Social Credit System Based on Personal Benefit Records of Social Insurance

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Abstract: It is proposed in the Outline of the 14th Five-Year Plan for National Economic and Social Development and the Long-Range Objectives through the Year 2035 to give full play to the supporting role of social credit system construction for high-quality development and strengthen the ability of social credit system to serve the overall construction of socialist modernization country. In this paper, based on the personal benefit records of social insurance, through practical investigation, the focus of the top-level system design of social credit system is qualitatively explored, the integration points of the social credit system mechanism construction are summarized, and targeted suggestions are put forward from the technical implementation level to strengthen the punishment of dishonesty, and countermeasures to improve the social credit system construction are explored.

1. Introduction

The Chinese government proposed to build a comprehensive multi-level social security system covering the whole people, coordinating urban and rural areas, with clear rights and responsibilities, moderate and sustainable guarantees, which is the objective requirement of socialism with Chinese characteristics entering a new era, adapting to the contradiction between people's growing needs for a better life and unbalanced development, a new goal put forward on the basis of the basic establishment of the social security system, and one of the major arrangements for China to achieve the goal of becoming a strong country in socialist modernization in 2050.

Relying on the construction of a multi-level social security system, taking the social insurance rights and interests record as the starting point, and through a unified national social insurance public service platform, the construction of the residential credit system in the social security field should be accelerated in accordance with the general requirements of "building up a basic safety net; helping those most in need; and making relevant institutional arrangements". Helping those most in need means to give full play to the role of social policy as a backstop, ensure the basic living needs of the masses, take the bottom line of people's livelihood, and stick to the bottom line of social stability. Building up a basic safety net means to achieve the widest coverage of the system, so that everyone can enjoy basic social security. Making relevant institutional arrangements means to continuously deepen reform, establish and improve institutional mechanisms, and constantly improve the level of legalization and institutionalization of social security.
Social security is the institutional arrangement of the state to resist social risks, involving the whole life of all residents. Social security service, as the "leader" for the government to provide basic public services for residents, is an important component of social governance, of which the construction of social security credit system based on the personal benefit records of social insurance is the carrier of soft power in the social security public service system. It is not difficult to find that the countries that have successfully realized social transformation and service-oriented government construction since 1990s all take the integration of social security public service system as a breakthrough and integrate with the whole social credit system, which not only saves administrative expenses, but also strengthens the intangible constraints of social credit and realizes the interactive progress of administrative system reform and public service system construction.

The Social Insurance Law officially implemented in China in July 2011 clearly stipulates that the social security number is the same as the resident ID card number, which can give social insurance agencies the responsibility of managing residents' benefits records and providing social insurance services, marking the entry of China's social management and basic public services into a new era of "protection of residents' benefits" and "social network management". During the same period, the Measures for the Administration of Personal Benefit Records of Social Insurance published by the Ministry of Human Resources and Social Security comprehensively records the important information of the residents' social insurance, covering the base and amount of contributions for each type of insurance, from which the insured can learn about the specific contributions.

The general objectives set out in the Outline of the Social Credit System Construction Plan (2014-2020) (Guo Fa [2014] No. 21) are as follows: by 2020, the basic social credit laws, regulations and standards system will be basically established, the credit information system covering the whole society based on the sharing of credit information resources will be basically established, the credit supervision system will be basically sound, the credit service market system will be relatively perfect, and the credit rewarding and punishing system will be fully implemented.

Great progress has been made in the construction of China's social credit system after years of practice. During the Thirteenth Five-Year Plan period, the credit rewarding and punishing system was fully implemented in the fields of social management, such as market access, qualifications for posts and restrictions on high consumption. In order to solve the problem of wage arrears of migrant workers, the labor and social security department specially carried out the construction of "credit system for enterprise wage payment", evaluated the employer's ABC law-abiding credit rating, set up a "blacklist" of enterprises in arrears of wages, and implemented multi-department joint punishment, increasing the punishment from restricting government financial support, government procurement, bidding, production license, qualification examination, financing loans, market access, tax incentives, and evaluation. [1] In order to solve the problem of difficult implementation, the People's Court established a joint disciplinary action against dishonesty involving more than 60 departments to strengthen the punishment against serious dishonesty through compulsory measures such as restrictions on leaving the country, judicial custody, and investigating the crime of refusing to execute, so that those who have lost faith will be warned and punished. As of December 2020, a total of 7.51 million persons subject to enforcement for dishonesty in credit in China have automatically fulfilled their obligations under the pressure of credit punishment, indicating that the difficulty of implementation has generally slowed down. [2] Of course, in the process of practice, some new situations have emerged in the credit rewarding and punishing system that for minor dishonesty, dishonesty caused by force majeure such as natural disasters or epidemics, as well as non-subjective intentional and minor dishonesty, disputes are included in the dishonesty blacklist, and "one size fits all" dishonesty punishment is adopted, which is easy to backfire and does not have real punishment effect. The credit system should be further improved in the future in terms of how to identify, record and punish acts of dishonesty with high social concern and lack of unified understanding.

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In December 2020, the State Council issued the *Guiding Opinions on Further Perfecting the System of Restricting Dishonesty in Credit and Constructing a Long-term Mechanism of Integrity Construction*, which proposes to standardize and perfect the mechanisms of punishment for dishonesty in credit and credit repair for faithless activities in accordance with the general principle of complying with the law, protecting rights and interests, prudence and moderation, and inventory management, so as to push the social credit system into a new stage of high-quality development. In the *Outline of the 14th Five-Year Plan for National Economic and Social Development and the Long-Range Objectives through the Year 2035*, it is clearly stated that the credit laws, regulations and standards system should be established and improved, the public credit information catalogue and the list of measures for punishment of dishonesty in credit should be formulated, and the credit repair mechanism for untrustworthy subjects should be improved. Three important principles should be highlighted in the work progress: First, the record of dishonesty, the identification of the list of serious dishonesty subjects and the punishment of dishonesty are related to the vital interests of individuals, enterprises and other subjects, and must be operated in strict accordance with laws and regulations. Second, it is necessary to accurately define the scope of identification of credit information and the list of subjects of serious dishonesty, reasonably grasp punishment measures for dishonesty, and resolutely prevent improper use or even abuse. Third, it is necessary to ensure that punishment is commensurate with default, and strictly implement different types and different levels of punishment measures according to law in accordance with the areas, seriousness and degree of influence of the acts of dishonesty, so as to effectively protect the legitimate rights and interests of credit subjects.

Based on personal benefit records of social insurance and to improve social credit system arrangements, it is suggested to focus on the following issues from the perspective of top-level system design.

1. The first demand of citizens for the country is to ensure the basic safety of life, and social security is provided as a prerequisite for the existence of state rationality. Employment and social security are both citizens' rights and obligations, citizens have the obligation to participate in social insurance plans and pay social insurance premiums, and national social insurance agencies have the responsibility to record and serve citizens' payment and benefits for life. The personal benefit records of social insurance involve most of the residents' information. As long as they are connected with the bank credit system, they can constitute the residents' archives of social management and form the core platform for the construction of the residents' social credit system.

2. The personal benefit records of social insurance are the core of social management. A social insurance public service system with one number, one network, one card and one window should be established with the "benefit records" of civil of social insurance as the core. The establishment and improvement of resident archives in the information age, involving contact information, basic income, family status, occupation status, etc., can fully reflect the six basic aspects of information of residents, is the breakthrough point of social construction and the basic platform for the construction of resident archives with the dual functions of social management and public service.

3. Social construction in China has entered a new era of "protection of citizens' benefits" and "social network management". With social security rights and interests records as the core, an information sharing mechanism should be established between government departments and social organizations to form information linkage among social security, civil affairs, public security, population and family planning, housing construction, customs, and employment units, so as to make use of each other, reduce government operation costs and improve work efficiency.

4. Privacy protection and key management under big data credit reporting. Affected by the trend of big data in pursuit of full data, promiscuity, correlation anddatalization, big data credit reporting has greatly widened the scope of personal information. Apart from traditional credit information data, personal internet big data, sensing data, behavior data, geographical location data, etc. are all included...
in the investigation dimension, which can be converted into personal credit evaluation through algorithm model, resulting in further blurring of the boundary between personal information, credit information and privacy. Based on the comprehensive consideration of technical realization difficulty, market demand, cost and efficiency, credit reporting agencies have no incentive to treat personal information, credit information and private information differently in the process of personal information collection and processing, resulting in the fact that the right of informed consent, dissent, correction and deletion enjoyed by information subjects are often not fully respected and guaranteed. In practice, the complicated and trap-filled privacy policy, the forced "transfer" of personal information control right in order to receive related services, the complicated process, high-tech barriers and high costs of investigation and evidence collection after personal privacy is violated, often become the main obstacles preventing information subjects from seeking judicial relief.

5. Credit evaluation and personal privacy protection by legislation. On the road to automation and intelligence in the big data credit industry, personal information and personal privacy are facing the risk of being collected and used without restriction or discrimination. In China, the legislation on the protection of personal privacy information lags behind, and the current legislation is mostly indirect, fragmented and framework regulations, with many problems, such as unclear authority and responsibility of law enforcement departments, unscientific and unreasonable rules for collecting and processing personal information, high law-abiding cost of enterprises, poor judicial relief channels, high cost and low efficiency of individual rights protection and so on. In particular, under the background of big data, there are no corresponding specific provisions on how to standardize the collection and processing of personal information, how to protect the legitimate rights and interests of the information subject, what kind of judicial remedies to provide, etc., which makes the personal privacy protection face the dilemma of no legal basis.

Combined with the practice of social credit system construction in China, based on the personal benefit records of social insurance, the construction of social credit system mechanism in the future should focus on the following aspects of integration.

1. The resident social security number (i.e., resident ID number) is the "dragon nose" (key point) of social management, which is managed in a unified way with one number, one network, one card and one window. With the social security "benefits record" as the core, the "resident information system" (including foreigners living legally for a long time) and information sharing mechanism are unified, and social security public services are sent into the community to facilitate residents, improve the quality of public services and reduce public services. Therefore, China needs to integrate the social security issues scattered in various departments and end the situation of decentralized management.

2. Integrate population information, establish resident archives, and improve the scientificity and effectiveness of social management. In the era of big data and information in internet plus, the sharp increase in population mobility has brought about the "interrupted filing" in the archives of employees and the household registration management of public security. Instead, the "resident archives" of social management should be adopted. Social security numbers and social security personal accounts are important foundations of social management, which are lifelong, timely and interactive, and naturally become the core parts of residents' archives. It is suggested to establish an information sharing mechanism centering on "residents archives" in the whole country, which is connected and intercommunicated. It is not only convenient for data statistics, but also convenient for the transfer and carrying of social security relationship between urban and rural residents, so as to eliminate the phenomenon of "information isolated island" between administrative departments.

3. Build a population data platform and strengthen social credit management. The record and information system of residents' social insurance benefits, as an operating platform for collecting, processing, using and privacy protection of residents' social insurance credit information, is the basis
for formulating and implementing social insurance policies, which can reduce the living cost of residents who abide by credit, encourage residents to be self-disciplined and law-abiding, punish illegal and dishonest behaviors, and prevent welfare fraud. For this reason, the social security administration plays a role of the second security bureau. The national social security administration should establish a personnel information sharing mechanism with the entry-exit departments, and then use border control fingerprint information to effectively collect the information of the outflow population, thereby strengthening the government's ability to manage society and changing the social phenomenon of "economic growth and data poverty".

To improve the construction of social credit system, it is necessary to strengthen credit constraints and punish for dishonesty in credit from the technical level. [3]

1. The positive energy of keeping faith should be formed in the whole society by carrying forward the value criterion of honesty and credit, and intensifying the recognition and publicity of the advanced deeds of personal honesty and trustworthiness; commending the honest enterprise legal person and legal representative individual, and creating a trustworthy and glorious public opinion atmosphere.

2. Focus should be put on strengthening punishment for dishonesty in credit by establishing the authority of administrative supervision, and increasing the flexible restriction of dishonesty constraints and punishment; intensifying efforts to speed up the record and disclosure of dishonesty, and forming a three-dimensional punishment mechanism for dishonesty in the whole society, including government supervision, industry restraint and social supervision, so as to form a deterrent force for the whole society and encourage the whole society to be honest and trustworthy.

3. Information disclosure and improper use should be prevented by strengthening the protection of the benefits of credit information subjects, implementing the accountability mechanism for credit information infringement as soon as possible, and formulating rules on handling credit information objection and complaints, litigation management system and operating.

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