# The Embodiment and Perfection of the Principle of Honesty and Credit in Commercial Law

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ABSTRACT. In recent years, with the rapid development of social and economic levels, enterprise cooperation has shown a good development status. Under the favorable situation of cooperation and win-win, the credibility has gradually attracted people's attention. This article will explain the connotation and specific role of the principle of honesty and credit in civil and commercial law, and propose the main perfect path of the principle of honesty and credit.

KEYWORDS: Honesty and credit; Commercial law; Role

#### 1. Introduction

## 1.1 Instruct People to Exercise Their Power to Actively Fulfill Their Obligations

In civil and commercial matters, there is often a change in the civil and commercial conditions that the two parties originally established on the basis of fairness and justice in the process of fulfilling their obligations, which causes the parties to directly create conflicts in rights and interests. The emergence of the two sides is the lack of honesty and credit. In order to effectively avoid the emergence of this phenomenon, the principle of honesty and credit directly stipulates the rights and obligations of both parties from the legal point of view, and prompts the parties to fulfill their obligations and exercise their power. We must take into account each other's rights and interests and avoid losses. Therefore, the principle of good faith is conducive to guiding people to exercise their power and actively fulfill their obligations.

## 1.2 Interpretation and Evaluation of Legal Acts

With the development of social economy and the emergence of various economic activities, various legal facts have appeared competing. This part of the legal facts has not appeared in the past legal practice, so there is no clear relevant regulations as the basis, and honesty and credit. Principles have important significance in the

interpretation of such legal facts, which can help people to consider the errors and correctness of such legal facts from the direction of moral civilization, and to conduct fair judgments and evaluations, safeguard the legitimate rights and interests of the parties, and establish The impartial authority of the law.

## 1.3 Interpretation of Supplementary Law

The content of the law is also constantly improving and correcting with the progress of the times and practice. In order to more effectively maintain the harmony and stability of the society and solve various disputes in the actual social life, the state needs to continuously formulate detailed and fair legal provisions. However, the progress of social life and the vagaries of the market economy will also cause many defects and loopholes in the current law. When there is a problem that cannot be solved by applying the current legal provisions, it is necessary to follow the principle of good faith and moral civilization. The judgment of the parties' behavior is judged, and this new law is formulated with this fair and objective attitude. Therefore, the principle of good faith is conducive to interpreting and supplementing the law.

#### 2. The Principle of Good Faith is Embodied in the Civil and Commercial Law

## 2.1 The Principle of Good Faith and Credit Law

Specifically, in the course of the performance of certain contracts, if the external situation changes result in the change of the necessary contract provisions or the cancellation of the contract, the principle of good faith should be applied to make it necessary to comply with the honesty in the process of change[1]. Credit principle eliminates the factor of fairness. In the process of improving the market system, both parties to the contract should also have better contractual obligations, and legal creditor contracts are the source of these obligations. Compared with the traditional creditor's rights contract, the current creditor's rights contract is more clear, and the definition of the powers and obligations of the ten creditor's rights is more accurate. The effectiveness of the ten contracts and the performance of the ten contractual clauses are more clearly regulated. Under the premise of the creditor's rights regulations, the civil contract is also continuously extended in terms of the scope of the obligations and powers. And under this premise, the contractual obligations are continuously expanded. In some cases, if there is a change in contractual obligations or a detailed division, in order to ensure that the contract changes will not harm the interests of both parties or lead to unfair distribution of benefits, the principle of good faith should be used as the basic principle of conduct.

# 2.2 Honesty and Credit Principles and Property Law

The property law enjoys the same status in the civil and commercial law as the

credit law. It is an important part of civil law. In the property law, the principle of honesty and credit is mainly embodied in the principle of property rights. Under the influence of the disclosure of property rights, once the property rights are publicized, they will have credibility. The property rights publicity clarifies the ownership of property rights and guarantees the normal property law order. Specifically, in the process of contact between the parties or parties, the parties must comply with the principles of public trust and publicity in relation to the property rights involved, and ensure the transparency of the property rights information to ensure the legality of the property rights in the process of alternation[2]. To protect the legitimate rights and interests of the property owner. When the relevant judicial department judges the property right, it first needs to use the property right public notice as the basic reference for the property right judgment and case review. In this process, the principle of good faith is mainly manifested in the credibility of property rights and the disclosure of property rights. Through this public notice, it ensures that the relevant property rights information is placed in an open and transparent environment to enhance the realm of property rights. Integrity

# 3. Honest Credit Principle Perfect Path

#### 3.1 Clearly Define the Connotation of the Principle of Honesty and Credit

The implementation of the principle of honesty and credit also needs the support of legislative basis. Therefore, the connotation of the principle of honesty and credit should be clearly defined in the civil and commercial law and related laws and regulations, and the application of the principle of honesty and credit should not be avoided. Appropriate or unscrupulous use of its loopholes to undermine the harmonious development of the market economy, so that the principle of honesty and credit can truly play the role of laws and regulations, and achieve supervision and restraint on market economic behavior.

## 3.2 Enhance the Order of Honesty and Credit Principle

In order to truly implement the principle of honesty and credit in the economic trading activities of the market and to establish an important guiding position for the principle of honesty and credit, the relevant legislative departments should regard the principle of honesty and credit as the emperor clause in the continuous improvement of the legal system. Before other basic principles, improve the order of the principle of good faith[3], make it superior to other basic principles of civil law, truly raise the awareness of the importance of the principle of good faith, and use the principle of good faith as the highest standard of activity in all economic activities. We will ensure the orderly development, harmonious and stable development of market economic activities.

## 3.3 Improve the Relevant Principles of the City Credit System

At this stage, the legal system is a means to effectively regulate people's behavior. In the market economy activities, various honesty and credit problems and contradictions often appear, and even people's lives and property are threatened[4]. Therefore, the legislative department needs to constantly improve the Market economic activities carry out relevant legal systems that restrict and constrain, and constantly improve the specific content of the principle of good faith, so that market economic activities pay attention to moral concepts and integrity in the environment of good honesty and credit principles, and further strengthen the implementation of the principle of good faith. Realize the effective regulation of market economic activities and continuously promote the stable development of the market economy.

## 3.4 Establish and Improve the Social Credit System

The construction of social credit system is of great significance to the credit construction of market entities and the consciousness of market entities. It is an important way to realize the active restraint of market entities in complying with laws and regulations and to take the initiative to act according to law[5]. At the same time, this is also a need for all sectors of society. The important work of construction, through the establishment and implementation of the legal system, deepens the observation of the principle of honesty and credit in market economic activities, thereby increasing the importance of market entities to credit construction, continuously enhancing their sense of social responsibility and legal awareness, and realizing their own enterprises. The image is established to promote the sustainable development of enterprise production.

## 3.5 The Government Strengthens Supervision and Management

The government should give full play to its important functions in the construction of the social credit system, establish and improve the government supervision and management mechanism, attach great importance to the important role of the principle of honesty and credit in market economy activities[6], and actively take effective measures to promote credit construction and the social credit system. Establish and improve the role of guidance, supervision and restraint. Through the transparent and open supervision of honesty and credit, we constantly require the improvement of personal and corporate information, establish and improve the enterprise and personal information system, deepen the implementation and implementation of the principle of honesty and credit, and clearly stipulate the principle of honesty and credit in the actual operation of enterprises, implement

# 4. Conclusion

China needs to constantly strengthen the construction of morality and the rule of

law, strengthen the supervision and management of the market, regulate the market and people's behavior, and at the same time improve relevant laws and regulations, especially the construction of honesty and credit and practical connotation in civil and commercial law. The construction of a credit system will improve the overall quality of citizens.

## Acknowledgement

The 2017 national social science foundation youth project "Research on reform of commercial registration system Against the background of mass Entrepreneurship and Innovation", Project approval number:17CFX029

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