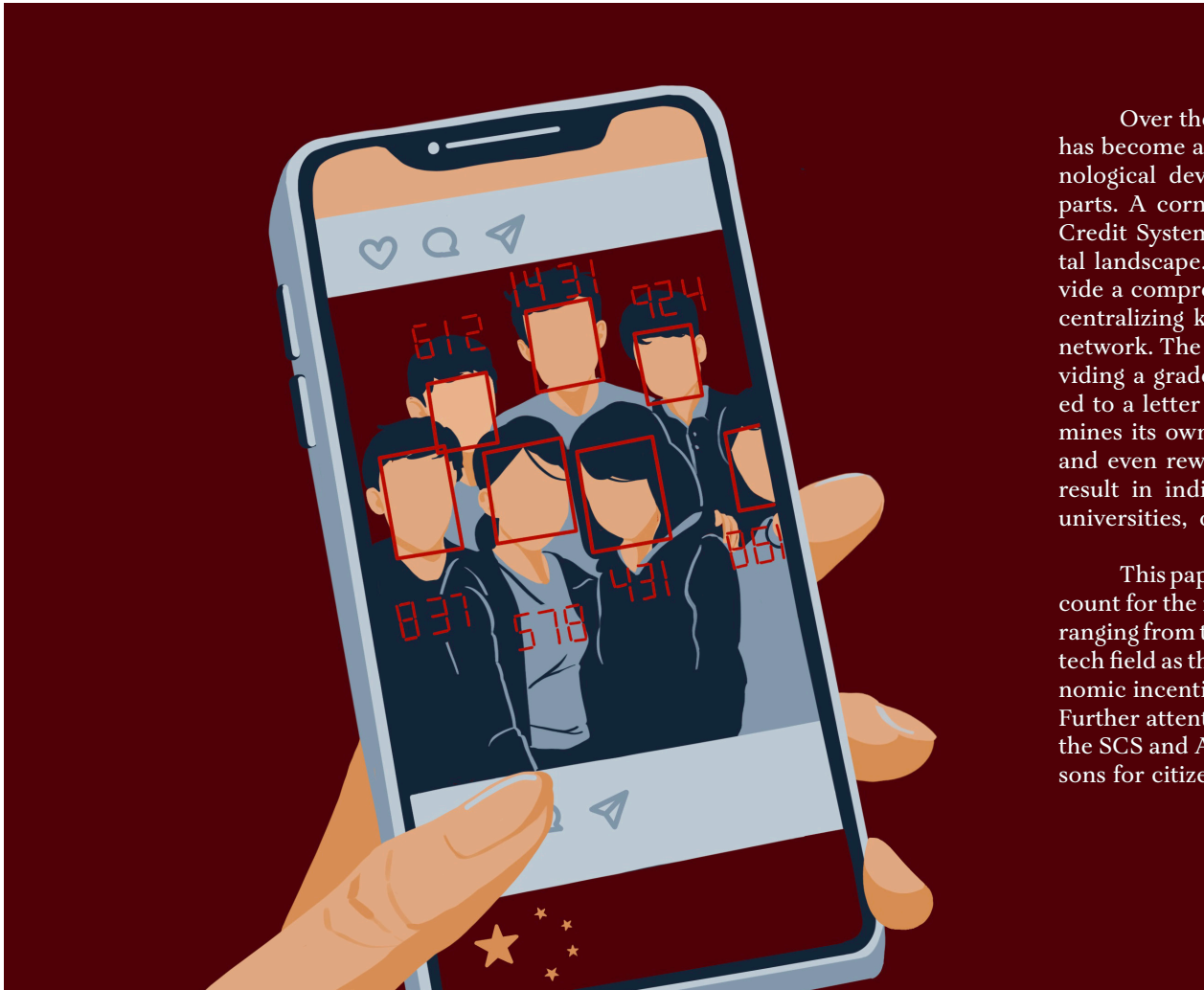


THE SOCIAL CREDIT SYSTEM

A Tool for Authoritarian Resilience in Mainland China



Over the past decades, the People's Republic of China (PRC) has become a leading country in terms of infrastructure and technological development, largely surpassing its Western counterparts. A cornerstone of this new Digital Silk Road is the Social Credit System (SCS), a new media platform in the Chinese digital landscape. Started in the mid-2010s, this system aims to provide a comprehensive social network covering the entire country, centralizing key information on Chinese citizens as users of this network. The SCS ranks social interactions between citizens, providing a grade that ranges from 350 to 950 points, itself translated to a letter grade scale. This social credit score basically determines its owner's fate: high scores give them access to discounts and even rewards from the PRC. Bad scores, on the other hand, result in individuals being deprived of access to elite schools, universities, or even banned from flying with Chinese airlines.

This paper explores the aspects of the SCS, and attempts to account for the incentives proposed by this innovative digital system, ranging from technological incentives that help propel the Chinese tech field as the world's leading digital infrastructure, as well as economic incentives for both the PRC and everyday Chinese citizens. Further attention is also given to the sociological relation between the SCS and Asian values, a controversial notion that provides reasons for citizens to comply with the SCS rather than to oppose it.

*Written by Robin Vochelet
Edited by Nicole Basran*

At the end of a 22-year civil war, the Chinese Communist Party (CCP) won the right to the Chinese mainland territory, forcing the Nationalist Party (Kuomintang, abbreviated KMT) to go on exile to the island of Formosa, modern-day Taiwan. Both states grew into authoritarian regimes through the second half of the 20th century: The Republic of China in Taiwan favoured a right-wing, capitalist dictatorship backed by the U.S., whereas the People's Republic of China, on the mainland, birthed a Marxist-Leninist communist regime based upon the ideology of its founding father, Mao Zedong. As popular uprisings struck both countries in the 1980's, something interesting happened: while uprisings in Taiwan led the country into the "third wave" of democratization, the Tiananmen Square uprisings in Mainland China led to a regime reconfiguration. Over 30 years later, the CCP has developed one of the most sophisticated software systems that has made the People's Republic one of the most controlling existing authoritarian regimes. This "all-seeing, all-knowing" online software program—known as the Social Credit System (SCS)—centralizes the majority of Chinese citizens' data and has faced much backlash from Western democracies and international human rights organizations. However, what is perhaps more striking in this case is the Chinese population's compliance and the way it reinforces the cycle of authoritarian resilience in Mainland China. Broadly speaking, authoritarian resilience can refer to a state's ability to maintain illiberal top-down structures that subjugate its controlled population, further legitimizing and reinforcing this hierarchy.¹ The Chinese case is of particular interest to showcase this concept. It illustrates the importance of socio-cultural factors that can bolster the authoritarian, single ruling party structure. Therefore, this paper will seek to explain how the increasing use of invasive A.I. allows the CCP to remain in power. After a brief overview of the current software intelligence deployed in Mainland China, the first section will look at how the application's functionalities may incentivize Chinese cit-

izens to comply with the party leadership. The second section will provide a short explanation of the socio-anthropological concept of "Asian values" and how the People's Republic's A.I. network's pervasive nature might reinforce a top-down discourse seeking to enforce an artificial culture of subordination.

Technological lens: authoritarianism through Artificial Intelligence

China's Social Credit System

Digital infrastructures for state surveillance in China reached a climax in the past few years by creating the Social Credit System (SCS). SCS is currently developed by the biggest technology companies in China, including the giants that already control the contemporary Chinese platform environment: Alibaba and Baidu.² SCS aims at centralizing big data on all Chinese citizens in one application, offering a detailed profile on many individuals' characteristics, ranging from household information or health profile to credit balance. Collecting and centralizing this data allows the ruling CCP to create a "social credit score" that can be used to keep track of citizens' good or bad behaviour.³ Their commercial and social interactions are given a grade, ranging from A+++ to D, which will determine their score. Individuals with a score of 1050 or above are praised as model citizens, an example for the rest of society to follow. However, those whose score falls to 849 or below might face restrictions in their everyday lives. Some of these restrictions include being banned from flying or getting train tickets, subject to slow access to the Internet, or even excluded from some jobs or private schools.⁴ Further restrictions are imposed on individuals whose scores drop below 549, as they are automatically added to a blacklist and publicly shamed for being bad citizens, also facing regular controls by government authorities.⁵ The centralization of this big data has contributed to the deployment of surveillance activities in virtually every aspect of the life of Chinese citizens, allowing them to use their face to

pay at their local fast-food restaurant ("facial recognition") or determine what would be the necessary quantity of toilet paper for them in a public bathroom. Merging different elements from dystopian science fiction, echoing the "Nosedive" episode of *Black Mirror* or the core concept of large-scale state surveillance as seen in *Person of Interest*, the SCS creates a self-sustaining cycle that encourages Chinese citizens to abide by authoritarian rule.

Coercive repression and social management

Given the Chinese Social Credit System's aforementioned characteristics, it is not hard to see how the extensive spread of the SCS can lead to a cycle of self-sustaining authoritarianism. The most corrosive aspect of the SCS is the "name-and-shame" dynamic it creates. By being publicly exposed and shamed whenever their social credit score drops too low, Chinese citizens are at risk of being ostracized by their peers, leading to a self-sustaining cycle of social management.⁶ Because they fear negative repercussions for their reputation and restrictions imposed on their everyday lives, citizens will perpetuate the repressive work that would usually fall under the ruling party's authority by excluding deviants from their networks. This reflects a broader pattern of coercive repression bolstered by the CCP since the 1989 Tiananmen Square uprising.⁷ This large-scale protest acted as a wake-up call to the Chinese government that an overthrow of the authoritarian regime was not impossible. Many of its policies have since then shifted to "coercively repress" the Chinese population. This implies that citizens are given the impression that they deliberately contribute to the regime because doing so is better for them than to act against it. Many government officials have indeed emphasized that the purpose of the SCS is not merely to control the population, but to promote a wider radius of trust between Chinese citizens, which would contribute to help them feel safer and more connected to their peers.⁸ In this sense, they are prone to take on the work of the CCP by excluding individuals

whose social credit scores are too low, thus incentivizing them to abide by the regime's rules eventually. This centralized app also allows for social management at the individual scale, where citizens evaluate their own behaviour and actions and the possible impacts on their social credit score, another expectation of the ruling CCP.⁹ In light of these elements, it appears that China's SCS is very useful to sustain authoritarianism throughout the country, as it provides a system of "name-and-shame" that publicly humiliates citizens who do not abide by the rules. The fear of punishments for low social credit scores, and the contrasting promise of rewards for the most exemplary citizens, gives the Chinese population a further incentive to respect the rule and authority of the CCP.

Economic incentives

Another important reason that helps understand why China's SCS contributes to the authoritarian resilience of the incumbent CCP is that it acts as a major provider of economic resources and opportunities, both for the Chinese state and its citizens. For instance, the market size of the big data industry in China represented about US\$2.5 billion in 2016 and has maintained a steady annual growth rate of almost 30 percent.¹⁰ Considering China's role in the contemporary global economy, and its notable advance in the tech field, SCS could represent one of its biggest economic initiatives in the years to come, as the CCP moves on to implement the system in the whole country.¹¹ With such a significant share of the market, SCS provides the Chinese population with unique economic opportunities that considerably diminish their incentives to act against this authoritarian process. In fact, the gradual implementation of SCS has opened up a brand-new field of expertise to help shape the project. While SCS is based upon gathering data at a large-scale, giving meaning to this data is not innate and requires contributions from tech workers to help the app make sense of all the data collected.¹² In this sense, SCS is most likely to greatly impact the Chinese tech field, both in employment and tech-

nological advancement. The employment capacity of the SCS reaches far beyond A.I. expertise. For instance, the implementation of centralized data banks at the local level, such as state-built residential complexes or neighbourhood facilities, requires citizens' participation in monitoring the activity recorded. While everyone is expected to abide by the rules of the social credit score and to "socially manage" their community, the Chinese state has led extensive campaigns to hire specific personnel in charge of monitoring the implementation of this technology at the local level.¹³ This gives a broader picture of how the SCS is on its way to becoming a driving force of the Chinese economy. When given economic benefits if they contribute to the regime, citizens have little to no incentive to stand up against it. While it is too early to confirm this, as the full-scale implementation of the SCS initially scheduled for late 2020 will most likely be pushed back due to current events, there has been evidence of compliance with authoritarianism when given socio-economic benefits in exchange in East Asia, mainly in Singapore.¹⁴ Given how the Chinese authoritarian regime has managed to maintain its legitimacy since 1949, it is very likely a similar outcome will occur.

This section has highlighted how China's Social Credit System's very structure calls for Chinese citizens to abide by the authoritarian regime's rules. Producing a system of "name-and-shame" and punishments allows the CCP to rule using a strategy of fear while promising rewards for model citizens. Similarly, the current expansion of the SCS is creating a wide range of economic opportunities that would benefit both the state and its citizens, acting as yet another incentive for citizens to accept and legitimize authoritarian rule. In this sense, the SCS echoes broader socio-cultural dynamics that the Chinese regime uses to assert its authority.

Socio-cultural lens: the role of Asian values

Defining Asian values

The following section will look at

China's possible socio-cultural values used to reinforce the authoritarian regime's legitimacy. The most relevant example is one of "Asian values" that have increasingly gained importance in the science of East Asian politics. The term was first coined by former Singapore Prime Minister Lee Kuan Yew in the 1990's. Defining "Asian values" can prove to be tricky, but following the major principles outlined by Lee, it refers to a set of values different than that typically found in West European democracies. "Asian values" prioritize community, order, and the rule of law over individuality and chaos.¹⁵ This implies that people would generally accept an authoritarian regime that can promise peace and security as a trade-off for personal freedoms. This notion that Asian peoples can tolerate authoritarianism for the sake of collective security has triggered widespread controversy. While some East Asian political figures, including Malaysian Prime Minister Mahathir Mohamad, have agreed with Lee's definition of "Asian values," scholars have generally condemned this restricted vision of East Asian politics, arguing that Lee was merely using this concept to justify and legitimize his own authoritarian regime.¹⁶ There is also a serious geographical limitation to this concept: is it credible to talk about one set of values for an entire continent that ranges from the eastern Mediterranean to the easternmost Pacific? For the sake of this paper, though, it should not be assumed that all of Lee's allegations hold true in contemporary Mainland China. Rather, there is some middle ground to be found between a fully culturally-enshrined subservience to authoritarianism on the one hand and the full rejection of authoritarian structures on the other hand.

"Asian values" and the Chinese surveillance state

How can the concept of "Asian values" explain authoritarian resilience in China amid a large-scale AI surveillance project? First and foremost, this concept broadly echoes some of China's oldest traditions, including Confucianism. Although it is sometimes considered a religion, this doctrine ar-

gues for a sense of structure and hierarchy in society. This hierarchy is achieved through guiding principles for order in relationships: parent-child, husband-wife, master-slave, etc. This creates an artificial dichotomy whereby the subordinate acknowledges a master is superseding them and accepts this subordination.¹⁷ Although the CCP had a history of eliminating elements of traditional Chinese culture during the Cultural Revolution throughout the 1960's and 1970's, it has since shifted to use Confucian-inspired slogans and messages in the official discourse, such as "harmonious socialist society."¹⁸ To some extent, this increasing presence of Confucianism in the party's official discourse seems to echo official public announcements related to the SCS, where the CCP used the terms of "trust" and "harmony" to promote potential benefits of the software.¹⁹ This terminology seems to echo Lee Kuan Yew's definition of "Asian values": Chinese citizens would comply with the authoritarian regime's SCS project because it translates to more order and security.²⁰ The SCS would therefore act as a symbol of discipline and hierarchy, echoing Confucian ideas. In practice, relatively high levels of approval of SCS seem to corroborate the idea that Chinese citizens would be more compliant with the SCS project of state surveillance. According to a 2019 survey study, over 64% of respondents expressed strong approval of SCSs in general, praising the security prospects such systems can provide.²¹ Interestingly, most of the respondents who disapproved of this specific SCS being implemented in China were individuals with relatively low levels of education and mainly residing in rural areas,²² where many of SCS' features have barely been incorporated yet.²³ On the one hand, this would seem to further validate the idea that the SCS responds to a need for security and hierarchy rooted in so-called "Asian values": those living in major Chinese cities who have been exposed to its features are more favourable to SCSs

because of the sense of security it can bring.

That being said, the extent to which this explanation is contingent upon "Asian values" is minimal. Positive reactions to the SCS being implemented in Chinese cities might also be related to the software's specific features that would make life easier for Chinese citizens. Furthermore, the fact that there has not been another large-scale software similar to China's SCS implemented anywhere else limits our ability to determine whether high approvals can strictly be imputed to a potential set of "Asian values."



The Social Credit System, a vector of Western hypocrisy?

While examining the extent to which socio-cultural characteristics might affect overall compliance to the SCS and other authoritarian initiatives, it is important to remember that the bulk of the criticism against the software came from the West. Critics against the Chinese government are numerous due to China's constant rejection of Western neoliberal assumptions that capitalism would bring forward freedom and democracy.²⁴ For instance, in response to the CCP's decision to implement the SCS nationwide, many Western newspapers published articles depicting the Chinese social credit system as the ultimate dystopian science-fiction-made-reality, using terms like "creepy"²⁵ or "Big Brother"²⁶ to refer to the SCS. While SCS comparisons to *Black Mirror* "Nosedive"²⁷ are based on superficial resemblance, as both deal with an application that rates its citizens and provides benefits for users with high scores while punishing those with low scores, the project is still in the early stage of its development; thus it is too early to tell whether or not the SCS will turn Mainland China into a "real-life 'Black Mirror' nightmare."²⁸

In addition, Western criticisms of Chinese citizens' compliance with the CCP and the SCS come short of accounting for similar

technological experiments in the West. For instance, a German bank has started to use geo-scoring to generate credit scores. U.S. tech giants Google, Apple, or even Facebook have each contributed to one aspect of the SCS individually, let it be self-quantification through Google Fitbit or the Health application on Apple smartphones. In contrast, Facebook as well as its partner platform Instagram, both benefit from rating culture via the collection of likes and virtual attention.²⁹ These various examples serve as a reminder that Western populations are also, to some extent, complacent with the way technology is used to monitor and survey our lives while encouraging individuals to self-monitor and sometimes monitor others. The previous paragraph has shown possible implications of socio-cultural "Asian values" in overall compliance with the SCS as an engine of authoritarian control, though it is still too early to determine whether these are representative of authoritarian resilience at all.

Conclusion

This paper has attempted to showcase several features that explain why the Social Credit System might act as a tool for authoritarian resilience in Mainland China. On the one hand, the system of rewards and punishments provides an incentive for Chinese citizens to self-monitor their behaviour according to the Chinese Communist Party's guidelines and monitor their friends' and relatives' behaviour. Punishments and threats of "name-and-shame" are effective enough to keep citizens compliant with the state. In addition, the potential benefits brought by the large-scale implementation of the SCS, mainly economic opportunities, acts as yet another incentive for citizens to comply with the state. Prospects for security and greater stability promised by the state via the application echo socio-cultural conceptions of "Asian values," reflected in the increasingly Confucian stance taken by the CCP in its state media narrative. However, the impact of socio-cultural values remains very limited and is often used as an argument from the West to criticize China's rejection of Western

neoliberal conceptions of democracy.

Still, the extent to which China is working to develop its Social Credit System is a unique project that meets no equal in the contemporary world. As the COVID-19 pandemic is coming to an end in China, the increasing implementation of SCS technology will undoubtedly carry on throughout the country. Only in the years to come will we be able to tell the actual consequences of this large-scale software program on politics and society.

Endnotes

- 1 Wenfang Tang, "The 'Surprise' of Authoritarian Resilience in China," *American Affairs* 2, no.1 (Spring 2018).
- 2 Yongxi Chen and Anne S. Cheung, "The Transparent Self Under Big Data Profiling: Privacy and Chinese Legislation on the Social Credit System" (Hong Kong: The University of Hong Kong Press, 2017): 360.
- 3 Simina Mistreanu, "Life inside China's social credit laboratory: The party's massive experiment in ranking and monitoring Chinese citizens has already started," *Foreign Policy*, April 3, 2018, <https://foreignpolicy.com/2018/04/03/life-inside-chinas-social-credit-laboratory/>
- 4 Alexander Ma, "China social credit system, punishments and rewards explained," *Business Insider*, October 29, 2018, <https://www.businessinsider.com/china-social-credit-system-punishments-and-rewards-explained-2018-4>
- 5 "Credit Information," *Creditchina.gov.cn*, accessed April 1, 2020, <https://www.creditchina.gov.cn/xinyongfuwu/shouxin-hongmingdan/>
- 6 Fan Liang, Vishnupriya Das, Nadiya Kostyuk, and Muzammil M. Hussain, "Constructing a Data-Driven Society: China's Social Credit System as a State Surveillance Infrastructure," *Policy & Internet* 10, no. 4 (August 2018): 420.
- 7 Andrew J. Nathan, "China's Changing of the Guard: Authoritarian Resilience," *Journal of Democracy* 14, no. 1 (January 2003): 14.
- 8 "The general office of the Central Committee of the Communist Party of China and the general office of the state council issued opinions concerning accelerating the construction of credit supervision, warning and punishment mechanisms for persons subject to enforcement for trust-breaking," *Xinhua*, September 25, 2016, http://www.xinhuanet.com/politics/2016-09/25/c_1119620719.htm
- 9 Lucy Hornby, "China Revives Citizen 'Grid Management'," *Financial Times*, April 3, 2016, <https://www.ft.com/content/bf6a67c6-940e-11e5-bd82-c1fb87bef7af>

- 10 "Report of the Big Data Development in China," CAICT: China Academy of Information and Communications Technology, accessed April 2, 2020, <http://www.caict.ac.cn/kxyj/qwfb/ztbg/201703/P020170327603296651223.pdf>
- 11 Clayton Cheney, "China's Digital Silk Road: Strategic Technological Competition and Exporting Political Illiberalism," *Pacific Forum Working Paper* 19, no. 8 (July 2019): iv.
- 12 *Creditchina.gov.cn*.
- 13 Roger Creemers, "China's Social Credit System: An Evolving Practice of Control," (Leiden: University of Leiden, 2018): 8.
- 14 Kenneth Paul and Andrew Sze-Sian Tan, "Democracy and the Grassroots Sector in Singapore," *Space and Polity* 7, no. 3 (2003): 8.
- 15 Amartya Sen, "Human Rights and Asian values: what [L]ee Kuan Yew and Le Peng don't understand about Asia," *The New Republic* 217, no. 2-3 (1997): 34.
- 16 Michael Hill, "Asian values' as reverse Orientalism: Singapore," *Asia Pacific Viewpoint* 41, no. 2 (2002): 181.
- 17 Peter K. Bol, "Neo-Confucianism in History," in *Neo-Confucianism in History*, ed. Peter K. Bol (Leiden, Netherlands: Brill, 2008): 1-2.
- 18 Sébastien Billioud, "Confucianism, 'cultural tradition' and official discourses in China at the start of the new century," *China Perspective* 3 (2007): 54.
- 19 Nathan, p.8.
- 20 Mark R. Thompson, "Whatever Happened to 'Asian Values?'," *Journal of Democracy* 12, no. 4 (2001): 156.
- 21 Genia Kostka, "China's social credit systems and public opinion: Explaining high levels of approval," *New Media & Society* 21, no. 7 (February 2019): 1571.
- 22 *Ibid*
- 23 Jamie Horsley, "China's Orwellian Social Credit Score Isn't Real," *Foreign Policy*, November 16, 2018, <https://foreignpolicy.com/2018/11/16/chinas-orwellian-social-credit-score-isnt-real/>
- 24 Surain Subramaniam, "The Asian Values Debate: Implications for the Spread