China’s Youth Social Credit System May Undermine CCP Legitimacy

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THE INTRODUCTION OF A YOUTH SOCIAL CREDIT SYSTEM (青年信用) to be established in China by the year 2020 has sent many China analysts scrambling.\(^1\) They assert that this plan will erode already limited rights and constrain behavior the government defines as subversive. Some analysts fear that technological advances and the proliferation of personal data will enable the Chinese Communist Party (CCP) to have a wider influence in the daily lives of Chinese citizens.\(^2\) With the goal of incentivizing and rewarding government-dictated “good citizenship,” this plan allegedly represents the CCP’s successful suppression of dissent from an increasingly globalized, vocal youth. This analysis is premature, if not mistaken. Despite youth social credit pilot programs rolling out in major cities, there are already clear indications these programs—which use volunteerism, technology, and mass surveillance to collect information on citizens and rate their behavior—may fail.

The CCP’s impulse to register and monitor Chinese citizens is nothing new. Since the 1950s, the *hukou*, or household registration system, has regulated migration within China.\(^3\) The *dang’an* (档案) system compiled dossiers of personal information, and the government has actively kept records on its citizens for decades to maintain social control. The youth social credit system is the latest iteration of this trend. This system proposes the use of credit ratings as a method to cultivate core socialist values, to promote integrity, and to rebuild trust and public welfare.

In June 2014, the State Council issued plans to begin developing the social credit system.\(^4\) In collaboration with the Communist Youth League Central Committee, the National Development and Reform Commission, and the People’s Bank of China, a leadership group to construct a youth credit system was subsequently established to begin conceptualizing the system. The expressed goal of the system is to promote “socialist core values,” to “serve the growth and development of young people to promote the construction of social integrity,” and to “provide a wealth of public welfare credit services and market-oriented credit products.” The implicit goal is to develop a model of citizenry that does not challenge the CCP, removes Western influence, and promotes the CCP’s conception of Chinese identity. The current blueprint has established a Volunteer China website,
actively encouraging youth to become registered volunteers.\textsuperscript{5} The stated goal is to have basic credit information for all young people by 2020.\textsuperscript{6} With more than 28 million volunteers already registered with their basic information as of May 2016, the CCP is leveraging technology to accomplish its goal.\textsuperscript{7} However, the proposed system is far from operational, and faces numerous hurdles. With no unified credit system covering the entire country, no visible, coherent approach for overcoming these barriers currently exists.\textsuperscript{8} Pilot programs in various provinces and cities and universities are experimenting in multiple directions, but there are no standards for behavior, leading to differences on messaging and policy. Beijing, Tianjin, Jiangsu, Zhejiang, Fujian, Hubei, Guangdong, Ningxia, and Chengdu serve as early pilot areas. Current pilot programs emphasize volunteerism and observable behavior, and do not specify their surveillance and data collection.

A pilot program in China’s eastern Jiangsu Province illustrates these concerns.\textsuperscript{9} Like other pilot programs, this program uses a government website for registration and relies on voluntary participation.\textsuperscript{10} The goal is to scale the program and create a unified provincial and municipal credit data system, but the incentives for volunteers remain unclear. A Guangdong pilot aims to incentivize participation by promising volunteers in good standing priority selection in school enrollment, employment, promotions, low-interest loans, and other preferential opportunities.\textsuperscript{11} How these incentives will operate in practice remains vague. It is unclear how employers, schools, and service providers themselves would be incentivized to work with the system. How behavior and activity will be rated, to what degree the rating is fixed, and the actual impact of ratings remains unclear; and there is no feasible plan in place to scale up the program. News stories promoting the pilot programs leave out specific details, nor has the leadership group revealed this information.

Another major challenge is technological feasibility. The leadership group has not provided much guidance for obtaining personal data other than through volunteers, nor has it indicated how government ministries would work with private firms that hold personal data. The leadership group’s construction plan introduces the establishment of a youth credit information sharing exchange directory and a database. The Chinese government has awarded licenses to
some companies to develop innovative solutions for data collection such as Alibaba’s Sesame Credit but it remains uncertain if such partnerships can fill the gap. There is little mention of processes to safeguard this information, coordinate among the different levels of government or across regions, or monitor the security of this system, without which potential volunteers may be dissuaded from sharing information.

It remains doubtful whether the leadership group can overcome these challenges and establish a viable youth social credit system by the expected deadline. Despite the legitimate concerns a successful youth social credit system poses for a generation of Chinese citizens, the ambitious scheme lacks the detailed construction needed to meet its 2020 benchmarks. Given the challenges of scaling the system, the party’s authority and legitimacy may be further diluted in the eyes of Chinese youth.

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