



Helping the EU Win the Trust Game

Andrea Renda

There is no doubt that the world is going through troubled times. The past decades have seen positive, breath-taking developments such as the rise of globalization and the advent of the Internet age, the gradual reduction of poverty and a dramatic increase in life expectancy, also thanks to unprecedented deployment of infrastructure, scientific breakthroughs and successful cooperation between countries in global governance. At the same time, these processes have been accompanied by a rise in income inequality in many parts of the world, a massive shift from labour to capital and the emergence of pressing, existential challenges such as climate change and the uncontrolled, malicious use of digital technologies such as Artificial Intelligence. At the time of writing this note, demonstrations for a more proactive, accountable and responsive climate policy are spreading across the world, under the thrust of younger generations and the backing of spiritual leaders; once-idolized and traditionally unregulated digital giants are being prosecuted for having violated competition rules and having failed to control hate speech, online piracy and disinformation campaigns; hordes of migrants place their hopes on the European Union by attempting to cross the Mediterranean Sea or trying the Balkan route, mostly to see their hopes frustrated; the first billion dollars to build a wall with Mexico was generously granted to the President of the United States; the *gilets jaunes* are forcing the French President into a long, unprecedented national debate to reconnect people with power; the Italian government bounces back dinghies and boats attempting to cross the Mediterranean thanks to a Minister that claims to speak as a “family man”; and the British political establishment leads a whole nation to spiral down into a meaningless Shakespearian (if not Kafkian) tragedy, sparked by a bad idea (the referendum) and nurtured by a sequence of misunderstandings and collective action problems.

Andrea Renda is Senior Research Fellow and Head of Global Governance, Regulation, Innovation and the Digital Economy at CEPS and “Google Chair” for Digital Innovation at the College of Europe in Bruges.

CEPS Commentaries offer concise, policy-oriented insights into topical issues in European affairs. As an institution, CEPS takes no official position on questions of EU policy. The views expressed are attributable only to the author and not to any institution with which they are associated.

Available for free downloading from the CEPS website (www.ceps.eu) • © CEPS 2019

The “trust game”

It is clear that trust in both private and public institutions has deteriorated, as citizens and civil society increasingly fail to see either of them providing concrete solutions to their problems and perceived risks. It is no mystery that the financial crisis of the end of last decade, and the economic crisis that followed in the European Union, has led to a massive loss of trust in large financial institutions, as well as in government. For a few years, digital giants have almost replaced governments as authorities in which citizens/users had trust. Google was the answer to any question, Facebook your best friend, Amazon your daily shopping mall, Twitter your newsstand, Apple your shiny device. These companies profited from the centripetal forces that govern the Internet, becoming outliers in the world economy: the main differences in companies’ performance between the US and the EU are due to the extraordinary rise of these Superstar Firms, gradually mirrored by developments in China. Economists observe that market power has risen significantly over the past two decades, mostly thanks to this fistful of “trillion-dollar companies”.

But a darker age has now come also for Internet giants. As in Icarus’ flight, their growth has not come without consequences, and seems poised to burn them any time soon. Regulators are now reclaiming their role, taxing and blaming online intermediaries, forcing them to share data and even pondering on splitting them up. Workers and users demand compensation of the “data dividend”. Content producers and telecom companies demand a more balanced digital ecosystem through new network neutrality and copyright rules. And scandals like Cambridge Analytica, just as raging episodes of massive malware spread and the threat of new, devilish “deep fakes” contribute to the further erosion of trust in these digital Gods.

Welcome to the “trust game”. Users, citizens, civil society, even traditional firms are longing for the next institution to trust. Whether it will be the private sector, or global public governance, or a mixture of the two, it is hard to say. What is undeniable is that governments have an unprecedented opportunity to regain citizens’ trust by guaranteeing their citizens against the perils of cyberspace, climate change, and deteriorating social conditions. In order to do so, however, they will have to “walk the talk”, show coherence in pursuing a vision of society that is inclusive and sustainable. They may also have to use digital technology, in a way that reconnects them with citizens, and involves them in co-creating the future: thereby Europe’s attempt to set rules for “trustworthy Artificial Intelligence”, possibly on the way to a trustworthy European Union. Forget data: trust is the new oil.

The EU and trust

At the EU level, this trust game reaches a peak. Not only the EU is questioned for its democratic legitimacy since its early days; but the ideal of the “good superpower”, which made the EU a prospective global leader of sustainable development and human rights has collapsed under the weight of the Continent’s irresponsible behaviour in the Mediterranean, internal fractures and lack of coherence in developing a meaningful strategy for the Continent’s path towards sustainable development. EU trust levels are now slowly recovering after a considerable decline following the 2009 European debt crisis: yet, according to the latest Eurobarometer trends,

only around 40% of European citizens trust the EU or its institutions. Not only distrust inhibits political participation and satisfaction with democratic processes; it also furthers the crumbling of the Union, as exemplified by the British vote to leave the EU.

The EU trust problem is exacerbated by a number of additional factors. First, civil society inevitably holds the EU, with all its premises and promises, to very high standards. We somehow expect the EU to stand for human rights, sustainable development goals and other responsible policies more than its Member States, or other superpowers. Accordingly, we are not surprised when the EU does it; but we certainly cry scandal when it does not.

Furthermore, national politicians, also experiencing growing distrust among their population, often exploit their proximity to the voters and the Union's imperfect multi-level governance to Europeanise all failures and nationalise all successes. Attempts to deepen EU action to *i.a.* welfare policy and education have often backfired, since Member States like to retain control of those policies that come closest to citizens. At the same time, claiming that competences should be repatriated to the national level is difficult, due to the often obvious advantages of acting at the EU level: as a proof, the recent report of the "Timmermans Task Force" on subsidiarity and proportionality did not find any area that would warrant repatriation. The stalemate in coordinating policies across levels of government is evident in key domains such as migration and long-term decarbonization (Ashford and Renda 2016). And emerging solutions, such as agencification, do not come without consequences: in her vivid analysis of the EU's crisis of democratic legitimacy, Vivien Schmidt (2015) found that EU actors have sought to fix the economics and calm the politics by progressively reinterpreting the rules without admitting it in the discourse, with far-reaching consequences for trust in EU institutions: the ECB is seen either as 'hero' or 'ogre,' the Council as 'dictator' or 'deliberative political body,' the Commission as 'ayatollahs of austerity' or 'ministers of moderation,' and the EP as a 'talking shop' or a potential 'equal partner.'

Restoring trust is essential today, as the challenges awaiting the EU become gigantic in size and difficulty. The need to tackle rising societal challenges is now leading to new avenues in policymaking, including the adoption of so-called mission-oriented innovation policy in the future "Horizon Europe" program, and (hopefully) a new age of policy coherence under the aegis of Agenda 2030, based on a very ambitious commitment to mainstream sustainable development goals throughout all aspects of EU policy. Contrary to what happened with the Lisbon agenda and Europe 2020, here targets and objectives should be adapted to local and territorial needs, and the joint attainment of 2030 goals should occur through broad public-private partnership and a strong involvement of civil society and industry. The stakes are high, as the EU approaches elections amidst fears that populists and Eurosceptics will end up gaining more power in the European Parliament.

TRIGGER: Europe's role in global governance, interacting with large audiences

The troubling context described above forms the starting point of a new EU-funded project led by CEPS, called [TRIGGER \(Trends, in Global Governance and Europe's Role\)](#), which will last until the end of 2021. With TRIGGER, we plan to achieve important, ambitious results. First, we want to build two parallel datasets, one on global governance and one on EU governance, to understand under what conditions the EU managed to be effective in influencing global governance. Is a united EU more effective in achieving results in global governance fora compared to cases in which its Member States “go it alone”? What does this mean for current proposals, such as giving the EU a permanent seat in the UN? And what does this imply for upcoming debates such as how to achieve the SDGs, how to govern Artificial Intelligence, or whether to create a EU minister of finance? We will collect a large amount of information on public and private governance in various domains in a forthcoming Atlas of Global Governance, Regulation and Europe's Actorness (AGGREGATOR), which we will leave open to the research community, so that it can be improved, updated and used in future research *ad libitum*.

Second, we will leverage the potential of new technologies to bring foresight one step forward, towards the engagement of large audiences in the co-creation of governance decisions. This will require advanced tools for policymaking, from sentiment analysis to web scraping, coupled with games and other forms of crowdsourcing of policy ideas. We will test these tools with the aim of creating a new toolkit named COCTEAU (Co-creating The European Union), which will be available for download towards the end of 2020. AGGREGATOR and COCTEAU will then be merged into one interactive platform, which will see the light in 2021. We will then dive into specific domains to test our tools, exploring EU governance options on sustainable development, climate change, migration.

The TRIGGER project inevitably requires merging a variety of academic backgrounds, from political science to data science, economics, law, regulatory governance, and obviously mastery of the EU as a global and local actor. We will navigate towards our goals thanks to thirteen academic partners from the EU and beyond, and a scientific advisory board with some of the brightest minds in the relevant academic domains TRIGGER. We very much hope to see many more institutions, academics, civil society representatives involved in this project in the next few years, as we start to produce tools. I am sure these results will “trigger” even more research questions: after all, this is the marvel and uniqueness of research projects, and the reason we are so determined to pursue them.