

**CHINA OPENING TO THE WORLD:
THE CASE OF GOOGLE**

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“We can learn what we did not know. We are not only good at destroying the old world; we are also good at building the new.”

Mao Tse-tung

Every time a company is looking for business abroad, it would be facing differences between the host country’s culture and their own culture, which make a difficult decision to settle in foreign soil. Google Inc., the famous Internet search engine opened its office in Beijing, and it had to change the way the company was working in the rest of the world, which has been the target of all the critics. How to handle these differences? How to decide not to go to do business in one country? Those are not easy questions to answer, but every time a company attempts to go abroad such questions have to be asked

1. Introduction

Is China the 21st century superpower? The business managers of the world are concerned about this question all. As Rosita Dellios in 2005 affirmed, Chinese people are aware of their power, their ambition is now helping them to raise their economy, to fight their people’s poverty, and more important, to show to the world the coming superpower.

There are many ways to investigate about China and its relations, because China’s growth of the last two decades. People have been doing many researches within this time, about many topics, but one is concerning many researchers: Government interference and regulations. (Henry Wai-Chung Yeung, Kris Olds 2000; Geral Chan 1999; Carolyn Blackman 2000)

After 1978, when the Chinese leadership was reforming the economy from a Soviet-style centrally planned economy to a more market-oriented economy, the Chinese market acquired a

big importance for any country of the world. China has always been considered part of the Third World (Third World Traveler), although it is industrializing, has nuclear weapons, and has urban centers of intense development, but the last investigations have showed that the economic activity of the country has been becoming an important part of the world's trade market. The congress of the United States of America, in its January report, showed the China's trade increased in the world market, giving us an idea of the future of this giant country.

Now the world is changing faster than some years ago, the globalization is all around us. Wikipedia (2006) defines globalization as “the phenomenon of technological, economic, political and cultural exchanges, brought about by modern communication, transportation and legal infrastructure as well as the political choice to consciously open cross-border links in international trade and finance.” The culture is part of this trade, and it would become sometimes an obstacle to success in business.

Language, religion, and social and political structures are some cultural dimensions that which are playing a main role in the cross-cultural interaction. In China's case, people have to deal with the government handling censorship.

Wikipedia defines censorship as follow:

“Censorship is the control of speech and other forms of human expression, it is often (but not necessarily) controlled by government intervention. The visible motive of censorship is often to stabilize or improve the society that the government would have control over. It is most commonly applied to acts that occur in public circumstances, and most formally involves the suppression of ideas by criminalizing or regulating expression. Furthermore, discussion of censorship often includes less formal means of controlling perceptions by excluding various ideas from mass communication. What is censored may range from specific words to entire concepts and it may be influenced by value systems.”

People can find different politics and laws in each country, but the globalization has made the world a homogeneous place, which would be easy to understand everywhere. However, China is a different case, its history, internal wars, and the idea of keeping the culture safe, kept the

country isolated from the rest of the world, and today, its governors are trying to keep some of those details from the past alive.

Censorship is part of the culture, and people living in China have been living under this law for many years. The self-regulation growth in a society that has been regulated for a long time and its people prefer to ignore what the government says is bad, so this way they avoid problems. (Rosita Dellios, 2005)

The Google's case in China was not the first case of censorship in China, but it was the one with the biggest impact because the size of the company, the facts, and Google's philosophy, which is summarized in ten points (www.google.com):

1. Focus on the user and all else will follow.
2. It is best to do one thing really, really well.
3. Fast is better than slow.
4. Democracy on the web works.
5. You do not need to be at your desk to need an answer.
6. You can make money without doing evil.
7. There is always more information out there.
8. The need for information crosses all borders.
9. You can be serious without a suit.
10. Great just is not good enough.

The censorship, which Google Inc. accepted to work with, is going against their philosophy's ten points. Google since their foundation in 1998 was defending the user rights, and so on and so on, but now the biggest market of the world is changing their way to think.

This paper is a review of studies about "The Great Firewall in China" and its role in the Google negotiation. There are four main parts: First, the paper makes a brief review of Google history. Second, it explains the historical and social context of China at present. Thirdly, it explains the

intervention known as The Great Firewall in China, and its role in the Google business. Fourthly, it concludes on the Google-China's conflict.

2. Methodology

Understanding Google's context, its history and culture, is a first step to try to understand their decision to do business in China. Google's executives skipped the censorship at the beginning. Nevertheless, after sometime and problems of getting online, Google accepted to work with the Chinese government and the critics did not wait to start talking about it. The information was gathered from the corporation site, encyclopedias, and magazine articles.

China is a country full of history, a long civilization that had been acting without external influences. Dynasties, emperors, and wars are part of their history, and since 1949, the country has been living named as People's Republic of China with a communist government. However, human rights violations are also part of Chinese history but the government is trying to put behind the history of these deeds. To get the information about China, encyclopedias, and newspapers articles were used.

To write and to understand about censorship in China I have been using articles of magazines from The United States, and Chinese reports, which are few because the Chinese government is keeping quiet about the censorship. The authors of those articles were working on this case for long time, and they have been accepted as authorities of this issue.

With all the information, and the international communication theories, I will try to explain the impact of intercultural differences while people are doing business abroad, this impact could be different depending on the point of view. I was born in a democratic nation, so my point of view would be as a westerner looking at China.

3. Google Inc.

Google Inc. is the designers and managers of an Internet search engine. Sergey Brin and Larry Page, who were doing their PhD thesis in Stanford University (USA), founded the company in September of 1998. Named for the mathematical term Google, which refers to the number represented by one followed by one hundred zeros, this term was coined by Milton Sirotta (Google Corporate Information).

Google is the world's largest search engine and through its partnerships with American Online, Netscape and others, responds to more than 380 million queries per month. This number makes Google one of the five most popular sites on the internet according to Google's corporate information. BBC news catalog Google as "The world's most popular internet search engine that works hard to hold on to its pole position".

3.1. History and Context

By 1998, when Page and Brin tried to get some money to start their company, they asked David Filo, founder of Yahoo! However, he did not help them, and it was the same with many other people. They asked Andy Bechtolsheim, a faculty member, and he gave them 100,000 dollars. At the end, they got 1 million dollars to start Google Inc.

In their first year, they were answering 10,000 search queries each day. In December 1998, the PC Magazine named Google one of its Top 100 Web Sites and Search Engines.

In 1999, the company with new people brought from big companies, take off their beta label, moved to a new (actual) headquarters in Silicone Valley. Nevertheless, the climax was when the company appeared on Times magazine's Top 10 Best Cybertech list.

As part of their internationalizing, Google introduced ten languages versions for users who preferred to search in their native tongues (Google Milestones).

In 2000, Google signed their partnership with the China's leading portal NetEase and NEC's BIGLOBE portal in Japan (www.google.com). At the end of the year, google.com could be found in 28 languages.

Through 2001 and 2002, the company improved with new products such as Google news, Froogle and AdWords, which helped the company to become in the number 5 in the B2B Magazine list of companies in any medium, online or off.

In September 2002, Chinese Government blocked Google web page.

Gmail, in 2004, was the web-based mail service, which was going to compete with Hotmail, Yahoo mail, etc., it was the first reexamination of web-based mail in years, and in addition, Gmail offers more interaction methods than the others do.

Click fraud has also become a growing problem for Google's business strategy. Google's CFO George Reyes said in a December 2004 investor conference that "something has to be done about this really, really quickly, because I think, potentially, it threatens our business model." Some have suggested that Google is not doing enough to combat click fraud. Jessie Stricchiola, president of Alchemist Media, called Google, "the most stubborn and the least willing to cooperate with advertisers," when it comes to click fraud. (www.wikipedia.org)

The year that their office in Mainland China was getting bigger with a new president of sales and business development was 2005. Google has their web page in China in Chinese characters, which makes them one of the few search engines making this effort. Google index of web pages numbers more than 8 billion.

Google was added to the Standard & Poor's 500 index (S&P 500) on March 31, 2006. With the increase of business in China, Google announced its Chinese name 谷歌 (pinyin: gǔ gē), which literally means "Song of the Crop" with 谷 (gǔ) standing for 'Crop' and 歌 (gē) for 'Song' on April 12, 2006. (www.wikipedia.org)

In January 2006, Google announced that it would censor its new search service in China.

3.2. Social Problems

Through the last years, Google had to face many problems and controversy, such as:

- Copyright issues: The Digital Millennium Copyright Act demanded that Google remove references to allegedly copyrighted material on other sites. In addition, Google is setting a new precedent by making digital copies of copyrighted material on a wide scale without explicit permission from copyright holders. (www.wikipedia.org)
- Agence France Presse dispute (AFP): AFP sued Google for \$17.5 Million, alleging that Google News infringed on its copyright because, "Google includes AFP's photos, stories and news headlines on Google News without permission from Agence France-Presse." (www.wikipedia.org)
- Authors Guild lawsuit: On September 20 of 2005, the Authors Guild, a group that represents 8,000 U.S. authors, filed a class action suit in federal court in Manhattan against Google over its unauthorized scanning and copying of books through its Google Library program. (www.wikipedia.org)
- Censorship in Germany and France: On October 22, 2002, a study was reported that approximately 113 internet sites had been quietly censored by the German and French sections of Google. The censorship mainly affects White Nationalistic, Nazi, anti-semitic, and radical Islamic websites. (Ben Edelman & John Schwartz, 2002)
- Censorship in China: The decision of Google to adhere to the Internet censorship policy in mainland China, "The Great Firewall of China", which being object of this paper. www.google.cn search results are filtered so as not

to bring up any results concerning the Tiananmen Square protests of 1989, sites supporting the independence movements of Tibet and Taiwan or the Falun Gong movement, and other information perceived to be harmful to the People's Republic of China. (www.wikipedia.org)

4. China context

The People's Republic of China (PRC) is one of the four biggest countries in the world (Russia, USA and Canada are the others), and located in Eastern Asia. It has land boundaries with 13 countries (Afghanistan, Bhutan, Burma, India, Kazakhstan, North Korea, Kyrgyzstan, Laos, Mongolia, Nepal, Pakistan, Russia, Tajikistan, Vietnam) making it the biggest country in Asia.

4.1. Social

China is the country with the largest population in the world with 1,313,973,713 (July 2006 estimated by CIA). The government is trying to control population growth and they have released a policy of one child per family. The government's goal is to stabilize the population and population growth early in the 21st century, although some current projections estimate a population of anywhere ranging from 1.4 billion to 1.6 billion by 2025. (www.wikipedia.org)

The People's Republic of China (PRC) officially recognizes 56 distinct ethnic groups, the largest of which are Han Chinese, who constitute about 91.9% of the total population.

The internet is being used much more today than it was used 10 years ago, in 2006 China expects nearly 111 million web users. Chinese web users are the second biggest groups of the world after The United States of America, but the amount is only the 8.5% mainland China's total population. The statistics show the following (Internet World Stats):

- The report shows that 30.9 million computers are connected to the Internet, up 20.1 per cent from half a year ago (2004). There are almost 60 million websites, up 25.7 per cent.

- The domain name with a suffix ".cn," which indicates their Chinese nationality, has grown 35.7 per cent to above 34 million.
- In 1998, 91 per cent of all netizens were between the ages of 18 and 30. By the end of last year (2004), that number had dropped to 51.3.
- At the same time, the percentage of netizens younger than 18 has grown to 18.8.
- Students and technicians still make up the main body of the Internet community, respectively accounting for 29.2 and 13.7 per cent.
- The average time people spend connected rose to 13.4 hours a week. Most users, 66.1 per cent, surf the Internet at home.
- There were 43,000,000 broadband subscribers in 2004 in China.
- On any given day, 38% of Beijing's Internet users use search engines. (www.cnnic.net.cn)

4.2. Culture and recent history

The history of China is very long, and it is full of periods of peace and periods of war; divisions and reunifications; so on. However, the modern China was born on October 1, 1949, when Mao Zedong, the leader of the Communist Party established a new country, People's Republic of China, a dictatorial communist state. After 1978, the government left some of its duties to private companies, but it still has the power in most of the things, Wikipedia explains:

“The Communist Party still has absolute control over political aspects of society, and it continuously seeks to eradicate threats to its rule. Examples of this include the jailing of

political opponents and journalists, general control of the press, regulation of religions and other non-party organizations, censorship of the press, websites and history, literature and film, and suppression of independence/secessionist movements”

In 1989, some of the people who were not pleased with the government went out to the streets and gather at the Tiananmen Square in Beijing, in the biggest demonstration in the recent years, but the police and the army ended the manifestation in a violent way, killing many people.

China has become a potential power of the world, because of its size, population and resources, making it the new target of all the big companies around the globe. It is growing faster than the rest of the countries and its economy is becoming strongest every day.

The way of living in China is different than in any country of the west side of the world. People believe in their principles that are dictated by the religion. Because they have been living in a communist country for long time, they defer in their meaning of some western principles like democracy or equity.

China is the home of the “world’s oldest and complex civilization” (www.wikipedia.org) but through the last century has been mixed with some of the western parameters. The American influence is big, the entertainment, clothes, and some technology are traded from the other side of the ocean. However, everything is still controlled by the government.

5. Google in China

5.1. Internet Culture

Google was not the first American internet company trying to enter to China, and it was not the first trying a Chinese language version of its web page for better understanding, Yahoo in 1999 made the first attempt.

Yahoo left a lot of knowledge about doing business in China. The customs and traditions were different, and they had to learn how to deal with this. Moreover, Yahoo realizes the way Chinese

people used the internet, what they are used to look for, and how they are used to share the information.

Another issue that Yahoo found was the new “strong sense of pride in supporting the local guy” (Andrew Lih, University of Hong Kong), which is keeping the American companies as foreign trying to do business in China.

In its way to continuing international expansion, Google was looking for the Chinese market, so they started to join different companies to get data to improve their web pages, and to compete with Yahoo and Baidu, the Chinese search engine.

Kai-Fu Lee was hired as the head of operations for Google in China as part of the expansion. Lee was part of the company Apple in California, and then he worked for Microsoft in China setting up Microsoft Research Asia (Beijing). He started to hire Chinese people that gave Google a good position in the Chinese online market.

With Lee on its side, Google, as well Yahoo and Microsoft, was dealing with a big problem for the American internet companies in China: Piracy. Chinese people and web users are used to using the internet as an excellent way to get their favorite musician songs or their favorite actor movie free. It is known that almost one fifth of Baidu’s traffic comes from searching for unlicensed MP3’s (Clive Thompson, Times Magazine). If this problem was in the United States, as Napster was dealing with some years ago, that would be totally unacceptable and many would looking for solve it, but in China it is not like that, it is normal that somebody is sitting in an internet café watching an illegally downloaded movie.

Censorship has been part of everybody in China, since long time ago; the government has been watching and controlling everything in the country. Moreover, the internet has been controlled. Censorship is normal for every Chinese, and it has become a regulator of the behavior and activities. However, this control is not complete, there are some web sites people can look for illegal drugs or even sales of human organs, and the censorship that has been criticized is regulating political web sites, but is doing nothing for some other called illegal web pages.

In 2000, Google created their Chinese version of their company, a web page that could understand the Asian languages, giving them, in 2002, the 25 percent of all search traffic in China. People were happy using the most famous search engine in their own language.

5.2. The great firewall

The censorship in China is still managed by the government who is using an Internet censorship law in mainland China. The project is known as Golden Shield (www.wikipedia.org). The Chinese government has two main methods for censoring the web as New York Times (April 23, 2006) says:

- For companies inside its borders, the government uses a broad array of penalties and threats to keep content clean.
- For Web sites that originate anywhere else in the world, the government has another impressive mechanism of control named The Great Firewall of China. The system blocks content by preventing IP addresses from being routed through.

The internet, which has been known as the expression of freedom and equity, is becoming another way to censor societies, without regulations. However, in China everything has been different. The New York Times, on April 23, published:

“Intimidation and “self-regulation” are, in fact, critical to how the party communicates its censorship rules to private-sector Internet companies. To be permitted to offer Internet services, a private company must sign a license agreeing not to circulate content on certain subjects, including material that “damages the honor or interests of the state” or “disturbs the public order or destroys public stability” or even “infringes upon national customs and habits.”

However, average people in China are not complaining about this, they are used to have somebody controlling what they can see and what they can know, that they even have an award

named: Self-Discipline Award, which is given to those companies helping to improve the censorship and helping the government to do it.

The main problem with internet censorship is that there is not a list of terms or expressions people cannot say. “The government simply insists the firms interpret the vague regulations themselves” (Times Magazine), which makes a hard job to find out what could be wrong for a foreign company. In addition, the managers prefer to censor more than is necessary because if they miss something they can go to jail.

5.3. Google’s decision

Google’s case in China is one example of the problems a company has to face when it is moving abroad. Should we adapt, and if so, how? Should a company protect their philosophy and values when it is doing business abroad? The answers to these questions are still unknown for many people and managers.

When people think about the internet, people used to think in terms of freedom, globalization, opportunities, and fairness. The internet has been used as gate to get information around the world about any thing people wanted to know. The users and the managers frequently talk about freedom of speech, and the internet companies protected that, as long as this was not hurting others.

A company has always its own “laws” and “rules” to do business, how to treat its customers and employees. This makes easier to control its subsidiaries. Google, in this case, is always working under its international web site as www.google.com, but some countries have their own Google site, this makes possible to adapt to every environment the company is immersed in, some examples of these countries are given below:

- Denmark: www.google.dk
- Colombia: www.google.com.co
- Germany: www.google.de

- France: www.google.fr
- Italy: www.google.it
- China: www.google.cn

Germany and France are two countries that have some restrictions for their internet users and internet search engines, and Google's position has not been different to the others. Google is censoring some of its engine results, following the rules of those countries. Censorship is not a new issue; it has been around for many years everywhere in the world, but for the Chinese case, people are having a big concern about it, because the gigantic number of sites restricted.

Google attempted to keep they way they used to do business when they move to China, but after several problems, they decided to change their behavior. The ten points that summarized their philosophy describe the company as an internationalized company, which protect the customer in any place of the globe no matter what, were violated, and specially the sixth one which says: "You can make money without doing evil."

Since September 2002, the company was thinking to open their branch office in Beijing, as a solution to their blocking and speed problems; this was a good way to do business behind "The Great Firewall", which was causing so many troubles. Nevertheless, this decision was going to cause a big impact: great relations with the government, and a general repulse of the international and Chinese community.

A company moving abroad has several challenges, as part of the international and intercultural interaction. Traditions, habits, politics, are aspects that have to be understood when the decision is to move.

Westerns have a point of view of reality and society that might be different from the Chinese point of view. Democracy, human rights, participation, etc., are terms that could defer from one region to another. When a Chinese Internet Café user was asked by Clive Thompson, a journalist of the New York Times, about the censorship, he said that people were used to the censorship and nobody was going to try to get information from the forbidden web sites. "If the site is

forbidden it because it should be.” He said. On the other hand, if you ask the same question to a westerner in Denmark (A barman in Aalborg), he would reply, “It should not be like that, everybody has the right to look for anything, it would be strange if I go to any web site, and it is blocked.”

However, how can a company have its philosophy but at the same time do business everywhere in the world? How could Google respect its values but get into the Chinese market? Should Google get out of China and forget about the 111 million internet users?

In January 2006, Google China’s chief Kai-Fu Lee opened the .cn Google’s web site. They decided to follow the Chinese government rules (censorship) and start blocking some web pages. Therefore, why after so many years the company took this decision? Working in a different environment would be tricky, and when laws and censorship, as well with a different type government, surround this environment, doing business result a hard decision to take.

The government has not released a “blacklist” or any kind of list for the companies, they have to encounter what companies or web page are forbidden, there are still some tips of names, facts, companies, and words restricted, but anyway, it is a big problem for companies to get a full list. Google has been blocking the content of a large amount of pages, so people are arguing that this way the American company is getting part of the suppression of the government.

Google instead is claiming that they are giving the best they can to the people, people can use the search engine, even the .com one, but the government some times blocks the international web site. If anyone in China tries to look on any restricted word in the international site, some forbidden sites are going to appear but when this person tries to go to those sites, it is going to show a message of error. However, if the searcher tries to get the restricted word in the Chinese portal, it is not even going to show the forbidden sites, this way Chinese people are able to know which sites are blocked.

Yahoo and Microsoft have also accepted the Chinese requirements to work in the mainland; Yahoo is helping the Chinese government by giving information of its users, and Microsoft is shutting down blogs that the government says are not convenient for them.

5.4. World opinion

So, why does Google's case raise so many criticisms?

It was because people were expecting from Google another kind of reaction, because of its power and importance. People thought that a company as Google was going to be able to challenge the communism regime. Google was in a tricky position no matter its influence in the world with most than 111 million users; they had to face a hard decision.

China with more than 1.3 billion people is a country that has been economically growing extremely fast, and it has become a big market for any kind of business. China as many countries in the third world and even in the first world started using the internet in middle of the 90's, so the totally of the market has not been expanded and there is still too many people to work with.

Adaptation is part of any intercultural and international relation, and that is an important part in the economical relations. The globalization has brought the need of looking for new markets, extending the chances of intercultural interactions. However, this adaptation and interactions can give the companies many troubles, from the host country as their own country, and this is Google's case.

In February 2006, the chiefs of the four biggest software companies were asked to present their cases in front of the United States congress. The U.S. congress is comparing the help that Google is giving to the Chinese government as the aid some companies gave to the Nazis in the Second World War. Nevertheless, Chinese people, the average people, are not feeling Google as the company is doing something wrong. Jack Goldsmith, a Harvard Law School Professor, stated, "The (Chinese) government is using the Internet as a tool for nationalistic propaganda. China is

not perfect at keeping stuff out, but they do not have to be. The vast majority of people are not going to try to avoid the censorship.”

The western countries were waiting that Google, as a huge and powerful company, tried to change something and help people in China to have the same rights as anyone in a western society. The senators of the United States are trying to pass a law to sanction companies helping the censorship in China, as Microsoft, Yahoo, Cisco, and Google are doing.

The western world is asking Google to behave as they are supposed to behave; the “do not doing evil” is understood as giving to the people in China the same information as they are giving to the people in any other country of the world.

6. Other Cases

There are many cases of American companies moving to China, and each one of those cases shows a way to understand the intercultural and international adaptation. Cases such as:

Citibank as the first American bank moving to China (1984), Coca Cola and Pepsi’s war for the soft-drinks market, GM and its problem of joint venture restrictions (2004), McDonalds and Kentucky Fried Chicken in their fast food restaurant’s war, Microsoft and Motorola in technology, Nike and its labor problems, etc.

All these companies have faced problems moving abroad, but they have adapted to the country rules and laws.

Since early 1920s, Coca Cola Company has been doing business in China, but until 1927, they were importing the bottles from Philippines to China, then they started to make their own bottles. The name of the company and its principal product, Coke, has been an important trademark in the world, but it was always found in the same way. When they arrived to China, Coca Cola translated their name as Ke-Kou-Ke-La, but they did not check the meaning, which is “bite that wax tadpole” or “female horse stuffed with wax” depending on the dialect of Chinese. However,

there was re-interpreted as Ko-Kou-Ko-Le, which means “happiness in the mouth”. (Star Ireland, 2004)

However, the real impact of Coca Cola was change the way Chinese workers were used to do things. The company in its way of adaptation, created a training workshop for China, a place where their future workers were going to learn how to deal with the demand and the tricky distribution of the products. Today, Coca Cola Company has its own beverages for the Chinese market, tea, juices and sodas.

The popular McDonald’s logo of “Think Global, Act Local”, is playing a big role in the company behave in China. Richard and Maurice McDonald, the founders of the restaurant, distinguished two keywords in business: Globalization and Internationalizing. They say that when a company is moving abroad has to mix both concepts. Globalization is the way a company standardized its process, and makes the same idea of the business everywhere; Internationalizing is the adaptation to the host country with new methods and laws. (Claudio Vignali, 2001).

Claudio Vignali (2001) explains one of the differences in the way McDonald is doing business in China:

“The advertising of McDonald's is different in China, as, by autumn 1994, they still had not placed an advert on Beijing television. According to the general manager, it was pointless to advertise McDonald's on television because Chinese commercials, unlike their counterparts in the West, appear only during the interval between programs. After watching one program, audiences tend to switch to another channel, which means that adverts have little chance of being seen. Newspapers and popular magazines were therefore seen as a better way to present McDonald's public image. In the Beijing region, McDonald's relied on Burson-Marsteller, a transitional public relations company, to deal with the Chinese news media.”

Nevertheless, this is not everything, the famous icon of McDonald, Ronald McDonald, who is always in every restaurant of the world sitting alone, in China is with a female clown named Aunt McDonald whose job is to play with children. In addition, the way the employees treat the costumers is different from westerner’s restaurants where people are used to go to the restaurant

and only care of eating the meal and leave, in China people like to go to the restaurant and spend time with the children's entertainers.

McDonald, the restaurant where people can find the same anywhere, has also adapted to the environment of the Far East countries.

Microsoft, Yahoo, Cisco, and Google, the four main American technology companies in China, are also adapting their business to the country. Every country has its own rules and laws and people cannot expect those companies to brake with those rules, as Eric E. Schmidt, Google's chief executive said: "We had a choice to enter the country and follow the law, or we had a choice not to enter the country." (New York Times, April 12, 2006)

7. Conclusion

Moving abroad is a hard decision for any company. There are many problems that companies have to face, such as politics, culture, economy, social structures, etc. but it is a decision that every big company and even not that big, has to face.

The world is becoming a smallest place for business, every day people are hearing about a fusion or any kind of business around the world. The communication is easiest every day; someone in Denmark can call without problems to someone in Colombia. The technology is improving day by day to make things available for anyone.

The internet is raising as the icon of freedom and globalization, news, radio, television, entertainment, games, sports, anything can be found in the web; however, there are still some places with strong restrictions and rules, kind of old fashion societies if you see this as a western.

China is one of the oldest societies, their leaders have protected it for many years, but now Chinese are having more access to the rest of the world, information is coming from every country, and their habits and traditions are going everywhere as well. However, their governors

have censor the information people are getting, protecting their state, politics and traditions, they said.

Nevertheless, how can they say that they are protecting their people if at the same time people cannot have the whole information about themselves, they can get illegal drugs, music, movies, and markets without a problem? What kind of protection is that one?

I disagree with the way the Chinese government is dealing with this censorship because I think people is free to choose whatever they want to know and see, within the respect for each other, but this is the way the society has been raised for long time, and people cannot expect to change that in one or two years.

Google Inc. is showing respect for culture and traditions in China, no matter the pressure of the United States government trying to change the way Google is doing business. On the other hand, Google is protecting their money, and the money they can obtain doing business in China.

The position of the U.S. government is similar to their position in other cases, some years ago, the U.S. government was imposing economic sanctions on South Africa, because the social and economical situation in that country. The companies, which were working there, pulled out their people and closed their offices, supporting the ideal of the congress. Cuba, since Fidel Castro took the power (1959), has been suffering the U.S. blocking, and then companies cannot have business with or within Cuba.

However, even that the type of government in China is similar to Cuba or another communist country, the importance that China has gotten as a big market is giving them the authority to do business with anyone. Moreover, the U.S. knows this, and knows that China will become a big power in the future, Chinese statistics show the fast growth of the country, and they (the Americans) have not a big influence in the Asiatic country, and the only way to manage this is using their companies in China.

Many people have criticized the adaptation of the American companies to the Chinese markets, but when a person is the leader of a big company with thousands of employees, this person has to take care of these people, and as Google says, “You can make money without doing evil.”

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