

#### 4. China's Social Credit System

On June 14, 2014, China's State Council announced a plan to establish a social credit system, which would assign "social credit scores" to citizens based on their behavior.<sup>1</sup> A citizen's social credit score goes up based on socially desirable actions, like paying taxes or purchasing Chinese products; it declines if a person engages in behaviors that the State Council deems dishonest or otherwise problematic, such as committing crimes or making negative statements about the government. Access to social benefits, like receiving a home loan or travelling on an airplane, would be partly determined by one's social credit score. With this social credit system, the Chinese government aims to create a more honest and harmonious society.

The Chinese State Council postulates that if citizens are rewarded for good behavior and punished for bad behavior, then people will want to act better. Citizens in China are already seeing the positive effects of this system. As one Chinese citizen explained, "I feel like in the past six months, people's behavior has gotten better and better . . . For example, when we drive, now we always stop in front of crosswalks. If you don't stop, you will lose your points. At first, we just worried about losing points, but now we got used to it."<sup>2</sup> When there are negative consequences, people may think twice about engaging in bad or illegal activities. Over time, when citizens of a society are following laws and acting honestly, the society as a whole becomes just, fair, and peaceful.<sup>3</sup>

Critics, however, regard it as an invasion of privacy and personal freedom. One concern is that the ability for the government to assign these ratings is dependent on China's increasingly dense network of surveillance cameras and the advancement of artificial intelligence technology.<sup>4</sup> Additionally, some critics argue that the system has flaws and may be subject to error or even abuse by the government. For example, the social credit score of Liu Hu, a Chinese journalist, placed him on the untrustworthy list, and as a result, he was prohibited from flying, buying a home, and sending his child to private school. His low score was due to a series of tweets that the government did not approve of. According to Liu, "You feel you're being controlled by the list all the time."<sup>5</sup> Critics on the international stage worry that policies like China's will spread. For example, Tyler Grant has argued that "[t]he free world is not far behind if we don't protect privacy, deny our policymakers' desire to expand the reach of government, and resist the urge to commercially or socially punish those who don't share our political ideology. Privacy and liberty are never more than one generation away from extinction."<sup>6</sup> Finally, some people might be concerned that by generating external incentives to engage in pro-social behaviors, programs like this actually undermine intrinsic moral motivation, making people less likely to do the right thing for the right reason.

#### STUDY QUESTIONS:

1. What are the moral advantages and disadvantages of a social credit system like China's?
2. To what extent is China's social credit system a framework for moral behavior?
3. How can a community balance its interest in encouraging its members to engage in socially desirable behaviors with community members' interests in individual privacy and liberty?

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<sup>1</sup><https://chinacopyrightandmedia.wordpress.com/2014/06/14/planning-outline-for-the-construction-of-a-social-credit-system-2014-2020/>

<sup>2</sup><http://foreignpolicy.com/2018/04/03/life-inside-chinas-social-credit-laboratory/>

<sup>3</sup><https://chinacopyrightandmedia.wordpress.com/2014/06/14/planning-outline-for-the-construction-of-a-social-credit-system-2014-2020/>

<sup>4</sup><https://www.cbsnews.com/amp/news/china-social-credit-system-surveillance-cameras/>

<sup>5</sup><https://www.cbsnews.com/amp/news/china-social-credit-system-surveillance-cameras/>

<sup>6</sup><http://thehill.com/opinion/technology/386524-the-west-could-be-closer-to-chinas-system-of-social-credit-scoring-than>