**Headline:** Alongside China’s, Which Social Credit Systems Are Developing?

**Teaser:** China’s state-run social credit system has drawn global attention for years, but other versions are actively spreading. These systems increasingly shape the behavior and outcomes of citizens’ lives, often without their knowledge.

By John P. Ruehl

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**[Article Body:]**

By the late 2010s, China’s “social credit system” (SCS) was increasingly viewed as a notorious government effort to monitor personal behavior, shape public conduct, and control access to services. While the system traces back to the 2000s, it was officially expanded and formalized [in 2014](https://merics.org/en/report/chinas-social-credit-system-2021-fragmentation-towards-integration).

For example, [in 2019](https://qz.com/1628238/mixed-martial-arts-vs-tai-chi-case-settled-by-court-in-china), mixed martial arts fighter Xu Xiaodong made headlines when his social credit score was lowered “for insulting tai chi grandmaster Chen Xiaowang,” according to Quartz, which also led to him facing travel restrictions. In contrast, citizens in Rongcheng who earned the highest ratings of “AAA” through acts of charity and civic duty [enjoyed perks](https://www.scmp.com/news/china/politics/article/2185303/hi-tech-dystopia-or-low-key-incentive-scheme-complex-reality) like discounted energy bills.

Personal reputation and risk scoring tools have also spread globally, particularly in the private sector. These systems go well beyond customer loyalty programs or service prioritization. Their growing social, legal, and economic consequences make it urgent to understand how these systems work and how automation will make them faster, less transparent, and more consequential.

In the U.S., tenant verification companies like RentGrow have [mistakenly blacklisted](https://themarkup.org/locked-out/2020/05/28/access-denied-faulty-automated-background-checks-freeze-out-renters) renters for years, prompting a [2024 consumer protection lawsuit](https://epic.org/documents/naca-v-rentgrow/). Insurers are increasingly using non-financial data such as shopping habits and social media activity to [build behavioral profiles and alter their services](https://www.cbsnews.com/news/how-big-data-gives-insurers-a-giant-edge-over-consumers), pushing legal boundaries.

Ensuring trust, accountability, and good behavior in citizens and consumers is not inherently harmful when done by governments and companies, respectively. But when this exercise is powered by vast datasets and opaque surveillance tools, often involving scoring, these real-time behavior monitoring systems are prone to misuse.

**China**

China’s [government-run SCS](https://orcasia.org/chinas-social-credit-system) is the world’s most advanced, though it is yet to be completely implemented. Instead of isolated blacklists or points systems, it aims to collect and analyze a wide range of data, including finances, social behavior, and government records, to score citizens and [implore them](https://www.ifri.org/sites/default/files/migrated_files/documents/atoms/files/arsene_china_social_credit_system_2019.pdf) to follow state-approved norms.

The concept emerged in the [late 1990s and early 2000s](https://www.ifri.org/sites/default/files/migrated_files/documents/atoms/files/arsene_china_social_credit_system_2019.pdf), with local pilot programs starting [in 2009](https://velocityglobal.com/resources/blog/chinese-social-credit-system/). Rongcheng became an early [test case by 2013](https://www.technologyreview.com/2022/11/22/1063605/china-announced-a-new-social-credit-law-what-does-it-mean/), giving around 700,000 residents a baseline score of 1,000. Scores improved through actions like donating blood or volunteering, unlocking advantages like free medical checkups. Meanwhile, deductions were made for offences like tax evasion, which could cut off government benefits (though for many, the impact [was minimal](https://www.scmp.com/news/china/politics/article/2185303/hi-tech-dystopia-or-low-key-incentive-scheme-complex-reality)).

After Chinese authorities announced a national six-year development program [in 2014](https://merics.org/en/report/chinas-social-credit-system-2021-fragmentation-towards-integration), dozens of other “[demonstration cities](https://foreignpolicy.com/2021/09/15/china-social-credit-system-authoritarian/)” emerged. Local governments [often used](https://www.technologyreview.com/2022/11/22/1063605/china-announced-a-new-social-credit-law-what-does-it-mean/) small companies to help build the infrastructure and tech giants to scale it. In Hebei province, Tencent and WeChat help promote the nickname “[Deadbeat Map](https://www.monmouth.edu/magazine/the-dark-side-of-wechat/)” for an app that alerts users when someone with unpaid debt is nearby and [encourages users to report them](https://www.businessinsider.com/china-app-shows-map-of-people-in-debt-for-social-credit-system-report-2019-1). Millions of other Chinese citizens [have been blacklisted](https://www.theguardian.com/world/2019/mar/01/china-bans-23m-discredited-citizens-from-buying-travel-tickets-social-credit-system) from flights and high-speed rail, or investing in real estate or other products due to low social credit scores, according to a 2019 Guardian article.

While Chinese companies helped build the state-run SCS, some were entrusted to create their own. Giants like Alibaba and Tencent, whose apps are [deeply woven](https://www.imd.org/research-knowledge/china/articles/emerging-from-the-shadows-the-new-chinese-giants-aiming-to-unseat-alibaba-and-tencent/) into daily life through e-commerce, media, banking, insurance, transportation, and other services, use reputation profiles to expand their influence over users further.

Alibaba’s [Zhima Credit](https://d3.harvard.edu/platform-rctom/submission/zhima-credit-will-alibabas-social-credit-system-turn-china-into-a-black-mirror-episode/), launched in 2015, scores users on financial history, education and career, social connections, and charitable acts. Higher scores [offered](https://d3.harvard.edu/platform-rctom/submission/zhima-credit-will-alibabas-social-credit-system-turn-china-into-a-black-mirror-episode/) deposit-free rental apartments and expedited visas, yet its role shrank after 2018 when the government [declined](https://www.caixinglobal.com/2018-02-12/ant-financials-zhima-credit-to-stop-serving-unlicensed-partners-101210854.html) to renew private credit licenses. Tencent started its own [social credit feature within its WeChat app in 2018](https://www.caixinglobal.com/2018-02-01/tencent-pulls-credit-scoring-service-source-says-101206268.html) but suspended it within a day after public backlash, before rolling out another version [in 2019](https://technode.com/2019/01/11/wechat-credit-score-sesame-credit/?utm_source=chatgpt.com).

Chinese public reaction to the individual SCS [has been mixed](https://chinadatalab.ucsd.edu/viz-blog/how-chinese-citizens-see-social-credit/). Criticism [grew in several cities](https://merics.org/en/comment/chinas-social-credit-score-untangling-myth-reality) where programs penalized minor infractions, like missing dinner reservations. Central authorities called for the enforcement of penalties only through formal legal channels [in 2019](https://reflections.live/articles/22719/chinas-social-credit-system-fact-or-fiction-article-by-vanshika-jain-21988-mae3igt3.html), and some cities [switched to reward-only models](https://merics.org/en/comment/chinas-social-credit-score-untangling-myth-reality).

Despite its image as a centralized system, China’s SCS remains incomplete. The government is wary of empowering private firms too much or provoking public retaliation, and a national rollout planned for 2020 [was delayed](https://joinhorizons.com/china-social-credit-system-explained/) by the pandemic and infrastructure gaps. Still, draft social credit laws were introduced [in 2020](https://merics.org/en/report/chinas-social-credit-system-2021-fragmentation-towards-integration) to unify standards, followed by another [in 2022](https://www.technologyreview.com/2022/11/22/1063605/china-announced-a-new-social-credit-law-what-does-it-mean/). In March 2025, new [national guidelines](https://www.globaltimes.cn/page/202503/1331257.shtml) called for fully integrating social credit into economic and social life, reflecting Beijing’s long-term efforts to bring the system fully online.

**United States**

While China’s government-run SCS is unique, American companies have quietly built a sprawling and mostly unregulated personal scoring counterpart. Less centralized than China’s, it is in some ways more sophisticated, as profit-driven firms have experimented with minimal oversight.

What began in [the 1950s](https://www.snopes.com/fact-check/homebuyers-credit-scores/) as a way to assess creditworthiness has grown into a massive industry tracking and scoring individual citizens’ behavior. Companies collect data from online records and digital footprints to assign scores or create blacklists. Some keep these ratings secret, while others sell or share them. Together, they have created profiling systems that increasingly determine access to jobs, homes, services, and more.

Insurance companies led the way in using non-financial data for risk scoring. Car insurers, for example, [regularly purchase](https://www.nytimes.com/2024/03/11/technology/carmakers-driver-tracking-insurance.html) speed, braking, and location patterns from automakers to set premiums. Meanwhile, education platforms like EAB’s Navigate [generate student risk scores](https://themarkup.org/machine-learning/2021/03/30/texas-am-drops-race-from-student-risk-algorithm-following-markup-investigation) based on dropout likelihood, engagement, and future success, shaping their lives long before graduation.

An investigation by nonprofit publication the Markup [found](https://themarkup.org/machine-learning/2021/03/30/texas-am-drops-race-from-student-risk-algorithm-following-markup-investigation) “that the software, Navigate… used by more than 500 schools across the country, was disproportionately labeling Black and other minority students ‘high risk’—a practice experts said ends up pushing Black kids out of math and science into ‘easier’ majors.”

In public settings, tools like Alessa alert casinos when a visitor’s behavior triggers its proprietary “[risk score](https://alessa.com/industry-software/casino-aml/).” Patronscan, the largest ID scanning firm in the U.S. (and active in Canada, the UK, Australia, and New Zealand), allows a person to “either be flagged at a particular venue for up to five years, or flagged across the company’s entire network for up to one year,” according to a 2024 [article](https://themarkup.org/2024/07/27/id-scanners-can-change-how-your-local-bar-treats-you-and-whether-it-lets-you-in) in the Markup. The company faced a 2023 lawsuit for allegedly violating Illinois’s biometric privacy laws, but denied wrongdoing and settled the case [in 2024](https://themarkup.org/2024/07/27/id-scanners-can-change-how-your-local-bar-treats-you-and-whether-it-lets-you-in). It also flags high spenders as “VIPs,” prompting venues to offer them preferential treatment.

Data analytics company LexisNexis, meanwhile, builds extensive risk profiles for landlords, employers, and insurers using public records, court filings, and third-party data, with [limited avenues for individuals to dispute errors](https://www.consumerlawfirm.com/the-frustration-of-disputing-inaccurate-information-with-lexisnexis-a-personal-journey/). Trulioo offers global [identity and fraud risk assessments](https://www.businesswire.com/news/home/20241008440235/en/Trulioo-Launches-Global-Fraud-Intelligence-Capability), with especially deep coverage in the U.S. due to the expansive datasets and permissive privacy laws in the country.

American citizens have been drawn into the scoring economy as both subjects and participants. Platforms like Uber and Airbnb rely on user ratings to determine who gets rides, accommodation, and work. Yelp and Google reviews offer public feedback, but can also be weaponized by [review bombing](https://link.springer.com/article/10.1007/s11135-024-01981-z), which has harmed innocent businesses and creators.

While not as advanced as Chinese government efforts, U.S. government scoring systems include the [Automated Targeting System](https://epic.org/automated-targeting-system/) (ATS), used by the Department of Homeland Security’s Customs and Border Protection, to assign individual risk scores based on travel data, visa status, and airline records.

Additionally, police departments in [Chicago](https://legal-forum.uchicago.edu/print-archive/constraining-big-brother-legal-deficiencies-surrounding-chicagos-use-strategic) and [Los Angeles](https://money.cnn.com/2017/09/11/technology/future/lapd-big-data-palantir/index.html) began trialing threat scores for citizens in the early 2010s, incorporating social networks, past police interactions, and location. These scores influenced policing strategies, including the use of force and proactive interventions. Despite officially ending the use of this system in [Chicago](https://www.techpolicy.press/politicians-move-to-limit-predictive-policing-after-years-of-controversial-failures/) and [Los Angeles](https://lpeproject.org/blog/co-optation-and-counterinsurgency-in-surveillance-reform/) in 2019, predictive policing [returned](https://www.wired.com/story/soundthinking-geolitica-acquisition-predictive-policing/?utm_source=chatgpt.com) under new names and methods in both cities, often with the aid of private companies. The Federal Bureau of Prisons’ [PATTERN Risk](https://www.aclu.org/documents/aclu-statement-pattern-risk-assessment-tool) score, rolled out in 2022, meanwhile, assesses re-offense risk for prisoners.

The U.S. public reaction has grown increasingly wary of more open scoring systems. [Backlash to](https://www.foxbusiness.com/economy/esg-scores-similar-china-social-credit-system-designed-to-transform-society-think-tank-director-says) personal ESG (environmental, social, and governance) scores and corporate reputation metrics led to their diminished use. In 2023,Utah’s House Business and Labor Committee [approved HB281](https://www.sltrib.com/news/politics/2023/02/15/could-chinas-social-credit-score/), a bill to prevent the state from creating or using systems that employ social credit scores to reward or punish citizens.

Though the Equal Credit Opportunity Act (ECOA) of 1974 offers some federal protection for financial credit scoring, no comparable safeguards exist for behavioral scoring or digital blacklists. California Consumer Privacy Act (CCPA) [grants basic](https://themarkup.org/2024/07/27/id-scanners-can-change-how-your-local-bar-treats-you-and-whether-it-lets-you-in) data access and deletion rights to individuals, but opaque scoring systems have largely sidestepped it, and automated decisions do not need to be explained. The true number of such systems, both commercial and government-run, remains unknown, making them difficult to monitor or challenge.

**Other Global Practices**

Europe has attempted a more substantial regulatory approach to using personal data in scoring systems. The [General Data Protection Regulation (GDPR)](https://www.consilium.europa.eu/en/policies/data-protection-regulation), implemented in 2016, provides a comparatively stronger legal foundation, requiring companies to disclose why personal scores may change, for example. However, enforcement is uneven, and loopholes remain.

Alongside private scoring tools, European governments have introduced their own social credit systems under more benign branding. In Italy, [Rome and Bologna](https://www.philonomist.com/en/article/europe-temptation-surveillance) launched the smart citizen wallet in 2022, a pilot project rewarding citizens for eco-friendly behavior like recycling or using public transport. In the UK, “[loyalty points](https://www.nationalreview.com/2021/07/chinas-social-credit-system-arrives-on-british-shores/)” schemes in supermarkets monitor spending habits (as well as physical activity) for use in pilot health programs, an initiative introduced during Boris Johnson’s tenure as prime minister.

Social credit systems [are more widely accepted](https://onlinelibrary.wiley.com/doi/10.1111/1758-5899.13337) in parts of East and Southeast Asia, where stronger state capacity, centralized digital infrastructure, and cultural norms make behavioral tracking less contested. In South Korea, a state-led “[Green Credit](https://www.unescap.org/sites/default/files/32.%20CS-Republic-of-Korea-green-credit-card.pdf),” encouraging sustainable living by rewarding eco-friendly actions, has been in place since 2011.

Private initiatives have also emerged in Asia, notably through [super apps](https://www.zintego.com/blog/exploring-the-top-6-super-apps-in-asia-and-their-impact-on-the-global-digital-revolution/) that combine multiple services, building consumer profiles to control access and perks. Japan’s [all-in-one app](https://www.japantimes.co.jp/commentary/2024/06/05/japan/line-superapp-diplomatic-dispute/) Line, widely used for communications, payments, and other utilities, raised eyebrows [in 2019](https://www.fastcompany.com/90370203/line-just-went-orwellian-on-japanese-users-with-its-social-credit-scoring-system) after announcing plans to implement an AI-driven social scoring system to reward and restrict users based on their online and offline behavior. Given Line’s ubiquity, its experiment is a major step toward privately governed social credit structures.

Though promoted as tools to encourage good behavior and deter bad conduct, these systems amplify social pressure and push societies toward a [digital panopticon](https://www.theatlantic.com/magazine/archive/2020/09/china-ai-surveillance/614197/)—a state of constant surveillance driven by government and commercial incentives. These models will continue to mature and become more dangerous in [the U.S. and other countries that lack](https://jpia.princeton.edu/news/social-credit-system-not-just-another-chinese-idiosyncrasy) adequate data protection. Without strict limits on surveillance by both governments and corporations, fears of AI misuse, algorithmic bias, false correlations, and harmful feedback loops will only grow as these scoring systems govern more of everyday life.