

# China Set To Rank Its Citizens On ‘Social Credit’

BY JULIE MAKINEN

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BEIJING — Internet users in America voiced outrage this fall over the imminent launch of a Yelp-style app intended to let anyone post public reviews of their friends, acquaintances and yes, enemies — with no opt-out option.

The outbursts prompted the creators of the app, Peeples, to reconsider. But in China, government authorities are hard at work devising their own e-database to rate each and every one of the nation's 1.3 billion citizens by 2020 using metrics including whether they pay their bills on time, plagiarize schoolwork, break traffic laws or adhere to birth control regulations. And there's no opt-out option.

Proponents of the so-called Social Credit System say it will help China overcome a multitude of societal ills for which it has gained international ignominy — from food and drug safety scandals to flagrant corruption, counterfeiting, tax evasion, academic cheating and even public defecation.

The goals for the project are nothing if not lofty: “carrying forward sincerity and traditional virtues,” “encouraging trust,” “raising the overall competitiveness of the country,” and last but not least, “stimulating ... the progress of civilization,” according to a lengthy brief published by China's State Council, or Cabinet.

But some fear that marrying FICO-style credit scores with school, employment, criminal and other records will create the ultimate Orwellian instrument of social control in a one-party state that in recent years has shown less and less tolerance for critical voices.

“The Chinese government already has a back door into everything on your phone and on the Internet, so this isn't exactly a new way to control people's lives,” said Hu Jia, a well-known political activist



JULIE MAKINEN/LOS ANGELES TIMES/TNS

**A sign in Beijing's main airport reminds Chinese to be civilized travelers, saying they “represent China's image” when they go overseas. The Social Credit System is designed to incentivize better behavior and punish poor behavior across a range of dimensions, from school to work to travel to driving.**

who has been imprisoned and held under house arrest for his activism around issues including the Tiananmen Square massacre, AIDS and environmental protection.

“What's new is that Chinese authorities can systematically analyze all this data ... and China doesn't have an Edward Snowden to focus the public's attention on these privacy issues,” Hu said.

Increased use of big data by central authorities, drawing on information from banks, mobile phone companies and e-commerce firms such as Alibaba, could in theory improve governance by serving as a check on corrupt officials who have long been able to do as they please.

Between individuals, sharing scores may help give strangers confidence to do business — or even go on a date. And in some ways, Chinese authorities' desire to incentivize moral or healthy behaviors through data mining may be no different, some observers note, than American insurance companies giving discounts to customers who upload digital proof from

their Fitbits that they exercise regularly.

“A lot of data capture is there to overcome horrible problems of bad government — ranging from pollution and food security to corruption in education and badly delivered healthcare,” said Rogier Creemers, a scholar of China and technology at the University of Oxford. While acknowledging that there could be rampant opportunities for the state to abuse such data, he added, “the idea that the Communist Party wants to legitimize its rule by pleasing the people is (also) basic politics.”

Hu, however, says the increasing ability of authorities to tap technology to know more and more details about citizens is increasingly giving life in China a “Truman Show”-like quality.

“My friends and I joke that we are no longer in a police state,” Hu said, “but a police empire.”

Although many details remain unclear, the Social Credit System will essentially be a 21st-century update of China's

long-standing secret personnel file system.

For decades, the government kept these files, called dang'an, on hundreds of millions of urban residents, logging their performance at school and work, but also at times recording information that might raise questions about their political leanings, such as whether they had “foreign friends” or read certain books. Cadres could consult these files when hiring new workers and granting benefits, but no one was supposed to see his or her own file, which was typically housed in one's state-assigned work unit.

With the rise of private enterprises and increasing mobility, the file system's central role in the Communist Party's web of social control has broken down over the last quarter-century. Many people who have migrated to cities like Beijing say their files remained in their hometowns; some from rural areas say they never had one to begin with.

For urban residents registering for social security benefits, or seeking to have a baby under China's strict family-planning regulations, the dang'an remains a fact of life. Perhaps that's why the idea of the state keeping secret files on them — on paper or in a computerized system — doesn't provoke overwhelming concern.

Wang Xiao, 19, recently was at a file management office in Beijing's Dongcheng district; he needed to pay into his Social Security-style insurance fund and have the payment registered into his dang'an.

“I'm not curious to open my file,” he said. “I don't think there is anything bad in it. ... I got the highest grade in my class so I'm not worried.”

Chen Chao, a 34-year-old vendor also waiting in line, agreed. “If you didn't commit a crime, why do you need to look at your file?” he asked, adding that he's looking

forward to an e-system. “An electric file will be more convenient for me. I believe the workers here have professional ethics, so they won't leak my information.”

Still, he said, he's cautious about his financial data and doesn't use a credit card, or online payment systems like Alibaba's Alipay. “My only electronic card is my social security card,” he said.

While Chen may avoid many modern conveniences, hundreds of millions of other Chinese have happily adapted. That's allowed companies like Alibaba to harness copious amounts of personal data to develop credit scores — which Chinese authorities envision incorporating into a Social Credit Score.

Using data on its customers' payment history, net worth, network of friends and associates, educational and professional history and consumption habits, Alibaba now assigns customers credit scores ranging from 350 to

950, with a rating over 700 considered excellent.

Alibaba encourages customers to share those scores — users can even add them to their online dating profiles to boost their appeal to potential mates. And the company has started to offer customers with scores above 750 perks such as rental car or hotel room bookings without a cash deposit. The company's cooperation with government is clear from offers such as a recent promotion that allowed top scorers access to an express security screening lane at Beijing's main airport.

“I just opened the app, showed my score, they took down my name and phone number and I breezed through in five minutes,” said Yolanda Liu, 30, who works for a state-owned sports organization. “China needs a credit system so that people like me who are responsible can get more benefits.”

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# PRESS & DAKOTAN

## Paris

From Page 11B

start separating themselves from the rest.

These are the candidates who have been helped:

Clinton. The day after the attack, she was asked during a Democratic debate to discuss a crisis that had tested her. The former secretary of state gave a very personal account of her “excruciating experience” as Obama administration officials discussed whether to kill terrorist mastermind Osama bin Laden.

Martin O'Malley, the former governor of Maryland, got the question next. “I don't think that there is a crisis at the state or local level that really you can point to,” he said, that compares to what a president has to decide. Clinton's big advantage was clear.

Trump. The real estate mogul's stinging, often divisive rhetoric is likely to hurt his general election chances, should he get that far. At the moment, a lot of frustrated Republicans welcome his outrage.

He wants a national database to register all Muslims living in the country. He says it would be “insane” to allow Syrian refugees into the United States. And he charges Obama “doesn't have any clue” how to defeat the Islamic State.

Selzer's first national poll after the Paris attacks, taken for Bloomberg News, had Trump leading Carson by 4 percentage points. By a nearly 2-to-1 margin, Republicans said Trump could combat Islamic terrorism better than Carson.

Cruz. The senator from Texas is starting to climb in Republican polls, and he's using the U.S. Senate stage to help. He engaged in a long-distance feud with Obama last week.

Cruz said he could accept barring Muslim refugees from Syria from entering this country, but not Christians. Obama, speaking at the end of the G-20 summit in Turkey, called such remarks “shameful” and “not American.”

Cruz, surrounded by reporters later in the week, fired back. “If you want to insult me, you can do it overseas, you can do it in Turkey, you can do it in foreign countries. But I would encourage you, Mr. President, come back and insult me to my face,” he said.

And these candidates have been hurt:

Carson. A neurosurgeon for all his adult life, he's taking hits for his lack of national security expertise.

Carson has repeatedly said he's got much to learn about foreign policy, but he has also said he has better intelligence sources than Obama.

In Ohio, Carson tried to explain his diplomatic know-how to reporters, saying, “I've

been to 57 different countries, I've lived abroad, and I have common sense and a brain.”

Sanders. He's been in Congress since 1991, but has not been known as active on national security affairs. “Clinton benefits in the short term” from the heightened fear of terrorism, said Donna Brazile, a party vice chairwoman who's neutral in the race.

Sanders is trying to show some expertise. He spent a big

chunk of his recent speech explaining democratic socialism offering his world view, but it was largely lost as the media focused on the main topic.

Governors. This year already was a bad one for the long list of current and former governors seeking their party's nominations. Their chief pitch, that they're Washington outsiders but long on executive and political experience, has been an effective one for

presidential candidates since the 1970s.

Not this year. Voters are signaling they don't want governors whose foreign policy experience usually means little more than dealing with the National Guard or leading trade missions. Candidates this year need either the resume or the ability to pound their fist and feel constituents' rage, and that rules out most governors.

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