



Trust, Institutions and Resilience: Opportunities for Recovery

Public Governance Directorate and Economics Department Webinar

**Opening Remarks by Angel Gurría
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Good afternoon and welcome to today's webinar on "Trust, Institutions and Resilience: Opportunities for Recovery".

Never has the issue of trust and the resilience of our economies and institutions been as relevant as it is today. Public satisfaction and trust in our democracies is at an all-time low. The latest Cambridge Global Trust Report 2020 shows that democratic discontent has been on the rise since the mid-1990: the number of people who are "dissatisfied" with the condition of democracy in their countries rose by 9.7 percentage points to 57.5% in 2019. And the results did not improve in 2020. The COVID-19 crisis is expected to exacerbate economic and social inequalities, and further erode people's confidence in public institutions.

Although economies are on the mend, the recovery will take time. The OECD projects that global GDP will rise by around 4.2% in 2021, while trade and investment are also expected to recover. Most OECD economies will still be smaller at the end of 2021 than they were before the pandemic. Economic growth has a key role to play in boosting the confidence of consumers, but it is not the silver bullet that will rebuild trust.

The public perception of how governments have responded to recent national and global challenges undoubtedly lies at the heart of this mistrust. OECD surveys found that the responsiveness and reliability of the public sector was the most important determinant of people's trust in government.

We are not saying that democracies are failing entirely. But they are under threat. According to the Edelman Trust Barometer, 48% of respondents from 28 countries, including 15 OECD Members, feel that the political system is not working for them. This mistrust is significant enough to bring about a rise in populism, social unrest and sometimes deliver perverse political outcomes.

In recent decades we have also seen the rise of new or evolving challenges that are impacting the way the public views their democracies; these include disinformation and undue influence.

The OECD has been helping governments recover public trust. This webinar is part of an ongoing series of seminars on “Building a New Paradigm for Public Trust” in which we are aiming to get to the bottom of some of these questions.

Let me provide some food for thought by outlining a few perspectives on how the OECD is considering the response to waning trust in the context of the recovery from this crisis.

First, in the near term, strong multilateral action and co-operation between countries to match the level of ambition of national responses will be critical. This will also be a condition for the success of vaccination campaigns.

Second, we need to make our economies more inclusive and sustainable. We have seen how, during the pandemic, higher levels of trust in governments are associated with substantially higher levels of compliance with measures to reduce the spread of the virus. The success of countries' ambitious recovery plans from COVID-19 will depend on the trust citizens have in the capacity of governments to anticipate future threats and safeguard long-term interests.

Last but not least, we need to really get to the bottom of why people are dissatisfied and take action to address this challenge. It is a complex picture, but we must continue to ensure the rule of law, integrity, fairness and openness in institutions. These form the foundations of well-functioning governments and play a critical role in building and sustaining public trust.

Dear friends,

Trust is the essence of our strategies to combat the pandemic. It is also a vital element of our recovery strategies. If we do not take measures to recover public trust in government, large parts of our societies will not participate in the vaccination campaigns and we will not reach herd immunity, prolonging the pain and the cost of the crisis.

The OECD will continue to work with governments to help them recover and strengthen that trust, by improving international comparisons and promoting the exchange of good governance practices. I am confident that this effort will bear important fruit.

Thank you.