

## Freedom of Speech Is Profitable

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By Konstantin Sonin

The other day I received a note from my co-author, Scott Gehlbach, a professor of political science at the University of Wisconsin at Madison. He told me that he had entered our surnames and the title of an article that we wrote into two search engines — Google and Baidu — with interesting results. As usual, Google listed dozens of references to our names and the article, but Baidu showed only one — and not to the article itself but only an indirect reference to it. The explanation is obvious: Like all search engines, the Chinese government maintains tight control over Baidu, and our article titled “Government Control of Media” obviously caught the watchful eye of the censors. Although the article focuses on a theory that is not directly related to China, the problem is that the combination of the words “government” and “media” are automatically blocked by Chinese search engines.

Google made headlines all over the world when it announced to everybody’s surprise that it would fold up its operations in China if the government does not change its policy of censoring the Internet. But it would be a mistake to conclude that Google was driven primarily by a desire to take a moral stance against China’s crackdown on freedom of speech. Although Google adopted the informal corporate slogan of “Don’t be evil,” in reality commercial interests were the dominant factor in the company’s decision to “play chicken” with China.

When Google made a concession to the Chinese government in 2006, agreeing to partial censorship of its search results, this had a negative impact on the company’s image elsewhere. However, with 300 million Internet users, the Chinese market was too big for Google to ignore. But it turned out that the small concession that Google made was not enough. According to company representatives, in mid-December hackers waged a series of attacks on Google and other sites directed at the e-mail addresses of activists belonging to human rights organizations. Although not saying it directly, Google’s announcement clearly suggests that the Chinese government was behind the attacks. For one of the world’s fastest-growing companies to consider an exit from China — where it controls almost 30 percent of the Internet market — shows just how pessimistic Google is about prospects there.

Who will emerge as the victor in this contest — Google or the Chinese government? On Google’s side are millions of Chinese citizens who want access to a modern search engine and to popular sites such as Twitter, LiveJournal and YouTube, which the authorities have banned. Google also has the technological edge in the battle. In a world of rapidly changing technologies, sweeping censorship is a complex and expensive task. For its part, the Chinese government has enormous resources and years of experience fighting freedom of speech.

The standoff between Google and China once again shows how the profit motive can be freedom’s best champion and protector. The other well-known example is the development of U.S. newspapers. The reason that so many of them became models of free, independent speech had more to do with attracting more readers — and advertising dollars — than anything else.

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