



*Business at OECD* (BIAC) Contribution to the OECD  
Global Forum & Public Governance Ministerial  
Meeting: Reinforcing Democracy and Building Trust

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# Reinforcing Democracy and Trust in an era of increased global challenges

In recent years, OECD member countries have confronted unprecedented challenges comprising a global financial crisis, the effects of climate change, a global pandemic and a war in the European continent. These developments have led to severe economic and social consequences through supply chain disruptions, rising energy prices, inflation, a shrinking middle class and increased political polarization. In a globalized world, countries need to cooperate and engage with key stakeholders to effectively design policy solutions that address the aforementioned challenges. When so doing, it is crucial that the functioning of democratic institutions is not eroded and that citizens trust the democratic system and its actors.

As the OECD notes, public satisfaction with the way democracies are functioning has decreased since the mid-1990s and has been challenged further by the COVID-19 crisis. This is playing out differently across countries, including through low voter turnout, greater political polarization and larger groups dissociating themselves from established democratic processes or expressing discontent through new types of protest. Beyond affecting social cohesion in OECD Member countries, this trend is increasingly hindering policy making and governments' ability to address social and economic challenges, thus further increasing dissatisfaction with the functioning of democracies.<sup>1</sup>

In this context, *Business at OECD* (BIAC), the officially recognized business advisory body to the OECD, strongly welcomes the OECD Global Forum & Public Governance Ministerial Meeting, which brings together Ministers and key stakeholders under the theme '***Reinforcing Democracy and Building Trust***'.

Preserving and promoting the democratic system is of utmost importance for *Business at OECD* (BIAC). In this context, we strongly condemn Russia's unjustifiable illegal war against Ukraine. We underline the fundamental importance of international law and the protection of human rights and stand in solidarity with the people of Ukraine. The war is first of all a human tragedy for the people of Ukraine. In addition, the war is also creating severe challenges for countries, societies and businesses worldwide, many of which have to face a drastic increase in production costs that put their existence at risk. Particular attention should be paid to the increase in energy costs, the global decrease in the supply of critical raw materials, and food security challenges.

<sup>1</sup> [https://one.oecd.org/document/C\(2021\)164/REV1/en/pdf](https://one.oecd.org/document/C(2021)164/REV1/en/pdf) , page 2

It is in this context, we want to emphasize our strong support to democratic values and institutions to counter destabilizing powers that intend to harm the functioning of our established democracies to promote their geopolitical goals. As a crucial actor in society and a key stakeholder in the policymaking process, the business sector seeks to actively contribute to the discussions on how to reinforce the functioning of democracies and increase citizens' trust in both public and private institutions and policy-making processes.

*Business at OECD (BIAC)* welcomes the focus of the Public Governance Ministerial meeting and regards the strengthening of democracies as a priority since strong democracies significantly contribute to the respect of human rights and to increased trust in public institutions. Simultaneously, it also results in a more transparent business environment with less corruption and thus more foreign direct investment that contributes to jobs, higher productivity and economic growth.

We regard the OECD as the appropriate institution to discuss how trust in the democratic system can be reinforced thanks to the like-minded nature of the OECD community, which is "committed to the preservation of individual liberty, the values of democracy, the rule of law and the defense of human rights".<sup>2</sup> In addition, the OECD's long-standing institutional setting enables crucial social actors, i.e. trade unions, through TUAC and the private sector, through BIAC, to provide comprehensive and balanced input and share best practices. This unique cooperation with the institutional stakeholders further reinforces the OECD as an organization that is ideally suited to discuss how to strengthen democracies in the context of digitalization.

We very much appreciate the comprehensive agenda for the Ministerial. In our contribution to this Ministerial meeting we will particularly focus on two issues that are of particular concern to our member companies and organizations: addressing mis- and dis-information and addressing rights in the digital age (digital rights). Our paper will first focus on individual aspects concerning mis- and dis-information, since there are various challenges that we believe are crucial for governments to take into account. The second part of this paper will focus on the rising questions around Rights in the Digital Age, in particular why addressing this issue can bring greater economic certainty as well as the importance of engaging with the private sector through a multi-stakeholder approach. Additional comments on other agenda items will be provided during the meeting.

<sup>2</sup> [https://one.oecd.org/document/C/MIN\(2021\)16/FINAL/en/pdf](https://one.oecd.org/document/C/MIN(2021)16/FINAL/en/pdf) page 1

# Mis- and Dis-information

The dynamic pace of the digital transformation has altered how people access and share information, affecting whom and what they trust. Whilst rapid developments in technology offer governments, business and citizens new opportunities to communicate and engage with the public, the spread of mis- and dis-information poses an evident challenge to democracy and creates confusion, polarization and distrust among the public. Through this statement, Business at OECD (BIAC) intends to contribute to the debate by providing some key elements that should be included when addressing this important issue.

## Key message: Mis- and dis-information negatively impacts business

Mis- and dis-information negatively impacts business activity and the benefits the private sector brings to the economy and society. Increased access to information online generally promotes democratization and reinforces the private sector's ability to access and exchange information leading to greater value creation for business. On the flip-side, the spread of mis- and dis-information damages business interests, harms reputation and poses ethical problems, both due to the difficulty in moderating content posted online by private users and entities, and the challenging nature of controlling the spread of mis- and dis-information. It can potentially severely damage the trust, reputation and perception of businesses, ultimately affecting their revenues, ability to secure investment and operations at large. Additionally, mis- and dis-information is challenging on different scales since larger companies have more resources to counteract, and SMEs, including start-ups, require more support to protect themselves from the spread of mis- and dis-information and its detriments.

## Key considerations:

**Definition:** A clear definition of mis- and dis- information is needed among governments and multilateral institutions. Indistinctly establishing what qualifies as mis- and dis- information (defining the illegal qualification) is a crucial step when addressing this global issue to determine which information can be online and which cannot. Although definitions can vary according to countries' different institutional configurations and priorities may change over time, establishing a common principle agreed at OECD level can allow an efficient approach, as it would provide both business and governments greater legal clarity vis-à-vis potential regulations. It would also help to restore public trust through the development of a common understanding.



**Rights and responsibilities over data:** The question of data rights and data responsibilities is central when addressing mis- and dis-information. In advancing effective governance in the digital environment, it is important to address the question of the legal responsibility over the spread of mis- and dis-information online taking into account fundamental rights such as freedom of speech. In this context, it will be helpful to have guidance to provide with regard to mis- and dis-information published online and to do this in harmonization with existing guidance, such as the EU's Digital Services Act. Additionally, it is crucial to acknowledge the potential harmful impact of mis- and dis-information with regards to the development of algorithms and their predictions when they build on data available online (i.e., autonomous cars).

**Education:** Governments should promote education programs on digital media literacy, including to educate and equip citizens with skills to identify mis- and dis-information and prevent its further circulation online. Moreover, while early education and awareness-raising in this context are important, such programs should be available across, and tailored to, all age groups. It is also essential for educational programs to be based on public-private cooperation, since digital innovations come from private companies, which also develop tools that seek to enhance digital literacy.

**International cooperation:** Cooperation at international level on this matter is necessary, given the cross-border and global impact of mis- and dis-information. As mentioned, whilst other multilateral institutions such as the Council of Europe<sup>3</sup> and the United Nations<sup>4</sup> are also working on mis- and dis-information, we believe that the like-minded nature of OECD Members makes the OECD the ideal forum to lead the work in this field given its cross disciplinary focus on this issue. The OECD Public Governance Committee should ensure close cooperation with the relevant OECD Committees and cooperate with the relevant multilateral institutions to avoid duplication of work, recommendations, and legislation and to work towards clear guidance that benefits all stakeholders including business.

**Multistakeholder approach:** Finally, because of the impact of mis- and dis-information on society at large, it is essential that the OECD adopts a multi-stakeholder approach to the issue and engages with civil society, the technical communities and private sector, together with governments. In this context, we support the OECD establishing a HUB to collect best practices and evidence and continues fostering cooperation between stakeholders and with other international organizations.

<sup>3</sup> Council of Europe: [Report on information disorder](#)

<sup>4</sup> United Nations: [5 ways the UN is fighting 'infodemic' of misinformation](#)

# *Business at OECD (BIAC) on rights in the digital age: A critical challenge for OECD economies*

The fast-paced propagation, adoption and evolution of digital technologies is disrupting our economies and re-shaping our societies. Advances in technology are already transforming the way we work and live today. Digital technologies provide new ways to exchange, consume and communicate through new channels, raising questions about how governments should approach the impact of digital technologies on the protection of fundamental rights in the digital space.

In this context, protection of personal data, freedom of expression, ensuring safe and trustworthy information, or bridging the digital divide are critical challenges that OECD economies face. Therefore, it is important to acknowledge, understand and seize the opportunities that digital technologies offer, while fostering trust and protecting rights online in the same capacity as offline.

## 1. Respecting digital rights can bring certainty to economies

Business faces the important task of seizing new digital opportunities for societies and economies, whilst mitigating risks, in particular ensuring the respect of human rights online. Data privacy, security and freedom of expression are examples of relevant rights in the online world. The UN Guiding Principles for Business and Human Rights are widely accepted and guide business behavior to identify, prevent, mitigate and remedy its impact on human rights. However, the private sector encounters uncertainties related to increasingly fragmented rules since the number of guidelines and regulations seeking to protect rights in the digital environment is on the rise worldwide (e.g., 71% of 107 countries have adopted data privacy legislations<sup>5</sup>).

Regional and national initiatives and regulations address challenges related to digital rights, such as data privacy, intellectual property, data governance, mis- and dis-information, AI bias, as well as the propagation of violent content and cybercrimes. Moreover, government restrictions on connectivity and networks, such as Internet shutdowns, also create disruptions with a far-reaching impact on citizens and businesses alike and should only be enforced under exceptional circumstances.

<sup>5</sup> UN Conference on Trade and Development (UNCTAD), [Data Protection and Privacy Legislation Worldwide](#)

This trend heightens the risk of unilateral actions which can lead to higher administrative burdens, especially on small and medium-sized enterprises (SMEs), including start-ups. Furthermore, shutting down or restricting services on telecommunication networks, including blocking signals around specific locations through service restriction orders (SROs) from governments, affect the confidence in operators and business, particularly during politically sensitive periods. Some of these considerations may further increase in importance as technology and systems advance, for example, as AI and big data become more ubiquitous. AI systems rely on collecting and processing large quantities of data and that data needs to be secure and protected and individuals' right to privacy respected. Business is committed to nurturing the development of big data analytics and AI in an ethical and responsible manner while respecting individuals' privacy. Moreover, the private sector is also committed to the ethical use of AI in its operations and customer interactions, to protect customers and employees, remove any entrenched inequality and ensure that AI operates reliably and fairly for all stakeholders.

Protecting rights online reinforces trust in digital institutions and the digital economy and promotes greater economic opportunities. The OECD should continue a cross-cutting, evidence-based approach to evaluate challenges to the protection of rights in the digital age, as well as the economic opportunities deriving from the ongoing digital transformation, whilst acknowledging that digitalization can strengthen the democratic process, boost innovation and benefit individuals as well as business. Enhancing this work stream would not only provide a better understanding for regulators on the opportunities and challenges faced when protecting rights online, but also significantly contribute to more certainty on business activities.

## 2. The importance of a multi-stakeholder engagement

Currently, OECD countries address the challenges associated to rights in the digital age in various ways, mainly based on their different institutional configurations, priorities and perspectives. Through extensive analytical work and research, the OECD has long been producing policy advice on the impact of the digital transformation, guiding countries in different aspects through key standards, including the introduction of common definitions, taxonomies and scopes.

Thanks to a longstanding multi-stakeholder approach, the OECD can provide further guidance on the impact, opportunities and challenges of the digital transformation faced by governments, businesses and citizens alike. We acknowledge that this issue must be addressed with shared responsibility among all the actors involved. Business at OECD (BIAC) is fully committed to supporting the OECD in this dialogue to ensure a clear understanding of the disruptions brought to our economies and societies by the digital transformation and further foster trust in digital technologies.



Finally, we recognize the importance of ensuring compliance while securing enforcement of principles and rules safeguarding digital rights to protect democracy in the digital age. We strongly support the OECD's role in fostering effective cooperation to close gaps and loopholes in the fragmented international normative landscape to ensure greater economic certainty. In addition, the OECD should recognize that education, literacy and skills development are critical to ensure that society at large is equipped for the digital age.







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