<u>Social Credit in China: Transcript</u>

**Christiaan**: Okay, so let's start. So welcome to everyone who's joining us for what's already the sixth edition of our Transformer States Conversation Series on Digital Government and Human Rights. And for today's conversation, we will focus on the Social Credit System in China.

Before we start, I would just like to say how wonderful it is to be joined each month by such a diverse community of practitioners, scholars, students, and many, many others. And since we started this series in the fall of last year, hundreds and hundreds of people from countries around the world have joined us to listen to the specific case studies of digital governments and their implications for human rights. And many others have watched recordings of these conversations or shared them with their peers. And what's even more heartening I think is that we now have attendees who tune in regularly, we have repeat customers. All of this goes directly towards why we organize these one hour conversations with activists or scholars about specific instances of the digital transformation of the State in different countries. First, we aim to share case studies that you either haven't heard about yet, or that you would like to learn more about. Second, we zoom in on the implications of digital government for human rights, and the human rights movements in the hope to trigger more debate on those human rights dimensions. And third, by looking at examples from countries as diverse as India, China, Australia, or the United Kingdom, we hope to learn from differences between systems, but also to underline that there are many similarities in approaches to digital governments across different jurisdictions. And the emergence of what we call the Transformer State is a global phenomenon, and it therefore deserves a global audience and global debate.

Now, today, as I said we're discussing Social Credit in China. And before we begin, let me briefly say a few things about it. So Social Credit has received a lot of attention both in academic writing, as well as in Western media. And one of the troubles with the system however, is that it has often been misrepresented, and the precise descriptions of what social credit is, are generally lacking. And the shaky factual basis has then been the launching pad for highly theoretical accounts on the future of digital government, and Orwellian nightmares of digital tyranny, both in China and elsewhere in the world. Now, Jeremy Daum, a scholar at Yale has written interestingly about the consequences of such an approach. He writes that Social Credit can be of great comparative value for democracies, but meaningful comparisons have to be based on accurate description. Social Credit can also become a dangerous distraction, distraction from perhaps less tyrannical looking digital government systems in the West, that are also highly problematic, and a distraction from underlying human rights issues in China, and other problems in China at the intersection of technology and human rights, like for instance mass surveillance in Xinjiang. And these concerns are directly relevant for our conversation today. We hope to engage in some demythologizing of Social Credit by trying to start our conversation with a description of the system. And this will then enable us hopefully, to have a more productive conversation on current human rights concerns about Social Credit, as well as probable fears for the future. Hopefully, we can also draw comparisons with examples of digital government elsewhere in the world, including case studies that we have discussed earlier in this particular series.

Now, there have been many conversations as you probably know on Social Credit already, and a valid question then is, what a discussion on its human rights impacts adds? And without being exhaustive, let me just mention four ways in which we hope a human rights perspective will add value. So first, a conversation about human rights will direct the focus on the impact of a system on individual human beings, rather than approaching it from the perspective of the designers or government users. And among other things, this will allow us to assess government's promises often made in the name of their citizens, but serving mostly governmental interests rather than the individuals that they are supposed to serve. Second, a conversation about human rights will highlight how groups that are especially vulnerable, or marginalized are affected by a digital government system, not just an average or "normal" individual. And many digital systems are built on an utilitarian logic of benefits to the majority and the greater good, and unfortunately, that often means that

minorities and those who are not mainstream are sacrificed for that greater good. Third, a conversation about human rights will lead us quite naturally to safeguards that need to be in place to protect human beings, including ways to challenge the digital government system rather than accepting the system simply as is. And fourth, and finally, a conversation about human rights will direct us to methods of investigation of a digital system. In a country like China, assessing how individuals are affected by a digital system will be exceedingly difficult, for example, but we believe that such methods, including qualitative evidence gathering are crucial to understanding whether a system works, and achieves its goals, and doesn't cause harm.

Now that brings us to a last comment I would like to make before we start. Our conversation with Chenchen, today, is being recorded and it will be uploaded on YouTube in line with our commitment to making our conversation series widely accessible, and using these interviews as an educational tool. And while we are fully expecting to have an open and frank discussion about the Social Credit system today, we wanted to acknowledge, as we think most and our audience will realize, that a Chinese Scholar writing about and talking about a controversial Chinese digital system is subject to a level of governance scrutiny that is different than, for example, a Dutch Scholar researching and talking about the controversial Dutch digital system. And since we are at a university, it is important not only to reaffirm our commitments to and belief in academic freedom, but also to remind our viewers that such academic freedom is unfortunately not guaranteed in many countries. Now let me introduce my colleague, Victoria Adelmant, with whom I will be interviewing our guest today, and also in the rest of the series. Victoria is a Research Scholar working with me on the Digital Welfare State and Human Rights project at The Center for Human Rights and Global Justice at NYU Law. Victoria, over to you.

**Victoria**: Thank you very much, Christiaan. Hello everyone, thank you for joining us. I have the pleasure of introducing our speaker for today. Dr. Chenchen Zhang is an expert in Chinese politics, and an assistant professor in Politics and International Relations at Queens University Belfast. Her recent work explores questions of citizenship and migration, popular geopolitics, and governmentality in Chinese politics and international relations. Now last year, Chenchen published a great paper on the Social Credit system, which I would recommend that you read, If you're interested in learning more, it provides a really good explanation and analysis. We are going to send you all a captioned recording of today's discussion as mentioned within the next week or so. And we will send a link to Chenchen's article alongside that as well. And now without further ado, I want to get straight into the important discussion that Christiaan mentioned about, what Social Credit actually is. As Christiaan mentioned, many of our audience members will likely have heard about Social Credit before, and may have some specific ideas in mind as to what it entails, especially those of us who are based in the West, and who have read any news stories about Social Credit, might be thinking about an all-encompassing scoring system where an individual's actions are monitored and they contribute to a numerical score that every person has, and that score affects what you can and cannot access. So this kind of idea has been compared to an episode in 'Black Mirror', and of course, references to George Orwell's "1984", are also really common. But something that you've emphasized in your research, Chenchen, is that some of these more prevalent conceptions in Western popular depictions are somewhat inaccurate. You make it really clear that Social Credit is actually comprised of a diverse range of decentralized and fragmented programs that do quite different things. So, first of all, before we dive into some of those different programs, I wonder if you could please tell us about the misconceptions that you perceive here, and perhaps, you can also briefly suggest why you think there have been misunderstandings about Social Credit?

**Chenchen**: Sure, thanks Victoria, for the introduction, and thanks for having me here. I think one of the most common misperceptions is, as you have said, that there is a system that assigns a single Social Credit score to each and every individual citizen in China, based on their online and offline behavior. It's quite funny that actually when this theory travels back to China, many internet users found it hilarious and they made fun of it with memes and parody app screenshots on social media.

Another misunderstanding is that especially prior to 2020, coverage in the international media often claimed that this was a system to be completed in 2020, or they might think this is a recent endeavor, specifically linked to big data or algorithms. But in fact, the idea of building a Social Credit system can be traced back to 2002, in the National Congress of the Communist Party and the State Council, which is China's Central Government, set up a joint ministerial committee for constructing a Social Credit system already in 2007. And it's still an ongoing project, and there was no indication whatsoever, that it would be completed in 2020. Another important differentiation to make, I think is that people often mistake private consumer products like Sesame Credit, or WeChat Score, which are developed by Alipay and Tencent respectively, For the government's Social Credit system, which as I said, has been under construction since 2007. Of course, private tech companies do play an important part in the Social Credit system, but as you will see in my presentation in a bit, the government's Social Credit system is something very different.

As for why, I think first of all, because this system or the systems are incredibly complex, and fragmented, and decentralized and are loosely organized, and the term credit or xinyong carries so many different connotations that not many ordinary Chinese citizens get what it means either. Then in the international discourse it might also have to do with the geopolitical rivalry between U.S. and China. Chinese companies being perceived as a powerful competitor in the technology sector, and also just generally speaking, China being the authoritarian other of the Western liberal self. Data surveillance and its human rights implications have always been a concern for liberal democracies. I think it's telling that in 2019, the European Commission's high-level expert on artificial intelligence produced an ethics guideline where it says, that there are certain red lines we must avoid such as lethal autonomous weapons systems and citizen scoring. So I think much of this portrayal and imagination about the Chinese system is about European and American actors projecting their fears of this digital totalitarianism onto China, which is seen as a major player in AI, in artificial intelligence and as a geopolitical competitor.

And then finally, I want to make a comment on the academic literature specifically. I noticed this tendency, especially in disciplinary fields like political science, IR, communications studies as opposed to area studies, which have a focus on language, history, and culture. I've seen or revealed quite a few papers from these disciplinary fields that have developed very interesting theories, but then used factually false information about Social Credit in China to back up those theories. They often rely on those misleading media reports, and also never verify those with primary sources. This of course, is another topic in itself, but I think there is certain methodological Eurocentrism in general disciplinary journals where, when it comes to case studies pertaining to non-Western societies, theoretical development, and also the so-called generalizability of the case are often prioritized over empirical accuracy.

**Victoria**: Thank you, that's such an important introduction to our conversation, and really important to kind of frame the conversation we're going to have. And so in contrast to some of those more misleading accounts, I wonder if you could take us through what actually makes up Social Credit, right now?

**Chenchen**: Yes, I will use slides, simply because, you can see my slides all right? Okay, I use some slides because it's, as I said, it's very complex and fragmented. So the Social Credit system, the government version of it, in Chinese is known as shehui xinyong tixi. And I'd like to start by unpacking the central term in it, which is xinyong, or sometimes translated, usually translated as credit, but this translation, I think is quite inadequate. There are two other concepts that are really important in Social Credit policies and narratives, namely chengxin and zhengxin. As you can see from this clumsy chart I've made. Xinyong is the broadest of these three, and zhengxin refers specifically to financial credit reporting, whereas chengxin refers to all those moral principles, ethics like honesty, trustworthiness, integrity, and so on. And xinyong is something that covers all of these aspects, and is the term used in this phrase, Social Credit system, or shehui xinyong tixi.

Now, and what is Social Credit anyway? And this is a definition from one of the local regulations, the Shanghai Municipal Social Credit Regulations, where it's defined as, legal or contractual obligations. So this one's really focused on regulatory and contractual compliance. But because the Social Credit system as a policy framework is extremely diverse and loosely organized, you will see various Social Credit programs or experiments loosely under this framework that go far beyond this narrow definition. Which is why I suggest in my article that this concept, this idea of xinyong has been constructed as the interface between financial credit worthiness, regulatory compliance, and moral trustworthiness.

So this is just a non-exhaustive list of some of the programs and the initiatives that are all lumped together in this broader framework. At the top level, you have the joint ministerial committee for constructing the Social Credit system in central government. And this is led by People's Bank of China, the Central Bank, and the National Development and Reform Commission, which is China's macroeconomic management agency. The financial credit reporting system is of course, managed by the PBOC , and the NDRC is responsible for most of the other programs, which are mostly about regulatory compliance and market oversight. And they are focused on corporations, though, some do affect individuals. There were lots of efforts on public sector data sharing. A unified Social Credit code established for legal persons, because previously they had different identification numbers, with different regulatory authorities. And I think this is similar to the CBR number in Denmark, where I am based right now. So CBR, is Central Business Register. And then the National Center for Public Credit Information has been set up under the guidance or the supervision of the PBOC and NDRC.

So what is this public credit information? This is basically legal and natural persons records with government agencies. They are very detailed coding books on this, which typically includes administrative records, such as licenses and penalties, judicial records, social insurance records, payment of public service fees, and sometimes including societal assessment dimensions, like assessment from professional associations. Online portals, such as Credit China have been established at all levels. You have Credit China, Credit Shanghai, Credit Schendong, and so on and so forth. On these websites, you can look up the public credit information of corporations, and you can also view some priority blacklists that affect individuals. So these are what you can see, or access on Credit China, this major portal of the National Center for Public Credit Information. And from this list, you can sort of sense what kind of problems, socio-economic problems are seen as serious problems, such as companies failing to pay wages to migrant workers, and also this problem of the illegal overloading of vehicles and illegal fundraising, and this judgment defaulters list, I'll return to in a minute.

So I will not go over this list, instead, I will focus, I will explain a little bit further on some of the best known or most controversial programs within this framework. The most developed and most institutionalized element is called joint rewards and sanctions mechanism. And this is based on information sharing and listing. It basically means, if an entity is blacklisted with sort of quotation marks by one agency for regulatory violations, it could face joint sanctions from other agencies. And if you have a good record, or on the red list, what's called a red list, then your application for licenses might get fast-track processing. And then of course, there's a reputation mechanism there involving naming and shaming, because your information would be publicized on the website I mentioned. Of all these lists, the most famous one is the People's Court's list of judgment defaulters. If you have read news about people in China being banned from high-speed train travel, because of Social Credit, then it's about this list. But they actually introduced these rules at the beginning of 2010, on restricting the so-called non-essential or luxurious consumption of defaulters in 2010, independent from the Social Credit system. So these restrictions included: they can't travel by air or travel in high-speed trains. And then in 2013, the courts introduced a separate instrument about publicizing a list of shixin or dishonest judgment defaulters, these are two things. And the criteria for getting blacklisted is actually more demanding than being restricted from non-essential consumption. But all those existing restrictions apply to those on this list.

Then there is the pilot scoring scheme, or citizen scoring scheme that exists in a dozen of cities, like only a dozen of cities. At this stage, they are like club memberships with some minor neglectable benefits. They are based on the public credit information platform, I mentioned earlier, so public sector data. And are kind of inspired by products like Sesame, but are much less known. I mentioned some examples in my articles, and all these apps, so there are cities that developed these apps, but all these apps have a low sign up rate. Only a few thousand of residents seem to be using them. Finally, there are also those programs within certain sectors aiming at disciplining individual behavior. If you have ever taken the high-speed train in China, you'd have heard the announcement that if you're caught smoking then you will be placed on the list of shixin persons or dishonest persons in the railway system and you'll be banned from taking the train for half a year. And in Nanjing, they also introduced this program that those pedestrians caught jaywalking five times within the year would also lead them to be marked as shixin by traffic administrative authorities. And this expires in one year, and also if you do some volunteering activities, this could reverse, restitute your record. Beijing public transport has something similar. If you're caught doing something like eating or drinking on subway, they say that this would also be kept in the passenger's credit record, It's not clear what the implication of this would be, but also in the document, they also mention that volunteering activities would lead to the correction of this situation.

So my final slide. As you can see, these programs are very diverse, but still the rationale is pretty clear when it comes to legal and regulatory compliance. What is confusing is all of those schemes that have to do with shaping individual behaviors, and these aspects are also contested both in public discourse and by policy makers themselves. This Shanghai regulation, I cited earlier, talks about both promoting the so-called modern spirit of contract, which is a popular discourse in China that basically sees Western capitalism, or modernity as founded on respect for contracts, and Chinese society is lacking in this regard and we must cultivate this spirit among citizens. And then the really ambiguous traditional culture of honesty and trust. We know that violation of rules is punished, but what gets rewarded? This is really vague and gets quite moralistic, and very often has nothing to do with legal or contractual obligations. It could be charity work, donation, blood donation, being a morality model, and recently, because of the COVID-19 pandemic some places introduced the measures that would reward individuals who have made contribution to disease control and prevention.

So the key is that, I think, these top level agencies have different visions about what xinyong means. The Central Bank, the NDRC, and then the Communist Party's propaganda departments, they have different focuses. The central bank has been quite against the generalization of the idea of xinyong beyond financial and commercial activities. And the propaganda departments are all about shaping the moral characters of individuals, and the NDRC is a little bit in between. The Central Bank called off a local citizen scoring scheme in 2016, because it reportedly linked a persons minor kind of rule violating behavior like jaywalking to financial credit. And the famous Sesame Credit never got a license for personal credit reporting from the Central Bank. In responding to the question as to why, a deputy governor of the Central Bank said, that the purpose of credit reporting products was to reduce financial risks and increase trade efficiency and not to classify people into different classes and groups. So we'll end it here, and all this is to say that these systems are messy and experimental and there's no single understanding of what xinyong means within the government. I'll stop sharing.

**Victoria**: Thank you, very much. There are clearly lots of different elements here. And as you've said, also different visions that are driving different parts of systems that are being developed at the municipal level, and at the national level. But I do want to pick up on what the common threads might be. So you did mention sort of honesty and trust as underlying a lot of this. And there is a notion of trustworthiness that seems to be an overarching aim of kind of all of these programs, but of course, very different notions of trustworthiness. So I wonder if you can tell us how this idea of trustworthiness is understood, and how it's playing out across Social Credit?

**Chenchen**: So I think the understanding of trustworthiness is really diverse, and I mentioned those different terms within this framework, some focused on moral trustworthiness, some focused on financial credit worthiness and so on. But also in terms of the common thread, I think one of the most important ones is that information sharing is believed to be key to administrative efficiency and effective market oversight. So the economic rationality has been really central from the beginning, as fraud and non-compliance were seen as a major problem of the socialist market economy. So I think this notion of xinyong or trust is promoted on the one hand as a normative value in itself, which you can see from statements that are frequently cited in policy documents about Social Credit, such as modern market economy is xinyong economy. Where you can understand xinyong both as trust and as credit. And on the other hand is also promoted, constructed as a means of government. A set of regulatory and disciplinary techniques based on data sharing, quantification, listing and public shaming, to solve any number of socioeconomic problems, and for local governments to optimize the so-called business environment, and to attract investments, which you often see in the official narratives.

And then when it comes to what kind of subjectivity or ideal citizenry these systems want to produce, I think there are tensions and great diversity in these narratives and practices. Some of them emphasize the so-called spirit of contract, I just introduced, and some relating to sort of social, moral socialistic traditions, like sacrifice, devotion, and the volunteering work, and others speak of an ambiguous traditional culture of trust and honesty. And overall, I think in this, the sort of moral or individual disciplining aspect of it, I see a continuity with the pre-existing civilizing discourses, such as suzhi, which means the quality of people, and this idea of spiritual civilizations of the posters I showed you on the slides, those are made by this committee for spiritual civilization in each city. And all of these have been long standing themes and discourses of governance in China.

**Christiaan**: Thanks, Chenchen, I'd like to move our discussion to human rights, and to some of the fears and some of the realities in relation to human rights and Social Credit. And I think the starting point here, the introduction of the system is helpful in that regard, because it gives us a platform from which to launch that part of the discussion. So I would like to talk both about present impact, as well as sort of the big fears that we have around Social Credit, but to start with the present state of affairs. You talked about the joint rewards and sanctions mechanism, which as you said, is the most developed part of Social Credit, and it rewards or sanctions as you say, companies or individuals based on information sharing between different parts of government. And so one of those blacklists, you also mentioned in your presentation is the one by the Ministry of Human Resources and Social Security, who manage the nationwide blacklist of employers found guilty of serious wage violations. And in terms of that particular blacklist, I was wondering what is the impact of that system on the rights of migrants who are often not paid their wages by employers, and does a blacklist system like this one help in the context of non-payment of wages or alternatively, does it divert attention away from, let's say the structural causes of non-payment of wages, which is probably also related to a lack of access to rights for migrant workers?

**Chenchen**: I can't comment on whether this blacklist and public shaming mechanism has really worked in tackling this problem, but unfortunately we are definitely still seeing lots of tragedies related to this in the news. Only earlier this year, a delivery worker in Jiangsu province set himself on fire to protest wage non-payment. And also this year, a construction worker in Chongzuo province climbed up a tower crane, and threatened suicide to demand for unpaid wages, and he was detained for 10 days for disturbance of public order.

And within the Social Credit system, blacklisting is only one of the means to tackle this. Xinhua Credit which is affiliated with Xinhua News Agency, a State Media Agency developed in collaboration with some tech companies, developed a so-called comprehensive digital solution to address wage non-payment that includes things like salary account management, scoring of firms based on their records of wage payment and other

types of information sharing, and so on. So my perspective on this is that it exemplifies a technological solutionism that promises to solve socioeconomic problems through a depoliticized technological fix. There are structural reasons behind the difficulties of some migrant workers in getting their wages, as you said. One is a differentiated citizenship regime that denies them equal access to social provisions, which I have written about in my other work on internal migration and citizenship in China. Another of course, is their lack of rights to self-organize and to take collective actions. So I think the technological fix avoids addressing and then sort of invisibilizes the political structures that condition the rights of migrant workers. And as far as this Ministry of Human Resources blacklist goes, if you look at the document, it actually perpetuates the existing structure that de-legitimized collective actions, because one of the criteria for being blacklisted is when the employer's wage violation causes a collective event, and that's just another word for labor protests.

**Christiaan**: That's quite ironic indeed, and it's sort of interesting what you say about technological solutionism in China, because there are clear links to some of the systems we've discussed earlier in our series from countries very diverse and different from China. So it's interesting to see that the same solutionism is also present in Social Credit.

So the blacklist that we just described deals with the trustworthiness of corporations, of course, and that has drawn much less attention sort of the corporate dimension than the use of blacklists against individuals. And as you said earlier, quite some discussion on social credit has focused on blacklists that affect individuals, like the Supreme Court blacklist for judgment defaulters. Now, could you tell us a little bit more about what exactly are they harms imposed by being included on a blacklist, like the Supreme Court's blacklist for judgment defaulters, and what exactly about the punishment of blacklisting it is that we should be most concerned about? So if you can talk in a little bit more detail about what it means to be blacklisted in that context.

**Chenchen**: As I said earlier, this restriction on consumption of non-essential consumption were already introduced before this blacklist thing, it was sort of independent. And the blacklisting mechanism introduces the dimension of public shaming, and this I think is where most worries lie. And in some cases, they're all worries about the abuse of the system by local actors.

A very controversial step taken by the high court, a high people's court in who Hubei province in 2019, was that the developed a WeChat app where you can see the location of judgment defaulters on the map within 500 meters of their GPS location, you might have seen this in the news. And yes, it's actually the high court of, the high people's court itself developed this app. I don't know if it's still running, but it raises lots of concerns about privacy, and also the disproportionate punitive effect on the individuals.

Another issue is related to a provision in this document, this instrument about restricting non-essential consumption, which says the children of judgment defaulters cannot go to expensive private schools, but it doesn't say what counts as an expensive school. And then in practice we have seen in the news that there were schools that explicitly said that children of defaulters can't be admitted. And so all these examples when they are reported, they are often subject to intense debate on social media as well.

And then another example that came to mind is that, it's a sort of political use of it. Last year, some Mongolian students and parents in inner Mongolia took to the streets to protest reforms in bilingual education. So they wanted to defend their right to bilingual education, and then the bureau of education in the league of Xilin Gol threatened these parents with punitive measures against judgment defaulters, such as travel restrictions, citing a policy document specifically about this list of judgment defaulters. Now the bureau of education has no power to do this, because that documents they cited said very specifically, that only the People's Court can put people on this list through judicial procedures. But the local authorities still used this as a deterrent and made these repressive practices appear somewhat legitimate. And then the City of Xilinhot took a different approach by saying directly that they could ban these, they could just ban these parents from

getting loans from local banks without mentioning Social Credit, without mentioning any policy documents at all.

So, what I'm saying is that these local authorities already have all sorts of means for political oppression when they want to, and Social Credit sort of just provides them with another discursive tool of deterrence with which they could pretend that there is a legal basis for certain practices, when in fact there isn't. So in the end, you might say that on paper the system doesn't look so problematic, but in practice there could be any number of ways in which it gets abused.

**Christiaan**: That's a very interesting perspective, and I'm also reminded by what you said earlier about the corporate blacklist is that it's important to make a distinction in terms of punishment of corporations, and punishment of individual citizens. I mean, for instance when we talk about corporate blacklisting, I'm reminded about a recent debate in the United States, for instance, where the Department of Labor has a long history of naming and shaming corporations that violate labor laws, for instance, and they use press releases as a tool of basically getting them in line, and under the Trump administration that practice of naming and shaming has retreated to the disappointment of a lot of labor rights activists, for instance. But when you talk about individual punishments, of course, we're talking about a whole different set of issues, and it's obviously from a rights perspective, highly problematic.

In terms of the judgment defaulters list of the Supreme Court that seems to be related to this desire on the part of the government to close an enforcement gap, so high rates of non-enforcement of judgments. I was wondering, whether there's any information about the support that there is among people in China for such measures, and also whether you could say anything about whether there's more support, for instance, for the Supreme Court list versus other parts of the Social Credit system, whether there is more support for corporate punishment than for individual punishment, or whether that's a black box.

**Chenchen**: It's a little like a black box. I'm not aware of any like opinion surveys on this particular blacklist, but I think there's one that is highly visible, and is quite contentious on social media. There have been some surveys about the popularity of Social Credit system on the whole, but I'm quite sceptical about this, because if you go on the street and ask people what they think about shehui xinyong tixi in China, they most likely would have no idea what that means. So it only makes sense if you talk about very specific policy programs. But my impression is that when it comes to Social Credit practices that affect individuals, and when it comes to those practices that really expand the boundary of the idea of xinyong, it's quite contested in domestic debates. Another example is that in 2019, a school teacher in Shandong province physically abused a student, and then again, it's the local bureau of education that announced that they would put this teacher on a blacklist of dishonest persons, and this immediately triggered a heated debate in social media and traditional media as well. And then the local authorities sort of had to come forward to clarify that the list works only within the local education system, meaning this person won't be considered for awards or model worker competitions in the next five years. And they could have just said that without using the language of Social Credit. But still there were lots of discussions around the case, and many were quite against the overgeneralization of the language of xinyong, the idea of xinyong beyond commercial and financial activities. So I think when it comes to those practices that affect individuals it's quite contentious in the domestic discourse as well.

**Christiaan**: Thank you, I think we have two more questions from us, from Victoria and me, and then I think we should go to questions from the audience, because we have quite a few. But just briefly, Chenchen, to talk about the municipal scoring schemes. Like you've also talked about in your presentation earlier, that's arguably the part of Social Credit that gets the most attention outside of China, yet, as you described, it's still in a piloting phase, it's still only happening in a few dozen municipalities where they use public sector data mostly, and occasionally peer evaluations to create a Social Credit score for individuals, and to seek to

translate these scores into concrete benefits for individuals. You talked about a club membership as an analogy. And realizing that it's happening at a very local level and on a small scale, and also realizing that you don't have a crystal ball, and you can't really look in the future. I still wanted to ask you what are the big human rights type fears that surround the scoring program in your view, and in Social Credit more generally speaking? And also how does that relate to a fear that the government will not only link public sector databases, but connect that to corporate databases? You, for instance, have talked about Sesame Credit and their scoring system, and about potential future in which that scoring system is linked to the public Social Credit system.

**Chenchen**: Yeah, one of the biggest fears is, of course, there will be a nationwide centralized scoring system like 'Black Mirror' or any Orwellian narratives. Without a crystal ball, I think a national scoring system would be unlikely, and wouldn't enjoy any support from either the public or authorities like the Central Bank, which as I said earlier, has always been quite against this overgeneralization of the idea of xinyong beyond financial and commercial contexts, and for the NDRC, the National Development and Reform Commission, because this citizens scoring scheme it has always been quite controversial. So they said in 2019, that personal Social Credit scores can only be used as incentives, not sanctions. And they emphasize that they cannot be used to limit citizens' statutory rights, or access to basic public services. But again these are guidelines from the central government, right? And they are not necessarily followed through at the grassroots level.

Another fear, I wasn't really thinking about linking into commercial data, but I was thinking about the use of this public credit information database. And this actually has to do with the politically oppressive dimensions of the law itself, 'cause we are talking about a context, a country where you could get arrested for things like speaking about certain issues on social media or labor activism. In theory, any forms of administrative penalties or charges go into a person's public credit information, and now you have all sorts of national database of public credit information managed by this National Center for Public Credit Information. And then, what are the consequences of this? We simply don't know yet, because we, I just have no idea how this digital infrastructure is gonna be used in the future.

**Victoria**: Thank you, and as our last question to you, I just want to ask you about the unequal impacts that we're already seeing here. So in all of our work on the Digital Welfare State and Human Rights project and in a lot of the interviews that we've already done as part of this interview series, we consistently see that governments' new digital systems are trialed on the poorest, or the most vulnerable groups within a society. And those groups are experimented on, because they're believed to be less empowered to resist these developments. So for example, in the Netherlands, in a case that we were involved in, an algorithmic risk-based tool was developed in order to root benefit fraud, but it was really targeted at poor immigrant communities. And in one of our previous interviews, Dr. Eve Vincent, was talking about how smartcard technology for quarantining benefit income in Australia, was first introduced within Aboriginal communities. So I wanted to ask you to what extent you see these sorts of unequal impacts and experimentation going on within the Social Credit system.

**Chenchen**: It's a difficult one, because there simply isn't enough evidence or research done on the impact of these systems on individuals. But I do think regional disparities seems to play a part in this. So that's a pattern that I've noticed. In China, there's a hierarchy of cities, at the top, there are provincial level cities, like Shanghai and Beijing, and then prefectural level cities, and then county level cities, and towns and villages. One County level city Suining was the very first to adopt a citizen scoring scheme in 2010, which was heavily criticized in the media at the time. Another County level city in Shandong, Rongcheng, it currently has the most famous and sort of most comprehensive scoring system in the country. The systems used in these smaller, lower ranked, and also kind of less developed cities tend to be more aggressive or kind of arbitrary than for example, Shanghai, where you have local legislation that clearly defines the boundary of Social Credit.

And then if you go down to the village level, there are even more arbitrary practices, like "morality bank." In one village in [Indistinct] province, villagers' morality scores are sorts of subjectively evaluated by the village committee based on things like honesty on neighborhood relations, and then these scores could be used to borrow small loans. And in my interviews, practitioners talk about the suzhi quality of the people and the collective mores of a place. And they justify more aggressive or more disciplinary approaches in certain places, by saying that the people there are lacking in legal consciousness or awareness of the law. Some also argue that a national system is unlikely, unhelpful, because people in different places have different suzhi quality, and different degrees of legal awareness. And also notice that city branding playing a part in this. When I asked, why did you want to put forward this scoring scheme system here? Some participants told me that it was for branding or a name card of the city. And they mentioned other reasons, but the branding thing was the very first thing that they said. And these kind of motivations I think tend to be more prominent in less developed and less known cities.

**Christiaan**: Thanks so much, Chenchen. And just to say that obviously it's different from what we saw in the Netherlands when we investigated the SyRI system, but there's also overlap including this very sort of stereotype notions about certain uncivilized population that deserve more intensified scrutiny in relation to fraud or other misconduct, for instance. So it's an interesting parallel with some of the other work that we've done elsewhere. Let us now get to the Q&A. We have a lot of questions and I'll do a first round of questions from the audience for you now Chenchen, and trying to combine a few, because there's some overlap here and there. So first David Suter asks, I would be interested in legal remedies, if information stored in Social Credit system is false, can citizens demand rectification? Is there a central venue for such grievances, or are the remedies as fragmented as the Social Credit system itself? Which links to a question by Johannes Priesemann, who says, who thanks you for this sobering talk, and would like to know what processes governmental and commercial scoring systems have, in case of wrongly, erroneous blacklisting, or public shaming, are there ways and means of damage, recuperation and rehabilitation. So those questions are related, I think, and then maybe one more question by Katherine Wilhelm, she asks, you have noted that there are multiple drivers here, some economic - financial, and some political - moral, which do you think is going to triumph at the end of the day, to the extent that there's a tension between them? And to what extent could this seriously backfire on the government? In my experience, she says, ordinary people like the idea of disclosing bad actors in society, but are not so keen on being scored everyday themselves.

**Chenchen**: Let me start with the last one, in case I forget. I think you're very right, there are different motivations behind, or rationalities behind, and I do think there's a tension in there, that's also my argument in my article that there are contradictions and tensions within this really heterogeneous system. I don't know which one though will triumph, but I can only say that there are certain actors, like the Central Bank is really pushing forward these financial initiatives and insists that we should focus on financial credit governance. And then there are those propaganda departments, and the commission for spiritual civilization, they are very much focused on the moral aspect of it. And then the NDRC is very much focused on regulatory and legal compliances. And I think your impression that for ordinary citizens, we can only speculate, They would like the idea of certain companies, like companies that fail to pay wages to be publicized, but they wouldn't like the idea of getting scores on a daily basis.

On remedies, I can see the text of the first question where it says, if the information stored in the Social Credit system is false, like there are different systems, right? So, I'm not sure which system you're talking about but if we are talking about this public credit information, this is quite well regulated, but the discussions about remedies has also began sort of recently. So it's ever evolving, it's developing, and I can see that there has been a focus on procedures for remedies recently, in the domestic debates about the Social Credit system. But I didn't look into the particular details about the procedure, but if we are talking about this quite well regulated system of public credit information, then yes, there are guidelines, procedures about remedies. And

then there are those minor programs, like I mentioned about traffic rules violation, and then like eating and drinking on the subway. This really, I'm not sure why you need to look up the rules made by these sort of transport commissions or whatever. But I did notice, as I mentioned in the presentation they did say that if you offer volunteering activities in the Metro station, like something on the streets then you could correct your bad credit record in the system. That I think is something that really links these different rationalities together. One is sort of about rule abiding, another is about certain sorts of socialistic tradition that often values volunteering activities, contribution to society, this kind of things.

**Christiaan**: We're at an hour, and although we have many more questions, we've made a commitment to keeping these conversations short, and I think we should honor that commitment. Chenchen, I wanna thank you very much for your insights today, for your clarifications on Social Credit in China. And you, as well, as the audience members for what I felt was a very stimulating conversation. And thanks for everyone who joined us, again from many different places in different parts of the world. There's of course, much that we haven't covered in this conversation, including for instance, how to get better information on Social Credit, which is obviously a struggle in a place that's less open, like China, and which is clearly sort of hindering some of these debates, because we would be having a much more insightful conversation, obviously, if we knew more about different aspects of the system, but obviously that's difficult in the Chinese system. I've just shared a link to our website where you can pretty soon find a recording of this conversation, plus a blog which will also make available background literature that we've used in in preparing for this conversation, and through that website you can also view some of the earlier conversations that we had in this series. For now, Chenchen, I wanna thank you again. Thanks Victoria, and thanks to my colleague Nou, for helping us organize, and thanks everyone for tuning in.

**Chenchen**: Thanks.