Post-Covid Consumer policy : new realities for policy makers across sectors [1]

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Covid has been for many of us a wake-up call : a non precautionary approach towards the challenges that our markets and societies face put our economies and citizens at high risk of exposure to detriment, and it is high time to stop burying our heads in the sand : the regulatory framework of our market economy, primarily based on freedom of market players and trust in market based solutions does not deliver the long term sustainability that our societies expect.

Our lifestyles are unsustainable

Indeed, our lifestyles call for pandemics to develop, for environmental disasters to strike, for our democracies to be under pressure, and in parallel, for economic and societal consequences of these disruptions to be of immense magnitude.

The current basics for our lifestyles can be illustrated by the globalisation of our economic systems, the interdependencies of our markets across the planet, the too often still hidden influence gained by corporate lobby groups, the lack of resources granted to watchdogs of all kinds, the privatisation of science, the search for short term profits, the externalisation of costs linked to the risks brought by some economic activities. They provide too many barriers to prompt regulatory action when signals emerge that call for a quick preventive (or damage-contolling) approach towards public health or environmental developments.

These developments go along with a loss of freedom due to the more and more systematic hoovering of personal data by companies, that lead to profiling and tracking, and as consequence to manipulation by those who got hold of your data and profile : this is true for consumers (your freedom of choice is just an illusion because someone else is deciding what information you are being shown) and for citizens (your appreciation of society is consistently influenced by fake news and pushing of polarized information to your newsfeed, based on your profile)

And the first one to suffer from the dark sides of our lifestyles are the most vulnerable : the less affluent, the less educated, the elderly or the younger, the less healthy, the people with disabilities, the populations in developing countries, those living in remote areas.

No way back to business as usual

The COVID crisis has given rise to numerous policy initiatives to protect the lives of the population and the stability of the economy. Many of these policies are now being phased out. However, it is crucial that our societies and markets do not return to business as usual. We hear political slogans like "build back better" or "leaving no one behind", but beyond those buzz words, it is imperative to be concrete and focused and deliver on the ground, to the people of this planet.

Call 112 for our planet, but also for our democracies

Our civilisation is in an emergency situation, both environmentally but also when it comes to our democratic systems. This is why we need our leaders to be ambitious and take courageous measures in disruption with the previous plaster approach.

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[1] This blog reflects the speech delivered by Monique Goyens at the event organised at the occasion of the 30th anniversary of the Consumers and Environment category of the European Economic and Social Committee, on 1 October 2021

Digital transformation – urgent need to restore humanized interactions

Digitalisation brings its promises and convenience for all of us and we can celebrate these. However, the dark sides should be put in the spotlight, and measures should be taken to put human interactions at the centre of our civilisation

Stop the botification of our conversations

More and more of our interactions take place virtually – look at the explosion of e-commerce, and we have "conversations "via chatbots : automated decision making, and servicing might be cost-effective, it can be a major source of frustration for its recipients. Collectively, and systemwise, it can put our mental health at risk. Companies would be well advised to test business models where a human is at the (help) desk and policy makers should consider introducing safeguards and introduce, at least in certain circumstances, the right to talk to a (real) person.

No to 100% digital societies – analogue might be the new black

Digital exclusion is a reality for those who have no access to connexion, for whatever reason (financial, infrastructure) who do not have the skills to optimize the use of IT tools (age, education). But moving to a fully digitalised society leads to a **high dependency** on an infrastructure and on processes that are managed by private companies. Two questions need to be asked : do they protect us adequately against cybervulnerabilities; do they deserve our trust ? Anyone who has been in a shop when the electronic payment system went down is aware of the immediate disruption that hits, not speaking about the life threatening consequences in case of exposure of health and transport systems. Digital markets have also demonstrated an **increase of fraud and of unsafe products online,** with less opportunities to prevent and control, given the speed of the process (traders come and go, they cant be tracked), its virtuality(you don't really know who or what is behind a name) and its globality (your conversation partner/trader can be on the other side of the planet – any enforcement of rules is currently an illusion.

It is therefore vital that our regulatory safeguard the analogue solution, but providing the space needed for its providers to have a viable business model.

The green transition needs all of us to succeed –it must be a mass project

The green transition is a must – and it will be costly, to all of us. To succeed, it needs all of us are on board. We all need to change our lifestyles. This is not a project for the few, this is a project that needs to deliver to all of us.

Therefore it is key that the green transition is designed to be a just transition and that its burden is fairly distributed – protecting the less affluent families against falling into poverty.

- The sustainable option must become the most affordable one :the right price signal needs to be set because price is a major driver of consumer choice : eg make train travel cheaper and get rid of privileges of fossil fuel in air travel.
- consumers need to be informed and protected against fake news, so that they do not op for fake sustainable options. This is particularly true when it comes to sustainable finance.
- Information will not be enough. To convert consumer willingness into concrete change of behaviour, policy makers and market players need to roll out ambitious assistance and support programmes, so that as many barriers as possible are lifted (eg retrofitting of your house, what is the best electric car for your household, how to calculate the return on investment for more energy efficient products).

Rolling out a consumer centric transformation

To secure success in the long term of both the digital and the green transformation, we need at EU level to roll out a protective and empowering policy and regulatory strategy at EU level, that provides for a strong and a genuine consumer-centric policy strategy. This means that :

- EU policy makers and enforcement authorities from different sectors need **to get out of silos** as of the design phase of their policies, built around the consumer needs.
- **Market based solutions as default option are of the past** : they are not fit to cater for the urgency
- **Consumer policy should be inclusive and acknowledge diversity** : no policy should be based on the average consumer; it should be designed with vulnerable consumers in mind, but also reach out to the young – they will need to live with the decisions, so let them inspire them...
- Consumer policy does not stop at legislation. It needs to **go the last mile** and provide for the resources to enforce that legislation, both by providing public authorities with enforcement powers with teeth and by enabling consumers to obtain effective redress in case of damage.