

Can governments use technological innovation to regain the trust of citizens?

*People tend to trust their governments less than they trust business, the media, and NGOs. **Jaideep Prabhu** writes that our experience with big tech companies has made us expect the same level of convenience and responsiveness from public services such as healthcare, education, and the judicial system. He suggests four principles to help governments innovate and catch up with big tech.*

For over two decades now, Edelman, a communications marketing firm, has conducted [an annual survey](#) of the trust that people place in four key institutions in their respective countries: government, business, media and NGOs. A major and consistent finding is that of these institutions, citizens [trust their governments the least](#).

Indeed, trust in government reached historic lows in the aftermath of the financial crisis and was just beginning to creep back up when the pandemic struck. In the first few months of 2020, trust in government went up but then subsequently fell again. So much so that by January 2021, business, NGOs and media were all trusted more than governments were [in several countries](#) around the world. In some countries—South Korea, the UK, China, Mexico, and Canada in particular—the loss in trust in government entered double digits. And in [18 out of 27](#) countries surveyed, businesses were the most trusted institution of all.

Why do citizens trust their governments so little and why do they trust businesses more? I would argue that responsiveness and competence are key drivers of trust in any organisation, whether in the public or private sector. And while businesses around the world have been convulsed by radical change and innovation and have learned to do more with less under the sheer dint of shareholder and competitive pressure, governments have been slow to catch up. Indeed, new forms of organisation in the private sector, enabled by digital technologies, have shown ordinary people what is possible in their lives.

Companies like Amazon, Netflix and Google have made us impatient for similar levels of convenience and responsiveness from our governments and public services. As a result, citizens everywhere now expect more from their governments and are hankering for change. For instance, a [2019 Gallup poll](#) found that, on average across OECD countries, 30 per cent of citizens were dissatisfied with healthcare in their area, 34 per cent with the education system and 44 per cent with the judicial system and the courts.

So: can governments catch up? And if so, how?

Undoubtedly, the pressures on the state to change and innovate are enormous. This was true even before the pandemic and is even more so now. But equally, as in the private sector, states now also have access to new technologies and forms of organising that can help them to do more and better with less and do this faster. Moreover, as states begin to make better use of digital technologies to deliver more and better for their citizens, and do this faster and cheaper, they are also under pressure to ensure that they do not misuse their power over us in the process. For instance, as the digital tools at their disposal give states more data on our behaviour, the pressure on them grows to ensure the security of this data and maintain our freedom and privacy in doing so.

How then can governments achieve efficiency and effectiveness while ensuring they do not trample on our freedom, privacy and security?

I would suggest that to achieve this balance governments must adopt four key principles – in this instance arrived at by studying cases of actual government and public sector innovation from around the world including India's [unique ID project](#); China's [social credit system](#); the Central Bank of Kenya's support for the [mobile payments service M-Pesa](#); Bangladesh's [a2i programme of digitisation](#); the city of Boston's Mayor's Office for [New Urban Mechanics](#); and the UK's [Centre for Connected and Autonomous Vehicles](#), among others.

The four principles we can usefully draw from these cases are as follows. First, states must be responsive to the needs of citizens. In designing and delivering public services, they need to work outside-in, from the perspective of citizens, rather than inside-out from the perspective of the bureaucracy. I explore how this is being done in areas such as social care by organisations like [Buurtzorg](#) in countries like the Netherlands and elsewhere.

Second, states must be inclusive, and balance the interests and needs of different groups of citizens. For instance, in designing social security and employment laws, states must balance the need that employers have for flexibility with the need that job seekers have for security. Examples of such an approach include “[flexicurity](#)” in Denmark and with various experiments with the Universal Basic Income around the world.

Third, states must be experimental: they need to constantly try new solutions in pilots to reduce the risk of failure, and then evaluate and scale these solutions. To some extent, this has been done in the UK with the [Behavioural Insights Team](#) and the [What Works network](#) in education and criminal justice.

Fourth, states must be entrepreneurial: they must be proactive in engaging with new technologies and firms, regulating them in smart new ways, and cultivating them so they flourish. Here I would cite the UK’s [regulatory sandbox](#) approach to fostering the fintech and autonomous vehicles sectors and the [city of Barcelona’s](#) engagement with the maker movement to drive local value-added manufacturing and innovation.

As the Edelman surveys demonstrate, citizens often see businesses as being more competent and ethical than governments. And while citizens feel governments have made progress in terms of ethics (though, of course, this can easily be thrown away again), they continue to be viewed as incompetent. Indeed, Richard Edelman, the head of Edelman, states that ‘people tend to trust businesses more than governments, in part because “[business gets stuff done](#)” while government is seen as “incapable’. People seem to trust technology companies in particular because ‘they deliver value’.

With the world reeling from the pandemic and complex systemic issues such as climate change still to be addressed, it is of great importance that we again ask the question of how a government should be. If we don’t, we risk ending up with one we would not wish to be governed by. Increasing state competence has never been more important. My book shows governments and citizens how.



Notes:

- *This blog post is based on the author’s book [How Should a Government Be? The New Levers of State Power](#) (Profile Books).*
- *The post expresses the views of its author(s), and do not necessarily represent those of LSE Business Review or the London School of Economics.*
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