

Google reportedly abandoned a cloud computing product for the Chinese market

Google has abandoned plans to develop and launch a cloud computing product designed for the Chinese market, among other politically controversial countries, according to a report from *Bloomberg*. The move marks the second high-profile initiative within Google to develop a product for the Chinese market, after the existence of a censored Chinese search product, codenamed “Dragonfly,” was revealed in media reports in 2018 and caused a firestorm of controversy until Google reportedly shut it down in December of that year.

This new project is referred to internally as “Isolated Region,” and the intended customer was to be countries intent on controlling the flow of data within their borders, *Bloomberg* reports. The goal was to separate this product from Google’s central cloud computing systems and network infrastructure, so as to allow governments or third-party companies to oversee the data moving through without fear it would put the privacy of other Google business customers and individual users in other countries at risk.

This was Google’s second high-profile product planned for the Chinese market, after Dragonfly

It’s unclear if the product was supposed to be an equivalent to G Suite or some other combination of cloud hosting and storage. Rumors of the project first started back in 2018, which is when *Bloomberg* says the initiative first started amid conversations at Google about how to offer cloud computing services in countries like China that often require a government-controlled entity to act as a business partner.

Google decided in January 2019 to momentarily pause the version of the product being tailored for the Chinese market; *Bloomberg* says the reasons were due to tensions between the US and China over President Trump's trade war and existing privacy concerns related to doing business with the Chinese government. The search giant then shifted the project to focus on other countries in Africa, Europe, and the Middle East. But in May of this year, the project was canceled in its entirety, in part because of worsening geopolitical relationships between the US and other countries as a result of the COVID-19 pandemic, among other considerations, the report states.

In a statement to *The Verge*, Google characterizes its decision to shut down Isolated Regions as coming from "conversations and input from government stakeholders in Europe and elsewhere," and the company refutes the idea that it was due to geopolitical concerns or the COVID-19 pandemic:

We've seen emerging requirements around adoption of cloud technology from customers and regulatory bodies in many different parts of the world. We have a comprehensive approach to addressing these requirements that covers the governance of data, operational practices, and survivability of software. Isolated Region was just one of the paths we explored to address these requirements. What we learned from customer conversations and input from government stakeholders in Europe and elsewhere is that other approaches we were also actively pursuing offered better outcomes. Isolated Region was not shut down over geopolitical concerns or the pandemic. Google does not offer and has not offered cloud platform services inside China, and Google Cloud is not weighing options to offer the Google Cloud Platform in China.

The project wasn't solely about serving countries that censor internet platforms or exercise authoritarian control over the flow of information on personal devices and the web. For instance, *Bloomberg* reports that Isolated Region was also

designed to serve European Union countries with strong privacy laws, allowing Google to operate a cloud product within one of those countries by giving oversight of the flow and storage of data to a government authority.

The project was also meant to help maneuver around US laws, like 2018's controversial Clarifying Lawful Overseas Use of Data Act, that make it harder for companies like Google to resist government data requests when the data was stored offshore, *Bloomberg* reports.

<https://www.theverge.com/2020/7/8/21317704/google-china-cloud-product-canceled-isolated-region-data-privacy>