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Google's Dragonfly: The Ethics of Providing a Censored Search Engine in China

Anybody who does business in China compromises some of their core values. The question that I struggle with is are we better off giving Chinese citizens a decent search engine, even if it is restricted and censored in some cases than a search engine that's not very good? I don't know the answer to that.¹

—JOHN HENNESSY, CHAIRMAN ALPHABET INC.

The Tiananmen Square massacre didn't happen in 1989 or any other year. George Orwell never wrote Animal Farm. And the Wall Street Journal is nonexistent.² That described Chinese citizens' online experience under Google's censored search engine. In addition to blacklisting topics including sex and air pollution, searches were linked to individuals' phone numbers enabling the Chinese government to spy on its citizens.³

In 2018, an employee leak revealed that Google was attempting, for a second time, to provide its service to China censored at the direction of the Communist Party. Google employees demanded explanations and protested the secret Project Dragonfly, with some resigning. One whistleblower was motivated by moral concerns in addition to lack of public scrutiny: "I'm against large

¹ <https://www.bloomberg.com/news/articles/2018-11-20/alphabet-chairman-struggles-with-google-ceo-s-china-strategy>

² <https://theintercept.com/2018/08/01/google-china-search-engine-censorship/>

³ <https://theintercept.com/2018/12/01/google-china-censorship-human-rights/>

Professor of Business Ernesto Dal Bó and Assistant Professor Guo Xu prepared this case study with assistance from Case Writer Susan Thomas Springer, as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation.

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companies and governments collaborating in the oppression of their people, and feel like transparency around what's being done is in the public interest.” The critic feared “what is done in China will become a template for many other nations.”

The incident left employees, human rights advocates, and Western companies and governments analyzing the ethics of corporate involvement with authoritarian regimes. In fiscal year 2019, Google's parent company Alphabet Inc. was the world's fourth largest public technology company⁴ with revenues of \$162 billion.⁵ Given such a powerful position, could Google's presence in China improve the lives of citizens or simply legitimize autocracy? Also, what factors should employees weigh in deciding to remain loyal to company strategy versus voicing moral concerns?

Google Founded to “Provide a Great Service to the World”

Google began in 1996 when two Stanford University computer science grad students created what was then called a web crawler to develop more relevant search results by using links to rank pages on the World Wide Web. Co-founders Larry Page and Sergey Brin named their company Google—a play on the mathematical term googol, which is “1” followed by 100 zeros—to represent their huge undertaking. In 1998, Silicon Valley investors paved the way for the two to upgrade from working in their dorms to a garage and incorporate the company. For Google's initial public offering in 2004, the founders wrote that their goal was to “improve the lives of as many people as possible.”⁶

In 2015, Google created Alphabet Inc. to pursue options beyond its main search and digital ads businesses. Headquartered at the Googleplex in Mountain View, California, Page served as Alphabet CEO and Brin served as President. In 2019, they left their management roles to be replaced by Sundar Pichai, a metallurgical engineer, who had risen through Google's ranks heading the company's Android business, serving as Product Chief, and then becoming Google CEO in 2015.⁷ As of summer 2020, the two co-founders held seats on Alphabet's board with controlling voting shares of the company.⁸

Google's First Censored Search Engine for China

To meet the founders' mission “to organize the world's information and make it universally accessible and useful,” Google expanded beyond the U.S. in 2000 by launching its first foreign language versions starting with 10 European languages. Later that year, Google added Chinese, Korean and Japanese. Next, the company opened international offices, hired multi-lingual employees, and expanded across multiple time zones.⁹ In 2020, Google dominated the search engine market with more than 3.5 billion searches per day worldwide.¹⁰

⁴ <https://www.forbes.com/sites/jonathanponciano/2019/05/15/worlds-largest-tech-companies-2019/#625a2038734f>

⁵ https://abc.xyz/investor/static/pdf/2019Q4_alphabet_earnings_release.pdf?cache=adc3b38

⁶ https://www.sec.gov/Archives/edgar/data/1288776/000119312504073639/ds1.htm#toc16167_1

⁷ <https://www.businessinsider.com/the-life-of-google-ceo-sundar-pichai-in-photos-2017-1#hes-well-compensated-for-his-work-google-said-in-an-april-regulatory-filing-that-pichai-was-awarded-281-million-in-total-compensation-in-2019-mostly-in-stock-awards-pichais-annual-salary-is-650000-though-google-says-it-will-rise-to-2-million-in-2020-23>

⁸ <https://www.cnn.com/2019/12/03/larry-page-steps-down-as-ceo-of-alphabet.html>

⁹ <https://www.techwalla.com/articles/googles-global-expansion-strategies>

¹⁰ <https://www.internetlivestats.com/google-search-statistics/>

Google signaled interest in expanding into China with its 2004 investment in Chinese-language censored search engine Baidu.com,¹¹ yet two years later sold its Baidu shares, stating, “It has always been our goal to grow our own successful business in China.”¹² In 2006, Google launched google.cn acknowledging that it had agreed to the Chinese government’s rules on removing information it deemed sensitive. The company said it had debated the issue internally and understood critics’ concerns but ultimately concluded a filtered search engine was preferable to “failing to offer Google search at all to a fifth of the world’s population.” Google added it was investing in China “for the long haul.”¹³ However, the criticism mounted and executives were called to testify before Congress and compared to Nazi collaborators. Stock fell as protestors waved signs outside Google’s headquarters.¹⁴

Finally, in January 2010, Google announced it would stop censoring google.cn and review its business operations with Beijing. The triggering event was a cyberattack aimed at accessing the Gmail accounts of Chinese human rights activists that heightened Google’s concerns over limiting free speech on the web.¹⁵ The talks between Google and the Chinese government, which impacted U.S. and China relations, failed as a top Chinese minister warned Google that if it insisted on violating China’s rules by offering an unfiltered service, it would be seen as “unfriendly and irresponsible.”¹⁶ So, Google shut its mainland-China site and directed users to its Hong Kong search engine that was not censored.¹⁷

Brin, who was born in the totalitarian Soviet Union, had long advocated against censoring Google, “I certainly am particularly sensitive to the stifling of individual liberties.”¹⁸ After Google withdrew from Beijing, Brin said he was glad Google made the move because “the China situation was really emboldening other countries to try and implement their own firewalls.”¹⁹

Second Attempt at China Search Engine

New leadership brought renewed interest in playing in the lucrative China market. After becoming CEO in 2015, Pichai visited China frequently and increased Google’s activities in the country including opening an artificial intelligence lab in Beijing and offering Android apps.²⁰

“I care about servicing users globally in every corner. Google is for everyone. We want to be in China serving Chinese users,” said Pichai in 2016.²¹

Reaction to Pichai’s interest included some who questioned why Google would consider returning at a time when new digital surveillance tools allowed the Chinese government greater ability to spy on citizens’ online activities and punish them.²² Others argued “the market is simply too big for Google to ignore.”²³

¹¹ <https://www.wsj.com/articles/SB108726053438937121>

¹² <http://news.bbc.co.uk/2/hi/business/5108778.stm>

¹³ <https://googleblog.blogspot.com/2006/01/google-in-china.html>

¹⁴ <https://www.nytimes.com/2006/04/23/magazine/googles-china-problem-and-chinas-google-problem.html>

¹⁵ <https://googleblog.blogspot.com/2010/01/new-approach-to-china.html>

¹⁶ <https://www.wsj.com/articles/SB10001424052748704131404575117120385488164>

¹⁷ <https://www.nytimes.com/2010/03/23/technology/23google.html>

¹⁸ <https://www.spiegel.de/international/business/google-co-founder-on-pulling-out-of-china-it-was-a-real-step-backward-a-686269.html>

¹⁹ <https://www.wsj.com/articles/SB10001424052748704266504575141064259998090>

²⁰ https://www.wsj.com/articles/google-considering-censored-search-engine-for-return-to-china-1533157785?mod=article_inline

²¹ <https://www.wltx.com/amp/article/news/nation-now/google-talks-of-china-return-six-years-after-exit/101-228858842>

²² https://www.wsj.com/articles/jailed-for-a-text-chinas-censors-are-spying-on-mobile-chat-groups-1512665007?mod=article_inline

²³ <https://www.usatoday.com/story/tech/news/2016/06/02/google-talks-china-return-six-years-after-exit/85313818/>

In August 2018, news of Project Dragonfly was leaked including that the search engine, which would blacklist websites and search terms, had already been demonstrated to the Chinese government.²⁴ Backlash to Google's new censored service was swift. To address these concerns, Pichai held an employee meeting, telling them that Dragonfly had been in an "exploration phase" and that Google was "not close to launching a search product in China."²⁵ However, a confidential memo was leaked revealing that prior to Pichai's statements, employees working on Dragonfly were told to prepare the search engine to a "launch-ready state" within weeks, pending approval from Beijing officials. The memo said that China would have "unilateral access" to data including users' location and search history. Also, it said that at least 215 employees had been working on the project full-time for more than one year.²⁶

Amid ongoing criticism, Google executives testified before a Senate hearing in September. When asked "does China engage in censoring its citizens?" the reply from Google's chief privacy officer, Keith Enright, was, "As the privacy representative of Google, I am not sure I have an informed opinion on that question."²⁷

In October 2018, at WIRED's 25th anniversary festival, Pichai did not backdown from the controversial project. He said onstage that Google was compelled by its mission to provide information to everyone, with China being 20 percent of the world's population, adding that internal testing had gone well and showed that Google could serve 99 percent of queries in its filtered search engine.

"People don't understand fully, but you're always balancing a set of values," said Pichai who added the values included providing access to information, freedom of expression, and user privacy while following the rule of law in every country.²⁸

Project Dragonfly Controversy Continues

Through 2018, Project Dragonfly drew criticism from human rights groups and employees who published an open letter, in partnership with Amnesty International, calling for Google to cancel the censored search engine that would enable human rights violations by the Chinese government. Employees wrote they had accepted employment at Google "with the company's values in mind, including its previous position on Chinese censorship and surveillance, and an understanding that Google was a company willing to place its values above its profits." The letter, signed by more than 500 Google engineers and other employees, called the leadership's response unsatisfactory and demanded that they "commit to transparency, clear communication, and real accountability."²⁹

There were protests worldwide in front of Google offices with some signs reading, "Do the right thing, Sundar Pichai." In Berlin, protesters' signs read, "Hey Google, don't be a brick in the Chinese Firewall." An Amnesty International member who organized the San Francisco protest,

²⁴ <https://theintercept.com/2018/08/01/google-china-search-engine-censorship/>

²⁵ <https://theintercept.com/2018/08/17/internal-meeting-reveals-how-google-bosses-misled-staff-on-their-china-censorship-plan-here-are-the-questions-they-must-answer/>

²⁶ <https://theintercept.com/2018/09/21/google-suppresses-memo-revealing-plans-to-closely-track-search-users-in-china/>

²⁷ <https://theintercept.com/2018/09/27/google-executive-declines-to-say-if-china-censors-its-citizens/>

²⁸ <https://www.wired.com/story/wired-25-sundar-pichai-china-censored-search-engine/>

²⁹ <https://medium.com/@googlersagainstdragonfly/we-are-google-employees-google-must-drop-dragonfly-4c8a30c5e5eb>

said, "We think that Google should be fighting for an internet where information is freely accessible to everyone." However, one employee, originally from China, said she understood concerns, "but unless you can change the government, there are tradeoffs."³⁰ Upset employees began a strike fund to support workers who chose to strike or resign in protest.³¹

Internal tensions were fueled when employees learned that Google executives suppressed criticism of the project. In November, leading engineer Yonatan Zunger, revealed he voiced concerns early in the secret meetings, saying that Chinese people were at risk of interrogation or detention if they used Google to seek information banned by the government. His concerns were ignored.³²

Chinese professor Bai Tongdong wrote that even a censored Google would provide better information to people in China than Baidu, the country's primary and existing search engine. Tongdong argued that Baidu returned heavily-commercialized and incomplete results. So, he advocated for the practical approach of "do the lesser evil."³³ However, internet freedom advocate, Rebecca MacKinnon, did not accept an "if you can't beat 'em, join 'em" approach to the censored search engine: "I wrote a book where I warned that China is Exhibit A for how authoritarian governments adapt to the internet and then begin to change the internet."³⁴

Should Google Stay or Go?

Google's founders wrote a letter that became known as the "Don't be evil manifesto" in the company's 2004 IPO Prospectus: "Don't be evil. We believe strongly that in the long term, we will be better served—as shareholders and in all other ways—by a company that does good things for the world even if we forgo some short-term gains. This is an important aspect of our culture and is broadly shared within the company."³⁵

Can the internet be trusted to change China, or will the Chinese government change the internet? Given Google's mission, should it continue its second attempt at a censored search engine for China or stop doing business in the country?

Epilogue: Google's Decision

Speaking at a Senate Judiciary Committee hearing on July 2019, Google's vice president of public policy Karan Bhatia said Project Dragonfly had been "terminated." Pressed by Senators to commit that Google would not participate in any form of censorship in the future, Bhatia would not make that promise. Instead he said, "What we're willing to commit to, Senator, is that any decision to ever look at going back into the China search market is one that we would take only in consultation with key stakeholders."³⁶

³⁰ <https://www.cnet.com/news/google-employees-say-company-must-drop-project-dragonfly/>

³¹ <https://www.cnbc.com/2018/11/29/google-worker-strike-discussions-on-project-dragonfly-censored-search.html>

³² <https://theintercept.com/2018/11/29/google-china-censored-search/>

³³ <https://www.techdirt.com/articles/20181015/13522040844/chinese-professor-argues-google-should-launch-censored-search-engine-china.shtml>

³⁴ <https://www.nytimes.com/2018/08/22/technology/google-china-conventionality.html?auth=login-email&login=email>

³⁵ <https://www.sec.gov/Archives/edgar/data/1288776/000119312504143377/d424b4.htm>

³⁶ <https://www.forbes.com/sites/jeanbaptiste/2019/07/19/confirmed-google-terminated-project-dragonfly-its-censored-chinese-search-engine/#2ae0c2497e84>

Case Discussion Questions

1. Should a Google employee voice concerns about Dragonfly internally, go public, or resign in case of disagreement with the project? Could this choice depend on whether, and through which process, Google reached an ethical evaluation of the program?
2. Did Google appear to have a structured process to ethically evaluate the program?
3. How would a Utilitarian evaluate the Dragonfly program?
4. A famous saying goes, “When in Rome, do as the Romans do.” Then - should you always adapt to local rules? Could the conclusion depend on the type of utilitarian framework you use (Act Utilitarian vs. Rule Utilitarian)?
5. How could Google leadership have communicated an ethical defense for Dragonfly?