

TiGRE white paper / executive summary

The TiGRE project was designed to respond to the call “Governance for the future”, which was part of the H2O2O Work programme “Europe in a changing world – Inclusive, innovative and reflective societies”. In this call, the decline of trust in governments and institutions represents a main concern, which could negatively impact governance at various levels (<https://tinyurl.com/v3tnwpzx>). Thus, improving or restoring trust in institutions becomes a priority for national governments and European institutions to ensure the well-functioning of democratic systems. Against this backdrop, the main results of the TiGRE project point to the fact that trust relationships unfolding in regulatory regimes are stronger than expected. In addition, in TiGRE, we suggest that the concept of distrust deserves attention too: deprived of its uniquely negative connotations, it depicts a watchful attitude between actors involved in—or impacted by—regulatory regimes, such as legislative politicians, regulatory authorities, ministries, courts, regulatory intermediaries (like certification bodies), as well as interest groups, consumer associations and arbitration bodies. The main results show that high trust can co-exist with levels of watchfulness. A balanced combination of trust and distrust, which corresponds to a “trust but verify” attitude (i.e., watchful trust), is adequate to ensure the well-functioning of regulatory regimes and the existence of robust trust relationships within regulatory regimes and between regulatory institutions and citizens. However, too much watchfulness between actors endangers the legitimacy of the acceptance of procedures and the way regulatory decisions are taken in the eyes of regime actors.

/// TRUST AND DISTRUST IN REGULATORY REGIMES AND REGULATORY AUTHORITIES

The TiGRE project aimed at achieving much more granularity in the study of trust relationships than allowed by the usual focus on citizens’ trust in government. To do so, we have distinguished two main levels of observation: the first one investigates trust by regime outsiders, such as citizens and the media, two types of actors who are only indirectly involved in the regulatory process. In this regard, a survey was conducted to measure the level of citizens’ trust in regulatory agencies. According to the main findings of this survey, citizens’ trust in regulatory agencies is, on average, rather high, with relatively slight variation across countries and between policy sectors. These findings contrast with the common assumption that there is a crisis of trust in public authorities. Moreover, TiGRE relied on the analysis of media reporting, case studies, and a survey experiment to identify how the media influence trust-building processes towards regulators. The results indicate that the respondents often perceive the media as an active player in framing trust perceptions for broader audiences. Usually, media coverage turns to a negative tone when trust incidents such as banking scandals, data leaks and food safety crises make it to the headlines. It is specifically worth of note that, after such incidents, the strategies of regulatory agencies vary. Whereas, in some cases, agencies actively attempt to rebuild trust and use the media to do so, in other cases, agencies stay silent, possibly to eschew the blame for the incident or to deny the problem – this latter strategy being much less effective than the former.

The second level of observation applied in the TiGRE project concerns the examination of trust relationships between actors *within* regulatory regimes, comprising core actors such as regulatory agencies themselves, legislators, executive bodies, courts, and regulatory intermediaries, as well as more peripheral ones, such as the regulated organizations, interest groups and consumer organizations. To do so, a large-scale survey conducted in nine countries (Belgium, Denmark, Germany, Israel, the Netherlands, Norway, Poland, Spain, and Switzerland) delved into actors’ perceptions of trust and distrust relationships in the three policy sectors under study (food safety, data protection and finance). According to the results, the respondents are primarily confident, albeit to varying degrees, the regulation of their policy sector. This is in line with citizens’ perceptions mentioned above. However, although both public and private actors mostly report rather high trust in institutions and, in particular, in the national regulatory agencies, they are at the same time frequently watchful towards them (i.e., the behavioural manifestation of distrust). This proves that trust and distrust are not opposites but can co-exist. Crucially, our analyses also indicate that their combination can benefit the perceived performance of regulatory regimes in keeping citizens safe from harm and ensuring sufficient compliance from regulatees. However, our results also suggest that excessive watchfulness can erode the legitimacy of the regulatory regime and decrease the acceptance of the procedures and the way regime actors make regulatory decisions. Finally, another key finding based on social network analyses and interviews is that high intensity of interactions between regulatory actors is associated with high levels of trust. This is not only a key result to uncovering the mechanisms behind trust relationships but also indicates the importance of sustaining contacts among actors for developing and maintaining trust relationships in well-functioning regulatory regimes.

/// CONCLUSION AND IMPLICATIONS

The initial concerns about the waning of trust towards regulatory governance and institutions in established democracies were not confirmed by empirical evidence in the sectors and countries covered by the TiGRE project, despite some cross-sectoral and cross-country variations. The first conclusion of TiGRE is that regulatory regimes currently appear weakly affected by low levels of trust in political institutions. The second conclusion is that maximizing trust is not unequivocally desirable: trust is beneficial, especially when it comes along with some degree of watchfulness. A balanced combination of trust and watchfulness enhances the capacity of trustors to put faith in trustees that are truly trustworthy while also continuously verifying whether their trust is not misplaced. Interestingly, our research has also shown that such a combination of high trust with high watchfulness is the one that is the most strongly associated with perceptions of high performance of regulatory regimes.

All in all, the need to ensure an appropriate balance between trust and watchfulness has two practical implications from which we can derive our recommendations. To begin with, this entails that regulators strive to achieve enough inclusion, ensure balanced representation, and provide accountability mechanisms to integrate various stakeholders in the regulatory process to enable effective vigilance. This also means being more open and capable of receiving discordant arguments from a pluralist panel of actors, which may differ regarding interests and resources. Second, from the perspective of those being regulated and those benefitting from regulation, being effectively watchful requires clarifying and voicing demands for appropriate modes of regulation, regarding both substance and style. In other words, watchful regulatees (such as the regulated industries), consumer associations, and other stakeholders need to monitor institutions' regulatory behaviour and voice concerns if required.

Ultimately, the problem currently seems less to be one of declining trust than of meaningfully discriminating between actors that are legitimately perceived as trustworthy and those that deserve less to be considered so. We think that mechanisms strengthening participation, deliberation, and accountability—that are unevenly developed—are necessary for that purpose as they offer opportunities for stakeholders to provide inputs and feedback. Among several recommendations we address in the white paper, we suggest that strengthening the communication and the interactions between regulators, regulatees and the public at large is important to generate optimal levels of trust and ensure compliance and, thereby, the adequate performance of regulatory regimes. Appropriate communication strategies also allow regulators to repair trust after critical incidents: blame-shifting and problem denial pay less than a proactive attitude, demonstrating problem awareness and willingness to learn from mishaps.

