Truth and illusion

60% – of the wealthy trust institutions to do right thing

60% – share of countries where media is distrusted

Truth and illusion

The Internet has democratised knowledge and changed the nature of who we trust and why. As confidence in large organisations declines the search for trustworthy alternatives evolves. What we believe is changing how we behave.

If pushed, most people would agree that we have always lived in a world of smoke and mirrors where it is difficult to separate what is true from what is not – generations of historians, journalists and politicians have forged careers out of unravelling fact from fiction and explaining it to the masses. Looking ahead, however, it seems that, despite having (almost) perfect information at our finger tips, life is becoming increasing ambiguous and it is ever more difficult for us to decide what is true and what is false, and who or what is best placed to help us interpret meaning. Instead of providing clarity, vast mountains of data have made it almost impossible for individuals to distinguish between fact, accuracy, misinformation, reinterpretation and plain old-fashioned lying. Access to opinion and counter-opinion on every conceivable subject is now available to us all. Interpreting it is increasingly tricky and deciding who or what will help with this process is trickier still.

Unsurprisingly perhaps there is a long list of organisations that are keen to lend a hand – so far none of them very successfully - and public faith, battered by revelations of corruption and mismanagement, has become wary of the establishment. A global opinion poll by Edelman in 2015 showed that although trust in government has increased slightly, driven by big gains in India, Russia and Indonesia, overall governments are distrusted in 19 of the 27 markets surveyed. The media does no better, distrusted as they are in 60% of the countries; while trust in business leaders is at a record low, with fewer than 50% of respondents trusting chief executives in most markets. Finally, although NGOs continue to be the most trusted institution, overall faith even in them is in decline, from 66 to 63%. So, where do we go to get the "right" answer?

Some argue we are becoming self-referential, turning to friends and family; people in fact who think the same way we do. Online reviews from seemingly like-minded individuals, and comments on social media, help consumers see a product or belief's underlying merits and demerits, not the image that its makers are trying to build around it. We take a careful note of what our social networks say about quality, or value, or truth about an extraordinary range of products, services and ideas. But whereas historically it has been relatively easy to know the heritage of those we take advice from, in a time-stretched, instant-action society, few of us stop to think about whose recommendations we are really taking, particularly when that advice is found online. This is becoming a problem.

One reason for this is because the Internet has made it easy for anyone to publish an opinion, and is based on the premise that other contributors will verify accuracy. For big issues this works most of the time, but not even Wikipedia can get it right all the time. And if the tenth most popular website in the world can't manage to keep a grip on the information published on its site, what hope for smaller, less nimble players? Internet publishers, either as individuals or even some larger organisations, have little to lose from printing untruths - and plenty to gain in notoriety - if the story they put out is sensational enough. Faking an Internet page is easy, as is faking an online review. Why then, are we so ready to believe what we read online, rather than what we hear from historically trusted sources?

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Data revolution

Worryingly, the Barometer also suggests that the trust disparity between the informed public and the mass population is growing and indeed is now at double digit levels in more than half of the countries surveyed, with the U.S. heading the field at nearly 20 points followed by the UK (17 points), France (16 points) and India (16 points). The gap is also widening between high income and low-income respondents: 60% of wealthier participants trusted institutions to do "right thing" against only 46% of people on a lower income. The majority feel let down by the very institutions that are meant to support them.

It seems that the internet has democratised information and this, alongside high-profile revelations of greed and incompetence amongst corporate and government institutions, and rising income inequality, has ensured that trust in the status quo can no longer be taken for granted. Instead of media-trained career politicians and big brands, there is an appetite for plain-spoken authenticity and a tendency to trust small companies. From a political perspective this may well explain the rise of more extreme phenomena such as Donald Trump in the US, and Marine Le Pen's

National Front in France. From a business point of view, big corporates are trying to match the mood by boasting about the provenance of their products and latching onto "authentic" brands; see Coca Cola's purchase of Innocent Drinks.

Understanding whether or not someone is telling the truth is, of course, not only a problem for the general pubic. A well-executed cyber attack has the potential to destroy a business with the click of a mouse. It is entirely feasible that, unless truly robust solutions are found, we might see a return to old-fashioned pen-and-ink. Michael Lynton, chief executive of Sony Pictures, whose private emails and credit card details were published online, has revealed that since the hack he now writes sensitive messages by hand and sends them by fax.

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Our modern economy depends heavily on free movement and trust. Looking ahead many long-established, heavily advertised but mediocre products may find that consumers grow savvy to their flaws and will be unwilling to pay premium prices. However for those firms that get the product right and have a genuine story to tell, the rewards will still be huge. The textbook example of this is Apple, whose devices' superior design and ease of use make it a powerful brand in a commoditised market.

Politically maintaining trust will become ever more difficult. When politicians tell voters that they can improve quality of life but fail to deliver, the promises may well seem hollow, particularly to those who feel they have little enough to begin with. This many well open the door to more extreme movements, which advocate simple solutions to difficult problems. Building walls may just the beginning.

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Related insights

Human touch

As service provision and consumption becomes ever more digital, automated and algorithmic, those brands that can offer more emotional engagement and human-to-human contact become increasingly attractive.

Mass engagement

As the public voice becomes easier to access and harder to suppress, leaders seek to engage to create, develop, secure and maintain legitimacy for their initiatives and policies – so further reducing their hierarchical power.

Off grid

People living off-grid, by inequality or choice, can exacerbate societal division or improve privacy, health and wellbeing. Either way, doing so provides fertile ground for innovation.

The changing nature of privacy

As privacy is a public issue, more international frameworks seek to govern the Internet, protect the vulnerable and secure personal data: The balance between protection, security, privacy and public good is increasingly political.