have driven fuel-efficient Toyota cars.

Exactly what is inside the two men's private jet, however, has become the stuff of dotcom legend after a legal spat between the holding company that owns the Boeing 767 and a designer hired to re-fit it, went public last summer. Documents published in US newspapers included plans for a lounge for Eric Schmidt, the chief executive, and two state rooms for the co-founders. There were also calls from the founders for hammocks to be hung from the ceiling of the plane.

Both founders yesterday offered some solace to the newspaper industry, which has been most threatened by the growth of online news providers. Larry Page said: "I believe in the future of newspapers," before admitting that he reads all his news online. His colleague said he read a Sunday newspaper "and it's nice".

Rather than suggest paid-for content was doomed, they called for a new model to collect revenues. "I should probably pay for the Wall Street Journal but I don't because it's a hassle," said Mr Page, who is worth billions. "I'm not worried about the money thing, it's just a hassle."

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