

# Q&A: Rachel Botsman on the third trust revolution

*Digital Business Lawyer* spoke to Rachel Botsman, Author of *'Who Can You Trust?: How Technology Brought Us Together - and Why It Could Drive Us Apart'* (Penguin Portfolio). Rachel discusses the nature of trust and shares her thoughts on what she believes to be the third and biggest trust revolution in the history of humankind, and one that we are currently experiencing: that of distributed trust.

## *Are we facing a trust crisis?*

I am slightly dubious about the word 'crisis.' Everywhere you turn, a dominant narrative has taken hold: there's a 'crisis of trust.' It has become a fearful meme of our times.

It's partly true - global communications firm Edelman's annual trust barometer<sup>1</sup> in January 2017 revealed that trust in all four major institutions - government, the media, business and NGOs - has hit an all-time historic low. Other various opinion polls including Pew<sup>2</sup>, Gallop and Ipsos<sup>3</sup>, are all telling the same sad story. Scandals such as the Paradise Papers and breaches such as Equifax haven't helped, but something else is at work. Institutional trust, taken on faith, kept in the hands of a privileged minority and operating behind closed doors, simply wasn't designed for the digital age.

But I believe trust is like energy - it can't be destroyed; it just changes form. Trust, the glue that holds society together, has shifted from institutional trust to a new form I call distributed trust. Instead of flowing upwards to institutions, experts, authorities and regulators, it now flows horizontally to peers, friends, colleagues and fellow users. So, it's less of a crisis for, say, the Airbnb host or the Uber driver who are benefiting from the new ways people are trusting.

## *How have digital technologies impacted trust?*

The impact cannot be overestimated - but we're only just seeing the tip of the iceberg.

On one hand, digital technologies have enabled us to connect and collaborate, often with complete strangers, on a remarkable scale. For example, on an average night, more

than two million guests spend the night in a property rented out on Airbnb.

But the flipside is technology has made us more cynical, sceptical and disconnected from each other. Look at the fake news phenomenon and Facebook, for example: it's undermining the credibility of news in concerning ways and Facebook has been slow to act, arguing they're a neutral gateway when, in fact, they are the media company of our generation. Their refusal to see themselves that way has been damaging to our trust in Facebook, the wider media, even the truth. We're outsourcing our trust to algorithms or bots without slowing down and properly thinking through the circumstances. That's why I think we are at a precipice of making key decisions that could help influence whether technology really connects us, in meaningful ways, or whether it will drive us apart.

## *How have the risks and benefits from the changing nature of trust impacted businesses and consumers?*

It's funny because at every panel event I attend I get asked the same question by institutions such as banks, media organisations and big businesses: how do we get consumers to trust us again? But I think it is the wrong question.

Getting consumers to trust again relies on the old model of institutional trust, which flowed upwards to authorities, experts, regulators. But that's now being replaced by what I call distributed trust which flows sideways to peers, neighbours, friends, colleagues.

Asking consumers to trust them again puts the onus on to the consumers, who no longer trust vertically in those hierarchies. The real onus needs to be

on the institution to change the structure and the systems it operates within to take advantage of the horizontal flow of distributed trust - or they risk losing more customers and more trust.

## *Have the online world, innovative new businesses and our addiction to immediacy and convenience made us more vulnerable?*

Yes, so often in our lives we let convenience trump trust. Consider the new Amazon Key launched recently. Most of us have at some time experienced coming home to discover a package slip because we were out when the courier or postman came around. We have to rearrange delivery or wait in line at the post office. It's friction. It's a small hassle. It's our time.

So Amazon comes along and says, buy this new lock and let us install a camera in your home so you can let the courier in at any time and you can see what they are doing in your home. It feels like you the customer are in more control but are we, really? Are we going to let one of the tech behemoths control our door locks and voluntarily put cameras into our homes? Well, the answer is yes for many consumers who will make the trade-off - my commerce and privacy in exchange for you saving me some hassle. It seems mutually beneficial when in fact it is a lopsided relationship of power that makes us vulnerable.

## *How do you see trust evolving in the near future, do you expect a backlash to the digital world's ability to entice us to trust without question?*

I think the backlash will come from our inability to decipher the intentions behind so many digital technologies. It's trust on speed. And when we are in an accelerated mode of trust, we can be impulsive. It requires a

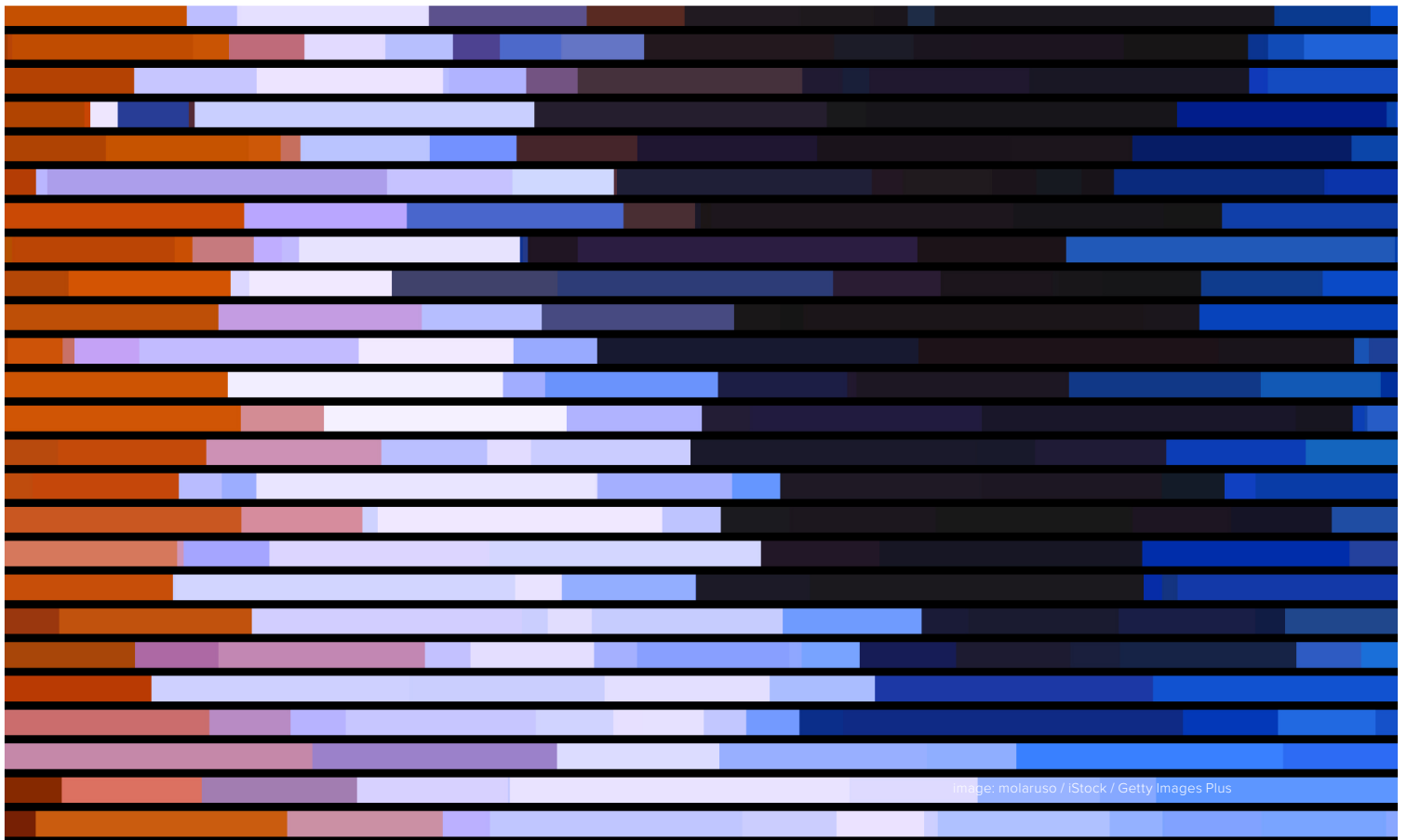


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conscious gear change to slow down and think twice about our decisions. Efficiency can be the enemy of trust.

The other area of our lives where I think we will see the strongest push-back will come from those of us who can remember trust being a vital part of what makes us human, and fighting not to relinquish that to clever personified bots who masquerade as your friend.

**What inspired you to write your latest book: *Who Can You Trust?***

After my first book on the collaborative economy, I became obsessed with how technology could make us engage in behaviours that might previously have been considered a little creepy or outright risky, such as opening our homes and cars to strangers - contravening the number one rule your parents teach you growing up. This coincided with incidences like the lack of accountability for the GFC and the MPs expenses scandals.

I had a hunch something deeper was connecting these issues: my theory is that we're in the third and biggest trust revolution in the history of humankind. The first chapter was local, where everyone knew everyone else and trust flowed sideways to community members.

The second was institutional, where trust was intermediated through contracts, courts and corporate brands to create an organised industrial society. And the third is distributed trust, which returns us to the horizontal trust direction of the local era. But this era is still in its infancy.

I think this question of who we trust is one of the most pressing questions we face. It's not a case of a lack of trust but placing too much trust in the wrong people and places. That's why I decided to write the book. To hopefully give people the information and tools to ask better questions to decide: is this person, information or thing worthy of my trust?

**What was the most surprising finding of your research?**

I think it was surprising to find so many people in a panic, and determined for there to be more trust in society. We don't need more trust in society; what we need is more trustworthiness. When a trust vacuum emerges it gets filled with concerning things - dark algorithms, populist politicians, fake news editors, conspiracy theories. But more trustworthiness treats trust like the precious asset I believe it is.

It was also surprising to reveal and

but the myth that this is the age of distrust. It's far from it: instead of trust in the hands of the privileged few at the top of institutions, it's now in the hands of the many. The flatlining of institutional trust can be empowering for many. The consequences are scary and exciting in equal measure.



1. <https://www.edelman.com/trust2017/>

2. <http://www.people-press.org/2017/05/03/public-trust-in-government-remains-near-historic-lows-as-partisan-attitudes-shift/>

3. <https://www.ipsos.com/ipsos-mori/en-uk/politicians-are-still-trusted-less-estate-agents-journalists-and-bankers>

4. <https://www.amazon.co.uk/Who-Can-You-Trust-Technology/dp/024129617X>