

**OECD/GOV Webinar Series: OECD
Building A New Paradigm For Public
Trust**

**The Trust Divide: How COVID-19
Exposes the Impact of Inequality on
Citizen Confidence in Government**

**Introductory remarks by Elsa Pilichowski
Director, OECD Directorate for Public Governance**

[19 October 2020, 3.00 pm CET]

Good afternoon and welcome to all the participants of the third webinar of our series “Building a New Paradigm for Public Trust”.

Today’s webinar “**The Trust Divide: How Covid-19 exposes the impact of inequality on citizen confidence in Government**” during the current crisis, and what policies and actions governments can take to foster a fair and sustainable recovery that restores public trust.

Before I introduce our speakers, let me provide some remarks on today’s topic.

The Covid-19 crisis has exposed the urgency of addressing existing inequalities: evidence shows that the **low-paid, women and young people are those paying the heaviest economic toll**. For instance, according to a real-time survey in 11 OECD countries and Brazil, 30% earners in the lowest quartile stopped working during the shutdowns, more than double of earners in the top quartile – only 14% stopped working (OECD Employment Outlook, 2020).

In addition, evidence shows that marginalised groups are those who have lower trust in others and in public institutions. For example, according to a survey carried out by the Pew Research Centre in the US, only 11% of young people aged between 18-29 display high levels of trust compared to 25% people aged between 50-64, and 37% for elderly Americans. Similarly, 1 in 3 respondents with high personal incomes (£50,000 or more) reported high levels of trust in government in a survey carried out in the UK by the John Smith Centre at Glasgow University; a substantial difference with lower income respondents (£10,000- £19,999), where fewer than 1 in 5 respondents reported high levels of trust.

Trust between citizens and governments is critical for policymaking and the functioning of societies. Trust provides legitimacy to institutions, strengthens social cohesion, and facilitates the implementation of public policies. The COVID-19 crisis is testing people’s trust in governments, 12 years after the global financial crisis had already seen plummeted levels of trust in many countries. **Governments are at a turning point**

in terms of legitimacy to respond to the crisis and build forward more inclusive and resilient societies and economies.

Our panellists today will present recent data not just on economic inequalities. Indeed, we observe also alarming levels of political polarization, alienation, and feelings that elites have co-opted the system at the expense of the public interest. **48% of respondents from 28 countries, including 15 OECD members, surveyed by the Edelman Trust Barometer in 2020 feel that the political system is not working for them.**

This crisis is also a wake up call for restoring public trust.

How can we help countries in planning and implementing a recovery that builds trust? I will mention three aspects:

1. First, the OECD has refocused its economic approach beyond growth, considering the dimensions of inequality and inclusion. And we have learned that the way in which **public policies are planned, implemented and communicated, is as important as the policies themselves.** We will continue to bring public governance at the core of our economic approach.
2. Second, the **OECD has advanced in measuring trust and understanding its drivers.** The **OECD Guidelines on Measuring Trust** offer a series of questionnaires with the highest criteria of statistical quality. Through the implementation of those household questionnaires combined with qualitative analysis, we are now working with the help of Finland and Norway to test the theoretical and empirical robustness of the **OECD Trust Framework**, which identifies five main drivers of trust in government: responsiveness, reliability, integrity, fairness, and openness. The aim is to provide better evidence on many public governance efforts and their importance in building public trust to help governments, based on sound evidence, prioritize public governance reforms more efficiently.

3. Third, the COVID-19 crisis has made evident the need of more granular, disaggregated and widely available data on drivers of trust in institutions and on the unequal impacts on different population groups and geographies. This webinar series is helping us understand where to focus attention to enhance evidence that policymakers, civil society and institutions can use.

I will conclude highlighting that **maintaining trust in institutions during these challenging times will be vital in ensuring effective policy response to the crisis.**

This will require a broad-based cooperation and active engagement with citizens, and a clear understanding - and communication to citizens – of what the recovery choices will entail for certain population groups, firms, society, etc.

To this end, the OECD is committed to advancing its work on trust, in particular to **improve the evidence on the specific reasons for the decline in trust and on the policies that governments can take to regain it.** I wish us all a successful discussion.