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**How to reform to address problems, the interaction between legal
arrangements and civil society activism**

Discussion

Big data with local impact: Using open data to improve
public procurement

European Parliament, Brussels, January 29, 2018



A new
(procurement)
world

Chapeau to DIGIWHIST

Yes, we can!



Post-Examiner

Artificial Intelligence could spell the end of the human race

BY PAUL CROKE · JUNE 9, 2015 · NO COMMENTS



A revolution is
coming



New world:
good or bad?
Governance
matters
for **reform**
effectiveness and
risk management



What could go wrong?

MIGHT NOTHING CHANGE? FROZEN DATA

Data might be available but no “handyman”: the role of **competence**

Does data availability improve society or does society improve data availability? Data are often hidden (Bandiera, Prat and Valletti, AER) or incomplete (see Italian ANAC database)

What might make data release and availability more palatable? See later.

MIGHT THINGS GET WORSE? BURNING DATA

- Sure! Imagine a **journalist** getting a hold of data that show that procurer A bought an item at a lower price than procurer B. How many will blame procurer B?
- **Civil society**? Analysis of the use of the word «corruption» in social networks points to partisan use of it, not investigative or analytical.
- What might prevent the wrong use of data?
- Competence **and selectivity** in data user?

Data in procurement
show
integrity?

Bandiera, Valletti, Prat on **waste**:

Data are key for waste in
procurement

The «integrity»
issue with data

Bandiera, Valletti, Prat on **waste**:

« $X\%$ of waste is due to corruption
 $(1-X)\%$ to inefficiencies».

The «integrity»
issue with data

Bandiera, Valletti, Prat:

«17% of waste is due to corruption,
83% to inefficiency».

Integrity? Framing effect

Data

Data are tales.

Tales are narrative, stories, fables: Powerful!

Negativity Bias exist: it is easier to remember
bad things
(see Trip Advisor)

Confirmation Bias exist: I look for I what I
want to find

Lack of **Trust** through Bandwagon effects
exist

Trust, the vicious
circle

One datum on corruption might
entail belief that system is corrupt

Lack of Trust in Procurement

More rules, risk-aversion, no
innovation, **no data**

No trust

Alternative
Governance?
Risk-
Management?
Trust

- Directive is based on **trust** and accountability: why not data management?
- Why not exalt best practices through tales based on data?
- Why not engage the Public Administration rather than civil society? More competent!
- If benchmarking, why not benchmarking with respect to one's own (past) data and not with respect to others? More precisely accountable, less stressful (esp. for EU!), more rewarding, more incentives!

Would this allow for greater openness and data availability?

Trust, the virtuous
circle

One (dozen) data on competence
might entail belief that system is
competent

Trust

Discretion with accountability
through **data**, innovation,
resources

Trust and no corruption

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